U. S. Congress.

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE SEVENTY-FOURTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME 79—PART 12

AUGUST 6, 1935, TO AUGUST 17, 1935

(Pages 12533 to 13598)

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SEVENTY-FOURTH CONGRESS, FIRST SESSION

SENATE

TUESDAY, AUGUST 6, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, August 5, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Lewis	Reynolds
Ashurst	Davis	Logan	Robinson
Austin	Dickinson	Lonergan	Russell
Bachman	Dieterich	McAdoo	Schall
Bankhead	Donahey	McCarran	Schwellenbach
Barbour	Duffy	McGill	Sheppard
Barkley	Fletcher	McKellar	Shipstead
Black	Frazier	McNary	Smith
Borah	George	Minton	Steiwer
Brown	Gerry	Moore	Thomas, Okla.
Bulkley	Gibson	Murphy	Thomas, Utah
Bulow	Glass	Murray	Townsend
Burke	Gore	Neely	Trammell
Byrd	Guffey	Norbeck	Tydings
Byrnes	Hale	Norris	Vandenberg
Capper	Hastings	Nye	Van Nuys
Caraway	Hatch	O'Mahoney	Wagner
Chavez	Hayden	Overton	Walsh
Clark	Johnson	Pittman	Wheeler
Connally	King	Pope	White
Copeland	La Follette	Radcliffe	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. HOLT] is absent because of illness, and that the Senator from North Carolina [Mr. BAILEY], the junior Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the senior Senator from Mississippi [Mr. HARRISON], the Senator from Louisiana [Mr. LONG], the Senator from Connecticut [Mr. MALONEY], and the Senator from Missouri [Mr. TRUMAN] are necessarily detained from the Senate. I make this announcement for the day.

Mr. SCHWELLENBACH. I announce that my colleague the senior Senator from Washington [Mr. BONE] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from Wyoming [Mr. CAREY], the Senator from New Hampshire [Mr. KEYES], and the Senator from Rhode Island [Mr. METCALF] are necessarily detained from the Senate.

Mr. VANDENBERG. I repeat the announcement heretofore made by me as to the absence because of illness of my colleague the senior Senator from Michigan [Mr. COUZENS].

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted at a meeting of the Northwest Shippers' Advisory Board at Duluth, Minn., favoring the enactment of legislation providing for the elimination of the long- and short-haul clause from the fourth section of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate petitions of several citizens of New York City, N. Y., praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana (Mr. LONG and Mr. OVERTON), which were referred to the Committee on Privileges and Elections.

He also laid before the Senate a letter from Hilda Phelps Hammond, chairman of the Women's Committee of Louisiana, enclosing a preamble and resolution adopted by that committee as a tribute to the late Senator Robert B. Howell, of Nebraska, especially in connection with his services as chairman of a special committee investigating the election of Mr. OVERTON as a Senator from the State of Louisiana, which, with the accompanying paper, was referred to the Committee on Privileges and Elections.

He also laid before the Senate a petition of sundry citizens of Swanton, Ohio, praying for the prompt enactment of the so-called "McGroarty old-age-pension bill", which was ordered to lie on the table.

Mr. LA FOLLETTE presented the following resolution of the Assembly of the State of Wisconsin, which was referred to the Committee on Finance:

A resolution commending President Roosevelt on his distribution-of-wealth tax program

Whereas President Roosevelt has announced a program which uses taxation as a means to provide a more equitable means of taxation, and which recognized the sound principle that taxes should be levied on the basis of ability to pay; and

Whereas such taxes are necessary to provide adequate public service, welfare, and security; and

Whereas it is only by levying taxes on the basis of ability to pay that recovery will be promoted; and

Whereas a great majority of the candidates for public office in the last election campaigned on the proposition that they were squarely behind the President: Now, therefore, be it

Resolved by the assembly, That the Assembly of the Wisconsin Legislature commends Franklin Delano Roosevelt, President of the United States, on his recently announced more equitable tax program; be it further

Resolved, That the assembly urges the Congress of the United States to enact legislation making retroactive to January 1, 1935, the provisions of the proposed income, inheritance, and gift taxes, and that the Wisconsin Representatives in the Congress be requested to support such legislation; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States and to the two United States Senators from Wisconsin.

RESOLUTION OF CENTRAL LABOR COUNCIL OF BUFFALO, N. Y.

Mr. WAGNER presented a resolution adopted by the Central Labor Council of Buffalo and Vicinity, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution adopted by the Central Labor Council at the meeting of July 25, 1935

Whereas the National Chamber of Commerce, State chambers of commerce, city chambers of commerce, manufacturers' association, Steel Institute, national and international bankers, automobile manufacturers, and the daily press, with few exceptions, and some of the wits and the witless on the radio have helped to swell the chorus attacking the policies of President Roosevelt in an effort to get the people to condemn these policies; and

Whereas the aforementioned groups were responsible to a large degree for creating the condition which they themselves were unable to better in any way, leaving it to President Roosevelt to clean up the mess, while they crawled into their kennels to wait until something was done which would enable them to resume business at the old stand. Now that they have emerged, and are standing in the sunlight of the hope created by the endeavors of President Roosevelt, they have gotten back some of their courage and a great deal of the venom they used to have and are hoping that they will be successful in their machinations; and

Whereas they are relying upon the reputed short memories of the workers to create that psychology necessary to defeat the President's policies: Therefore be it

Resolved, That the Central Labor Council of Buffalo and Vicinity, in regular meeting assembled on July 25, 1935, condemn the

efforts of these groups of employers, bankers, and newspapers to destroy the things that saved them when they were utterly helpless and unable to do anything for themselves or anyone else, and we serve notice on them to disabuse their minds of the idea that the workers will forget; and be it further

Resolved, That we endorse the efforts of President Roosevelt to bring order out of the chaos brought about by the gentlemen who are now condemning him, and we hope and trust that the President will be successful in getting Congress to adopt all of the measures the people so heartily endorsed, and do now endorse, and that he will be successful in his attempt to "drive the money changers out of the temple", and that we, the representatives of the workers, shall do everything we possibly can to help in bringing this about. The issuance of propaganda attacking and seeking to destroy every effort to help those who are unable to help themselves we are determined shall not succeed.

REPORTS OF COMMITTEES

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (H. R. 6602) for the relief of Dr. Ernest B. Dunlap, reported it without amendment and submitted a report (No. 1202) thereon.

He also, from the same committee, to which was referred the bill (S. 3169) for the relief of Charles E. La Vatta, reported it with amendments and submitted a report (No. 1204) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 3182. A bill authorizing an appropriation to carry out the provisions of section 26 of the agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901 (Rept. No. 1203); and

S. 3268. A bill to authorize and direct the Secretary of the Interior to make a lease for the Agua Caliente or Palm Springs Band of Mission Indians of California (Rept. No. 1201).

Mr. BARKLEY, from the Committee on the Library, to which was referred the joint resolution (H. J. Res. 265) pertaining to an appropriate celebration of the four hundredth anniversary of the expedition of Hernando De Soto, reported it without amendment.

Mr. KING, from the Committee on Territories and Insular Affairs, to which was referred the joint resolution (H. J. Res. 290) to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934, reported it without amendment and submitted a report (No. 1205) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MINTON:

A bill (S. 3374) for the relief of the State of Indiana; to the Committee on the Judiciary.

By Mr. BYRNES and Mr. STEIWER:

A bill (S. 3375) providing for the cash payment of adjusted-service certificates, and for other purposes; to the Committee on Finance.

By Mr. MURPHY:

A joint resolution (S. J. Res. 170) authorizing the President to reduce customs duties on manufactured articles if processing taxes on agricultural commodities shall be held invalid; to the Committee on Finance.

By Mr. POPE:

A joint resolution (S. J. Res. 171) providing for the establishment of a game management supply depot and laboratory, and for other purposes; to the Committee on Agriculture and Forestry.

THE MERCHANT MARINE

Mr. COPELAND. Mr. President, I ask consent to introduce a ship subsidy bill. I ask that the bill may be printed and referred to the Committee on Commerce. I hope that tomorrow the committee may take action upon it.

This is a bill which has been worked out by a committee of the administration, and is supposed to remedy all the defects of the bill which the Commerce Committee presented sometime ago. We hope that before the conclusion of the present session the bill may be enacted into law.

The VICE PRESIDENT. Without objection, the bill will be received, printed, and appropriately referred.

The bill (S. 3376) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

AMENDMENT OF EMERGENCY FARM MORTGAGE ACT

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 6776) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, which was referred to the Committee on Banking and Currency and ordered to be printed.

AMENDMENT TO TAX BILL

Mr. POPE submitted an amendment intended to be proposed by him to the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

REGULATION OF COMMERCE IN PETROLEUM—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (S. 2027) to regulate commerce in petroleum, and for other purposes, which was ordered to lie on the table and to be printed.

STATE RIGHTS—ADDRESS BY SENATOR SMITH

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD an able address on the subject of State rights, delivered by the distinguished senior Senator from South Carolina [Mr. SMITH] on July 31, 1935, before the annual reunion of Confederate veterans of South Carolina, at the University of South Carolina, Columbia, S. C.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, veterans of the Confederate Army, ladies, and gentlemen, I deem it a great honor, and an opportunity of grave responsibility to address you, the few remaining veterans of that desperate struggle between the States. My subject is "State Rights." The principles which it, State rights, embraces, have, through all the ages and under all forms of government, been the ultimate hope and desire of mankind. Individual liberty, local self-government, the right of the governed to determine the laws by which they shall be controlled are embodied in our dual system of government. Our dual form of government was not born of a theory but was born of bitter experience under conditions never paralleled in all the history of human experience. To these shores came those who belonged to that breed who for centuries had struggled to achieve for themselves the right to determine the form of laws under which they should live. The strong hands of emperors, monarchs, dictators, and kings had suppressed the spirit of individualism, the right to participate directly or indirectly in the affairs of government; had by organized force and wealth suppressed the expression of these principles, but these principles being inherent and inalienable flared anew throughout the pages of history. This invincible spirit gained its first great victory after the Battle of Runnymede, when it wrung Magna Carta from King John. The descendants of that rugged breed were set down on the shore of America in a wilderness, as primeval as the morning of creation. Never in the history of all the world has there been set a stage for the development of individualism and physical and moral stamina such as this provided. Never was there a stage set where grim necessity forced upon each the demonstration of individual capacity to achieve for himself out of the most adverse circumstances those things necessary for life, liberty, and reasonable subsistence.

Whatever was achieved, the individual achieved—no government handed him a largess—no wealth save the wealth of his own brain and muscle were available. He counted his wealth in the terms of his own individual achievements. He felled the forests, he fought the savage, he achieved and enjoyed to the fullest extent the result of his own efforts. He had in the most abundant form the opportunity to exercise those principles for which his forebears had fought through all the ages of civilization. And there was developed on the shore of America that spirit and character which created that form of government which has made America the greatest Nation on earth. These people worked out for themselves in each of the Thirteen Colonies such laws and customs as were adapted to their own needs, ideas, and resources. The history of the meetings of the burgesses and the town meetings and the different colonial forms of government are rich with the evidence of that spirit of democracy, the spirit of individualism, local self-government, and home rule. When the oppressive hand of despotic power was laid upon the Colonies and taxes were imposed, not for their benefit but for the benefit of the King and the furtherance of his own selfish purposes, the Colonies

revolted. Not one of the Colonies surrendered, or even intimated a surrender, of any of those things that they had achieved, but they confederated for the preservation of the right to govern themselves and to enjoy unmolested and without dictatorship what they had achieved. When they had achieved their independence, it is significant to note that the first article of the treaty of peace between Great Britain and the Colonies reads as follows:

"ARTICLE I. His Britannic Majesty acknowledges the said United States, viz, New Hampshire, Massachusetts Bay, Rhode Island and Providence Plantations, Connecticut and New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, and Georgia, to be free, sovereign, and independent States; that he treats with them as such", etc.

After their independence had been achieved and His Britannic Majesty in the treaty of peace had acknowledged that each of the Thirteen Colonies was free and independent, they realized that the independence of each might subsequently be jeopardized, and, therefore, to form a more perfect union, for the preservation of the independent sovereignty of each, they entered into a mutual agreement that created a Federal Government that would defend them from foreign encroachment, define their mutual relationship to each other in those domestic affairs which they could better do collectively rather than individually. The Constitution, therefore, is not to exert sovereignty over the States, but it is an instrument for the preservation inviolate of the sovereignty of each State.

The history of the ratification of the Constitution reveals the determination of each State to preserve to the fullest possible measure its sovereignty. The contention throughout the discussion for the ratification by the 13 States was what power they should delegate to the Federal Government.

There was finally agreed, passed, and ratified, the seven original articles, but the several States, or some of them, in ratifying these seven articles, realized that they were not sufficiently clear—that the probability of enlarged interpretation might infringe upon the rights of the several States. There was an agreement to the effect that the first Congress should define clearly the scope of the original seven articles. Hence, there was adopted by that Congress, and submitted to the several States the 10 amendments, which are known as the "Bill of Rights", and which was subsequently ratified by the States. It has been said that the Constitution comprising the first seven articles, "was at once seen to be sadly defective. Other men than those who framed it, took it in hand. The two vital defects were the absence of a guarantee to the citizens of protection against the exercise of despotic power by the new Government. There was an immediate demand for a bill of rights." Mark you, as I have heretofore said, every State realized and rejoiced in the fact that they had achieved their own independence and sovereignty, that whatever kind of government they had set up, whatever laws governing their own internal and domestic affairs, was theirs, and that through 7 long, bloody years, they had struggled to achieve independence, they did not propose, in setting up a government, to defend these sovereign and inalienable rights, to actually create a Frankenstein, that might ultimately destroy or nullify all those precious principles and privileges for which they had suffered and many had died. Now, they submitted to the several States the first 10 amendments, and what are these first 10 amendments?

"Paraphrasing them", in the well-chosen words of a distinguished American, "they are the voice of the people saying to their Federal Government, 'Thou shalt not deprive us of freedom of speech or of a free press. Thou shalt not seek to control the manner in which we worship God. Thou shalt accord to every one of us the right of trial by jury. Thou shalt not unreasonably search our houses or seize our private papers. Thou shalt not take our property except by due process of law and with just compensation.' Thus the people voiced commands to be obeyed by their Government. Then, as if to make assurance doubly sure, they said to their Government, 'We have delegated certain powers to you. Go ahead and exercise them. And remember that we reserve for the States and for ourselves, the people, all powers not delegated. Keep your hands off until you get our permission in the manner prescribed.' There is your tenth amendment. In a very real sense it is the keystone in the arch of the Federal Union of States. Blast it away and you transform our whole Government from that of a Federal Union to one imperial in character."

Jefferson, in a letter to Madison, September 20, 1787—Jefferson, the patron saint of the Democratic Party, the founder of that party whose cardinal principle is individual liberty, said:

"I will now tell you what I do not like: First, the omission of a bill of rights providing clearly and without the aid of sophism for freedom of religion, freedom of the press, protection against standing armies, restriction of monopolies, the eternal and unremitting force of the habeas corpus laws, and trial by jury in all matter of fact triable by the laws of the land and not by the laws of nations. Let me add that a bill of rights is what the people are entitled to against every government on earth, general or particular, and what no just government should refuse or rest on inference."

In a letter to Francis Hopkins, December 21, 1788, Jefferson said:

"I am happy to find our new Constitution is accepted and our Government likely to answer its purpose better. I hope that the addition of a bill of rights will bring over to it a greater part of those now opposed to it, and that this may be added without submitting the whole to the risk of a new convention."

In a letter to Judge William Johnson, June 12, 1823, Jefferson said:

"I have been blamed for saying that a prevalence of the doctrines of consolidation would one day call for reformation or revolution. I answer by asking if a single State of the Union would have agreed to the Constitution had it given all powers to the General Government? If the whole opposition to it did not proceed from the jealousy and fear of every State being subjected to the other States in matters merely its own? And if there is any reason to believe the States more disposed now than then, to acquiesce in this general surrender of all their rights and powers to a consolidated government, one and undivided."

Now, I hope we have a clear understanding of the conditions under which the Constitution was drafted, discussed, ratified, and the Bill of Rights added. Bear in mind that the Revolutionary War was fought and won to obtain the independent sovereignty of each State, and that the Constitution was written and ratified with the Bill of Rights added to preserve the sovereignty of the States. The history of our country from the establishment of the first colony up to the present time has been the preservation of the sovereign rights of the States and the preservation of local self-government home rule.

Subsequent events have caused us from time to time to lose sight of these necessary principles upon which rests the preservation of our democratic institution, the ultimate loyalty of the citizens to their Government. I say from time to time we have lost sight of these vital principles, and have, as now, come dangerously near to the verge of centralization, to the extension of Federal power to the destruction of these principles upon which our Government is founded and for which principles our soil has been watered by the blood of devoted patriots.

I realize that when through some combination of circumstances a disastrous depression may bring poverty and distress to American citizens, that they are likely to turn to any source which may promise relief from their immediate suffering, and endanger the precious principle of local self-government and individual rights. In other words, they may be tempted to sell their birthright for a mess of pottage; to sell for dollars and cents those principles that their forbears deemed more precious than life itself.

The long-drawn-out struggle of the Revolutionary War, the bloody tracks around Valley Forge, the heroic deaths at Cowpens and Kings Mountain, and the final surrender of the invading forces at Yorktown are the glorious examples of what our forbears thought of these principles. Poorer than any depression has ever made us, suffering more materially, more bitterly, and surrounded with infinite dangers, they recked not of money or life to achieve and hold fast these principles. Yet, here in South Carolina, above all States, are some advocating a departure from the fundamental principles of democracy, in spite of the glorious history and the traditions of the Palmetto State, all dear to my heart and to the hearts of true Carolinians. It is my proud privilege as Carolina's senior Senator, for over a quarter of century, to deny the implication that my State can be seduced by the hope of financial reward to give up the reserved powers of her sovereign rights.

Here I am, the descendant of those who made this country glorious, coming to South Carolina, the home of the immortal John C. Calhoun, to explain as best I may and to plead with all the power I have for the maintenance of the principles of our dual form of government. The War between the States and the ultimate achievement by the Union forces did not abate one jot or tittle or modify in any respect the Bill of Rights or the dual form of government. All it did was to settle, so far as force could settle it, the question of whether the Union of States as expressed in the Constitution was one and indivisible.

The real cause of the Civil War was whether a State had the right to secede from the Union.

Mr. Calhoun had, some years before the war, contended that South Carolina was willing to bear her proper share of taxes, however burdensome, that were laid by the Federal Government within the powers granted by the Constitution; but he contended, and rightly, that Congress had no constitutional power to impose tariff duties for "protection" which favored a group of States at the expense of other States, and that a protective-tariff act laid an illegal and unjust burden upon South Carolina for the express purpose of benefiting certain other States. I invite any student to find, if he can, any provision of the Federal Constitution that grants power to Congress to enact a protective-tariff law. In this connection, I remind you that in national Democratic platforms there will be found planks asserting the Democratic doctrine that protective-tariff laws are unconstitutional.

The platform of 1860, upon which Lincoln was nominated, has this resolution:

"*Resolved*, That the maintenance inviolate of the rights of the States, and especially the right of each State, to order and control its own domestic institutions according to its own judgment exclusively is essential to that balance of power on which the perfection and endurance of our political fabric depends * * *."

It has been proclaimed in the public press by a South Carolinian that all State rights disappeared when Lee surrendered under the apple tree at Appomattox, and that 48 sovereign States, with all their reserve power, surrendered their rights, too.

I am delighted beyond expression that since there has been a suggestion made that we ought to have amendments to the Constitution striking at the very heart of State rights, namely, granting to the Federal Government the right to regulate the social and economic affairs of the States, there has been indignant and

determined opposition expressed in practicaly every State, regardless of party affiliations.

I now quote not from the South alone but from the different parts of the United States what leaders of thought and the defenders of the Constitution have to say.

I now give you an extremely interesting and enlightening statement, in view of the author of it and the time at which it was made and the present agitation.

I quote from President Roosevelt, who was then Governor of New York. He delivered it in New York March 2, 1930. I am incorporating here parts of the speech that the present President made, quoted in the New York Times of Monday, March 3, 1930, in a specially prepared address. The following is an extract from the text of Governor Roosevelt's speech:

"The proper relations between the Government of the United States and the governments of the separate States thereof depend entirely, in their legal aspects, on what powers have been voluntarily ceded to the central government by the States themselves. What these powers of government are is contained in our National Constitution, either by direct language, by judicial interpretation thereof during many years, or by implication so plain as to have been recognized by the people generally.

"The United States Constitution has proved itself the most marvelous compilation of rules of government ever written. Drawn up at a time when the population of this country was practically confined to a fringe along our Atlantic coast, combining into one Nation for the first time scattered and feeble States, newly released from the autocratic control of the English Government, its preparation involved innumerable compromises between the different Commonwealths. Fortunately for the stability of our Nation, it was already apparent that the vastness of our territory presented geographical and climatic differences which gave to the States wide differences in the nature of their industry, their agriculture, and their commerce. Already the New England States had turned toward shipping and manufacturing, while the South was devoting itself almost exclusively to the easier agriculture which a milder climate permitted. Thus already it was clear to the framers of our Constitution that the greatest possible liberty of self-government must be given to each State, and that any national administration attempting to make all laws for the whole Nation, such as was wholly practical in Great Britain, would inevitably result at some future time in a dissolution of the Union itself.

"UPHOLDS RIGHTS OF MINORITY

"The preservation of this home rule by the States is not a cry of jealous Commonwealths seeking their own aggrandizement at the expense of sister States. It is a fundamental necessity if we are to remain a truly united country. The whole success of our democracy has not been that it is a democracy wherein the will of a bare majority of the total inhabitants is imposed upon the minority, but because it has been a democracy where, through a dividing of government into units called 'States', the rights and interests of the minority have been respected and have always been given a voice in the control of our affairs. This is the principle on which the little State of Rhode Island is given just as large a voice in our National Senate as the great State of New York.

"The moment a mere numerical superiority by either States or voters in this country proceeds to ignore the needs and desires of the minority, and, for their own selfish purposes or advancement, hamper or oppress that minority, or debar them in any way from equal privileges and equal rights, that moment will mark the failure of our constitutional system.

"For this reason a proper understanding of the fundamental powers of the States is very necessary and important. There are already, I am sorry to say, danger signals flying. A lack of study and knowledge of the matter of the sovereign power of the people through State government has led us to drift insensibly toward that dangerous disregard for minority needs which marks the beginning of autocracy. Let us not forget that there can be an autocracy of special classes or commercial interests which is utterly incompatible with a real democracy whose boasted motto is 'of the people, by the people, and for the people.' Already the more thinly populated agricultural districts of the West are bitterly complaining that rich and powerful industrial interests of the East have shaped the course of government to selfish advantage.

"The doctrine of regulation and legislation by 'master minds', in whose judgment and will all the people may gladly and quietly acquiesce, has been too glaringly apparent at Washington during these last 10 years. Were it possible to find 'master minds' so unselfish, so willing to decide unhesitatingly against their own personal interests or private prejudices; men almost godlike in their ability to hold the scales of justice with an even hand—such a Government might be to the interests of the country, but there are none such on our political horizon, and we cannot expect a complete reversal of all the teachings of history.

"STRESSES HOME RULE

"Now, to bring about government by oligarchy masquerading as democracy it is fundamentally essential that practically all authority and control be centralized in our National Government. The individual sovereignty of our States must first be destroyed, except in mere minor matters of legislation. We are safe from the danger of any such departure from the principles on which this country was founded just so long as the individual home rule of the States is scrupulously preserved and fought for whenever they seem in danger.

"Thus it will be seen that this home rule is a most important thing—the most vital thing—if we are to continue along the course on which we have so far progressed with such unprecedented success.

"Let us see, then, what the rights of the different States, as distinguished from the rights of the National Government, are. The Constitution says that 'the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people', and article IX, which precedes this, reads: 'The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.'

"DEFINES FEDERAL POWER

"Now, what are the powers delegated to the United States by the Constitution? First of all, the National Government is entrusted with the duty of protecting any or all States from the danger of invasion or conquest by foreign powers by sea or land, and in return the States surrender the right to engage in any private wars of their own. This involves, of course, the creation of the Army and Navy and the right to enroll citizens of any State in time of need. Next is given the treaty-making power and the sole right of all intercourse with foreign states; the issuing of money, and its protection from counterfeiting; the regulation of weights and measures so as to be uniform; the entire control and regulation of commerce with foreign nations and among the several States; the protection of patents and copyrights; the erection of minor Federal tribunals throughout the country, and the establishment of post offices are specifically enumerated. The power to collect taxes, duties, and imposts, to pay the debts for the common defense and general welfare of the country is also given to the United States Congress, as the law-making body of the Nation. * * *

"On such a small foundation have we erected the whole enormous fabric of Federal Government which costs us now $3,500,000,000 every year; and if we do not halt this steady process of building commissions and regulatory bodies and special legislation like huge inverted pyramids over every one of the simple constitutional provisions, we will soon be spending many billions of dollars more. * * *

"So much for what may be called the 'legal' side of national versus State sovereignty. But what are the underlying principles on which this Government is founded? First and foremost, the new thought that every citizen was entitled to live his own life in his own way so long as his conduct did not injure any of his fellowmen. This was to be a new land of promise, where a man could worship God in the way he saw fit; where he could rise by industry, by thrift, by intelligence, to the highest places in the Commonwealth, secure from tyranny, secure from injustice—a free agent—the maker or the destroyer of his own destiny. * * *

"On this foundation of the protection of the weak against the strong, stone by stone, our entire edifice of government has been erected. As the individual is protected from possible oppression by his neighbors, so the smallest political unit, the town, is, in theory at least, allowed to manage its own affairs, secure from undue interference by the larger unit of the county, which, in turn, is protected from mischievous meddling by the State.

"This is what we call the doctrine of 'home rule', and the whole spirit and intent of the Constitution is to carry this great principle into the relations between the National Government and the government of the States.

"Let us remember that from the very beginning differences in climate, soil conditions, habits, and modes of living in States separated by thousands of miles rendered it necessary to give the fullest individual latitude to the individual States. Remembering that the mining States of the Rockies, the fertile savannahs of the South, the prairies of the West, and the rocky soil of the New England States created many problems, introduced many factors in each locality, which have no existence in others, it is obvious that almost every new or old problem of government must be solved, if it is to be solved to the satisfaction of the people of the whole country, by each State in its own way.

"There are many glaring examples of where exclusive Federal control is manifestly against the scheme and intent of our Constitution.

"It is, to me, unfortunate that under a clause in our Constitution, itself primarily intended for an entirely different purpose, our Federal courts have been made a refuge by those who seek to evade the mandates of the State judiciary.

"I think if we understand what I have tried to make clear tonight as to the fundamental principles on which our Government is built, and what the underlying idea of the relations between individuals and States, and States and the National Government should be, we can all of us reason for ourselves what should be the proper course in regard to Federal legislation on any of the questions of the day."

These words of Governor Roosevelt are the very essentials of Jeffersonian democracy.

It has been correctly said that "the powers delegated to the Federal Government are few and defined; those to remain in the hands of the State government are numerous and indefinite. What we need is not more Federal Government but better local government. Once the evasion of local responsibilities becomes a habit, there is no knowing how far the consequences may reach. Every step in such a progression will be unfortunate alike for States and Nation."

The late President Coolidge, in defense of State rights, said: "One insidious practice which sugar-coats the dose of Federal intrusion is the division of expense for public improvements or services between State and National Treasuries. The ardent State

rights advocate sees in this practice a vicious weakening of the State system. The extreme federalist is apt to look upon it in cynical fashion, as bribing the States into subordination. The average American, believing in our dual sovereignty system, must feel that the policy of national doles to the States is bad and may become disastrous. We may go on yet for a time with the easy assumption that 'if the States will not, the Nation must.' But that way lies trouble. When the National Treasury contributes half, there is temptation to extravagance by the State. We have seen some examples in connection with the Federal contributions to road building. Yet there are constant demands for more Federal contributions. Whenever by that plan we take something from one group of States we do an economic injustice on one side and a political injury on the other. We impose unfairly on the strength of the strong and we encourage the weak to indulge their weakness."

The invitation to repeal or to modify the tenth amendment to the Federal Constitution in order to transfer to, or invest in, the Congress of the United States power to pass laws regulating all of the internal concerns of the several States, or to regulate "the social and economic problems of the States" as it is flippantly phrased by some whose mental ligaments must have become temporarily twisted, is a proposal so astounding as to justify the righteous indignation and stern opposition of thoughtful Americans.

The Constitution of the United States, including, of course, the first 10 amendments, creates the three departments—the executive, the legislative, and the judicial, with checks and balances contained therein, constitute fundamental principles of the dual form of the American Government. No part of the triangle shall be removed.

The powers of the Federal Government under the Constitution are limited and were so intended. The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people. Therefore, the reserved powers of the States are innumerable and undefined.

Who in this audience would be willing to surrender to the Federal Government the right to pass laws regulating marriage and divorce, including the right to permit miscegenation, or the right to determine under what conditions our colleges, public and private schools shall be operated, or to regulate the entire public school system in every part of South Carolina, or the right to control, supervise, or direct the elective franchise of this State, or the right to prescribe qualifications for local, county, and State officers, or the right to regulate and determine the system of taxation, or the right to make laws and regulations as to the distribution of real and personal property, or regulate the devolution of title of property by deed and will? Lastly, are you willing to invest the Federal Government with power to send Federal troops to South Carolina at any time it sees fit to supervise, regulate, and control the local concerns and affairs of South Carolina? Knowing the people of this State and the traditions of South Carolina as I do, I am confident your answer is an emphatic "No."

I desire to refer briefly to the so-called "Wagner-Costigan anti-lynching bill", introduced in the present Congress, and which the authors, both Democrats, I regret to say, one of whom represents New York State and the other the State of Colorado, strenuously advocated.

I am proud to say to you that I led the fight in the Senate to prevent that obnoxious and unconstitutional bill from being considered in the Senate, not because I, or any citizen of my State, condone or uphold mob rule or the unlawful violence of a mob, but I opposed that measure on the fundamental ground that it sought to invest the Federal Government with power to wrongfully invade the sovereign rights of the States in the administration of justice. That vicious bill provides, among other obnoxious features, that the Federal Government be invested with jurisdiction to indict and try in the Federal court any local magistrate or police officer of the State within whose territory or jurisdiction the violence occurred, if shown by affidavit that he did not exercise due diligence in apprehending the persons constituting the mob, and upon conviction, the defendant would be subject to a heavy fine or imprisonment, or both; and that upon nonpayment of the fine, the Federal Government would have the right to levy upon and sell a county courthouse, or the county jail, or both, or any property owned by the State or any county, to satisfy the judgment of the Federal court. The bill also provides that if the Governor of a State should be remiss for a similar lack of due diligence in the apprehension of the persons constituting a mob, he, too, could be indicted and if convicted, the State capitol building could be levied upon and sold to satisfy the judgment of the court.

The Wagner-Costigan bill is a reminder of the iniquitous force bill, the object of which was to set up Federal machinery within the State, to supervise and control the elections in the States. You will no doubt recall the gallant and wonderful fight made by Senators representing Southern States in defeating that contemptible bill. Those patriotic Senators of the South knew the history of the South and of their people; they fully appreciated the fundamental principles of Jeffersonian democracy as well as the meaning of the tenth amendment reserving State rights.

As long as I am a Senator I shall continue to oppose all bills that attempt to encroach upon the sovereign rights of South Carolina, and I shall insist that her sovereign rights under the tenth amendment shall be respected and not taken from her.

Let me remind you that John Fiske, the great philosopher and historian, author of Critical Period of American History, page 282, said:

"If the day should ever arrive (which God forbid) when the people of the different parts of our country shall allow their local affairs to be administered by prefects sent from Washington and when the self-government of the States shall have been so far lost as that of the departments of France, or even so closely limited as that of the countries of England—on that day the political career of the American people will have been robbed of its most interesting and valuable features, and the usefulness of this Nation will be lamentably impaired."

The great liberal, Woodrow Wilson, in his wonderful book on Constitutional Government in the United States, on pages 191 and 192, said:

"It would be fatal to our political vitality really to strip the States of their powers and transfer them to the Federal Government. It cannot be too often repeated that it has been the privilege of separate development secured to the several regions of the country by the Constitution and not the privilege of separate development only, but also that other more fundamental privilege that lies back of it, the privilege of independent local opinion and individual conviction, which has given speed, facility, vigor, and certainty to the processes of our economic and political growth. To buy temporary ease and convenience for the performance of a few great tasks of the hour at the expense of that would be to pay too great a price and to cheat all generations for the sake of one."

Let me add, I regret that men in high places, both social and political, are bending the pregnant hinges of the knee that thrift might follow fawning.

In conclusion, is it necessary for me to recall to you South Carolinians the experience of your State during that tragic era, that darkest page of American history—reconstruction?

Supported by Federal bayonets, every department of the organized life of South Carolina was jeopardized. Our courts are filled with the venal and corrupt. Under the direction of this Federal power our legislature was filled with ignorance, lust, and corruption. Our executive offices were likewise prostituted. Every element of society was threatened with debasement and extinction. The scalawags and carpetbaggers, supported and upheld by Federal bayonets, threatened the very extinction of all that was decent. The citizens of the State were subjected to the insolence and insults of ignorant villains under the rule and direction of usurped power. Every constitutional right of the State, all of its reserve powers and rights were disregarded and force took the place of law, until at last, when these conditions become so intolerable and threatened to be made permanent, a call was made to all patriotic, liberty-loving South Carolinians to rally for the redemption of their State. The old war-weary and battle-scarred veterans and the beardless youths rallied to the cry from the mountains to the seaboard. They donned the red shirts, and under that matchless warrior and patriot, Wade Hampton, they drove from our midst, that unspeakable orgy of lawlessness, corruption, and vice. Who is here today, a citizen of this State, who will now be willing to vote to make possible by law what was then perpetrated by force?

"God of our fathers, be with us yet,
Lest we forget, lest we forget!"

POLICIES OF THE ADMINISTRATION—ADDRESS BY POSTMASTER GENERAL FARLEY

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the Postmaster General, Hon. James A. Farley, chairman of the Democratic National Committee, at a luncheon given by the Democratic County Committee of San Francisco and the "On With Roosevelt" Club, at San Francisco, Calif., on August 1, 1935, relative to policies of the administration.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It seems superfluous for me to express the pleasure I feel in being in San Francisco and having a chance to talk over the political situation with my fellow Democrats. I don't know anybody who doesn't like to come to this beautiful city. Not only is there much to see that every American wants to see, but San Francisco has the charm of romance to a greater degree, I think, than any other community within the borders of the Republic. Most American cities have come along in humdrum fashion and are consequently pretty much alike, but you folks on the edge of the continent grew up by yourselves; developed a culture unique in its character, independent of the rest of the country, with the result that you have done your own thinking. Undoubtedly this is due to the circumstance that you were an isolated community, separated by long distances from other popular centers. Where most of our cities are tributary to some larger center and patterned after that large center, you for many decades have been a metropolis in your own right. For nearly half a century people thought of the Pacific coast only as meaning San Francisco. You developed your own great men and great women, your own great authors and artists and not a few of the leaders of industry, whose names have become household words in New York and elsewhere, brought their wealth and talents to the East and identified themselves with the largest of national and international enterprises.

Your splendid universities and other public works that bear their names indicate how loyal and lasting was the affection for California of these men whose fortunes were founded here. I know that some of these may have been ruthless in their pursuit of fortune, but they dated from a ruthless period. The pioneers who defied the dangers of the great gold trek of '49 had to be strong men to overcome the stupendous difficulties in their way and to hew out careers on a difficult frontier. Their faults were the faults of a period and environment; their virtues were the qualities that mean success everywhere.

No observer of government could fail to note the high quality of the men you have sent to Washington from the beginning of your statehood.

No California audience needs to be told of the eminence of your senior Senator, HIRAM JOHNSON, in the councils of the Nation. Your junior Senator, WILLIAM GIBBS MCADOO, through his vast influence, his wide experience, and his ripe judgment, is of inestimable value to the country and to the administration. Your delegation in the House of Representatives ranks as high as any State's Congressmen and has contributed much to the wise legislation that has made possible the measure of recovery from the depression we have attained.

The Democratic Party cannot forget its debt to California. It was this State that kept Woodrow Wilson in the White House in 1916. It was California that insured the nomination of Franklin D. Roosevelt in 1932, and the vote of this State confirmed magnificently the action of your delegates to the Chicago convention.

Yours has always been a progressive community. You have not feared to try stupendous experiments. This trait is part of the fine heritage that came to you from your adventurous ancestors.

Because we must recognize that the course being pursued by President Roosevelt is in itself pioneering, I feel that we can count on the continued support of the sons and daughters of your pioneers. It has required the same sort of courage that brought your fathers and mothers across the deserts and over the mountains, fighting their way with hostile Indians and the bandits that beset the trails, to inaugurate and prosecute the emergency policies that have marked the present administration in Washington.

Franklin D. Roosevelt, when he came to the White House, felt that he was charged with leading this country out of the great depression. There were no precedents that he could follow in carrying out this great mission. For 3 years the country had been in the gravest trouble. Every month of that period showed an increase in unemployment, the closing down of factories, the destruction of confidence in the banks, and a growth of despair among the people. I will not say that no effort was made during this period to fight the depression, but nothing was tried except the puny expedients that had served to check minor economic diseases. It was as though some of the old-time remedies for a sore throat were applied to meeting the emergency of a ghastly mortal epidemic. It required strong measures to meet the situation.

I have heard the banking holiday declared by the President on the day of his inauguration compared with the shotgun quarantines of your pioneer days. It would have been perhaps difficult to reconcile the stringent activities of California's early days to strict legal requirements, but they were effective. So were effective the emergency measures enacted on the advent of the Roosevelt administration, which, starting in by rehabilitating the banking system, continued with such expedients as the National Recovery Act, the Agricultural Adjustment Administration, Civilian Conservation Corps, etc.

I do not urge that in the administration of these measures there may not have been mistakes and errors, but they served a great purpose and the result of these measures is the difference between the country's condition today and what it was on March 4, 1933.

Yours is a political organization and I want to talk over politics with you. It is perfectly natural that at this time, with a national election coming next year, the Democratic administration should be subjected to as keen a fire as our opponents can bring to bear upon it. That is the explanation of a flood of propaganda that has been inundating the country. It is true that all of this propaganda does not bear the Republican label. But there is no difference in the purpose of the onslaught, regardless of its source. The objective is to destroy confidence in the Roosevelt administration, and particularly in the President himself. By this process our assailants hope—no; I will not say hope, because I doubt if even the most sanguine among them thinks that Republican success is possible in 1936—I will put it that the dream is that by destroying the confidence of the people in the President, they can effect a return of the Government control to those who would restore the privileges which piled up enormous fortunes for the few and reduced the rest of us to poverty.

Not only is there a general assault on the legislation the President has sought to promote in Congress and a consistent effort to make our industrial and commercial gains attained under the recovery program seem small, or to deny them altogether, but there is also being conducted a whispering campaign. The word is being circulated that the President has broken down under the strain and that his decisions, instead of being the ripened judgment of a man stalwart in strength and mind, are the productions of a fretful invalid. I can tell you that hardly a day passes while I am in Washington in which I do not see and talk to the President. I can tell you also that he is in perfect health, that he is serene, and that he is living the busiest life of anybody in these United States smilingly, cheerfully, and most effectively. Twice a week he meets the Washington newspaper correspondents. He faces several hundred of them at these sessions; they bombard him with questions, and he replies. Isn't it absurd to suppose that this host of keen, experienced men, many if not most of them representing newspapers hostile to the administration, would not have been quick to note any lessening of the President's powers? The story, of course, is without a vestige of a foundation. That, however, has not prevented its industrious circulation by word of mouth, by chain letters, and by every other means which could pass it around surreptitiously and in such form that its ultimate source cannot be traced. Well, there is nothing new in this, either to the President or to the Democratic organization. The same stories were told during the 1932 campaign in exactly the same way and in almost exactly the same language. The President plans to come out to this State after Congress adjourns to participate in one of the great California expositions. You will be able to judge for yourselves of his physical state and the vitality of his mental processes. I only mention the matter now because doubtless a great many of you may have seen some of this scurrilous stuff and may have been alarmed by it.

The President has the most strenuous job in the world, but he is equal to it.

The Nation is fortunate that this statement is true. Let me ask you if there is one among you who has not thought of the bristling possibilities that threatened this Nation if it had not had for its head during the past few years an individual of consummate courage, skill, and endurance? Where would we be today if Franklin D. Roosevelt had not gripped the situation on this advent to the White House and carried out his program of restoration and rehabilitation? The Supreme Court recently decided that in establishing the N. R. A. the President had gone beyond the letter of the Constitution. So did Jefferson when he effected the Louisiana Purchase. So did Lincoln when he issued the emancipation proclamation. I am no constitutional lawyer, but I dare say that there were those who regarded the acquisition of the Pacific coast as part of the United States as open to constitutional question. None of this, of course, contravenes the fact that the Supreme Court is the tribunal of last resort, and you have doubtless observed that the President, while he did not mask his disappointment at the N. R. A. decision, hastened to comply with it and to arrange the various emergency establishments in accord with the ruling.

Now, the other day I noticed that one of the newspaper columnists instanced an episode of the Taft administration, reciting that the then President and thereafter Chief Justice had vetoed a bill—the Webb-Kenyon Act—because he doubted its constitutionality. This, of course, was in line with criticism of President Roosevelt, who advised Congress that, in his opinion, it should not hastily discard legislation for the public welfare merely because a constitutional question was raised. That matter must be left for the Supreme Court to decide. What I was about to tell you was that in the recital of the Taft incident, the columnist did not tell the whole story, for the bill that President Taft vetoed was repassed by Congress over that veto, and the Supreme Court decided that it was constitutional, and it remained in force until the repeal of the eighteenth amendment.

Yes; the 1936 campaign has already begun. Every act of the administration is assailed by the Republican spellbinders and the Republican newspapers and the crew of special-interest representatives who pose as nonpartisan defenders of the Constitution and work in the word "liberty" in the titles of their organizations. When Congress passes a law in accordance with the President's recommendation there is an immediate barrage to the effect that the President is assuming to be a dictator and that Congress is a mere rubber stamp ready to register his individual will. When, on the other hand, Congress objects or modifies some proposal the President has made, the G. O. P. batteries—open and concealed—send forth a broadside telling the people that the President has lost control of Congress and that Congress is a high-minded body of statesmen. Of course, this does not make sense. A President could hardly be a dictator today and be at the mercy of Congress tomorrow and resume his despotism the day after.

The situation is simply this: The old guard wants to get hold of the Government again, and President Roosevelt being an insuperable obstacle in their path, they feel that their only chance lies in breaking down the affection and regard with which the plain people of this country regard him. Naturally, such a campaign is not going to be carried on in any fine ethical spirit or with adherence to the truth if a falsehood will serve better. I presume you have noticed the events in Congress relative to the bill aimed to put an end to such frauds on the people and such larcenies of the people's money as was typified in the Insull case.

For a time, you will remember, you read about every day of the flood of telegrams from their constituents being received by Senators and Representatives protesting against the enactment of this bill. These messages were cited as showing the deep public interest and concern in the matter. At the recent senatorial investigation it was shown that these telegrams by thousands were filed by the interests that sought to defeat the Wheeler-Rayburn Act; that the signatures thereto were taken from city directories and telephone books; and that the senders knew nothing about them until some of the Congressmen replied to them. Instances appeared where the originals of these telegrams were burned in an effort to destroy the evidence of forgery. Moreover, there was revealed a million-dollar slush fund. The Associated Gas and Electric System admitted spending $700,000 to fight this legislation. Chairman Philip H. Gadsden, of the committee of public

utilities executives, testified to the expenditure of $301,865, which he said had been used for attorney fees and lobbying activities.

Now, the next time you read of the surging tide of public sentiment against some administration project or policy, just remember the faked snowstorms of telegrams to Congressmen and the million-dollar slush fund, and you can perhaps arrive at a real estimate of the alleged surge of public opinion.

Detraction of the President is the sole resource of our political enemies. In all the matter that they send out, in all the speeches that have been made by or for the reactionaries and exploiters, there has not been one word of a constructive character. They inveigh against the recovery program, but not by any chance do they suggest an alternative program. They denounce the expenditures to keep people from starving and to put the unemployed to work, but never do they make a suggestion of how starvation can be warded off or men be put to work except in the manner in which this is being done.

The administration has been accused of extravagance. Let me call your attention to the fact that the routine expenditures of government, the normal natural work of the various departments, are hundreds of millions of dollars per year below what they were when Roosevelt came to the White House. The only extravagance that can be justly laid to the door of the administration is the money it has expended in feeding the hungry, giving work to the jobless, and changing the business balances on their ledgers from red to black.

Let us just take a look at some of the results of the Roosevelt policies. For example, the amount paid in income taxes last year was $200,000,000 greater than the year before. I wish each of you would make a mental calculation. Take the amount of income tax you have paid and figure what relation it bears to your income. Apply the same process to the $200,000,000 increase that the Treasury reports and it will be plain to you that the general public income in this country is three or four billion dollars more than it was a year ago. That is one yardstick by which you can figure what the Roosevelt policy has done for business. What it has done for the farmer you people in California can gage from your own experience. The Department of Agriculture tells me that the cash sales making up California's farm income are $65,000,000 more this year than they were last. I, of course, have seen and marveled at the two great bridges that are being thrown across San Francisco Bay.

The employment they are furnishing and the impetus to business given by the purchase of the materials that go into them are tangible results of the President's program. Your stores, they tell me, are having an excellent season. These evidences of prosperity are not confined to California by any means. The automobile industry reports that it produced 2,300,000 cars and trucks during the first 6 months of 1935, a third more than in the corresponding period of last year and a good deal more than double those produced in 1933.

A familiar charge against the administration is that the profit is all going to the big fellows in business, to the detriment of the little fellow. Now, what are the facts? Dun & Bradstreet, that cold-nosed chronicler of business trends, announced that sales of general merchandise in small towns and rural areas in June of this year were 38 percent higher than for June of last year and 51 percent higher than the year before that. This business firm likewise reported recently that there were more retail businesses in existence now than there were during the boom that collapsed in the fall of 1929 and that the percentage of business failures was less than it had been for 15 years.

Yet, those who attack the administration are trying to convince the people that they are in a terrible plight, that the new deal has failed, and that the country's only salvation lies in giving back control of the Government to the outfit that led us into economic calamity.

I have gone into the subject of attacks on the administration at some length. Please do not get the impression that this means that there is any anxiety in Democratic headquarters as to the effect of the campaign of detraction. Our political fences are in good shape. I have no more doubt of the result of the 1936 election than I had before the 1932 election. But there is always this to be considered, no election was ever won by inaction, by permitting feuds within the party to take up all our attention, or by neglecting the great work of organization and education. Overconfidence has more than once in this country turned what appeared to be certain victory into surprising defeat, so I want to tell you that this is no time for Democrats to sit back and grin at what appears to be a futile foe. Moreover, an election is but one stage in the advancement of the great principles of democracy, so well expressed in a recent utterance of the President, when he was asked by a newspaperman to define the object of his administration. He said then:

"The social objective, I should say, remains just what it was, which is to do what any honest government of any country would do, to try to increase the security and the happiness of a larger number of people in all occupations of life and in all parts of the country; to give them more of the good things of life; to give them a greater distribution, not only of wealth in the narrow terms, but of wealth in the wider terms; to give them places to go in the summertime—recreation; to give them assurance that they are not going to starve in their old age; to give honest business a chance to go ahead and make a reasonable profit, and to give everyone a chance to earn a living."

This country has made great progress under the Roosevelt administration. It will progress still further toward the goal of public betterment during Roosevelt's next term. The voters of the United States enthusiastically gave him his opportunity in 1932. They gave him a magnificent tribute of approbation in 1934. It should be the aim of every one of us to see that in 1936 his election figures shall be so impressive that nobody can make any mistake as to where the American people stand.

THE PROCESSING TAX AND THE TARIFF

Mr. BANKHEAD. Mr. President, the Montgomery Advertiser, of Montgomery, Ala., is one of the best edited newspapers in the country. A few years ago its present editor, Judge Grover Hall, was awarded the Pulitzer prize for the best editorial published in any newspaper in the United States during that year. The Advertiser has recently carried a series of editorials comparing the philosophy and the legality of the processing tax with protective-tariff taxes which are not intended primarily as revenue laws but are intended to protect and thereby control industrial production in this country. I ask unanimous consent to have printed in the RECORD the three editorials which I am sending to the clerk's desk.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Montgomery (Ala.) Advertiser]

SHOES FOR BOTH FEET

Throughout the South there is a rising demand for tariff reform which has been given new impetus by the recent decisions holding the A. A. A. unconstitutional.

It is becoming increasingly evident that when the Government first entered the field of attempting to control production with the "tariff of abominations" in 1828, it made a mistake. Having once entered on that policy, the Government has been unable to withdraw, but instead has been drawn more and more finally arriving at the present condition which exists under the new deal.

There is not a farmer in the entire United States who would be unwilling to throw the entire A. A. A. program overboard if there was any possibility of making a decent living without it. The farmer has the same pride and initiative as do those men in other fields of endeavor and does not want to hold one plowline and let the Government hold the other—if it is possible to do otherwise.

Unfortunately under existing conditions, there seems to be no other way, if he is to be able to feed and clothe his family.

This Nation has taken pride in its industrial development, and justly so. But that development has been bought at a heavy price to the farmers of the Nation. While the country has looked with pride on the industrialization, which has made $6-a-day labor possible, it has forgotten the millions of farmers whose average income is $120 a year. While the country has watched tariff walls mount to dizzy heights in order that industrial laborers will not have to compete with cheap foreign labor, it has left the farmers to their fate in a world market in which they must compete with cheap labor as best they can. While a paternal Government has fostered industry whose laborers were paid salaries that would allow them to keep up the American standard, the farmer has had to fight desperately to maintain whatever standard he could.

While our Government has fostered labor so that it might balance itself with its market, capital, the farmer has been unable to organize and balance himself with his market.

Thus this country has marched from infancy, one foot provided with a fine shoe by the Government, the other unshod, an easy mark for the rough road of progress.

For a long time it appeared that the unshod foot had become tough enough to "take it." This country marched along from 1920 to 1930, and the farmer was able to sell his goods at what appeared to him to be a fair price. But in looking back we can easily see that even then his lot was sorry in comparison. Farm ownership, which is an absolute necessity under an agricultural system, decreased approximately 55 percent to 45 percent.

The farm standard, which had never been on a par with urban life, dragged to a new low ebb by 1932. Then attempts were begun to put a shoe on the bare foot. Naturally, after so many years, the first fitting hasn't been completely successful. The A. A. A. has not been completely successful, but at least it is an attempt to effect a balance, and with the experience already gained it is possible that alterations might be made.

The tariff, likewise, was not a complete success when first tried. It has been changed continuously, but always it has been made more comfortable. With the exceptions made by the reciprocal trade agreements, the Smoot-Hawley tariff law, passed in the Hoover administration, is in effect today.

If the decisions of the lower courts are upheld and the Supreme Court declares that this Government can make no move to control agricultural production and put the farmer on a basis with industry, then it will mean that the South must trod on unshod.

But that is impossible. Either this overgrown boy that is the United States must wear shoes on both feet or it must go barefooted. If the shoe that has been worn with so much comfort by industry is taken off, it will necessarily involve some stone bruises and blisters. Too long has the shoe been worn, and too tender is the foot that wears it, to expect that to remove the shoe will not involve some hardships.

The original mistake was made when this country weakened in the first place. Had the high tariff not been depended upon in the first place, this country might today be a virile giant that could stand on both feet equally and face the whole world.

[From the Montgomery (Ala.) Advertiser]

WHY NOT BEND IT SOUTH

Whatever hopes the farmers of the United States had of getting anything more than a dime package of seed and a few bulletins from their Government are fast disappearing with various Federal courts handing down decisions declaring the Agricultural Adjustment Act unconstitutional.

The consensus of the rulings declaring the processing tax unconstitutional is embodied in the following paragraph:

"The act is clearly unconstitutional, as it is not a revenue-producing measure and because it is purely an attempt to regulate crops and production."

How can this view of the Constitution be reconciled with the tariff rates now in existence?

Has there ever been any doubt that the tariff "is purely an attempt to regulate production"?

Has there ever been any doubt that the tariff "is not a revenue-producing measure"?

If tariffs can be levied by the Federal Government for controlling industrial production, cannot processing taxes be levied for controlling agricultural production? The only difference between the two is that the one makes it possible to increase production, while the other makes it possible to decrease production or control it.

There is no denying that tariffs ceased to be levied for raising revenue long ago. Tariff rates have become so distorted that in effect they constitute an absolute prohibition against the importation of goods in many instances.

In a decision declaring the Bankhead Cotton Control Act unconstitutional, Federal Judge Randolph Bryant, of Texas, said:

"It is only a thinly disguised attempt to regulate the production of cotton under the pretext of the exercise of the taxing power of the National Government. This power, if it exists at all, is not committed to the National Government, but is expressly reserved to the States."

If ever there was "a thinly disguised attempt to regulate the production" of certain manufactured articles, the levy of a tariff is.

Attorneys for the plaintiffs in a suit brought in Federal court at Birmingham argued that the levy was not in fact a tax since the money does not go into the general treasury, but is in fact taken from one group, processors, for another group, producers.

Is a tariff of 200, 300, or even 400 percent a tax? The South has argued for over 100 years that the tariff in fact takes property from one group for the benefit of another.

The taxing powers of Congress are set forth in article I, section 8, of the Constitution as follows:

"Congress shall have power:

"1. To lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States."

That is all that is said with the exception of the provision that all revenue bills shall originate in the House, and an amendment which provides for income taxes.

No other provisions are made concerning the nature of taxes. Can it be denied that the general welfare of the United States is served to the same degree by processing taxes as by tariffs?

The use of the taxing power to regulate is not an innovation with the processing levies. In addition to tariffs, Congress regulates in a number of other instances by the taxing authority. The whole basis of narcotic control, as an example, is the taxing power. It has been ruled that "the power to tax is the power to destroy."

There seems to be an impression that since the processing tax is a product of the new deal and a progressive move, it is unconstitutional. But the tariff, which has steadily increased since 1828, is taken for granted and accepted.

The reason that the processing tax became necessary in the instance of cotton was the loss of foreign markets, due to the failure of other nations to buy when they became unable to hurdle our tariff walls. Had it been possible to dispose of our surplus cotton, the South would have needed no means to control production.

It is clear that if the farmers of the Nation are convinced that the A. A. A. is beneficial, they must rise up and demand that if the Constitution is to be bent, it must be bent as far South as it is East.

[From the Montgomery (Ala.) Advertiser of Aug. 5, 1935]

BANKHEAD FOR TESTING THE TARIFF, TOO

A significant phase of the current political drama in this aching Republic is the proposal of a group of Texas farmers that the American protective-tariff principle be subjected to the same judicial test that the processing-tax principle of A. A. A. must meet.

It is of special interest that this bold and lusty challenge should have come from Texas, in which John Henry Kirby, of Houston, is a stalwart and famous leader.

Mr. Kirby, a lumber magnate, is one of the most aggressive high-tariff Democrats in the South. For a quarter of a century he has been at war with his own party over the tariff question, if we except the present Democratic regime, with respect to which it should be said that the Secretary of State, Mr. Hull, is the only Democrat in Federal office who has manifested and is manifesting any genuine interest in tariff reform.

Mr. Roosevelt has been too much preoccupied with other questions to get around personally to the tariff in a big way, Democrat though he is, and notwithstanding that the country is afflicted by the highest tariff rates—made under Hoover—ever before known to the American people.

If Mr. Roosevelt should turn tariff reformer we doubt if Mr. Kirby could contain himself. He was at war with the Wilson administration because that administration insisted upon the Underwood tariff law. We suspect he must have been at war with the two Cleveland administrations, also, because "Old Grover" was himself an ardent tariff reformer.

We draw Mr. Kirby into the picture because recently he formed "The Southern Committee to Uphold the Constitution." It is a formidable committee. Many of the brightest men in southern life, several of them from Alabama—including Oliver D. Street, Alabama's Republican—have lent their names to the Kirby cause.

In its declaration of principles Mr. Kirby's committee affirms its devotion to the principle of State rights and reaffirms its devotion to the Constitution, and by implication denounces the new deal from top to bottom.

Not quite from top to bottom—Mr. Kirby does not denounce Mr. Roosevelt for any Democratic tariff heresies, since Mr. Roosevelt has soft-pedaled the tariff as much as he conveniently could.

So far as the world knows Mr. Roosevelt and Mr. Kirby are as one on the tariff.

So much for the point of view of the valiant, courageous, and admirable Mr. Kirby, of Houston.

Let us see now, what may be said of those Texas farmers who like at least one feature of the new deal—they are partial to A. A. A., since A. A. A. has put nearly as much money into their pockets as the Pennsylvania tariff racket has taken out.

JOHN BANKHEAD, the Alabama country boy who moved to the city of Washington and made good, has just made some impish comments on the move of a group of Texas farmers to put the American protective tariff principle to trial before the bar of public justice, along with the processing tax.

These farmers purpose to test in court the legality of import tariffs to "protect American industry." Senator BANKHEAD, one of the creators of A. A. A. and the father of the present cotton-control act, remarks in an Associated Press interview that this challenge is "one of the smartest and best movements that has yet been proposed."

"It will be interesting to observe", the Alabaman says, "whether the court takes the view that a tax which is used for production control in agriculture is an unauthorized tax and that a tariff tax levied for production control of industry is a valid tax."

Senator BANKHEAD expressed hope that farmers throughout the country will join to bring a tariff test suit and that the Government will help get the case before the Supreme Court at the same time the processing tax is presented.

In a formal discussion of the proposed test, he said:

"While some revenue is collected under the tariff taxes, it is well known that most of the tariff taxes are not intended for revenue purposes, but to control industrial production in America. The congressional debates on items in tariff bills clearly show that the purpose of Congress is primarily to put a burdensome penalty on the import of industrial commodities or to prevent imports.

"These debates show that the subject of the amount of revenue to be derived from tariff taxes was given practically no consideration, but, on the contrary, the entire objective has been whether the rates proposed will be effective in protecting and controlling production in this country.

"The farmers have carried the burden of controlled industrial production for more than a hundred years.

"Many arguments have been made that tariff rates which are not intended as revenue taxes are unconstitutional. A real test of the subject, however, has never been made. The Supreme Court has never been called on in any case to decide whether a specific tariff rate is intended as a tax measure or whether it is a penalty to protect and control production in this country.

"The decision of the Boston court by two Republican judges represents the philosophy that the processing taxes are intended to control agricultural production and that such taxes cannot be levied under the Constitution.

"It is to be hoped that the farmers will go forward and present a typical case of the tariff tax levied not for revenue purposes but for the protection of industrial production. It is further to be hoped that the Supreme Court will be called upon when ruling upon the validity of the processing tax to rule at the same time upon the validity of the tariff tax.

"It will be interesting to know whether one rule applies to agriculture and another to industry."

Thus a beautiful issue is joined. If the farmers should be fortunate in selecting a foolproof tariff schedule to present to the courts and if they should be so fortunate as to have their innocent question answered at the same time that the courts pass upon the processing tax—which, like protective-tariff rates, is supposed to be paid by the ultimate consumer—we should presently have an entirely new light thrown upon the processes of American government.

REFUSAL OF RELIEF BENEFICIARIES TO WORK

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD a timely editorial, entitled

"Refuse Work and Get Off Relief", published in the Sunday Times-Union of Jacksonville, Fla., on the 4th instant.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Jacksonville (Fla.) Times-Union of Aug. 4, 1935]

REFUSE WORK AND GET OFF RELIEF

There is going to be a very long and loud request made by the general public which is paying the costs of relief—no matter how it is given or where it comes from directly at this time—for the shifting from relief rolls of all who are able to work and refuse to accept employment when offered. Few indeed are the people who think that the money being handed to those on relief comes from the sky or out of the pockets of Uncle Sam where it grows and never is depleted. The money that has been handed out to succor the unemployed and needy is drawn from the Public Treasury, and the public placed it there and is expected to keep the Treasury full, with money taken from the people who work and earn and pay taxes.

"From Washington comes a statement by Lawrence Westbrook, Assistant Relief Administrator, that relief beneficiaries who refuse jobs will be cut off immediately", says the New Orleans Times-Picayune. "This is not only common fairness and decency, but is an obvious necessity if the enormous burden upon the taxpayers is ever to be reduced and the labor market restored to normal. South Dakota seems to present the most amazing situation just now, with a big wheat crop ready for harvest and farmers calling in vain for laborers. Mr. Westbrook also cites the complaint of Winchester, Va., that farmers offer jobs 'and are laughed at by loafers at stores and filling stations who say they are on relief.'"

South Dakota has very properly shut down on all relief until harvest needs can be supplied, but the story from Virginia could likely be repeated of many places and sections. There is remarked the fear of some of those on relief that they may be permanently deprived of the Government dole if accepting a temporary job; and the idea is no doubt well established. Yet the individuals deserve no credit for thus thinking of the future. Unless they have decided to spend the rest of their lives as idlers and live on charity, they should take every chance offering to work for pay. If it is only a day's work they could well undertake to make something, with the hope that employment for much longer time could be obtained.

Another statement being made by those who do not want to work and are enjoying the life of a "man on the town", is that the employment being offered in the Dakotas and Virginia is not exactly the kind of work they would most appreciate. It is actually set up by some defending the refusal of able-bodied men to go into the wheat fields that they are not experienced in this labor; and that it would require their being out in the sun considerably during the day. Probably they—many of these men on relief who are now laughing off the request that they go to work—are quite softened and in good condition for loafing around the stores and poolrooms and holding down the chairs on the porch. But that is not admired by the common people; those who are working hard and often in places where it is not quite comfortable; and perspiring rather considerably in the effort to make a living and something over for taxes.

The Times-Picayune suggests that the Government agents should indicate the possibility of those on relief again securing something from the public funds when or if their work accepted does not hold out or lead to other employment. It does not believe that so many who are now refusing short jobs would bother to change, even if assured of a return to the relief rolls later. "Too many have become confirmed and habitual loafers because they seemingly feel sure of easy money", says the newspaper.

"Most of the fault is probably not with the relief administration", the Times-Picayune declares. "Even the most highly trained investigators know the difficulty of obtaining the actual financial status of an individual or a family, and it was impossible for the country to produce, in a little more than 2 years, an adequate organization to handle the vast sociological experiment upon which we embarked. With the increasing efficiency of the administration, however, has grown up a cunning resistance on the part of the shirkers, thousands of whom have become adept in evasion or, in some cases, deliberate misstatement. Between those who refuse work when it is offered and those who draw private pay and Government doles also there probably is not much choice. Every well-informed person in every community probably knows of such cases, and the longer the situation exists the worse it becomes. The many who are really deserving should be the first to resent the attitude of the chiselers." The situation is bad. And it is not moving toward the better very rapidly.

DEPORTATION OF CRIMINAL ALIENS

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "The Deportation of the Criminal Alien" delivered July 16, 1935, at the meeting of the American Bar Association in Los Angeles by Hon. J. Weston Allen.

Mr. Allen, who was formerly attorney general of Massachusetts, is now a member of Attorney General Cummings' Advisory Committee on Crime. He is also chairman of the National Crime Commission, a vice president of the American Bar Association, and a member of the council of its criminal law section.

The address which he delivered on the Deportation of Criminal Aliens is an able discussion of the deportation bill which is now pending in the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The repeated failure of Congress to enact more effective legislation to rid the United States of the menace and burden of the criminal alien is one of the seemingly inexplicable phenomena in the battle we are waging to overcome the surging tide of crime that for a generation has challenged the law-enforcement agencies of the Nation.

This is the more surprising because changing industrial and social conditions have operated during the period to reverse the immigration policy of two centuries and impose the most stringent barriers on the entry of aliens, who previously were offered every inducement to come here to meet the increasing demands for labor in the development of our natural resources.

One would think that when tens of thousands of law-abiding, self-supporting citizens of other countries, many of them parents, children, or brothers and sisters of our foreign-born population, are clamoring for admission, an insistent demand would compel the deportation of criminal aliens, if only to make place for those who are deprived of the privilege of joining their kindred here.

Of course, a far more potent and an all-sufficient reason for the deportation of the alien malefactor is the benefit to be derived in the enforcement of the criminal law in this country. While our prisons are overcrowded with criminals, many of them aliens, and our law-enforcement officers, Federal and State, are endeavoring with indifferent success to stem the tide of crime, why should we permit the alien criminal to remain to augment the forces of the underworld?

The need for a revision of our laws governing immigration and deportation has been recognized for a long time, and the failure of the existing law to meet the changed conditions of our social order and our industrial life was never more clearly exposed than in the virile report on the enforcement of the deportation laws by the National Commission on Law Observance and Enforcement, commonly known as the "Wickersham Commission."

For 2 years the Immigration Service of the Department of Labor, at the instance of Col. Daniel W. MacCormack, Commissioner of Immigration and Naturalization, has been making a study and field survey of the defects in operation of the immigration laws and regulations, and as a result of the survey which has been made, a bill has been introduced and is now pending in Congress, which has been endorsed by this association in the following resolution:

"*Resolved*, That the executive committee of the American Bar Association favors the enactment into law of H. R. 6795, introduced by Congressman KERR, of North Carolina, which is intended to increase the classes of undesirable aliens, particularly criminals, subject to deportation; strengthen the Government's authority to effect deportation; and permit alleviation of certain extraordinary hardships, such as separation of families, or enforced termination of long-established residence in cases of aliens of good character."

It has also been endorsed by the National Crime Commission, the International Association of Chiefs of Police, and by other organizations vitally concerned in the crime problem.

This bill has been favorably reported with amendments and is now pending in the House of Representatives (H. R. 8163), and is also before the Senate upon a favorable committee report (S. 2969). At the hearing before the House Committee on Immigration and Naturalization Commissioner MacCormack said:

"I venture to state that there is no statute of the United States which offers so many loopholes for the escape of the criminal, while at the same time imposing such barbarous treatment upon the person of good character, as does the body of law dealing with the deportation of aliens."

As an instance of the habitual criminal who cannot be deported under existing laws, he cited the case of an alien 50 years of age who has been in this country for 16 years. He was convicted in 1911 and sentenced to from 3½ to 6½ years for the possession of firearms. In 1917 he was given 5½ years for robbery. In 1925 he was arrested on a charge of grand larceny, but was released on bond, and upon his default, his bond was forfeited. He was arrested again for grand larceny in 1933 and discharged. In the same year he was again arrested for robbery with a gun, and the case was dismissed. He has been arrested 5 times, and of the 16 years he has been in this country he has spent more than half (9 years 7 months 2 days) in prison, yet he cannot be deported.

The only aliens who can be deported for criminal offenses under the Federal statutes now in effect are:

1. Any alien who was convicted or admits the commission prior to entry of a felony or other crime or misdemeanor involving moral turpitude.

2. Any alien who is sentenced to imprisonment for a term of 1 year or more because of conviction in this country of a crime involving moral turpitude committed within 5 years after entry.

3. Any alien who is sentenced more than once to imprisonment for 1 year or more because of conviction in this country of any crime involving moral turpitude committed after entry and subsequent to February 5, 1917.

In the case cited by Commissioner MacCormack the conviction for which the criminal served his first term could not be consid-

ered on the issue of deportation, because possession of firearms is not held a crime involving moral turpitude, and also because the crime was prior to 1917. The second conviction for robbery was not ground for deportation because it was not committed within 5 years after entry.

The requirement that an alien must be convicted and sentenced for a crime before it can become a basis for deportation removes from consideration all crimes where the criminal pleads guilty or is found guilty, if his case is put on file, or if he receives a suspended sentence, as well as cases where he jumps his bail before conviction or sentence. The original bill as prepared by the Commissioner of Immigration and introduced by Congressman KERR provided that any alien should be deported if convicted of two or more crimes involving moral turpitude committed on separate occasions at any time after entry, even if the alien was not sentenced, provided the Secretary of Labor found such deportation was in the public interest. Unfortunately, the bill as reported by the committee omitted this section, so that the existing law is not changed with respect to deportation for two convictions and prison sentences.

The committee has, however, included an entirely new section which authorizes deportation for conviction of one crime involving moral turpitude without sentence to imprisonment if the conviction is within 5 years of the institution of deportation proceedings and the deportation is in the public interest. This new section will permit deportation of a convicted alien even if his case is filed or sentence suspended or if he is sentenced to a fine or imprisonment for less than a year.

In certain other respects the bill now before Congress will greatly aid in ridding the country of criminal aliens as well as those guilty of illegal entry.

First. It extends the compulsory deportation of persons convicted of violating narcotic laws to include violators of narcotic laws of any State, Territory, insular possession, or the District of Columbia, whereas the present law calls for deportation only of violators of Federal narcotic laws. It is obvious that the narcotic drug violator should be equally subject to deportation whether he is guilty under Federal or State laws.

Second. It requires the deportation not only of an alien who is smuggled into this country, who is deportable under existing law, but also of any alien who knowingly and for gain participates in smuggling the alien in, or any alien who on more than one occasion participates in such smuggling, irrespective of the element of gain. The alien who makes a business of smuggling is a greater menace than the alien who makes the illegal entry.

Third. It authorizes deportation, if found to be in the public interest, of any alien convicted within 5 years of commencement of deportation proceedings, of possessing or carrying any concealed or dangerous weapon, even if no sentence is imposed by the courts.

This provision will result in the deportation of gunmen, racketeers, gangsters, and the numerous class who commit crimes of violence, or who are apprehended armed in the act of committing of attempting to commit other crimes for which they are not deportable.

By the act of March 2, 1929, it is provided that an alien shall not be deportable by reason of conviction of a crime if the court shall, within 30 days from the time of imposing sentence or passing judgment, recommend to the Secretary of Labor that such alien shall not be deported.

This well-intentioned but unfortunate legislation was based upon the theory that the judge who heard the criminal case was in a position to form an opinion as to whether the alien should be deported. While originally intended as a recommendation, it constitutes an absolute bar to deportation. Not even the President of the United States has power to overrule the recommendation of the trial judge, which is in fact a final order prohibiting deportation and not a recommendation at all. In practice this provision has operated to prevent the deportation of many criminals who are a menace to society.

It is altogether too much power to give a trial judge who has no knowledge of the alien offender except what he may obtain from the trial or from the probation officer. Oftentimes the alien is a habitual criminal, but not having committed a previous offense in that locality, the probation officer has no previous record.

Other considerations frequently influence the judge in recommending against deportation, who, in many cases, is an inferior police judge of little or no experience. He may have a personal feeling against deportation. He may be too indolent to make any inquiry at all as to the defendant's previous record. He may make the recommendation as a favor to the defendant's counsel, or as a friendly gesture because he is imposing a longer sentence than the lawyer thinks his client deserves. He even may not know that his decision is final, but may make the recommendation, believing that the immigration officials will review the question and intending that they shall disregard his recommendation if the facts warrant it.

The pending bill in Congress recognizes the fallacy of permitting a trial judge, without adequate knowledge of the defendant, to control the action of the Federal authorities on the question of deportation, and the recommendation of the judge is made subject to approval by the interdepartmental committee established by an amendment by the bill.

If the bill as now drafted is enacted it will put teeth into the present law, regulating the deportation of criminals, and will make it possible for the immigration authorities to rid this country of many dangerous and habitual criminals not now deportable.

The pending bill in Congress, commonly termed the "Kerr bill", in addition to strengthening the Federal arm in the deportation of criminals, will greatly facilitate the apprehension and deportation of aliens illegally entering the United States.

Under the present law (act of Feb. 27, 1925) an immigrant inspector or patrol inspector has the power, without warrant, to arrest an alien who in his presence or view is entering or attempting to enter the United States, but if entry has been made unseen, the alien cannot thereafter legally be arrested without a warrant, even if the inspector has proof positive that the alien has crossed the border only a few moments before. The alien can even admit he has entered illegally because, before a warrant can issue from Washington, he can be many miles from the border and out of reach of the patrol. The Immigration Service reports that 2,600 illegal entrants escaped deportation during the past year solely because the immigration officials would not authorize arrest without warrant.

The Kerr bill authorizes the apprehension without warrant and detention for 24 hours in case of aliens believed to have entered or remained in the United States illegally. The alien must be brought at once before an immigration inspector, who, prior to the expiration of the 24-hour period, must obtain a warrant to continue the suspect in custody, or release him.

The provision for detention without warrant for a limited period gives to employees of the Department of Labor authority similar to that granted to the Department of Justice by the last Congress and will be an invaluable aid to the Service because:

1. It will make possible the deportation of thousands who would otherwise successfully evade the officials and escape detention;

2. It will eliminate the time which would otherwise be spent in the attempted search and apprehension of these illegal entrants, giving the inspector more time for apprehending other deportable aliens; and

3. It will make much more difficult and hazardous the operations of the organized rings engaged in smuggling aliens and have a deterrent effect on the aliens who now attempt to enter illegally.

The Kerr bill contains other provisions aimed to ameliorate the hardships of mandatory deportation of certain aliens who have been long resident in the country and are of good moral character but have unwittingly violated some provision of the laws relating to entry or residence.

In recognizing these cases the Wickersham report says: "Many persons are permanently separated from their American families with results that violate the plainest dictates of humanity"; and it further states, "In the opinion of the Commission the limited discretion * * * to permit in cases of exceptional hardship a relaxation of the rigid requirements of the present statutes would be consistent with the dignity of a great and humane nation."

To meet this situation the Kerr bill conferred a limited discretion on the Secretary of Labor in these cases of hardship, and the House committee further limited the discretion and vested it in an interdepartmental committee of three members to be comprised of representatives of the Departments of State, Justice, and Labor.

We are not here concerned with the creation of this discretion, or with other sections of the bill which do not relate to the deportation of criminal aliens, except insofar as they may affect the passage of the bill.

Unfortunately, opposition has arisen to the granting of any discretion, even in these cases where deportation of aliens of good character will separate husbands from wives and parents from children, and also there is opposition to any discretion in the deportation of criminal aliens.

When legislation affecting immigration is before the Congress, party lines are largely eliminated, and the Senators and Representatives avowedly take sides as liberals or restrictionists. The restrictionists represent districts where there are comparatively few of foreign birth, and the liberals come from industrial centers and communities where many of their constituents are of foreign birth or descent.

Opposition to the bill has been aroused in part, due to the mistaken belief that it weakened the present law by giving discretion to the Secretary of Labor not to deport criminal aliens now mandatorily deportable. Such is not the case. The mandatory provisions of our present law with respect to criminal aliens are retained, and only in extending the law to include deportation of criminals not now deportable, is the discretion granted. Obviously, as the law is made more severe, the need for the exercise of discretion in the application of the law becomes imperative. Some classes of criminal aliens should be deported, others should be deportable. The proposed new law making aliens convicted of possessing or carrying concealed or dangerous weapons will result in the deportation of many habitual and dangerous criminals, but every alien convicted of possessing or carrying a concealed or dangerous weapon should not be sent out of the country never to return. The discretion must be vested somewhere if the law is to be broadened to reach the gunman and the racketeer.

One argument of the opponents of the bill remains to be considered. It is contended in the report of the minority of the House committee that the granting of any discretion is an abandonment by Congress of its control over deportation, and the delegation of a legislative power to an executive branch of the Government.

But in granting exercise of discretion to an administrative board within clearly defined limits, the Congress is only doing what it has done before in many instances. Similar discretion has been granted to the Secretary of Labor by the Immigration Act of February 5, 1917, with respect to the return of stowaways and the admission of aliens under 16 years unaccompanied.

The Supreme Court has recognized the validity of the delegation of such a discretion by Congress and has intimated that such

discretion in the deportation of aliens may reside in the executive and administrative branch of the Government. In the case of *Mahler* v. *Ebey* (264 U. S. 32), in construing the act of May 10, 1930, which concerned the deportation of aliens, the Court said: "Nor is the act invalid in delegating legislative power to the Secretary of Labor. The sovereign power to expel aliens is political and is vested in the political departments of the Government. Even if the Executive may not exercise it without congressional authority, Congress cannot exercise it effectively save through the Executive. It cannot, in the nature of things, designate all the persons to be excluded. It must accomplish its purpose by classification and by conferring power of selection within classes upon an executive agency."

For more than 18 years, the Secretary of Labor has been exercising discretion in the deportation of aliens, and the Supreme Court says that the Congress, in expelling aliens, not only can, but must confer power of selection upon an executive agency, because it cannot designate all the persons to be excluded.

If the bill becomes law, it will serve the threefold purpose of (1) ridding the country of large numbers of alien criminals not now deportable, (2) decreasing illegal entries by arrest and return of aliens unlawfully crossing the border, and (3) granting discretion in the deportation of aliens of good character in cases of extreme hardship and severity.

The bill should receive the support of all patriotic and humane societies and citizens because, for every alien of good character permitted by the bill to remain in this country, it will cause the deportation of three or more aliens of bad character, including gunmen, racketeers, smugglers, and habitual criminals

PRESIDENT ROOSEVELT—EDITORIAL FROM KANSAS CITY AMERICAN

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Kansas City American of July 26, entitled "We Maintain."

There being no objections the editorial was ordered to be printed in the RECORD, as follows:

[From the Kansas City American of July 26, 1935]

WE MAINTAIN

We maintain that President Franklin Delano Roosevelt is the greatest humanitarian who ever sat in the Executive seat in the White House.

We maintain that he is one of the greatest executive officers in the history of our country.

We maintain that the far-reaching efforts of his administration to relieve distress, to feed the hungry, to save homes from foreclosure, and to increase the national wealth by great projects, giving employment to many armies of men is rapidly developing into the most colossal success in world history.

We maintain that no such efforts as he has put forth can be brought to fruition within 3 years, and hence it is entirely too early for the wolf pack now barking at his heels to frighten either him or any of his friends.

We maintain that he saved the banks—that he saved the railways—that he saved thousands of homes to the owners—that he saved millions of men, women, and children from stark destitution and starvation.

We maintain that he has prevented inflation—kept the dollar sound, and when Europe was planning a gold raid on the country withdrew that precious metal from circulation and put eight billions of it in vaults, where it is safe, until the world has recovered its sanity.

We maintain that the powerful financial interests which are fighting, and which refuse to cooperate with him in his titanic efforts to abolish the depression, will never be able to head off either his renomination or his reelection.

We maintain further that before his second term expires we will have a perfectly balanced Budget, and economists will be able to show that under his administration many billions of wealth were added to the country, and that his great social-justice program will be so far advanced that no responsible statesman will ever attempt to impede its onward march.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2193. An act to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah; and

S. 2545. An act to provide funds for acquisition of the property of the Haskell Students Activities Association on behalf of the Indian school known as "Haskell Institute", Lawrence, Kans.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2426. An act to provide for the creation of a memorial park at Tampa, in the State of Florida, to be known as "The Spanish War Memorial Park", and for other purposes; and

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1633. An act to amend the Interstate Commerce Act, as amended, and for other purposes; and

S. 2073. An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 6645. An act to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926;

H. R. 6869. An act authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims;

H. R. 7438. An act to amend the act entitled "An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.," approved June 4, 1934;

H. J. Res. 129. Joint resolution to amend the joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution; and

H. J. Res. 276. Joint resolution authorizing the State of Arizona to transfer to the town of Benson without cost title to section 6, township 17 south, range 20 east, Gila and Salt River meridian, for school and park purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 167) to amend the public resolution approved June 28, 1935, entitled "Joint resolution providing for the participation of the United States in the Texas Centennial Exposition and celebrations to be held in the State of Texas during the years 1935 and 1936, and authorizing the President to invite foreign countries and nations to participate therein, and for other purposes", and it was signed by the Vice President.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following House bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 6645. An act to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926; to the Committee on Public Buildings and Grounds.

H. R. 6869. An act authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims; to the Committee on Indian Affairs.

H. R. 7438. An act to amend the act entitled "An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.", approved June 4, 1934; to the Committee on Commerce.

H. J. Res. 129. Joint resolution to amend the joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution; to the Committee on Territories and Insular Affairs.

H. J. Res. 276. Joint resolution authorizing the State of Arizona to transfer to the town of Benson without cost title to section 16, township 17 south, range 20 east, Gila and Salt River meridian, for school and park purposes; to the Committee on Public Lands and Surveys.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

ENROLLED JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, August 6, 1935, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 167) to amend the public resolution approved June 28, 1935, entitled "Joint resolution providing for the participation of the United States in the Texas Centennial Exposition and celebrations to be held in the State of Texas during the years 1935 and 1936, and authorizing the President to invite foreign countries and nations to participate therein, and for other purposes."

RIVER AND HARBOR APPROPRIATIONS

Mr. AUSTIN obtained the floor.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from New York?

Mr. AUSTIN. I yield.

Mr. COPELAND. Mr. President, I have asked the Senator from Vermont to yield for just a moment in order that I may make a statement as to the river and harbor bill.

We are having difficulty about getting a conference on this bill. When the bill went to the House a conference was asked for. Objection was raised. Since that time the Committee on Rules of the other body has declined to permit an arrangement to be made for the holding of a conference.

The reason for that is that the Senate inserted in the bill what is known as "amendment numbered 73."

(At this point a message from the House of Representatives was received, which appears elsewhere under the appropriate heading.)

Mr. COPELAND. I have had several conferences, not alone with the Chairman of the Rivers and Harbors Committee of the other body but also with Chairman O'CONNOR, of the Rules Committee of the House. I feel that I ought to make this statement to the Senate. Naturally, as chairman of the committee, I realize my responsibility to obtain action on this bill at this session and as soon as possible.

I have stated the situation and in order to test the sentiment of the Senate I am about to ask unanimous consent to request the House to return the bill. In doing this I do not wish at all to criticize the House. I wish we had quite the same respect and regard for our own rights and privileges that is exercised over there. However, in this particular matter, so far as I can see, the only thing I can do at the moment as chairman of the committee is to do what I do now, and that is to ask unanimous consent that the House may be requested to return the bill to the Senate.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. Certainly.

Mr. VANDENBERG. The Senator from New York started to state the reasons for the difficulty at the other end of the Capitol and was interrupted by the message from the House. Will he not now make the statement?

Mr. COPELAND. In answer to the Senator from Michigan, the difficulty is this: It will be recalled that we brought out the bill the second time in order that Senators from the Colorado River States might get into closer agreement regarding certain amendments relating to improvements on that river. That particular matter related largely to amendment numbered 72.

Amendment numbered 73 was put in the bill to validate all the acts of the Interior Department and the Secretary of the Interior and the P. W. A. in matters relating to flood control, irrigation, and other matters which the House in its wisdom believed should not be included in the river and harbor bill. That is the reason why I feel there is no other course for me personally to take at the moment than to ask unanimous consent as I have, and to be governed by the action of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York?

Mr. McNARY. Mr. President, I find it difficult to object to any request made by the able and respected Senator from New York. I shall have to do so in this case because the proposition is novel. It does not seem to me it is the proper procedure to be pursued between two parliamentary bodies. We have a way of meeting our differences in conference. There is nothing unusual about the amendments in the bill. It may be the desire of Members of the House that their difficulty should be made known in conference. I am not willing at this time, by unanimous consent or motion, to consent that the river and harbor bill be brought back to this body. There is one way to proceed. There is one beaten path we have always followed. The results have always been good. I insist that we pursue the orderly method of having the conference, and therefore I object to the request of the Senator from New York.

The VICE PRESIDENT. Objection is heard.

THE AIR MAIL SERVICE—CONFERENCE REPORT

The Senate resumed consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6511) to amend the air mail laws and to authorize the extension of the air mail service.

Mr. AUSTIN. Mr. President, when the Senate recessed last evening we were discussing the amendments to the air mail laws and I desire briefly to continue the discussion. I referred last evening to the history preceding what had occurred in this session of Congress as bearing upon the vindictive character of certain features of the amendments and upon what seem to me to be face-saving clauses which should not be in the bill and which will hardly appear in any well-considered bill in the future.

I realize that no change is possible at the present session of Congress with respect to this matter. What I have to say is intended as a record for use by Senators when we come to the consideration of the bill which has been promised on the floor of the Senate during the instant debate.

I am very happy to recognize the candid statements of the Chairman of the Committee on Post Offices and Post Roads as holding out not merely a hope, but a promise, than when the subject shall come up for consideration again the points to which I have directed attention will be thoroughly considered and regard will be given to the points of view which have been here expressed.

Before the enactment of the McNary-Watres Act there were developed two substantial lines of air transportation in the country, one of them being the northern transcontinental route. I do not know its exact and technical name today, but I have always identified it as the United Airways. I believe it has had different names at various times and that today it has a different name than it had even a year ago; but everyone will recognize it as the route from New York through Chicago to San Francisco, and as being one of the great transcontinental lines, which is in competition with the other two transcontinental lines which were created under the McNary-Watres Act and by virtue of the powers granted to the Postmaster General and the stimulus created by the subsidy authorized by that act.

The other route which was created before the McNary-Watres Act was passed was the National Park Airway.

Both these routes were created by means of the competitive-bid plan. Both were in full operation before the meeting was held for consideration of the air mail map under the McNary-Watres Act. Therefore all directors, all officers, all employees performing managerial services for those two lines obviously could not by any stretch of the imagination be regarded as tainted with fraud or collusion or any of the offenses which were claimed to be the ground for cancelation of the air mail contracts.

Obviously none of those directors, officers, or servants engaged in managerial services ought to come within the proscription of the amendments contained in the conference report to which I shall later allude. They do, however, fall within the condemnation of the original act of June 12, 1934, and they do fall under the condemnation of these amendments, an injustice which I feel certain the Chairman of the great Post Office and Post Roads Committee does not intend to have perpetuated.

The McNary-Watres Act was approved April 29, 1930. In that act there was granted the power to put together the sporadic, scattered, illogical, disjointed, and separated routes which were spread out all over the United States. Outside of the two lines to which I have heretofore referred as being created before the McNary-Watres Act, these scattered routes and lines failed to perform the service which an air mail line is designed to perform, for the reason that they were disconnected, and a letter or a package could not be transmitted by mail or express from one to the other without transporting it by some other means of carriage in between. So, under the authority to combine, put together, and make extensions, connections were made, and efforts were exerted to create the other two transcontinental routes, the midcontinental and the southern routes.

Those efforts involved the meeting, the getting together of the managers and directors of the various pioneers who, by their daring and their audacity and their self-sacrifice, had laid out these airways. Airways are not things merely of the air; they are things also of the earth, and they are just as fixed in their characteristics as are railways.

The official at the desk in Washington had the assistance of these men for the purpose of remaking the air-mail map of the United States. He discovered that these pioneers could not agree, that there would be claims by more than one pioneer for the same route, and that was a cause for an entire lack of agreement; but there was another cause for it.

The question was raised whether the Postmaster General had authority under the law to create transcontinental routes by this method. After considerable delay, an opinion was rendered which caused the Postmaster General to stop the undertaking to remake the air mail map by the advice and consent and agreement of these pioneers; the plan was given up, and the other plan of letting the contracts out by bids was then adopted.

Without doubt any fair-minded, just person examining the history of the events which led up to the letting of contracts for the transcontinental lines would conclude that the facts developed in those meetings, under the provision of the McNary-Watres Act relating to extensions, naturally affected the judgment and the conduct of men in submitting bids under the bidding plan of letting the contracts. So it turned out that men who were qualified to bid on the southern route found it in their interest to concentrate their efforts upon the southern route, and men who were qualified to bid on the midcontinental route concentrated upon that. All the facts which had developed in those meetings, all the interests which these men had as being qualified bidders, prevented them from bidding on any other route than that for which they were qualified.

That formed the basis of what was called "collusion." The present administration was fully informed of this history. Within 6 days before the cancelation of these contracts were decided upon the present Postmaster General testified before the special investigating committee as follows—this was on January 30, 1934, and I quote from the record:

Senator AUSTIN. The fact I am interested in is whether you, as Postmaster General, have discovered something that you regarded as fundamentally wrong about these contracts which you tried to correct?

Mr. FARLEY. I have not made any move in that direction.

Again, later:

Senator AUSTIN. With reference to these certificates for air mail service?

Mr. FARLEY. Let me explain it this way: They are still in operation. No change has been made. At the moment I am not in position to say whether or not we approve the system in vogue or whether I would recommend a change.

Senator AUSTIN. Yet, of course, in an investigation of this character it would be important to consider whether you, as Postmaster General, in the time that you have been in office—that is, since March 4, 1933—had disapproved or approved.

Mr. FARLEY. I have not disapproved any, and I would assume the fact that I have not made any change might be considered an approval up to the present day, if that is what you have in mind.

Senator AUSTIN. That is, exactly.

Again, later:

Senator AUSTIN. Then up to that time—January 30—your men, who had been right here along throughout this hearing, had not reported anything to you to cause you to disapprove of the air mail contracts?

Postmaster General FARLEY. Well, they had reported things to me, but the material, in their judgment and in mine, had not been sufficiently assembled, or sufficient facts brought out, to warrant doing what we did.

Seven days later, on February 6, 1934, the project to cancel all the contracts was submitted to the President and the Attorney General by the Postmaster General. In the short time between January 30 and February 6 the decision had been made to cancel the contracts. What had happened in the meantime? Had any further evidence been adduced before the committee on the subject of collusion and fraud? Not a single word. Between January 30, 1934, the date when the Postmaster General testified that he had found nothing about the contracts which had caused him to act toward cancelation and that his own conduct under them might be regarded as a ratification of them, and February 9, the date when the cancelation actually occurred, the Society of Independent Operators, which had been formed immediately after the national election of 1932 for the purpose of securing cancelation of the contracts, had turned on pressure for speedy action, which was followed by cancelation of all the contracts. That is what happened.

On February 2, four days before the conference with the President, they filed with Postmaster General Farley a memorandum from which I quote. This evidence, it seems to me, is not merely persuasive, it is conclusive. In the memorandum they asserted—

That unless early constructive action is taken to bring about changes in existing administration of the air mail service the independent operators will be forced to cease their air passenger transport operations.

That was the motivating cause which arose between January 30 and February 6 for the decision to cancel the air mail contracts. As a matter of history, did they proceed according to law to cancel the contracts? The McNary-Watres Act permitted cancelation for cause upon notice and hearing. Oh, no; they did not act under that provision. Did the President act under the general authority given him to cancel any contract with the Federal Government for cause upon notice of 60 days and a hearing? Oh, no. Congress had declared its policy that that should be done, and that no property right such as a contract should be taken from a citizen by his country save through due process of law, but that was not done. Without notice, without hearing, though it was requested in writing, these contracts were struck down and denounced, and the persons who conducted the executive business of the several corporations and the individual principals were denounced as frauds, malefactors, and attainted with a disability ever again to contract with their Government.

That is a bit of history which I shall not permit to be forgotten so long as we have to stand here and fight these unreasonable proposals of legislation which have for their obvious purpose the crystallizing and freezing of a monopoly, and the prevention of open and even competition in the air mail service.

The particular value of the historical facts at this instant is their bearing upon the acts of the conferees of both House and Senate in striking out the words "for cause" from the amendment agreed to unanimously by the Senate.

Why strike out the words "for cause" when granting to the Federal Government the power to terminate a contract on 60 days' notice? Obviously to save the face of an administration which cancels contracts without cause.

This bit of history is important also because it bears upon the perpetuation of that vindictive feature of the Air Mail Act of 1934 setting up as frauds a group of men who had become the most learned, the most expert, of all administrators of air transport management and operation and service, condemning them for life to that condition of inferiority and servitude that they are disabled from enjoying the privilege

which other citizens have of contracting freely with their Government.

Mr. President, how long is the Senate of the United States going to continue the character of legislation which perpetuates an attainder that is forbidden by the fundamental law? We know it is forbidden because of the express terms of the Constitution forbidding it, and we know it is forbidden because of the decisions of the United States Supreme Court upon similar acts of punishment of citizens by legislation and without trial by a court of justice.

Here we sit, 96 men, picked from the country, and solemnly proceed with this declaration in these amendments of the air mail laws. I read from page 4 of the conference report:

SEC. 9. Subsection (d) of section 7 of such act is amended to read as follows.

Now listen with the question in mind whether we are not about to pass judgment without trial upon the citizens of this country implied in the amendments and impose punishment, the punishment of a disqualification to enjoy the rights of citizens:

(d) No person shall be qualified to enter upon the performance of, or thereafter to hold an air mail contract (1) if, at or after the time specified for the commencement of mail transportation under such contract, such person is (or, if a partnership, association, or corporation, has a member, officer, or director, or an employee performing general managerial duties, that is) an individual who has theretofore entered into any unlawful combination to prevent the making of any bids for carrying the mails: *Provided*—

Mr. President, this proviso is the only thing in this amendment which shows to whom the authority is given to pronounce this judgment or to execute this judgment or to find any facts about it:

Provided, That whenever required by the Postmaster General or Interstate Commerce Commission the bidder shall submit an affidavit executed by the bidder, or by such of its officers, directors, or general managerial employees as the Postmaster General or Interstate Commerce Commission may designate, sworn to before an officer authorized and empowered to administer oaths, stating in such affidavit that the affiant has not entered nor proposed to enter into any combination to prevent the making of any bid for carrying the mails, nor made any agreement, or given or performed, or promised to give or perform, any consideration whatever to induce any other person to bid or not to bid for any mail contract, or (2) if it pays any officer, director, or regular employee compensation in any form, whether as salary, bonus, commission, or otherwise, at a rate exceeding $17,500 per year for full time: *Provided further*, That it shall be unlawful for any such officer or regular employee to draw a salary of more than $17,500 per year from any air mail contractor—

Listen to this—

or a salary from any other company if such salary from any company makes his total compensation more than $17,500 a year.

What folly! As legislators of the United States looking to the general welfare we sit here and solemnly denounce every person who obtains compensation of more than $17,500 a year, though he be the executive or managerial servant of an institution which connects the Atlantic and the Pacific Oceans, is the custodian and operator and manager and trustee of millions of dollars of citizens' property, and the faithful trustee of the mail of the United States of America, a man who must have experience, who must have character, who must have power, who must be so preeminent in his service to his fellow man that he may be chosen out of many to undertake that great responsibility. If he receives more than $17,500 a year he is proscribed.

I do not want to be judged so small. I do not want to have anyone consider that my opinion of the problems of business and professional life is so narrow as not to recognize that service is worth what a man renders to his fellow man, and that the value of that service cannot be limited by $17,500, considering the magnitude of the trust and responsibility which is involved in the carriage of the mail by air from ocean to ocean.

Worse than that, however, is that other provision of the amendment which perpetuates for all time, unless some future Congress shall have the sense and the justice to correct it, the attainder of those people who are assumed by this administration to be frauds—not proved, but assumed—some of whom were not even present at the meetings, some of whom had contracts which did not arise out of any of the transactions involved, innocent or guilty as those transactions may have been.

We have not the time to pass upon the merits of that controversy, and that is not the object of my rehearsal of it. The object of the reconsideration, briefly, of the history of the cancelation of the air mail contracts is to give force to the objection which we make at this time to the conference report, and to show why we do what seems like a futile thing—debate a conference report at all when we know that it will be agreed to.

My reference to that history is made for the purpose and in the hope that some future session of the Congress of the United States will put a stop to this condemnation of citizens without trial, in absentia, and in defiance of their constitutional and fundamental right.

Mr. President, there were other amendments made. I refer to page 9969 of the CONGRESSIONAL RECORD and read:

The next amendment to the committee amendment was, on page 17, line 10, after the word "maintained", to strike out "for at least 4 months next preceding" and insert "prior to."
The amendment to the amendment was agreed to.

There was a companion strike-out in the same paragraph as follows:

The next amendment to the amendment was, on page 17, line 12, after the word "maintained", to strike out "during the year."
The amendment to the amendment was agreed to.

What was the reason for that amendment? The reason for it was to take out of this bill one of the elements which consolidated the monopoly and which opened this legislation up to permi. competition.

Let us see how that section read, and Senators will observe at once the value of removing that time requirement. I am reading from the bill as we considered it and adopted it on the Senate floor, page 17, line 4, of the bill:

After June 30, 1935, no air mail contractor shall be allowed to maintain passenger or express service off the line of his air mail route which in any way competes with passenger or express service available upon another air mail route, except—

Mr. President, these are the gentlemen who may carry on a service off the line of their air mail route, and these are the only gentlemen who can:

except that off-line competitive service which has been regularly maintained for at least 4 months next preceding July 1, 1935, and such seasonal schedules as may have been regularly maintained during the year prior to July 1, 1935, may be continued if restricted to the number of schedules and to the stops scheduled and in effect during such period or season.

We took out all that provision as to time. We did it not to make this bill perfect—it could not be made perfect; we should have been compelled to strike out the entire paragraph in order to make it perfect—but by compromise we arrived at those two amendments, which removed the time limits and left this amendment open so that if any air mail carrier had been engaged at all in off-line service before July 1, 1935, he would come within the exception from the prohibition.

The Senate agreed to it. The conferees on the part of the Senate took it to the meeting of the conferees, but what happened there? They struck it right out; that is, they struck out "during the year." They left "prior to" in the first instance, but they struck out the cancelation of "during the year", and so now in order that there may be anyone excepted from this proscription he must have maintained regularly the off-line service for an entire year prior to July 1, 1935. Monopoly! Another case of freezing a condition as it is today, and shutting the door in the face of anyone in the future. That is only one aspect of this amendment. That is only one of those proscriptions—and this is a bill of proscriptions—which prevents anyone in the future coming in.

Mr. President, I am about to conclude what I have to say. Let us assume that a change of administration should occur; let us assume that a Republican administration should come into power in the near future; what would become of the air mail as an institution if that new administration should

adopt the tactics of the present administration? I am saying that one of the worst features of this conference report is that feature which struck out the words "for cause", and put it into the power of a Republican administration or a Democratic administration or any other administration to cancel on 60 days' notice all these contracts, and put the fellows who were out in, and the fellows who were in out.

It seems to me it is time that political color should be erased, that this important legislation should be considered without reference to politics, and that we should build up legislation here which will not be condemnatory, which will not smear some of the best of our citizens, but which will encourage the development of the mechanics of the air, safety devices, sound suppressors, devices for communication, increase the efficiency and the strength and the speed of airships, and assure not only the investor whose money operates these services—notwithstanding this pretense of lavish support by the Government—but also assure the traveling public and the shipping public that here is an institution which has sufficient permanence, sufficient opportunity for competition, sufficient stability, sufficient safety from a tyrannical Government so that it may be improved and developed and expanded; so that all men and women may have the use of it; so that more mail and express may be carried than are carried today, and the cost to the consumer, the cost to the person who rides in the plane, and the cost to the person who sends the mail may be reduced.

This we sincerely hope for. This we have worked for heretofore. To this end these amendments were offered, and we supposed to these ends they were agreed upon. Why they should be wiped out and reversed is one of the most mysterious transactions in legislation that has ever come to my attention.

Mr. DUFFY obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator from Wisconsin permit the conference report on the air mail bill to be voted on at this time?

Mr. DUFFY. Mr. President, I understand there are points of order to be raised which will lead to further discussion, and I prefer to make my statement at this time.

Mr. McKELLAR. Mr. President, a conference report has priority over a bill.

Mr. DUFFY. Very well; I will retain the floor and I shall discuss, as the other Senators have, matters which I think should be presented at this time.

Mr. President, tomorrow 1 week will have elapsed since the Senate began the consideration of the copyright bill. At that time I pointed out to the Senate that there is also on our Executive Calendar a treaty which has been unanimously reported by the Foreign Relations Committee, and which is awaiting the disposition of this bill because of its character as an enabling act. I recognize that those who are opposed to this bill would like to see it delayed as long as possible, as we are approaching the end of the session. I recognize that much of the discussion, which has had nothing to do with the bill, has not been inspired by the idea of delaying its passage, but, nevertheless, I wish to make an appeal to my colleagues that we may be permitted to have an expression of the Senate upon this bill, and I hope that I shall not be asked to consent to lay it aside for other business.

I recognize that conference reports have priority, and we are in no position to object to their consideration, but I should like to serve notice that I, at least, cannot consent to lay aside the bill for other kinds of business, and that such action will have to be taken by vote of the Senate.

I should like to suggest that, so far as I know, there is only one additional speech to be made upon the bill, and possibly one or two questions to be raised with reference to certain portions of it. So it should not take very long to have a proper consideration and disposition of the bill.

The Senator from New York [Mr. WAGNER], who, I understand, wishes to speak upon the bill, said the other day that he thought I reflected upon some very fine people in this country, authors and others, by saying that the American Society of Composers, Authors, and Publishers was engaged in a racket. I wish distinctly to draw the line in the accusation I made between the activities of the society and the very fine men who may belong to it. A composer or author assigns his copyright and his rights to the society and has nothing further to do about their enforcement. I claim that the activities of the society in many respects and in many States have been nothing less than a racket. I read a letter here from the Federal judge in my State designating it as such. I have a letter here from the attorney general of my State who refers to it in such terms. I have letters here from district attorneys, who have been called upon to prosecute actions under the minimum damage section, who refer to it in that manner. We have the testimony of several Senators who have had experience in their States showing what the procedure was there, snooping and, in many cases, condemning innocent infringers and bringing them into the Federal court and making them pay the minimum of $250.

But to show that those who framed this bill and those of us who have taken an interest in it have no animus against the society itself, except insofar as this racket has beeen carried on, I want at this time to put into the RECORD a very short statement as to the provisions that were put in this bill at the request of the American Society of Composers, Authors, and Publishers. In other words, there was not any disposition to try to disregard the interests or rights of A. S. C. A. P., as the society is called, an organization which, as I pointed out the other day, is being prosecuted by the Federal Government under the Sherman Antitrust Act at the present time.

HOW THE DUFFY BILL HELPS THE AMERICAN SOCIETY OF COMPOSERS, AUTHORS, AND PUBLISHERS

When the American Society of Composers, Authors, and Publishers sent its representatives to take part in the preparation of the Duffy bill, a number of suggestions were made which were included in the finished draft.

The principal affirmative desire expressed on behalf of the American Society of Composers, Authors, and Publishers was the adherence by the United States to the Convention for the Production of Literary and Artistic Works. The bill prepares the way for adherence to the treaty. Accordingly, this principal desideratum is granted to the American Society of Composers, Authors, and Publishers.

A special request was made that authors be specifically granted the exclusive right to convert their works into motion pictures. This request is granted in the bill, page 2, lines 5 and 6.

Another request was to accord to the author exclusive right to communicate his work to the public by means of television, which is one of the new developments from which considerable is expected in the near future. This was accorded by the bill, page 4, line 9.

Request was made to accord specifically to authors the control of works prepared for recording by means of electrical or mechanical transcription, which has become of great importance since the last revision of the copyright act. This is accorded in the bill, at the request of their representatives, on page 5, lines 12 and 13.

Request was made for the expansion of the right to control oral delivery of a copyrighted work. Under the present law such control is accorded to lectures, sermons, and addresses. Under the bill, page 2, lines 15 and 16, extension is made to cover any copyrighted work delivered in public for profit.

In other words, those are the provisions which were requested specifically by the organization, and they were given a full hearing. Mr. Mills, their general manager, was heard; testimony was taken; Mr. Burkan, their attorney, was heard, as were Mr. Buck and various others who were interested. I wish to assure the Senate that there was no disposition to try to take advantage of or to put the society in a hole in any way. It was, however, the feeling of the committee that the provision for the $250 minimum, which had been used as a means of a racket and as a club, should be done away with and that we ought to leave full discre-

tion to the courts to award such damages as would prevent infringement and as would be just and equitable.

I point out to the Senate that when rights of monopoly are given and controlled by a private group there is always inherent danger. Under the law rights of monopoly were given to the authors; that is all right; but when authors and composers and others get together and form an organization so powerful in its exclusive control that the Department of Justice or the United States Government is prosecuting them under the Antitrust Act, then the rights of the consumers must be given some attention.

We desire that authors be protected. They will get great benefits under this proposed act. If there are to be further speeches upon other matters I should like to have Senators at least glance over, hurriedly, if necessary, the letter that was written by the junior Senator from California [Mr. McADOO] to Irving Berlin, which letter is published in yesterday's RECORD, which is on the desks of Senators this morning. I think the facts are presented in that letter very clearly and very succinctly, and the letter shows the very great effort which has been made to be as fair as possible.

The Senator from Idaho [Mr. BORAH] had printed in the RECORD some days ago a petition from Thorvald Solberg, from which I desire to quote a couple of sentences. Mr. Solberg, as I previously told the Senate, for 33 years was Register of Copyrights. He says in part:

S. 3047 is a compromise bill. Any proposal for the general revision of our copyright legislation must of necessity be a compromise measure. But, in my opinion, it is the best balanced and most practical compromise proposal for the betterment of our copyright laws that has been presented to Congress for a long term of years.

He says further:

So far as this matter is concerned, our authors are neither asked to do anything more than heretofore nor anything different. They are left under the provisions of existing law to continue a practice of more than 50 years, including the deposit of copies of their works and registration of their claims to copyright. The records of the Copyright Office clearly indicate that authors generally would desire to continue deposit and registration, because they are convinced that it is definitely to their own advantage.

Mr. Solberg further says:

The bill extends to American authors many of the most important copyright reforms discussed during the last 10 years.

He ended his petition by saying:

Authors should, in my opinion, rally to the support of this bill, because it is obvious that they would secure through its enactment definite new benefits and would not lose any rights that are practically valuable.

So I submit to the Senate, inasmuch as the bill has received such wide-spread approval and the only opposition to it is concentrated on the one feature, which takes away from the society something, out of which, of course, they have made considerable money, but at the expense largely of the small, innocent infringers, and inasmuch as the bill has been before the Senate for almost a week, that we ought to have the opportunity of having a vote so that the Senate may give an expression of its opinion and those who may be opposed to it may register their opposition. We have to get the bill over to the House, and there is on the Executive Calendar the copyright treaty awaiting action on the bill. So I appeal to the Members of the Senate to permit a vote to be had. I think we have been patient; we have yielded to other measures and have been as accommodating as we possibly could be. The bill is of importance. If Senators have speeches to make on matters which are entirely extraneous, it seems to me that they could be made just as well after a vote on the pending bill shall have been had.

Mr. McKELLAR. Mr. President, may we have a vote on the conference report? I ask for a vote.

Mr. BORAH. Mr. President, I inquire has the conference report been disposed of?

Mr. McKELLAR. It has not been disposed of; but I hope we may now dispose of it.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. WHITE. Mr. President, I have been so much impressed by the criticisms directed to this conference report by the senior Senator from California [Mr. JOHNSON], and by my colleague from Vermont [Mr. AUSTIN], and I am so hopeful that if the report shall again be committed to the conferees that they will have both the disposition and the capacity to eliminate the infirmities and the defects which I think have been pointed out in it, that I am constrained to make a point of order against the report.

I make the point of order that there has been included in the conference report matter not committed to the conferees by either the House or the Senate. I invite the attention of the Chair to two paragraphs embodied in the report, first with relation to the language appearing near the middle of page 3 of the printed conference report, and which I read as follows:

And the Commission shall make a report to the Congress, not later than January 15, 1936, whether or not, in its judgment, a fair and reasonable rate of compensation on each of said eight contracts, under the other provisions and conditions of said act, as herein amended, is in excess of 33⅓ cents per mile; together with full facts and reasons in detail why it recommends for or against any claim for increase.

Mr. President, in the House bill, so far as I am able to discover, there is no reference whatsoever to any report to the Congress with respect to any matter covered by the language of the House bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHITE. If I may conclude my suggestion, then I will yield.

In the Senate bill there is a provision for a report to the Congress; but if the Presiding Officer will turn to page 12 of the bill as it passed the Senate he will note, and the Senate will note, that the report provided for by the Senate bill related only to the profits, whether reasonable or unreasonable, made by the air mail contractors, and that that report called for by the Senate language had no relation whatever to the rates of compensation charged by the air mail carriers or allowed by the Postmaster General or the Interstate Commerce Commission.

I maintain that by inserting the provision requiring a report to the Congress with respect to the rates of compensation the conferees have inserted matter not submitted to them by either House.

Mr. President, I invite attention further to language appearing on page 5 of the conference report, in section 10. I read that language of which I complain:

There is authorized to be used from the appropriations for contract air mail service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air mail contractors by the Post Office Department.

I am not able to discover, either in the language of the bill as it passed the Senate or in the language of the bill as it passed the House, any authority for an authorization for an appropriation of any sum whatsoever for any such purpose as is here suggested.

It seems to me that in these two respects the conferees have clearly transcended their authority. I make the point of order, as indicated at the beginning of my brief remarks, only because of my hope that if the bill goes back to the conferees they may start de novo and may bring to the Senate a report free from the infirmities pointed out by previous statements.

I make the point of order.

Mr. McKELLAR. Mr. President, as to the first objection to the language found on page 3, let me read the language:

Under the other provisions and conditions of said act, as herein amended, is in excess of 33⅓ cents per mile, together with full facts and reasons in detail why it recommends for or against any claim for increase.

It is perfectly apparent that that point was in controversy. That was really the principal controversy between the two bills. Under the language of the bill as it passed the House, on page 3 the Interstate Commerce Commission was authorized to fix the rates at 20 percent higher than they now are.

What the conferees did, instead of accepting the Senate provision for the present limitation, was simply to agree that the matter, as to eight contracts which had been given the full limit of 33⅓ cents, should be submitted again to the Interstate Commerce Commission and the Commission should report whether there should be any increase in rates under those contracts, the report to be made at the January session of Congress.

The point was directly in controversy between the two Houses. There was a provision relating to it in the Senate bill fixing the rate at 33⅓ cents and there was a provision in the bill as it passed the House fixing the rate at 40 cents, and there was a reference to the Interstate Commerce Commission to investigate the matter and report at the next session of the Congress as to rates between these figures.

The PRESIDENT pro tempore. Will the Senator from Tennessee please read the two paragraphs involved, the one appearing in the Senate bill and the one appearing in the House bill?

Mr. McKELLAR. I shall take pleasure in doing so.

On page 3 of the bill as it passed the House it was provided as follows:

SEC. 6. (a) The Interstate Commerce Commission is hereby empowered and directed, after notice and hearing, to fix and determine by order, as soon as practicable and from time to time, the fair and reasonable rates of compensation for the transportation of air mail by airplane and the service connected therewith over each air mail route, and over each section thereof covered by a separate contract, prescribing the method or methods by weight or space, or both or otherwise, for ascertaining such rates of compensation, and to publish the same, which shall continue in force until changed by the said Commission after due notice and hearing. In fixing and determining such rates, if it shall be contended or alleged by the holder of an air mail contract that the rate of compensation in force for the service involved is insufficient, the burden of establishing such insufficiency and the extent thereof shall be assumed by him.

I invite the attention of the Chair to the next sentence:

In no case shall the rates fixed and determined by the said Commission hereunder exceed by more than 20 percent the limits prescribed in section 3 (a) of this act.

That is the provision in the bill as it passed the House. If the Chair will turn to the bill as it passed the Senate he will find on page 8 that the provision for a limitation of 33⅓ cents is reenacted. In other words, here was the distinct issue. I need not read it, but I ask that the paragraph contained in the bill as it passed the Senate may be printed in the RECORD.

The PRESIDENT pro tempore. The Chair would very much like to have it read.

Mr. McKELLAR. Very well. I shall read it, as follows:

The Postmaster General is authorized to award contracts for the transportation of air mail by airplane between such points as he may designate, and for initial periods of not exceeding 3 years, to the lowest responsible bidders tendering sufficient guaranty for faithful performance in accordance with the terms of the advertisement at fixed rates per airplane-mile: *Provided*, That where the Postmaster General holds that a low bidder is not responsible or qualified under this act, such bidder shall have the right to appeal to the Comptroller General, who shall speedily determine the issue, and his decision shall be final: *Provided further*, That the base rate of pay which may be bid and accepted in awarding such contracts shall in no case exceed 33⅓ cents per airplane-mile for transporting a mail load not exceeding 300 pounds. Payment for transportation shall be at the base rate fixed in the contract for the first 300 pounds of mail or fraction thereof plus one-tenth of such base rate for each additional 100 pounds of mail or fraction thereof, computed at the end of each calendar month on the basis of the average mail load carried per mile over the route during such month, except that in no case shall payment exceed 40 cents per airplane-mile.

Mr. President, there are two distinct provisions, one fixing a limitation of 33⅓ cents on the power of the Commission to fix rates. The other is a provision increasing that rate by 20 percent. What the conferees did was to permit eight of the contractors to go before the Interstate Commerce Commission and have that body determine whether those eight contractors were entitled to anything more than 33⅓ cents per mile. In other words, it is directly in controversy. It is a provision in both bills, and the conferees reached a compromise between the two.

Mr. WHITE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Maine?

Mr. McKELLAR. I yield.

Mr. WHITE. I am making no point with respect to the level of the rates, whether they be at one figure or whether they be at another. I should not wish to have the Chair miss what I have in mind and what I am suggesting. The criticism is that the conferees have included the language requiring a report to the Congress and an opinion by the Commission as to whether, in its judgment, a fair and reasonable rate of compensation is in excess of 33⅓ cents per mile, together with full facts and reasons in detail why it recommends for or against the particular increase. My criticism is not as to dealing with the rates themselves; but in the requirement for a report to Congress on the matter, the provision that the Commission shall give its reasons why it did one thing or did not do another thing is entirely new matter, not contained in the House bill, and not contained in anything read by the Senator from Tennessee.

Mr. HAYDEN. Mr. President——

Mr. McKELLAR. Mr. President, in last year's act and in this year's act we required reports from the Interstate Commerce Commission both to the Congress and to the Postmaster General. That requirement is all through this bill. If the Senator will look at the measures he will see that it is in the House bill and it is in the Senate bill.

I now yield to the Senator from Arizona.

Mr. HAYDEN. Mr. President, one fact which has been overlooked in this discussion is that the Senate struck out all after the enacting clause of the House bill and the conferees have submitted a third text. In that situation it is my understanding that the only question which the Chair has to pass upon is whether the change made in conference is germane to the proposals as originally submitted by the House or by the Senate.

The House proposed to authorize a possible increase in existing air mail rates by 20 percent, whereas the Senate proposed to leave the maximum rate at 33⅓ cents per airplane mile. Since both the House and Senate proposals covered all contractors, clearly the conferees would have jurisdiction to say what should be done with respect to eight, or some of the contractors. Action in that respect certainly would be germane.

As to the sentence which requires that a report be submitted to Congress, the text as passed by the House required the Interstate Commerce Commission to make a finding as to the necessity for increased pay to air mail contractors, to which the Senate would not agree. Consequently, it would be germane for the conference report to require that the Interstate Commerce Commission shall make a report to Congress with respect to the matter.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Maine for the purpose of asking a question of the Senator from Arizona.

Mr. WHITE. Does the Senator mean to contend that a finding by the Interstate Commerce Commission involves a report to the Congress with respect to a matter? They are entirely separate, distinct, and totally unrelated things.

Mr. HAYDEN. But the question is, Is the provision in the conference report germane to the text of the bill as passed by the House of Representatives? Certainly it is germane. It relates to the subject matter of air mail pay.

If the Senate was dealing with a bill where there were specific changes in various sections or paragraphs, there might be some force to the point of order made by the Senator from Maine; but that is not now the case. The Senate struck out the entire House text, and what the committee of conference has done is germane to the entire subject matter.

Mr. WHITE. If the Senator from Tennessee will yield further, there is not in this section of the House bill anything whatsoever with respect to a report to the Congress. When we turn to the Senate bill we find that there is a pro-

vision requiring a report with respect to the profits of the companies. Disregarding both those provisions, the conferees have written in a requirement for a report with respect to rates of compensation.

I shall be glad to hear the Senator's comment on that point.

Mr. McKELLAR. Mr. President, as to the first point of order, with reference to the matter on page 3, it is clearly in controversy between the two Houses. Indeed, it was the point of controversy which came very near wrecking the conference. The principal question during the whole conference was as to whether or not we should change the limitation which now exists on the rates of air mail, whether or not we were going above 33⅓ cents. That was the point of controversy in every conference, and we had many of them. This adjustment of the matter was finally had, by directing that the Interstate Commerce Commission report as to these eight contracts. I take it that there cannot be any doubt about it.

On page 5 it is objected that this language was added:

There is authorized to be used from the appropriations for contract air mail service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air mail contractors by the Post Office Department.

If that is germane, it is entitled to be in the report. Unquestionably it is germane.

If the Chair will permit me, a similar matter came before the House of Representatives a number of years ago.

The report having been read, Mr. Tracey, of New York, made the point of order that the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate had exceeded their authority and jurisdiction in recommending the injection into the bill of new matter not in dispute between the two Houses and not germane to the bill or amendments thereto.

It is perfectly germane, if a report is ordered, to direct that the proper means of securing the report may be had, and in my judgment, the points of order should be overruled.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. As I understand, either in the House bill or in the Senate bill there was authority for a report to be made.

Mr. McKELLAR. In both bills.

Mr. BARKLEY. In both bills, without specifying the amount?

Mr. McKELLAR. Without specifying where it should come from.

Mr. BARKLEY. So the territory to be covered was anywhere between nothing and an indefinite sum which might be afterward appropriated to provide for the report. Is that true?

Mr. McKELLAR. In my judgment it is.

Mr. BARKLEY. So a limitation on the amount would be within the territory of difference between the two Houses on that subject?

Mr. McKELLAR. In my judgment that is true; but over and above that, it is perfectly germane to the provision in the bill itself, and under the rules as here interpreted the point of order should be overruled. I hope the Chair will overrule it.

The PRESIDENT pro tempore. A point of order is made by the Senator from Maine [Mr. WHITE] against the language in the conference report on page 3, which reads as follows:

And the Commission shall make a report to the Congress, not later than January 15, 1936, whether or not, in its judgment, a fair and reasonable rate of compensation on each of said eight contracts, under the other provisions and conditions of said act, as herein amended, is in excess of 33⅓ cents per mile; together with full facts and reasons in detail why it recommends for or against any claim for increase.

Also, a point of order is made to the language on page 5 of the conference report, which reads:

There is authorized to be used from the appropriations for contract Air Mail Service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air mail contractors by the Post Office Department.

The point of order is based on the allegation that new legislation is carried in the conference report not contained in either the Senate or House bills.

In the Senate bill this language appears with regard to the 33⅓ cents per mile:

Provided, That where the Postmaster General holds that a low bidder is not responsible or qualified under this act, such bidder shall have the right to appeal to the Comptroller General, who shall speedily determine the issue, and his decision shall be final: *Provided further*, That the base rate of pay which may be bid and accepted in awarding such contracts shall in no case exceed 33⅓ cents per airplane-mile for transporting a mail load not exceeding 300 pounds. Payment for transportation shall be at the base rate fixed in the contract for the first 300 pounds of mail or fraction thereof plus one-tenth of such base rate for each additional 100 pounds of mail or fraction thereof, computed at the end of each calendar month on the basis of the average mail load carried per mile over the route during such month, except that in no case shall payment exceed 40 cents per airplane-mile.

In the House bill, in section 6 (a), as amended, this matter is provided for. The last part of that section says:

In no case shall the rates fixed and determined by the said Commission hereunder exceed by more than 20 percent the limits prescribed in section 3 (a) of this act.

It will be observed that while this matter is treated in both the Senate and the House bills, they are at entire variance in their treatment of it. Therefore both of the sections were in conference.

Under the interpretation of the present occupant of the chair, where all after the enacting clause of a House bill is stricken out and an entirely new bill inserted by the Senate, the question arises as to whether or not the language used as a substitute for the two sections is germane and carries out the intent of both bodies with regard to such particular legislation.

As to the provision which is the subject of the last point of order—

There is authorized to be used from the appropriations for contract air mail service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air mail contractors by the Post Office Department—

The Chair calls attention to the fact that the Senate bill carries no provision for auditing the books, while the House bill, in section 10, as amended, carries this provision:

All persons holding air mail contracts shall be required to keep their books, records, and accounts under such regulations as may be promulgated by the Postmaster General, and he is hereby authorized, if and when he deems it advisable to do so, to examine and audit the books, records, and accounts of such contractors, and to require such contractors to submit full financial reports in such form and under such regulations as he may prescribe.

That requirement is found alone in the House bill. The Senate did not have to accept that provision. If it did accept that provision, it could accept it with such conditions as it saw fit. It did accept the provision with this condition:

There is authorized to be used from the appropriations for contract air mail service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air mail contractors by the Post Office Department.

That addition to the House provision certainly is germane, and it is a reasonable condition to impose upon the adoption of the House provision for auditing the books.

The former provision which the Chair has discussed, which requires a report to Congress, is absolutely germane to the issue raised by the different sections of the two bills. Being germane, and the language not being identical in both bills, it was a reasonable adjustment of the differences in that particular between the two Houses.

The Chair overrules the points of order.

The question is on agreeing to the conference report.

The report was agreed to.

REVISION OF COPYRIGHT ACT

The Senate resumed the consideration of the bill (S. 3047) to amend the act entitled "An act to amend and consolidate the acts respecting copyright", approved March 4, 1909, as amended, and for other purposes.

The PRESIDENT pro tempore. The bill is open to amendment.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Lewis	Reynolds
Ashurst	Davis	Logan	Robinson
Austin	Dickinson	Lonergan	Russell
Bachman	Dieterich	McAdoo	Schall
Bankhead	Donahey	McCarran	Schwellenbach
Barbour	Duffy	McGill	Sheppard
Barkley	Fletcher	McKellar	Shipstead
Black	Frazier	McNary	Smith
Borah	George	Minton	Steiwer
Brown	Gerry	Moore	Thomas, Okla.
Bulkley	Gibson	Murphy	Thomas, Utah
Bulow	Glass	Murray	Townsend
Burke	Gore	Neely	Trammell
Byrd	Guffey	Norbeck	Tydings
Byrnes	Hale	Norris	Vandenberg
Capper	Hastings	Nye	Van Nuys
Caraway	Hatch	O'Mahoney	Wagner
Chavez	Hayden	Overton	Walsh
Clark	Johnson	Pittman	Wheeler
Connally	King	Pope	White
Copeland	La Follette	Radcliffe	

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Eighty-three Senators having answered to their names, there is a quorum present.

AMENDMENT OF INTERSTATE COMMERCE ACT

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1633) to amend the Interstate Commerce Act, as amended, and for other purposes, which were, on page 1, line 6, to strike out the word "part" and insert "Act", and to amend the title so as to read: "An act to amend the Interstate Commerce Act, as amended."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

THE CONSTITUTION AND COMMERCE AMONG THE STATES

Mr. O'MAHONEY. Mr. President, yesterday I introduced Senate bill 3363, to regulate commerce among the States. This measure undertakes to establish a constructive program for the rehabilitation of commerce among the States in such a manner as to maintain high standards of living for labor, to make possible the adoption of fair methods of competition in the basic trades and industry, and to protect the investor from the obvious abuses of corporate power from which the country has suffered for a generation.

The bill, following a declaration of policy, is divided into three titles. The first title sets up the Federal Trade Commission as the agency by which the law is to be administered, and increases the membership of the Commission from 5 to 9 persons, so that there may be 3 representatives of labor, or the employees of industry; 3 representing employers, or capital itself; and 3 representing the general public.

This title confers certain powers upon the Federal Trade Commission, among them the power to prepare and provide a general program for the coordination, stabilization, and orderly development of the basic industries of the country, and to summon a national industrial conference in which employers and employees, the investing public, and the public generally, may be represented.

The Federal Trade Commission is directed to submit its reports to Congress. It is authorized and directed, after investigation of the basic trades and industries, to make its findings with respect to the general economic conditions which it observes, and, again, to make recommendations to Congress with respect to the methods of fair competition which may be expected to be helpful in eliminating unfair trade and labor practices.

The bill provides for only three principal requirements in a general licensing system to be applied to those who engage in commerce among the States. These three requirements are the protection of female employees from discrimination, a provision against child labor, and a provision guaranteeing the right of collective bargaining.

All the other provisions and conditions which the Federal Trade Commission may deem necessary must be submitted to Congress for its consideration before they can be imposed upon industry. There is thus no delegation whatever of legislative authority.

It is provided that before licenses may be issued the Federal Trade Commission shall hold hearings. It may, however, grant blanket licenses in order that there may be no interruption of commerce and industry. However, whenever the Commission has reason to believe that any commerce, by whatever name we may be inclined to call it, interferes with the national scope of commerce or with any licensee under the act in such manner as to defeat the purposes of the act, then the Commission, after hearing and a finding, may make its decision upon such matters, and such commerce shall then be made subject to the act.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WALSH. What did the Senator from Wyoming say were the primary minimum labor conditions prerequisite to obtaining a license by an industry engaged in interstate commerce?

Mr. O'MAHONEY. The primary requirements are the prevention of discrimination against women employees, the ban against child labor, and the protection of the rights of collective bargaining.

Mr. WALSH. The conditions suggested would be incorporated in the proposed legislation and be prerequisite to granting the licenses?

Mr. O'MAHONEY. That is correct.

Mr. WALSH. I am wondering if there is not some constitutional question involved in the right to require such conditions before issuing a license to an industry engaged in interstate commerce.

Mr. O'MAHONEY. There is, of course; and I shall come to that.

Mr. WALSH. The reason I ask the question is because a bill which is shortly to come before the Senate contains certain minimum labor provisos whenever any person seeks to contract for the purchase of supplies by the Government. In such cases there are many decisions holding that the Government is free to provide such terms as it sees fit when it comes to directing its contractual relations.

Mr. O'MAHONEY. Exactly. The Senator is correct. There is, of course, a provision for the revocation of licenses, but the bill provides for a court review of the action of the Federal Trade Commission in that respect.

Excluded from the operation of the proposed law is the production of any agricultural article or commodity. It is also provided that it shall not apply to any common carrier or to any licensee under the Communications Act of 1934, so far as such licensee is engaged in radio broadcasting; or to any banking corporation or insurance corporation, or to any corporation engaged in publishing newspapers, or to any corporation having a charter under the China Trade Act of 1922.

PROTECTION FOR CORPORATE STOCKHOLDERS

The second title undertakes to impose the primary conditions which shall be required of a corporation which undertakes to engage in commerce among the States.

It provides, for example, that every director shall be a trustee for the stockholders of his corporation and shall be liable to the stockholders in actual and punitive damages for unconscionable profits which such director may secure by means of his power to control the capital of the stockholders. It prohibits the payment of bonuses or commissions except by vote of the stockholders. It provides that all stock shall have equal voting power, and it affords protection to the minority stockholder, to the holder of a few shares of stock, the widows and orphans, of whom we have heard so much recently, by providing for a system of accredited corporation representatives, free from Government direction, but certified by the Federal Trade Commission after examination in corporation law and accounting, conducted by the Civil Service Commission.

These corporation representatives are not in any sense the agents of the Federal Trade Commission or of any other

branch of the Government. They are intended to be a professional class, like certified public accountants, to whom the small stockholder may with confidence send his proxy so that he may have the assurance that he will be represented in corporation meetings by a competent person who has no interest to serve except the interest of the stockholder. They are to be responsible to no one except to the stockholders, but the compensation of the representatives is to be fixed by the Federal Trade Commission and paid one-half by the corporation and one-half by the Commission.

Protection against the manipulation of corporate funds for the benefit of the management and to the detriment of the stockholder and the employee is provided by a provision that the surplus of corporations having more than a given number of employees shall not be permitted to exceed a given proportion of the capital stock, and, when dividends have not exceeded 10 percent of the par value of the outstanding stock, that the excess surplus should be distributed in dividends to the stockholders. When, on the other hand, dividends have exceeded 10 percent of the par value of the outstanding stock, provision is made for the adoption by authority of the stockholders of a suitable profit-sharing plan for the employees.

I call attention to the fact that this profit-sharing plan is to be adopted by authority of the stockholders and not by imposition of the Federal Trade Commission. Care is taken, however, to permit any corporation affected to apply to a competent court to show that the surplus is needed for proper corporate purposes and may be so expended without endangering the minimum-wage standards and the standards of maximum hours of employment established by virtue of the act.

The Federal incorporation system provided in the bill is substantially the same as that which was recommended to Congress in January 1910 by former President Taft, redrafted to meet the modern situation.

This bill would protect labor and foster commerce.

It would put an end to the most flagrant abuses of corporate power. It would solve the holding company problem by giving to the stockholders of the companies which are strangled in the holding company net the voting power to control their own capital.

It would protect the rights of the minority stockholder.

It would mean actual self-government in industry and would put an end to the expansion of bureaucracy.

It would confine the Government to its proper sphere, which is not to run the businesses of the country but to prevent one citizen or class of citizens from taking advantage of the rest.

It would mean a real distribution of the wealth of the country, not in the sense of destroying or distributing capital assets but by providing for a more equitable distribution of national income. Because it would do that, it would stimulate business.

It is a comprehensive program to raise the standard of living among the people of the United States, and it is, in my opinion, perfectly constitutional.

COMMERCE IS NATIONAL IN SCOPE

Mr. President, the bill is intended as an answer to the most important question of our time, namely, whether or not the Constitution of the United States has preserved to the people of the United States the power to regulate in all its phases that commerce which is their economic life, and upon the proper regulation of which depend their happiness and prosperity. Surely there is no person of normal mentality who does not know that a tremendous proportion of all present-day commercial activity is wholly national in scope, and that the lives of all our people, wherever they may reside, are indissolubly bound up with that commerce. Not labor alone but capital; not the worker and the employer alone but the investor and the consumer; the entire population—all are vitally concerned with the manner in which commerce is conducted.

With respect to the problem of national commerce, State lines are practically meaningless. By train and motor and airplane, persons and commodities are transported from one end of the country to the other in a fraction of the time it took the framers of the Constitution to move from Boston, Richmond, or New York to Philadelphia. By telephone and telegraph and radio intelligence is transmitted from coast to coast in the twinkling of an eye. The powers of the Federal Government have been used in divers ways to foster and encourage the development of a national system of transportation and communication. The national market has been broadened until it includes every village and every crossroad. Every nook and corner of the country has been made readily accessible to every other. Production in New England has its repercussions in the Southwest. Distribution in the South is reflected in the North. Consumption in the Northwest has its effect in the South Atlantic States. Commercially the country is a unit.

Corporations organized in Delaware and New Jersey, or in any other of the 48 States, under local and special laws, carry on a national business. Every single inhabitant of the Nation is intimately affected in his daily life by the manner in which it is carried on. Some are affected by the prices they pay for the things they buy, others by the prices they receive for the labor or service which they render, others again by the return or lack of return on their investments—the security holders of these national business corporations, operating under local charters, are scattered throughout the land—and still others by the competition they must meet in apparently purely local matters from some national organization, as, for example, the corner grocery, from some Nation-wide chain.

National standards of labor, the national purchasing power, the national standard of living, all are directly influenced by this national business—and everybody knows it. National prosperity is dependent upon it—and everybody knows it. Every 4 years we go to the polls to elect a national government to protect or restore this prosperity, as though that national government had the power to regulate the business upon the conduct of which that prosperity depends, but now, we are told, the power is lacking because, it is asserted, the Constitution does not give it to the Federal Government, because the Constitution does not clothe the Federal Government with the authority to interfere with those matters that concern what is called "intrastate" commerce.

A MISTAKEN ASSUMPTION

It is assumed that the Constitution has drawn a distinction between interstate and intrastate commerce, giving jurisdiction over the former to the Congress and reserving jurisdiction over the latter to the States, at least, unless it directly affects, burdens, or obstructs what is called the "flow of interstate commerce." It follows from this assumption that some of the most important factors of our national commerce, namely, those which concern the production and distribution of the articles and commodities which are the essential subject matter of that commerce are held to be beyond the power of Congress to regulate. As a consequence, if we hold that theory, we are driven to the conclusion that in drafting the Constitution the authors of that document so framed it that, while depriving the States of the power to control national commerce, they at the same time made it impossible for the Central Government to perform the task in an adequate manner, although they thought they were creating that Central Government to safeguard the national interests of all the people.

Mr. President, I deny the accuracy of that assumption. I assert that there is neither a practical nor a logical basis for it. I assert that the instrument which the Constitutional Convention bequeathed to the people of the United States is entirely adequate to meet the needs of this hour. It remains only for us to study that instrument in the light of history and common sense, cutting ourselves free the while from habits of thought that obscure our mental vision.

The Constitution makes no distinction between interstate and intrastate commerce. It mentions neither. Nowhere within the four corners of the instrument is either word to be found. Nay, more, there is nothing in it that even remotely suggests the fine-spun theories we hear about direct and indirect effects, burdens, and obstructions upon inter-

state commerce. These are all interpolations of judicial construction and of congressional attempts to anticipate judicial action by legislating in the light of the interpolations instead of in the light of the Constitution.

The error arises out of the fact that, until recently, the only substantial exercise of congressional authority under the commerce clause has had to do with the movement of commodities from one State to another, and that some of the most important cases that went to the courts had to do with the effect of State laws upon national commerce. When Congress passed the Interstate Commerce Act to regulate transportation, it gave currency to the notion that the power of Congress did not go beyond the control of commodity movement. The fact, however, was only that Congress had not found it necessary to employ its full power. On the other hand, when the Supreme Court found itself confronted with the necessity of construing State statutes taxing corporations engaged in national commerce, it found itself obliged to devise a formula that would permit the States to raise revenue while denying them the right to interfere with the actual transaction of national commerce. The result was the rule that the States may not directly interfere with the flow of interstate commerce or burden or obstruct it. From this premise we have apparently come to the altogether unsound conclusion, as it seems to me, that the power of the Federal Government to interfere with what is called "intrastate" commerce is limited to that which directly burdens "interstate" commerce. Thus the sword which was forged by the courts to defend the Federal Government from unwarranted action by the States is now being used to hamstring the National Government at a time when it most needs all its power if it is properly to safeguard the public interest.

LET US STAND BY THE CONSTITUTION

We shall not clearly see this problem until we cast out of our minds the judicial phrases and go back to the language of the Constitution itself. Mr. President, I take my position on the Constitution. It gives to the Congress, in the third clause of section 8 of article I, the plenary power "to regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

This is not a power to regulate merely the movement of commodities. This is not a power that stops at a State line. This is not a power that vanishes before the assertion of State authority. This is a plenary power that dominates the entire field of national commerce, and there is no creature of the Constitution, no official serving under the Constitution whether he be in the legislative, executive, or judicial branch of the Government who can limit it. That power was granted to the Congress of the United States for the protection of the people of the United States, and it remains today absolutely unimpaired, as full and complete as it was on the day when, ratified by the requisite number of States, the Constitution came into existence as the living charter of our liberties.

Mr. President, I do not ask the acceptance of this conclusion upon the declaration of the junior Senator from Wyoming. I ask it upon the authority of John Marshall, who exactly 100 years ago forever laid aside his robes as Chief Justice of the Supreme Court of the United States, after having, by his immortal interpretations, made the Constitution the frame of an enduring and effective Union.

Let us read again his language in the famous case of Gibbons against Ogden, handed down in 1824, Ninth Wheaton, 1. Gibbons was operating between New York and New Jersey two steamboats licensed under an act of Congress. The Legislature of New York had granted to Livingston and Fulton the exclusive right to operate steamboats between the same States. Ogden obtained this right by assignment, and, by an action in the State courts, secured an injunction to restrain Gibbons, the licensee of Congress, from continuing to navigate. If Congress had the right to grant that license, it was under the commerce clause. Ogden contended that the operation of the clause was limited to the interchange of commodities and that the commerce over which the Federal Government had power did not include navigation. In other words, Ogden was occupying practically the same ground as those who now seem to feel that the power of Congress is restricted to the "flow of interstate commerce." Marshall made short work of that argument and defined the commerce power with logic and language that no one who reads it can possibly misunderstand.

WHAT JOHN MARSHALL THOUGHT

This is what Marshall said:

He is about to quote from the Constitution—

The words are: "The Congress shall have power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes." The subject to be regulated is commerce; and our Constitution being, as was aptly said at the bar, one of enumeration, and not of definition, to ascertain the extent of the power, it becomes necessary to settle the meaning of the word. The counsel for the appellee would limit it to traffic, to buying and selling, or the interchange of commodities, and do not admit that it comprehends navigation. This would restrict a general term, applicable to many objects, to one of its significations. Commerce, undoubtedly, is traffic; but it is something more—it is intercourse. It describes the commercial intercourse between nations, and parts of nations, in all its branches, and is regulated by prescribing rules for carrying on that intercourse. The mind can scarcely conceive a system for regulating commerce between nations which shall exclude all laws concerning navigation, which shall be silent on the admission of the vessels of the one nation into the ports of the other, and be confined to prescribing rules for the conduct of individuals, in the actual employment of buying and selling, or of barter.

* * * * * * *

To what commerce does this power extend?—

Asks Chief Justice Marshall—

The Constitution informs us to commerce "with foreign nation, and among the several States, and with the Indian tribes." It has, we believe, been universally admitted that these words comprehend every species of commercial intercourse between the United States and foreign nations. No sort of trade can be carried on between this country and any other to which this power does not extend. It has been truly said that commerce, as the word is used in the Constitution, is a unit, every part of which is indicated by the term. If this be the admitted meaning of the word in its application to foreign nations, it must carry the same meaning throughout the sentence and remain a unit, unless there be some plain, intelligible cause which alters it.

The subject to which the power is next applied is to commerce "among the several States." The word "among" means intermingled with. A thing which is among others is intermingled with them. Commerce among the States cannot stop at the external boundary line of each State, but may be introduced into the interior. It is not intended to say that these words comprehend that commerce which is completely internal, which is carried on between man and man in a State, or between different parts of the same State, and which does not extend to or affect other States. Such a power would be inconvenient and is certainly unnecessary.

Comprehensive as the word "among" is, it may very properly be restricted to that commerce which concerns more States than one. The phrase is not one which would probably have been selected to indicate the completely interior traffic of a State, because it is not an apt phrase for that purpose; and the enumeration of the particular classes of commerce to which the power was to be extended would not have been made had the intention been to extend the power to every description. The enumeration presupposes something not enumerated; and that something, if we regard the language or the subject of the sentence, must be the exclusively internal commerce of a State. The genius and character of the whole Government seem to be that its action is to be applied to all the external concerns of the Nation and to those internal concerns which affect the States generally, but not to those which are completely within a particular State, which do not affect other States, and with which it is not necessary to interfere for the purpose of executing some of the general powers of the Government. The completely internal commerce of a State, then, may be considered as reserved for the State itself.

THE COMMERCE POWER IS A PLENARY POWER

Mr. President, this language in phrase after phrase, in argument after argument, upholds the plenary power of the Federal Government to regulate completely the whole field of national commerce. Let us reexamine it:

Commerce undoubtedly is traffic, but it is something more—it is intercourse. It describes the commercial intercourse between nations and parts of nations in all its branches.

Here are no weasel words about intrastate commerce. The power that Marshall saw extends to intercourse in all its branches, not to some of them, but to all of them. Why did he say that? Because he knew, as any common-sense mind must know, that to exclude power over some of the branches would be to defeat the power itself.

Again the great Chief Justice says:

> The subject to which the power is next applied is to commerce "among the several States." The word "among" means intermingled with. A thing which is among others is intermingled with them. Commerce among the States cannot stop at the external boundary line of each State, but may be introduced into the interior.

Here is no talk about interstate commerce. The phrase had not been invented. Marshall, in the words of the Constitution, talks about "commerce among the States." That is the subject over which power is granted—"commerce among the several States", commerce "in all its branches." Shall we undertake now, when the welfare of the people of the United States requires national control of national commerce, to limit the commerce power by reading into the Constitution a word which is not there or to give it a narrower interpretation than that which Chief Justice Marshall gave it?

Marshall, it is true, did give the word "among" a more restricted meaning than he might have done. Said he:

> Comprehensive as the word "among" is, it may very properly be restricted to that commerce which concerns more States than one.

ONLY COMPLETELY INTERNAL STATE COMMERCE EXCLUDED

The commerce with which this generation must deal is certainly that which concerns more States than one, and, if we are to accept the interpretation of John Marshall, the power bestowed by the Constitution is ample for the purpose. The only field which in his judgment is beyond the jurisdiction of Congress is not intrastate commerce, nor even intrastate commerce which does not directly affect commerce among the States. The only commerce which Marshall excludes is that which as to any State is completely internal. Over and over again in delimiting the field to which the national power does not extend he uses variations of this phrase "completely internal." Observe:

> The subject to which the power is next applied is to commerce "among the several States." The word "among" means intermingled with. A thing which is among others is intermingled with them. Commerce among the States cannot stop at the external boundary line of each State, but may be introduced into the interior. It is not intended to say that these words comprehend that commerce which is completely internal, which is carried on between man and man in a State, or between different parts of the same State, and which does not extend to or affect other States. Such a power would be inconvenient and is certainly unnecessary.
>
> Comprehensive as the word "among" is, it may very properly be restricted to that commerce which concerns more States than one. The phrase is not one which would probably have been selected to indicate the completely interior traffic of a State, because it is not an apt phrase for that purpose; and the enumeration of the particular classes of commerce to which the power was to be extended would not have been made had the intention been to extend the power to every description. The enumeration presupposes something not enumerated; and that something, if we regard the language or the subject of the sentence, must be the exclusively internal commerce of a State. The genius and character of the whole Government seem to be that its action is to be applied to all the external concerns of the Nation, and to those internal concerns which affect the States generally; but not to those which are completely within a particular State, which do not affect other States, and with which it is not necessary to interfere for the purpose of executing some of the general powers of the Government. The completely internal commerce of a State, then, may be considered as reserved for the State itself.

What, then, are the concerns which Marshall believes are not within the power of the commerce clause? They are:

> Those which are completely within a particular State, which do not affect other States, and with which it is not necessary to interfere for the purpose of executing some of the general powers of the Government.

Here are three items: Intrastate commerce to be free from Federal control must be—

First, completely within a particular State;

Second, it must not affect other States; and

Third, it must be that with which it is not necessary to interfere for the purpose of executing some general power of the Government of the United States.

In other words, it is clear, on the authority of John Marshall, that even though intrastate commerce may be completely within a particuar State and in addition be absolutely without effect in any other State, Congress may still regulate it if it becomes necessary to do so in order to make effective any one of the powers of the Government. Mr. President, he who would say that the power of Congress to regulate commerce among the States does not extend to the internal commerce of a State unless it directly affects commerce among the States must overrule Chief Justice John Marshall.

WHAT JUSTICE HUGHES THOUGHT

More than that, Mr. President, he must overrule the Justice Charles Evans Hughes, who wrote the *Minnesota Rate decision* (230 U. S. 352–398). In that opinion Justice Hughes quoted Marshall with approval in the following language:

> The general principles governing the exercise of State authority, when interstate commerce is affected, are well established. The power of Congress to regulate commerce among the several States is supreme and plenary. It is "complete in itself, may be exercised to its utmost extent, and acknowledges no limitations other than are prescribed in the Constitution." (*Gibbons* v. *Ogden*, 9 Wheat. 1, 196).
>
> The conviction of its necessity sprang from the disastrous experiences under the Confederation when the States vied in discriminatory measures against each other. In order to end these evils, the grant in the Constitution conferred upon Congress an authority at all times adequate to secure the freedom of interstate commercial intercourse from State control and to provide effective regulation of that intercourse as the national interest may demand. The words "among the several States" distinguish between the commerce which concerns more States than one and that commerce which is confined within one State and does not affect other States. "The genius and character of the whole Government", said Chief Justice Marshall, "seems to be, that its action is to be applied to all the external concerns of the Nation, and to those internal concerns which affect the States generally; but not to those which are completely within a particular State, which do not affect other States, and with which it is not necessary to interfere, for the purpose of executing some of the general powers of the Government. The completely internal commerce of a State, then, may be considered as reserved for the State itself" (Id., p. 195). This reservation to the States manifestly is only of that authority which is consistent with and not opposed to the grant to Congress. There is no room in our scheme of government for the assertion of State power in hostility to the authorized exercise of Federal power. The authority of Congress extends to every part of interstate commerce, and to every instrumentality or agency by which it is carried on; and the full control by Congress of the subjects committed to its regulation is not to be denied or thwarted by the commingling of interstate and intrastate operations. This is not to say that the Nation may deal with the internal concerns of the State, as such, but that the execution by Congress of its constitutional power to regulate interstate commerce is not limited by the fact that intrastate transactions may have become so interwoven therewith that the effective government of the former incidentally controls the latter. This conclusion necessarily results from the supremacy of the national power within its appointed sphere.

In the light of this authority, it must be clear that to hold that Congress may not regulate intrastate commerce even though it concerns more States than one, or affects commerce among the States, unless it directly affects interstate commerce, amounts to amending the Constitution by judicial construction.

Mr. President, the Constitution cannot be amended except in the manner provided by that instrument itself. No court may, by judicial construction, limit the constitutional power of Congress, and, I apprehend, none has ever tried. The Court may, and properly should, give to any particular statute only the force and effect which Congress itself has given it. When Congress has not chosen to exercise its full power, or has attempted to exercise that power in a manner that the Constitution does not authorize—and I have no doubt that is exactly what Congress did in the National Industrial Recovery Act—the Court has no choice but to say so. But when Congress does choose to exercise its full power, and goes about it in a constitutional manner, then, it may be safely predicted, the Court will uphold it.

That Congress is the sole judge of the necessity for the use of a particular power has been universally laid down in the opinions. The present Chief Justice, in the Minnesota Rate cases, declared:

> Where the subject is peculiarly one of local concern, and from its nature belongs to the class with which the State appropriately deals in making reasonable provision for its local needs, it cannot be regarded as left to the unrestrained will of individuals

because Congress has not acted, although it may have such a relation to interstate commerce as to be within the reach of the Federal power. In such a case Congress must be the judge of the necessity of Federal action.

In like manner, if Congress has acted unwisely or even unconstitutionally, it still has the power—nay, the duty—to retrace its steps, if need be, and act again, but in a constitutional manner.

THE BASIS OF CONGRESSIONAL ACTION

Accordingly, Mr. President, in the bill which I have introduced it is proposed specifically to assert the purpose and intention of Congress to exercise so much of the power to regulate commerce among the States as will enable it to protect the production of articles and commodities for such commerce, and their distribution in that commerce, from practices that in the past have victimized both employee and investor. It is proposed to declare the belief of Congress that the exercise of this power is necessary to preserve domestic tranquillity and promote the general welfare. The constitutional theory of the bill is set forth in the following declaration of policy:

The Congress finds and hereby declares—

(1) That the Constitution of the United States vests in the Federal Government full and complete power to regulate all commerce with foreign nations, all that commerce among the States which concerns more States than one, and all that commerce, whether or not carried on wholly within a particular State, which affects other States and which is not completely within a particular State.

(2) That for the purpose of executing the power granted to the Congress in the commerce clause of the Constitution, and for the purpose of insuring the domestic tranquillity as well as of promoting the general welfare of the people of the United States, it is necessary to regulate the manner and means of the production and distribution to the retail trade of all articles and commodities produced or distributed for the purpose of commerce with foreign nations or among the States in order that—

(a) The standard of living among the people of the United States may be improved; and

(b) Commerce may be fostered by the elimination of unfair competitive practices, by increasing the purchasing power of the people, by conserving the natural resources of the Nation and insuring a more equitable distribution among the people of the benefits of commerce.

(3) That the franchises, powers, and privileges of all corporations are derived from the people, and are granted by the governments of the State or of the United States as the agents of the people for the public good and general welfare, that it is the right and duty of the Federal Government to control and regulate all corporations engaged in commerce with foreign nations or among the States, and that to effectuate the policy herein declared it is necessary and proper to provide a national licensing system and a national system of incorporation.

In considering this proposal to base a regulatory act upon the judgment of Congress that it is necessary and proper, let us not forget the classic pronouncement of Marshall in McCulloch against Maryland—

We admit, as all must admit, that the powers of the Government are limited, and that its limits are not to be transcended. But we think the sound construction of the Constitution must allow to the national legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it, in the manner most beneficial to the people. Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consist with the letter and spirit of the Constitution, are constitutional.

Now, what are the means which are proposed? Simply the use of a quasijudicial body, the Federal Trade Commission, which already bears the imprimatur of the Supreme Court, to establish, after investigation and hearing, fair trade and labor practices, and with the approval of Congress, to make those practices effective through the issuance of licenses, and to require all corporations engaged in commerce among the States to adhere to certain fundamental canons of honesty toward their own stockholders, toward their employees, and toward the public. Added to this is a national incorporation law designed to allow those who desire to do so to obtain a Federal corporate charter.

This is not a new N. R. A. True, it declares the fundamental rights of collective bargaining, of freedom from child labor; and for women workers, freedom from discrimination as to rates of pay. Those are principles which have been and are endorsed by all political parties. The bill would merely write them permanently into the charter of industry. As to all other matters, the bill imposes no new conditions upon industry, but establishes the tribunal in which industrial democracy may be brought into being.

This measure does not give Government control over industry. It does not create a new bureau to deprive industry of freedom. It does not authorize the appointment of a new horde of agents to tell industry what to do. Quite the contrary; as I have already said, it puts Government back in its own sphere, which is not to run the business of the country, but to prevent any individual or class of individuals from taking advantage of the rest of us. This bill is founded on the Jeffersonian doctrine that "That government is best which governs least." Through the instrumentality of a quasi-judicial body, it would enable business and industry to control themselves within the law.

NOTHING NEW IN THIS MEASURE

Mr. President, there is nothing new or startling in this measure. There is nothing radical in it. There is nothing in it that has not been tested in the experience of our people and found altogether sound.

The provisions of title III authorizing national corporations for commerce among the States, I took from the measure that was recommended to Congress by President William Howard Taft in a special message to Congress on January 7, 1910. Those who may be interested will find that message at pages 381 to 383 of the CONGRESSIONAL RECORD of the second session of the Sixty-first Congress. There they will find the declaration of a President who was later a Chief Justice of the United States of his belief in the constitutionality of the plan.

The provisions of title II prescribing the underlying conditions on which licenses are to issue to corporations, I modeled on a bill which was introduced in this body on April 20, 1911, by one of the greatest and ablest men who ever trod the floor of this Chamber, the late Honorable John Sharp Williams, of Mississippi. Let me say here, Mr. President, that had the bill of that distinguished Mississippian been passed, the people of this country, who have seen their savings vanish through the manipulation of corporate finance, would have been saved great misery.

The provisions of title I are based upon the experience of the Federal Trade Commission. The declaration of the preamble, with respect to the power of Congress over commerce among the States, I took from the decisions of Chief Justice John Marshall and of the present Chief Justice, Charles Evans Hughes.

The declaration of the preamble, with respect to the primacy of the people over the corporation, I took from the constitution of the State of Wyoming, of which I have the honor to be one of the Senators.

There, Mr. President, we have the genesis of this measure. Every word of it is rooted in the inherited principles of Americanism.

Is there need for it? Can anyone doubt that need? The individual States cannot protect the public interest in commerce among the States, because the Constitution has taken that power away from them. The Federal Government has not protected the people, because Congress has not chosen to exert the power; and some constitutional experts who have lost the principles of the Constitution in a maze of technicalities tell us that the power does not exist.

THE ALTERNATIVE IS IRRESPONSIBLE CONTROL

Mr. President, the power does exist. And if it does not repose in the hands of the representatives of the people in their own National Government, then it rests in the hands of those men whom chance or fate has placed in charge of the huge corporations that dominate the economic life of our country.

These men are not responsible to the people. They are not responsible to their employees. They are not responsible even to their own stockholders. Any person who is willing to make this confession of Federal impotence to protect the citizens of the United States will find himself at variance with the principle announced by Chief Justice Hughes in

the Minnesota rate cases when he said that where the subject matter is one of local concern, though it involves an instrumentality of commerce among the States, and Congress has not acted, though it had the power, "it cannot be regarded as left to the unrestrained will of individuals."

Mr. President, paraphrasing the language of Chief Justice Hughes, I unhesitatingly assert that—

> Where the subject-matter is one of national concern, and from its nature belongs to the class with which Congress must deal if it is effectively to perform its specific power under the commerce clause, it cannot be regarded as left to the unrestrained will of irresponsible corporate managers because Congress has not acted—

Or let me add, because it has been assumed by some that the people's Constitution can be amended by judicial interpolation.

Mr. President, I have said that this bill contains nothing new. It may also be said that the problem we must solve is likewise not new. It was recognized over 30 years ago; and a distinguished Commissioner of Corporations, the son of a former President, and himself later a member of a President's Cabinet, James Rudolph Garfield, in a special report to Congress pointed out the need for legislation of the kind which has now been introduced in this body.

On December 21, 1904, President Theodore Roosevelt transmitted that report to Congress. Those who may be interested will find it filed away among the forgotten archives of the National Legislature, Document No. 165, of the third session of the Fifty-eighth Congress. In that report Mr. Garfield pointed out that the corporation is an artificial entity, which, by grace of the Government, possesses certain peculiar characteristics, among them being permanence of succession, impersonal nature, divisibility of ownership and limited liability, and which, while it should have all the necessary powers for business efficiency, should be subjected to—

> Such restrictions as will properly safeguard the interests of those peculiarly concerned in the corporation, as well as the public.

THE GARFIELD REPORT

He pointed out that since the corporate form exists only by virtue of governmental authority, it is logical and necessary that there should be adequate Government control. The particular reasons why the Government should act, he set forth in the following words:

> The great reduction of personal responsibility that has followed the corporate form, the divisibility of stock interests, and the separation of the laborer, stockholder, and creditor from contact with and control of the instruments of industry, has left a very large gap to be filled by Government control, and has left more or less unprotected various important interests which must have the supervision and intervention of the State for the following purposes:
>
> (a) To protect property rights in corporations held by those now unable to protect themselves by reason of lack of information or power.
>
> (b) To protect those dealing with corporations as employees, creditors, or consumers.
>
> (c) To protect the public from the abuse of great economic power coupled with little personal responsibility.
>
> The economic powers of the Government and of public officers are checked by a corresponding publicity and responsibility to the voters, while the economic powers of great corporations, although often governmental in their size and scope, have no such publicity or responsibility.
>
> (d) To protect the Government itself from the pressure of great commercial and financial powers directed upon it for the attainment of purely private ends.

Mr. President, who having lived through the crash of 1929, having witnessed the greed of corporate managers, and experienced the subservience of government itself to the pressure of commercial and financial powers, can willingly see the reconstruction of that ungoverned and unregulated temple which they pulled down about the ears of all of us? Who can doubt that the evils against which Garfield warned the Congress have materialized? I shall not attempt to summarize the flagrant abuses of the corporate power from which this great Republic has suffered. I call upon Justice Harlan Stone, of the Supreme Court of the United States, to do that for me. Let me quote from the admirable address which he delivered at the dedication of the Law Quadrangle of the University of Michigan on June 15, 1934. Said he:

> I venture to assert that when the history of the financial era which has just drawn to a close comes to be written most of its mistakes and its major faults will be ascribed to the failure to observe the fiduciary principle, the precept as old as Holy Writ, that "a man cannot serve two masters." More than a century ago equity gave a hospitable reception to that principle, and the common law was not slow to follow in giving it recognition. No thinking man can believe that an economy built upon a business foundation can permanently endure without some loyalty to that principle. The separation of ownership from management, the development of the corporate structure so as to vest in small groups control over the resources of great numbers of small and uninformed investors, make imperative a fresh and active devotion to that principle if the modern world of business is to perform its proper function. Yet those who serve nominally as trustees, but relieved by clever legal devices from the obligation to protect those whose interests they purport to represent; corporate officers and directors who award to themselves huge bonuses from corporate funds without the assent or even the knowledge of their stockholders; reorganization committees created to serve interests of others than those whose securities they control; financial institutions which, in the infinite variety of their operations, consider only last, if at all, the interests of those whose funds they command, suggest how far we have ignored the necessary implications of that principle. The loss and suffering inflicted on individuals, the harm done to a social order founded upon business and dependent upon its integrity, are incalculable. There is little to suggest that the bar has yet recognized that it must bear some burden of responsibility for these evils. But when we know and face the facts we shall have to acknowledge that such departures from the fiduciary principle do not usually occur without the active assistance of some member of our profession, and that their increasing recurrence would have been impossible but for the complacence of a bar too absorbed in the workaday care of private interests to take account of these events of profound import or to sound the warning that the profession looks askance upon these as things that are not done.

Mr. President, we know the facts. Let us face them. Let us not be misled by personal or partisan feelings. Let us not open our ears to the suggestions of those corporate managers who desire to continue to do the work of Congress and regulate commerce among the States for their own private advantage. I appeal to the sound common sense of the people of America. The great majority of those people are honest, fair-minded, and patriotic. Whether they are employees, officers and directors, or stockholders, most of them want only what is fair. Our danger proceeds from a small group who take advantage of our failure to act and use the power the State and Federal Governments have allowed to drop from their hands to prey upon us all.

Mr. President, I ask that there be incorporated in the RECORD as a part of my remarks an article which appeared in a publication called "Credit and Financial Management", of the issue of April 1935, written by Henry H. Heimann, executive manager of the National Association of Credit Men.

I also ask to have printed in the RECORD a telegram and a letter which I have received.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From Credit and Financial Management for April 1935]

IN THE PUBLIC INTEREST

(By Henry H. Heimann, executive manager National Association of Credit Men)

Small business management is usually on intimate terms with its stockholders. Such management normally is substantially the owner of the business, and this very type of ownership insures equitable treatment to stockholders.

Large industries, involving huge investments, can hardly be expected to have the management that possesses stock ownership of a substantial ratio to total issues outstanding. And because of this situation not infrequently in the past management has not completely realized its responsibility and has been more concerned over the rewards of management than over the returns to employees or stockholders.

In a sense of fairness, as a realization of responsibility and as a measure of self-protection, our large industries should not object to any sound movements looking toward protection of stockholders, particularly minority stockholder groups. Perhaps we have reached the point where, professionally, we could begin the building of a competent and qualified group of men, who are properly licensed after examination, with experience to serve as directors in corporate organizations. The purpose of the selection of such a director in a corporation would be as representative of the minority stockholders and the public, including the employees. The director should be chosen by minority stockholders to represent them, and a director's interest should be unprejudiced in the protection of the stockholders and employees.

Although the work these men would do would be in the nature of a quasi-public assignment, they should not be government offi-

cials. They could render a service comparable to certified public accountants in the accounting field. Such representation in large industries might well help to eliminate the evils which have been revealed during the depression years as existing in what is too often referred to in a slurring way as "big business."

Big business is paying the price for labor trouble because it did not clearly realize in time the employer-employee relationship that would follow the development of large organizations. It may be forced to pay the penalty for stockholder responsibility unless it recognizes its obligation in sufficient time to graciously accept public directors. A man who would make it a business to serve as a director in one or more large organizations, with a variety of assignments, could give to the job sound and constructive thought. His work could well be a service with triple reward—to the stockholders, to the management, and to the employees.

LEWISTON, MAINE, *August 5, 1935.*

Hon. JOSEPH O'MAHONEY:

Reading A. P. dispatch dated August 4 regarding program for Government regulation and licensing of industry. Believe this offers real protection for labor and industry. Best wishes for success of legislation you propose. Shall watch for full account of bill.

WILLIAM BOURASSA,
General Manager American Bobbin Co.

NEW YORK, *August 5, 1935.*

Hon. Senator O'MAHONEY,
Senate Office Building, Washington, D. C.

DEAR SENATOR: In this morning's Times appears a most interesting announcement regarding the introduction of a bill by yourself for the regulation of national commerce.

This trade association, consisting of small enterprises, operated under a code of fair competition during the life of the N. R. A. The code accomplished a great deal to save this industry from the ravages of the depression.

We are now operating as a trade association on a voluntary basis. But what can be controlled on a voluntary basis? Could we dismiss the police and depend upon voluntary observance of the traffic laws? Could we voluntarily depend upon society to observe the Ten Commandments?

Industry must be governed by law as are all the other departments of human affairs. Those who think otherwise are out of touch with modern developments.

Anything that is done to restore self-government by industry, subject to Government supervision in accordance with N. R. A. theories, will certainly go a long way toward the gradual adjustment of the great economic question in our country.

Industry will certainly be interested in any bill that aims at the above objectives. If it is possible, could I secure a copy of the bill so that we can become acquainted with its purposes? I believe that industry and labor should get behind measures that aim at the solution of this great question.

Very truly yours,

ADVERTISING TYPOGRAPHERS OF AMERICA,
ALBERT ABRAHAMS, *Secretary.*

LEST WE FORGET

Mr. SCHALL. Mr. President, I ask permission to read my remarks by the sight of the clerk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will read.

The legislative clerk read as follows:

Mr. SCHALL. Mr. President, lest we forget, I am asking our excellent reading clerk to read into the RECORD a few golden ratiocinations bearing upon the bills before the Senate, directly or indirectly, with no comment of my own, that the Senate may have before it the wisdom of the centuries from some of its greatest minds, including the wisdom of such philosophers as Franklin D. Roosevelt, Oliver Wendell Holmes, Will Rogers, as well as the Democratic national platform of 1932.

These golden excerpts have their appropriate captions to guide our statesmen in their search for truth. The brief list of golden nuggets here follows:

THE PRESIDENT AND HIS PLATFORM

Franklin D. Roosevelt, Albany, N. Y., July 30, 1932:

I propose tonight to state the broad policies of my party—to sketch the first outline of the final picture.

Where do we look for this? In the platform, of course. A platform is a proposal and at the same time a promise, binding on the party and its candidates.

Now, even the partisan opposition press has found it hard to criticize the Democratic platform this year. It is brief, only one-fifth of the length of the Republican platform, and easily understood. Eighty percent of it is constructive and only 20 percent critical.

Moreover, it is forthright and genuine—honest to the core.

DEMOCRATIC PLATFORM OF 1932

Platform covenant:

Believing that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power. * * *

National credit:

Maintenance of the national credit by a Federal Budget annually balanced. * * *

Reduce Government costs:

Immediate and drastic reduction of Government expenditures by abolishing useless commissions and offices * * * to accomplish a saving of not less than 25 percent in the cost of the Federal Government. * * *

Unemployment:

Unemployment and old-age insurance under State laws.

Tariff:

Competitive tariff for revenue, with a fact-finding tariff commission free from executive interference. * * *

We condemn:

Unsound policy of restricting agricultural production to the demands of domestic markets.

Cut out extravagance:

Open and covert resistance of administrative officials to every effort made by congressional committees to curtail the extravagant expenditures of the Government, and revoke improvident subsidies granted to favored interests.

Monopoly:

Strict and impartial enforcement of the antitrust laws to prevent monopoly. * * *

Agriculture:

Enactment of every constitutional measure that will aid the farmer. * * *

Veterans:

Fullest measure of justice and generosity for all war veterans who have suffered disability. * * *

Sound currency:

A sound currency to be preserved at all hazards. * * *

War debts:

We oppose cancelation of the debts owing to the United States by foreign nations.

Campaign funds:

Strengthening of the Corrupt Practices Act and severe penalties for misappropriation of campaign funds.

Economic liberty:

To recover economic liberty we pledge the nominees of this convention and the best effort of a great party, whose founder announced the doctrine which guides us now in the hours of our country's need: "Equal rights to all, special privileges to none."

INTERPRETATION OF NEW DEAL

Will Rogers, as Democratic interpreter of new deal:

Equal rights to none, special privileges to all.

VALUE OF VERACITY

Oliver Wendell Holmes:

Sin has many tools, but a lie is a handle to them all.

SHIP OF STATE

Joseph Conrad, the sailor:

Any fool can carry on, but only the wise man knows how to shorten sail.

ALPHABETICAL BUREAUS

Will Rogers:

Nothing you can't spell will ever work.

POLITICAL HULLABALOO

Prince of Wales:

If men who did things talked half as much as men who know how things ought to be done, life would not be worth living.

SOUND CURRENCY

Ed Wynn:

What this country needs is a good 5-cent nickel.

LAWMAKING EXPERIMENTS

Clarence Darrow:

Laws should be like clothes. They should be made to fit the people they are meant to serve.

BRAINSTORM FOLLY

Winston Churchill:

No folly is more costly than the folly of intolerant idealism.

HOLLYWOOD

Vicki Baum:

What I like about Hollywood is that one can get along by knowing two words of English—swell and lousy.

EXECUTIVES

J. G. Pollard:

Executive ability is deciding quickly and getting somebody else to do the work.

EUGENICS

Bertrand Russell:

Eugenics is supported by politically minded scientists and scientifically minded politicians as an antidote to democracy.

EXECUTIVE RESPONSIBILITY

Vernon L. Parrington:

The heartbreaking hesitation of Lincoln, the troublesome doubts and perplexed questionings, reveal as nothing else could the simple integrity of his nature.

WHAT DOLES ACCOMPLISH

Dean Inge:

The dole is utterly demoralizing. Its chief effect is to turn the unemployed into the unemployable.

DEMOCRACY

Robert M. Hutchins:

Democracy has not failed; the intelligence of the race has failed before the problems the race has raised.

DICTATORSHIP

Emil Ludwig:

Dictatorship is always an aria, never an opera.

BOLD EXPERIMENTS

Herbert Spencer Dickey:

Adventures are an indication of inefficiency. Good explorers don't have them.

SECURING MONEY UNDER FALSE PRETENSES AND BARRING JUDICIAL RECOVERY

Mr. President, it seems that the Secretary of the Treasury aims to celebrate the financial achievements of the administration by issuing some new coins—a ½-cent coin and 1-mill coins with a hole in the middle.

This appears entirely harmonious with former achievements of the new deal in coinage and finance. It harmonizes with the 59-cent dollar, the baby bonds for the small investor, the 100-percent pledge for a "Federal Budget annually balanced", with a deficit of $3,500,000,000, the demonetization of gold, the fiat dollar and fiat bond, and the White House demand to outlaw all suits lest the Government shall be compelled to keep its contracts.

No country in the past half century has presented such a picture of complete financial irresponsibility as the proposal to follow the example of China and issue one-half coppers with holes in them and 1-mill coins to match the shells of the Fiji Islands. Soon we may be using the beads of the South Sea islanders and the necklaces of teeth worn in the cannibal isles. It seems to be entirely fitting to the kind of prosperity yielded by an administration that has accumulated $23,000,000,000 of debt and deficits and created 22,000,000 public charges and 13,000,000 unemployed as the crowning result of 2½ years of bold experiments with the Constitution and the Nation's resources.

But why the hole in that ½-cent coin? Is the President or his Secretary afraid to place their faces in the ½-cent coin? Why not have the faces of the "brain trust", moreover, in the 1-mill coins? Why this sudden modesty? The administration which puts out a 59-cent dollar should not duck at enclosing its face in a half-cent penny. It would give the world a picturesque revelation of the financial status we have achieved.

It is certainly no worse a disgrace to see the face of the Secretary of the Treasury filling the ½-cent hole than to see the Treasury itself in the hole for 3 fiscal years in succession with an aggregate 3-year accumulated deficit of $11,000,000,000. We have financial holes enough without flooding the country with millions of other holes in the center of ½-cent pieces. It is time we were filling up the holes, instead of enlarging the picture of our worm-eaten financial condition.

Our latest financial disgrace is the attempt, by acts foisted upon Congress by the White House, to outlaw the suits of citizens to obtain justice in the courts pursuant to gold-bond contracts and bureau assessments of unconstitutional processing taxes. A government which will attempt such things, in the face of the Constitution's guaranty of due process of law and the right of the citizen to a day in court, should at least give the citizen the gratification of beholding the faces of the autocrats on ½-cent and 1-mill pewter coins.

We should have millions of such coins as campaign souvenirs in 1936, showing the faces of the "new dealers" thereon. Every man in the street should have the pleasure of gazing upon the faces of the statesmen who have produced half-cent and 1-mill finance.

To go along with these coins and the 59-cent dollar, we should have 13-cent quarters, and 23-cent half dollars, and Government baby bonds, stating that every 100-percent pledge printed thereon is repudiated in advance, and is just as dependable as any other "whopper" told between Washington and Hollywood. In short, every coin and bond issued by the Government under the new deal should bear this slogan:

Our specialty is obtaining money under false pretenses, and closing the courts against legal redress.

There should be photographs of the Treasury, with its bond-issue and tax-collection divisions on each bond and tax assessment, bearing Dante's famous warning on the archway, saying:

All hope abandon, ye who enter here!

Every Treasury note should read:

This is unredeemable wind. My redeemer does not reside on earth! Look below!

Every gold bond should say:

This is an undisputed falsehood! Collect your gold if you can by looking for it in the Government cache in the Kentucky mountains, and take along a machine gun!

On the moving-picture screens which nightly entertain the country, let our new-deal statesmen, including those responsible for these Government issues and coins, the gold-bond repudiation, the processing taxes, the 59-cent dollar, the ½-cent and 1-mill coinage, and the tax bills and Budget deficits, appear in a grand opera of the Pirates of Penzance, and present as an encore the Ali Baba and the Forty Thieves.

At least, our swindled victims would have this satisfaction. They could say:

At last I have seen one Government show which approximates the truth.

MINNESOTA'S NEW DECLARATION OF INDEPENDENCE

Mr. President, on August 1 I read a news dispatch from Minnesota which contained hopeful and interesting news.

It seems 25 farming counties of Minnesota have turned down the pretended aid of the W. P. A. and E. R. A., namely, the President's allocation fund; and Mower County, the great pioneer agricultural and industrial county, with Austin, the county seat, famous for its cooperative dairy and fruit industry, as for patriotism in time of war and loyalty to American ideals, has notified the carpetbaggers of the Federal Government that henceforth Mower will finance its own county relief from its own funds.

This means that loyal Americans decline to become the dole-receiving serfs of feudal lords.

There always has to be a starting point in every patriotic movement, and I am proud that my State of Minnesota is on the honor roll as furnishing the first volunteers of that patriotic army of loyal Americans who resist the tide of Federal subsidy, Federal doles, and all the dishonor and corruption involved therein, and has set in motion that real and fundamental march of national recovery so strenuously resisted by the new-deal administration—the moral recovery of the American people from the new-deal tyranny of conquest of the agricultural yeomanry by poorhouse alms in the name of Federal emergency relief.

This act recalls that patriotic wave in 1774 and 1776, which drove back the mercenaries of George III and his Tory agents enjoying royal grants from London, of which it was said by the poet Emerson that plowmen "fired the shot heard round the world."

Today, under the threats of Federal autocrats here in Washington, headed by the two Dukes of Dutchess County—Morgenthau and Roosevelt—I am proud that the plowmen of my State, the North Star State of our Union, had the courage to fire the first shot to be heard round the entire emperorship of Franklin the First.

This is not the first time that Minnesota has been the first to enroll in the call of volunteers to preserve the Union. When Abraham Lincoln called for volunteers to preserve the Union among those responding was my father. The first regiment of volunteers to respond to Lincoln's call was the noble 600 of the First Minnesota.

In 1861 Minnesota, from its farm lands, furnished the first yeomen infantry of America to uphold the flag of the Constitution. And in 1935 Minnesota plowmen again are the first volunteers to resist the invasion of autocracy by Federal mercenaries bent on conquest by doles and subsidy.

Twenty-five rural counties resist the grossly wasteful dole distribution by a combined Federal-State Tory machine; and the old county of Mower, which contributed so largely of its sons to form the First Minnesota Regiment of 1861 has issued its declaration of independence against the doles of the President's W. P. A. and E. R. A. and will finance its own relief out of its own county funds. It has resisted the bribe of selling its liberty and independence for a Federal mess of pottage.

In 1861 the counties of Mower, Freeborn, Fillmore, Washington, Ramsey, and my county, Hennepin, were the chief and foremost in manning the First Minnesota Regiment of Volunteer Infantry. And the sons of that First Minnesota today are the first to enlist in the army of true national recovery—the moral and patriotic recovery of the Union—in the campaign for liberty and union now before us.

Mower County will not have to stand alone. Not all the billions of Federal political allocation can stem the tide when the time has come that the people begin to understand the sinister motive behind this administration's seeking to wreck our Republic. There are 87 counties in Minnesota, and 87 of them are made of the same general backbone stuff, the same kind of common sense and common honesty, the same loyalty to country and flag, the same fidelity to the document that begins with the words, "We the people of the United States"—the same American qualities, I repeat, as the 25 which have fired the shot heard across America.

I was not a little surprised when, perhaps a month ago, a young farmer from north-central Minnesota called at my office and said that he had just come from a big mass meeting of "farm holiday" farmers held up there in the big woods on the upper Mississippi. I was glad to meet him, but I thought I knew that Milo Reno's army of "farm holiday" men was politically against me, and quite likely might be friends of my declared opponent, who, in conjunction with Federal mercenaries, had been distributing Federal doles and corn-hog checks, and $15 A. A. A. checks for $100 cows. What was my astonishment to hear this "farm holiday" volunteer remark:

"You got the biggest hand of all."

"What do you mean?"

"What I come to say is, the biggest cheer of the day came when the speaker mentioned the name of TOM SCHALL, and read his attacks on the A. A. A. and the N. R. A. and the rest of the poorhouse doles sent out from Washington to buy our patriotism and servile votes. That stuff does not go in Minnesota."

Then I received a letter from Milo Reno himself, which I published, with some difficulty, in the CONGRESSIONAL RECORD, and called down upon my head from the leader of the majority in the Senate, Farley's cognomen of me, "misrepresentative" of Minnesota.

Finally the antidictatorship sentiment of the State of Minnesota reached the ears of the White House, and came to the knowledge of James Aloysius Farley—Postmaster General, chairman of the Democratic National Committee, chairman of the New York Democratic Committee, chief distributor of Federal pork and pie, and personal campaign manager of Franklin "Delaware" Roosevelt, sworn to eliminate me from misrepresenting Minnesota, even if it does cost him hundreds of millions of the taxpayer's money to do so. He is a liberal "cuss."

This many-titled Tammany autocrat, among his many political activities, has a gang of Federal mercenaries from Washington in Minnesota trying to subsidize the State.

One of the most amusing activities is that he is financing "Roosevelt picnics" in county after county—from what funds we may only surmise—and he is sending carpetbagger orators from here around the State. He has to import them into Minnesota, either from Washington or some other Federal-owned precinct, because he is unable to get a true-blue, genuine son of Minnesota—except one bought by a Federal appointment—to preach Franklin "Delaware" Roosevelt and the Dukes of Dutchess County to the people of Minnesota.

On Sunday, July 28, they held the third "Roosevelt picnic", an all-day affair, at Spring Park, which, as I recall, is on the north bank of Lake Minnetonka, which the Federal officeholders of the Twin Cities were admonished not to fail to attend, and those who obeyed orders and did attend were as eloquent for Washington autocracy as the liquid refreshments of the day would permit.

But the great orator of the day was sent out from Washington. And here is the astounding message he delivered:

> Roosevelt has saved the country from a dangerous left turn, and if it weren't for Roosevelt there would be no Constitution or Government to save.

This is interesting news to Members of Congress, who have witnessed the daily attacks upon the Constitution in the White House bills laid before us and the sinister attacks of the White House upon the Supreme Court and have watched the movements of the Cabinet members and bureaucrats in their trips across the Delaware to file their royal charters for corporations having perpetual existence to take over and socialize all American industry after the Moscow plan and overthrow government by the people in the United States.

This Federal gang running that "Roosevelt picnic" bought two columns of space in Twin Cities dailies under a big black-faced heading running: "F. R. saved Nation."

I am wondering who is paying for those "Roosevelt picnics" and who is paying for the daily press space. Is Farley paying for his expensive advertising campaign? Do the Washington orators pay their own expenses to Minnesota and back? Do the Federal officeholders take the high-cost picnic costs out of their own jeans? Or do the beer sales at the Sunday picnics pay the "Roosevelt picnic" costs? Or does the W. P. A. and E. R. A. of the Dukes of Dutchess County pay the bills? Or, finally, is it just charged off to the Federal deficit account, which in 2½ years has now accumulated $11,000,000,000?

At any rate, that "Roosevelt picnic" of July 28 had its answer on August 1, when 25 rural counties of Minnesota threw off their Federal yoke, and Mower fired the first shot heard across America against feudal serfdom by Federal subsidy.

This first declaration of independence against Federal doles may look like a small beginning, but do not forget that it was only a small incident—the tossing of a few boxes of tea into Boston Harbor—that started the conflagration of 1776 that gave freedom to America from the princes and dukes of British autocracy—the first American recovery step, that made the American flag for 150 years, till now, the most beloved flag of freedom in the hearts of a liberty-loving and dole-hating world of self-respecting manhood and womanhood.

REVISION OF COPYRIGHT ACT

The Senate resumed the consideration of the bill (S. 3047) to amend the act entitled "An act to amend and consolidate the acts respecting copyright", approved March 4, 1909, as amended, and for other purposes.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NEELY in the chair). The Senator from Wisconsin suggests the absence of a quorum. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Lewis	Reynolds
Ashurst	Davis	Logan	Robinson
Austin	Dickinson	Lonergan	Russell
Bachman	Dieterich	McAdoo	Schall
Bankhead	Donahey	McCarran	Schwellenbach
Barbour	Duffy	McGill	Sheppard
Barkley	Fletcher	McKellar	Shipstead
Black	Frazier	McNary	Smith
Borah	George	Minton	Steiwer
Brown	Gerry	Moore	Thomas, Okla.
Bulkley	Gibson	Murphy	Thomas, Utah
Bulow	Glass	Murray	Townsend
Burke	Gore	Neely	Trammell
Byrd	Guffey	Norbeck	Tydings
Byrnes	Hale	Norris	Vandenberg
Capper	Hastings	Nye	Van Nuys
Caraway	Hatch	O'Mahoney	Wagner
Chavez	Hayden	Overton	Walsh
Clark	Johnson	Pittman	Wheeler
Connally	King	Pope	White
Copeland	La Follette	Radcliffe	

Mr. LEWIS. I reannounce the absence of certain Senators and the reasons for their absence as given by me on a previous roll call.

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. BORAH. Mr. President, generally speaking, I am very much in favor of the proposed copyright legislation. I think those who have taken the burden of framing the legislation have performed a very excellent piece of work. However, there is one feature of it to which I desire to invite the particular attention of the Senate, and more especially the Senator who has charge of the bill.

I am disposed to move to strike out, on page 15, beginning in line 8, after the word "infringement", inserting there a period, all that follows on page 15 and down to and including line 7, on page 16. What I desire to reach by the amendment are the numerous handicaps as it were which the bill places upon a party who desires to secure an injunction against infringement of copyright.

Let me read section 25 (a):

SEC. 25. (a) That if any person shall infringe the copyright in any work protected under the copyright laws of the United States, such person shall, subject to the stipulations of this section, be liable:

(1) To an injunction restraining such infringement except as otherwise provided in this act. No temporary restraining order shall, however, be issued which would prevent the broadcasting of a program by radio or television, the publication or distribution of a newspaper, magazine, or periodical, or the production substantially commenced or the distribution or exhibition of a motion picture: *Provided*, That this limitation of liability in respect of temporary restraining orders shall not be applicable in any case where the plaintiff shall show to the satisfaction of the court (1) that defendant is unable to pay adequate damages for the infringing act complained of, or (2) that defendant has commenced the manufacture of the publication or motion picture, or the rehearsal for the broadcast, with actual knowledge of the plaintiff's copyright or of the fact that he, the defendant, is an infringer: *Provided further*, That no injunction shall issue restraining the construction, substantially begun, or use, of an architectural work, nor shall any order for its demolition or seizure be granted: *Provided further*, That, except after judgment that such reproduction is an infringement, no injunction shall issue restraining the reproduction of a copyrighted photograph in a newspaper, magazine, periodical, or newsreel.

I think from a reading of that provision one will reach the conclusion at once that so far as a preliminary injunction is concerned it is practically prohibited. The conditions under which it must be secured are such as to render nugatory the right to secure it, in my judgment. For instance, it is provided:

Provided, That this limitation of liability in respect of temporary restraining orders shall not be applicable in any case where the plaintiff shall show to the satisfaction of the court (1) that defendant is unable to pay adequate damages for the infringing act complained of, or (2) that defendant has commenced the manufacture of the publication or motion picture, or the rehearsal for the broadcast, with actual knowledge of the plaintiff's copyright or of the fact that he, the defendant, is an infringer.

In other words, only under those conditions may a party secure protection, and those conditions are such, it seems to me, that it would be very difficult to make the disclosure or proof which would be required. Under these provisions a copyright holder or author must stand by and see his property rights injured and destroyed and denied the right to apply to the court to stop the injury. That is wrong in principle.

I am going to read from a statement which has been furnished to me by a person who is interested in this subject, and is undoubtedly familiar with the practical effect of the bill to a greater extent than I claim to be.

In this statement it is said:

While this bill grants to authors certain defined rights in their creations, the enforcement sections of the bill are so unjust as to amount to practical nullification of the rights granted.

There are two major remedies by which the author's property should be protected. One is the right to prevent its illegal use by injunction. The other is the right to secure just monetary damages after its illegal use. Both remedies are of equal importance, and both should be available to the author at the same time, at his option. In the present law, they are.

That is, in the law now upon the statute books.

For example, as a practical illustration, where an infringement takes place over a continuing period of time, such as the publication of a book, or the production of a play, or the exhibition of a motion picture, or the publication of a magazine serial, the damage to the author can partially be rectified by an injunction against the future use of the infringing work. Where, however, an infringement is completed as soon as it has taken place, such as the publication in a magazine or newspaper of a short story or article the damage to the author has been completed, and an injunction is a mere formality, because the infringer would not in any event reuse the material. In that case the author's only practical remedy is monetary recompense.

Still another important remedy is the restraining of a threatened infringement which has not actually taken place in order to prevent the illegal use of the author's work, for which in many cases the damage to the author cannot be measured in terms of money. While these are protected in the present law, in the proposed bill they are not.

In section 25 of the proposed bill injunctive relief is denied in so many cases and under so many circumstances that the author has no practical remedy against the illegal use of his work.

In a large number of specified instances preliminary injunctions to prevent illegal use are practically abolished. There are many situations which arise with an author in which only a preliminary injunction would afford proper relief, since a permanent injunction could not be issued until too late. These restrictions on injunctions are imposed in this bill in spite of the fact that the infringer must necessarily have had legal notice of the copyright, since it is also stipulated elsewhere in the bill that the American author, to secure copyright at all, must register and affix notice to the published copies.

These limitations and practical prohibitions against the right to secure a preliminary injunction are imposed, notwithstanding the fact that there is a provision in the bill for registration, so that the party must know that he is infringing upon the rights of the author. He is placed in a position where under the law he is presumed to have notice. Notwithstanding the presumption of notice, and possibly actual notice, he is denied the right of preliminary injunction except under conditions which make it, it seems to me, practically impossible to secure it.

Mr. WAGNER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from New York?

Mr. BORAH. I do.

Mr. WAGNER. In the part of the bill which the Senator read a moment ago it specifically uses the words "actual notice"; so that constructive notice would not be sufficient.

Mr. BORAH. Yes; I see that.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Maine?

Mr. BORAH. I do.

Mr. WHITE. I was just about to say substantially the same thing. The constructive notice which would follow from the registration of a copyright, and the notice incident to registration, is of no avail to an owner. There must be actual notice, which is something beyond the constructive notice.

Mr. DUFFY. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield to the Senator from Wisconsin.

Mr. DUFFY. In the first place, I am very much pleased to hear the Senator say he is in general agreement with the purpose of the bill, and thinks it is well drawn.

As to the point which the Senator criticizes, the testimony taken before our committee, as well as before the interdepartmental committee, shows situations which we have tried to meet by this language, though perhaps it is not the best way to have it stated.

Take the illustration I used the other day: Assume that the Saturday Evening Post is about to go to press. Inadvertently, a verse is included which may have been copyrighted. Under the present law, there is no reason why the copyright owner of that verse could not go into court and hold up the entire issue of the Saturday Evening Post, even though the company publishing the Saturday Evening Post is well able to respond to any damages which the owner of the poem might have sustained; and it seemed to the committee that that is a great injustice. The same thing is true of a radio broadcast, or something that is all prepared to go.

However, if there was knowledge, or if the infringing party could not respond in damages, the thought of the committee was to allow the law to stand just as it is, and let there be an injunction. They did think that cases such as I have illustrated might well be the subject of a refined blackmail, where a very large sum might well be paid to release the issue of a large magazine of that sort. It was to try to meet that situation that the language was phrased as it was.

Mr. BORAH. I can understand the objective which the framers of the bill had in mind. There might be instances such as the Senator has named where an injustice would be worked to the publisher; but I venture to say that such a publication as the Senator has named, or any other responsible publication, could under this proposed law, according to its other terms, always be advised as to whether or not it was infringing upon the rights of someone. Any reasonable effort upon the part of the publisher to know what its rights were, any reasonable knowledge, would be a guide against infringing upon the copyright.

Mr. DUFFY. I will say to the Senator that it was pointed out by representatives of the publishers of the principal magazines of the country that in spite of the fact mentioned by the Senator, by inadvertence those things do occasionally creep in, and that accidents for which they might well be required to respond in damages should not be used as a means of saying, "We will hold up your whole issue for a week, or else you will pay us $50,000 and we will release this preliminary injunction." It was to try to meet that situation that this language was framed.

Mr. BORAH. Under the bill as it would be with this provision stricken out, the owner of the copyright could recover only actual damages. If the owner of the copyright had suffered actual injury, he could recover for his injury, but he could not say to the publisher, "If you do not pay me $250, or something of the kind, I will obtain an injunction", because he must go to court to get the injunction. He must satisfy the court of his equity. He must satisfy the court of the justice of his claim. The injunction does not issue ipso facto. It does not issue upon the mere call of the complaining party. He must go into a court of equity and ask for an injunction, and the court reviews the facts; under such circumstances as the Senator has narrated, it would be very difficult, indeed, for complaining party to get a preliminary injunction.

Mr. DUFFY. I should think a court would be very reluctant to issue an injunction in any such situation. Nevertheless, the representatives of these large magazines, the principal magazines of the country, testified before the committee that it was a real danger. They had had some experience in the past—I do not recall the details—where there was a real threat, and it was the thought of the committee that where the publishers were able to respond in damages if there was the inadvertent use of copyrighted material, the owner of the copyright should not be permitted to hold up the entire issue of a great publication, but the publishers should respond in damages. If there were damage to the owner of the poem in the illustration I gave, let the publishers pay. They could do it. They are not prohibited from doing it.

Mr. BORAH. Mr. President, let me call the attention of the Senator to the fact that we have on one side of this controversy the publisher, who is in a position under the law where he must be advised that he is infringing upon the rights of the copyright owner. On the other hand, we have the man whose rights are actually being infringed. Is it unsafe to leave it to a court to say under what circumstances it will issue a preliminary injunction? Is it not reasonable, as between those two contestants, to leave an equity court in a position where it may exercise its discretion? But under the Senator's bill the court would have no discretion whatever in regard to the matter. The injured party may not apply for relief in the way of equity.

It seems to me, Mr. President, while there may be imaginary troubles upon both sides, and there may be real injury upon both sides, it cannot be unjust or unfair, as between two parties, to leave it to a court to say whether or not an injunction shall issue.

Mr. DUFFY. I will say to the Senator from Idaho that I am perfectly willing to take the judgment of the Senate without more ado. The committee in good faith tried to meet a situation which was claimed to be a real danger. I have no pride of authorship in the matter. Whatever the judgment of the Senate may be, I am willing to accept it.

Mr. BORAH. If I knew just how the Senate would vote, I would stop talking. Indeed, Mr. President, I am willing to take a vote on my motion now.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho, which the clerk will state.

The LEGISLATIVE CLERK. It is proposed, on page 15, line 8, after the word "infringement", to strike out down to and through line 7 on page 16, as follows:

Except as otherwise provided in this act. No temporary restraining order shall, however, be issued which would prevent the broadcasting of a program by radio or television, the publication or distribution of a newspaper, magazine, or periodical, or the production substantially commenced or the distribution or exhibition of a motion picture: *Provided*, That this limitation of liability in respect of temporary restraning orders shall not be applicable in any case where the plaintiff shall show to the satisfaction of the court (1) that defendant is unable to pay adequate damages for the infringing act complained of, or (2) that defendant has commenced the manufacture of the publication or motion picture, or the rehearsal for the broadcast, with actual knowledge of the plaintiff's copyright or of the fact that he, the defendant, is an infringer: *Provided further*, That no injunction shall issue restraining the construction, substantially begun, or use, of an architectural work, nor shall any order for its demolition or seizure be granted: *Provided further*, That, except after judgment that such reproduction is an infringement, no injunction shall issue restraining the reproduction of a copyrighted photograph in a newspaper, magazine, periodical, or newsreel.

Mr. DUFFY. Mr. President, would not the Senator be willing to modify the amendment by striking out merely down through line 23, on page 15, to the proviso, which reads:

Provided further, That no injunction shall issue restraining the construction, substantially begun, or use, of an architectural work, nor shall any order for its demolition or seizure be granted.

Mr. BORAH. No; I do not feel that I could do that.

Mr. DUFFY. The point is, there might be an infringement of architectural work incorporated in a building.

Mr. BORAH. But under those circumstances the court would be sitting to determine under what conditions it would issue the preliminary injunction. Certainly under those conditions it would not issue it under such circumstances as to preclude any relief upon the part of the builder. In other words, the party seeking the injunction would have to put up bond, would have to give security, and the court would require of him to do what was equitable upon his part while it was proposing to do equity for him. I think I should like to have a vote on the amendment as I have offered it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. WAGNER. Mr. President, the action the Senate has just taken has met one of several of my objections to the pending bill. I am very glad that the Senator from Idaho rose and offered the deleting amendment, for we all realize that he always speaks with authority upon important legal questions. I am very happy that the Senate has accepted his judgment and removed a provision that seemed to me to be very unfair to creative artists.

Before I address myself to other objections to the bill, I should like to have read at the desk three telegrams which I have just received, dealing with the proposed legislation.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

NEW YORK, N. Y., *August 6, 1935.*

HON. ROBERT F. WAGNER,
United States Senate:

Please note that Authors League with membership of three or four thousand playwrights is likewise opposed to this copyright bill. Kindest regards.

NATHAN BURKAN.

NEW YORK, N. Y., *August 5, 1935.*

Senator ROBERT F. WAGNER:

Re copyright bill now being discussed by Senate in answer to Senator WHEELER'S question Thursday as to preferential treatment of foreign authors over American authors, we do not agree with Senator DUFFY'S reply. There certainly is discrimination by the terms of this bill. Foreign authors would receive copyright in America automatically. This is admitted by Senator DUFFY. Foreign authors also receive this right in their own countries, but American authors would not receive copyright protection in America unless they comply with the compulsory requirements of registration and notice. Authors are constantly losing American copyright, due to these restrictions. Moreover, to the advantage of commercial interests exploiting the author, American authors would not even receive copyright abroad unless they receive it in America, so that they would be at a disadvantage compared with foreign authors, not only here but throughout the world, discriminated against, not by foreign governments, but by their own Government. It is stated that this is a reciprocal arrangement; it is not. Foreign governments will not give American citizens a greater right in their countries than citizens; only if that were the case would the arrangement be reciprocal. Senator DUFFY'S statement that we are not suffering under the similar terms of the present law is not so. American authors have begged for years for the privilege of inherent copyright protection only to now find the suggestion arising that it be given to foreign authors and denied to citizens. American authors do not ask Senate for better treatment for themselves than for foreign authors. They ask for equal treatment only, and do not know why it should be denied them.

ELMER DAVIS,
Vice President Authors League of America, Inc.

NEW YORK, N. Y., *August 5, 1935.*

Senator WAGNER:

As former president of Dramatist Guild of Authors League, whose membership includes every leading American playwright, I most earnestly protest discrimination against American authors in copyright bill. Why should foreign authors be given automatic copyright here while American authors are denied it in their own country? Since all professional authors protest against this discrimination why should it remain in bill? Only groups who favor it are commercial interests who may thus financially exploit any nonconformity to technical requirements demanded of American authors which under this bill foreign authors would have had to comply with. Earnestly beg this discrimination be brought to attention of Senate.

GEORGE MIDDLETON.

Mr. WAGNER. Mr. President, I am not opposed to a copyright bill. I believe that legislation on the subject has too long been delayed. We had a copyright bill before us for consideration 3 or 4 years ago, and I was one of those in the Senate who supported that particular measure, which was not enacted.

Anything that I may say with reference to the effect of certain provisions of the bill now before us will not, I hope, be interpreted as impugning the motives of any protagonist of the proposed legislation. I accord to all who may be in favor of it the utmost sincerity, coupled with a desire to do justice to both sides involved in this controversy.

Let me make it perfectly clear, however, that the public at large is not interested in the proposed legislation, except indirectly as the beneficiaries of a free and untrammeled artist class.

There is involved here a clash of interests, with the playwrights, authors, and song writers on one side, and broadcasting stations, hotel associations, and the moving-picture industry on the other.

I do not profess to be an authority upon copyright law; quite the contrary, I know very little about it. My information as to the provisions of the pending bill was gathered from one reading of the bill on last Wednesday. While I favor some of its provisions, there are a number which I believe to be very unfair to the creative genius of our country.

The Senator from Wisconsin [Mr. DUFFY], who is in charge of the bill, did not, I am sure, intend to reflect upon the artists of this country, who have contributed so much to the cultural life of our people, and who have spread its fame throughout the world. I feel that the Senator is as conversant as I am with respect to the struggles and tribulations to which genius has been subject. I am sure that he is aware of the exploitation to which artists were prey, until some protective legislation was written in their behalf.

Yet, inadvertently I am sure, the junior Senator from Wisconsin has referred to these men and women as racketeers. I admire and respect the Senator too much to believe that he intended to do so.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. DUFFY. In the absence of the Senator this afternoon I stated to the Senate that what I said about a racket and racketeers did not have reference to the writers or the composers individually but rather to the action of the society to which they assigned their rights and the manner in which such society had operated in a number of the States. I meant to cast no personal reflection on the writers.

Mr. WAGNER. It is very difficult to dissociate the men who are the important officers of this organization, or in fact any of its members, from the organization itself. A slur upon the organization is a slur upon its members. The society referred to is the American Society of Composers, Authors, and Publishers, although there are other leading artistic organizations as vigorously opposed to the legislation in its present form as is the American Society. Those who have read the charge that they are racketeers have resented it and have communicated their resentment to me.

And well they should feel resentment. A racketeer is one who bootlegs or who terrorizes legitimate business. Does that term apply to Jerome Kern, a member of this society? Jerome Kern is the author of the music of Show Boat. The melodious sadness of his Old Man River has moved the entire world.

He has brought renown to his State of New York and to the Nation.

Next, there is Gene Buck, now president of the society. Millions have been entertained by a long succession of Ziegfeld Follies, the products of his pen. He participates in almost every philanthropic movement in my State. Everyone in New York, may I say to the Senator from Wisconsin, would resent bitterly the suggestion that Gene Buck is a racketeer.

Victor Herbert organized this society. His death left a vacancy that none can fill; he gave us a treasury of light opera, unequaled by any single man America has produced, and in my opinion unsurpassed anywhere. Was Victor Herbert a racketeer?

Another of the directors of the society, who is an active member, shaping its policies day by day, is Mr. Deems Taylor. He is both critic and creator par excellence. Will anyone call this ornament to the cultural life of New York a racketeer?

Oley Speaks, of Ohio, is the composer of such world-famous compositions as The Road to Mandalay, Sylvia, Morning, and hundreds of other compositions. He is a brother of the late General Speaks, Member of Congress from Ohio. Can such a man be accused of terrorizing legitimate business?

Sigmund Romberg is a director of this society. His operatic successes are manifold. Who has not been thrilled by the romantic beauty of The Desert Song? Who could not enjoy again and again My Maryland or New Moon? Is he a racketeer?

Is Otto Harbach a racketeer? Are we under a delusion when we voice his praise as the gay lyricist of Rose Marie, Roberta, No, No, Nannette, and about 50 other musical hits? I think not.

John Philip Sousa was the head of this society until he died. His flaming patriotism is preserved forever in his stirring martial music.

Another member of the society is George M. Cohan. Is George M. Cohan a racketeer? He is one of whom all America is proud. Composer and actor, playwright and producer, artist of the stage and screen, he has brought a smile to all who have seen his face or heard his voice.

Irving Berlin is a member of the society. He is one of the most beloved young men in our State—and I think I can say in the whole country. His lightest songs have a pathos that touch the heart. He has given eternal expression to the sentiment of eternal love. Is Irving Berlin a racketeer?

Are George and Ira Gershwin racketeers? Who knows not the satiric sting of Of Thee I Sing, the genuine genius of Rhapsody in Blue? The rhapsody will live as long as American music.

I could read a long list of distinguished writers and authors who are members of this particular organization. I am sure that the Senator from Wisconsin did not mean to call any of those men and women racketeers, although he did so in an unguarded moment. I have felt it my duty at least to show that I resent any such insinuations.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. DUFFY. I appreciate the persuasive argument which the Senator is using, but I will say that the Senator from Wisconsin at no time referred to any individuals belonging to the society as racketeers. I read letters from our Federal judge and Federal officials designating the practices of the society as savoring of a racket.

Mr. WAGNER. I will say to the Senator that when he calls the practices of an organization rackets, I cannot understand the distinction between that and calling the members racketeers. An organization acts through its officers, its directors, and its members. If it is a racket, it is a racket which has been created by the men and women who belong to it.

Mr. DUFFY. The Senator might belong to the Elks, as I do, and the Elks society, or its officers, might do something without his knowledge, but surely the Senator could not be condemned for such action.

Mr. WAGNER. Mr. President, we can go on indefinitely in this way. If the Senator will state that he did not intend to reflect upon any of the members or any of the officers of the society I am quite content.

Mr. DUFFY. I will say to the Senator that I made my statement earlier in the afternoon.

Mr. WAGNER. Mr. President, why was this society formed? It was formed to protect sorely pressed artists against powerful commercial interests that had been infringing upon their rights. It was designed to promote equality of bargaining power. Ninety percent of our playwrights and musicians even now earn less than $2,500 per year. It is their cause—the cause of the small, lonely individual that I plead.

And in making this plea for their protection, I do not seek to disparage in the slightest the large organizations of hotel men, stage and screen producers, or radio companies. I have hundreds of cherished friends in all these groups. I am proud of what these industries have done for the State of New York. They all want to do the fair thing. They want to preserve the soul and spirit of the true artist. They appreciate its worth. They have no desire to get protection for infringement. They are united with me, I am sure, in the desire to combat the tactics of the few who break the rules.

When reading this legislation for the first time last Wednesday, I was impressed with the fact that it seemed to show more solicitude and concern for those who may be guilty of infringing upon a copyright than for artists or for the vast majority of producers, publishers, and radio operators who adhere scrupulously to the law.

Let us take first the question of damages. Long ago experience proved that unless a statute set some minimum of damages to be awarded in the event of an infringement of a copyright, the law was absolutely ineffective so far as the average playwright or song writer was concerned. For that reason Congress provided that whenever an infringement was shown, there should be an assessment at least of minimum damages of $250. The fairness of this provision was considered by the United States Supreme Court, and sanctioned in the following strong language:

> The phraseology of the minimum damage section was adopted to avoid the strictness of construction incident to a law imposing a penalty, and to give the owner of a copyright some recompense for injury done him in a case where the rules of law render difficult or impossible proof of damages or discovery of profit.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. DUFFY. There is nothing in the present bill which does away with anything which the Supreme Court approved. The statutory damages are there.

Mr. WAGNER. Let me finish. I think the Senator has spoken a little too soon. Of the unsatisfactory character of the law before the minimum damage provision was enacted, the Supreme Court said:

> In this respect the old law was unsatisfactory. In many cases plaintiffs, though proving infringement, were able to recover only nominal damages, in spite of the fact that preparation and trial of the case imposed substantial expense and inconvenience.

And here is a most significant sentence from the opinion of the court:

> The ineffectiveness of the remedy encouraged willful and deliberate infringement.

If the Supreme Court was correct, and I do not see how anyone can question its correctness in this matter, the pending bill proposes to return the law to a state encouraging willful and deliberate infringement. The lawyers in this body know that in most cases of this type it is a terribly difficult task to prove actual damages. For example, suppose that I have written a song which suddenly makes a hit. Some rarely unscrupulous radio broadcaster, realizing that fact and undeterred by any provision for minimum damages, sends it over the radio. I go into court. That I have been injured there can be no doubt. My chances to sell the song may have been ruined. But how can I prove the extent of actual damage? Yet under this new bill I should be able to recover not one cent except upon proof of loss.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. DUFFY. The words of the bill are "in lieu of actual or proved damages." The Senator could get a million dollars of proved damages under the bill, and we have raised the maximum from $5,000 to $20,000 as to statutory damages. Under the old law the Senator would have been able to get only $5,000.

Mr. WAGNER. I have not made myself clear. The point I wish to make is that unless there is a statutory minimum, the injured party can recover only what he proves he has lost. You cannot get around this fact by using the words "in lieu of", or by referring the matter to the discretion of the final trial judge. Whatever damages the judge awards will be subject to reversal if it is not supported by proof, unless his action is protected by a statutory minimum.

I am positive that the Senator does not intend to do injury to anyone by returning to the old law which existed before Congress saw fit to amend it some years ago. Why take away again the only protection that the average playwriter and songwriter have? I am not pleading for the famous artists. They can take care of themselves. No one would dare to infringe upon Irving Berlin's songs, because they are too well known.

Mr. DUFFY. The expression used is "in lieu of proved damages." That means "instead of." If there is any other word or phrase the Senator prefers, let us have it. If he could prove damages up to a million dollars, he could get it. Either phrase is satisfactory, either "in lieu of" or "instead of."

Mr. WAGNER. Will the Senator accept a provision that, although only nominal damages are proved, a sum in excess of these may be awarded so as to prevent repetition of the infringement, and so as to guarantee justice to the injured artist?

Mr. DUFFY. I have no objection except to the insertion of a minimum damage, because when we provide a minimum damage then we incite the practice which has been going on in all these cases of holding up various individuals and institutions.

Mr. WAGNER. Of course, that depends upon one's viewpoint. For whom is the Senator pleading? Is he not speaking for those who infringe upon a copyright? Why should there be such tender solicitude for those who violate the law? It seems to me that this measure is more solicitous for the infringer than for the little fellow who once in 10 years may write a successful play or song.

I am sure that the radio and motion-picture companies do not want this kind of solicitude. They do not want to infringe at all. They want to be protected from the unfair competition of those who do. They want to give the artist just compensation when infringement is due to an honest mistake.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WAGNER. Certainly.

Mr. CLARK. The Senator evidently misunderstood the purport of my remarks.

Mr. WAGNER. No; I am sure I did not.

Mr. CLARK. In my opinion, unless there be a minimum penalty or unless the jury be allowed to award a penalty in case of actual damages, there is nothing on the face of the earth to prevent the big broadcasting companies and the powerful people, who do infringe on the rights of the song writers and others, from continuing to do it, and throwing upon the author the responsibility of going into court in each particular case of infringement and proving actual damages. He cannot do it, and they could wear him out even though he should be able to prove actual damages.

Mr. WAGNER. Exactly. I thank the Senator. Now, I want to be fair to both sides. I recognize that a copyright law is needed. But it should protect the average artist.

What are we doing under this proposed law, as I see it? After all, Congress did not act thoughtlessly when it enacted the minimum damage provision. It responded to grave injustices. Why bring them back?

Mr. ADAMS. Mr. President, will the Senator yield for a suggestion?

Mr. WAGNER. Yes.

Mr. ADAMS. Would it in any way meet the Senator's problem if the court were specifically authorized to award exemplary or punitive damages, leaving the amount to the court?

Mr. WAGNER. That would partially cure the defect. It would remove the necessity of proving the extent of actual damages in order to recover anything.

Mr. DUFFY. Mr. President, will the Senator tell me where that appears in the bill? There is certainly nothing of that kind in the bill.

Mr. CLARK. It is the ordinary rule of law.

Mr. DUFFY. No; the infringement is shown, and statutory damages are awarded.

Mr. WAGNER. Even if I am not interpreting the bill correctly, would it not be clearer to say that although only nominal damages are proved, punitive damages may be awarded by the court?

Mr. DUFFY. I have no objection to such a provision. If the Senator will offer that as an amendment, I shall be willing to accept it.

Mr. WAGNER. I shall need a little time to frame the amendment.

Mr. ADAMS. Mr. President, if I may add a further suggestion, there might be inserted a phrase to the effect that infringement shall presumptively constitute actual damage. That would get away from the necessity of proving damages by making infringement presumptively damaging, even though only for a nominal amount.

Mr. WAGNER. Of course, that is what the present law really does, in setting a basic recovery of $250. In spite of the fact that there have been some abuses of the present law, they are trivial compared with those that would result from changing it.

I understand that while the State Department favored a reduction in the minimum allowed, they acknowledged the validity or the principle of protection. Am I mistaken about that?

Mr. DUFFY. Dr. McClure tells me that the Interdepartmental Committee, in discussing the matter, felt that the $250 provision had led to abuse, and thought it ought either to be reduced to a lower figure or else abolished. They tentatively put it, in the first draft, at $100. Later, they decided that the abuses were so many and so gross that it should be eliminated.

Mr. WAGNER. I can see that other provisions have crept into the bill which I do not think the Senator wishes to have remain in it.

Mr. BORAH. Mr. President, what is the agreement which the Senator from New York has reached with the Senator in charge of the bill?

Mr. WAGNER. On page 16, there is the following provision:

> To pay in lieu of the proved damages and profits provided for in the foregoing paragraph (2), such damages, not exceeding $20,000 for all infringement by any one infringer up to the date of suit, as shall in the opinion of the court be sufficient to prevent their operation as a license to infringe.

I should like to change the wording of that provision in order to provide that even though only nominal damages be proved, the court may award a sum in addition, by way of punitive damages. Also I propose to preserve a statutory minimum. I have not yet prepared the exact wording of the amendment which I shall offer.

Mr. WHITE. Mr. President——

Mr. WAGNER. I yield to the Senator from Maine.

Mr. WHITE. I desire to be sure that I understand the Senator. Am I right in my thought that the Senator wishes to write in the bill a provision restoring a statutory minimum which will serve as a restraint upon an infringer?

Mr. WAGNER. Yes; I wish to put in a provision which will serve as a restraint upon an infringer. I do not recede from my position that the bill should contain a minimum damage provision.

Mr. WHITE. Precisely such as there was in the old law?

Mr. WAGNER. Yes.

Mr. WHITE. And just such a provision as the court has expressed approval of?

Mr. WAGNER. Yes; expressed approval of. I am sorry to repeat, but every once in a while another Senator arrives, and I should like him to know my views.

Mr. WHITE. If the Senator will yield, I do not ask him to repeat the statement, because I am familiar with it.

Mr. WAGNER. I know the Senator from Maine was here. I appreciate his attention and cooperation on this proposition.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. AUSTIN. Would not the objective of the Senator from New York be attained by changing one word in line 18 on page 16; that is, by changing the word "proved" to "actual"?

Mr. DUFFY. I should say that if there is any difference in the significance of the two expressions, I should have no objection to that.

Mr. WAGNER. I prefer the word "nominal", because in many of these cases actual damages cannot be proved.

If I should write a song in a brilliant moment—which has not yet come to me in the course of my life, though it may—

I should want protection. Yet I would doubt my ability to prove actual damage in case of infringement.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. BARKLEY. Of course, there are many things that enter into the proof of what is actual damage.

I presume one of the things necessary to be shown would be that the sale of the song of the original writer had been lessened by an infringement, all of which is speculative. It might not be possible to prove actual monetary damage, yet there ought to be some penalty assessed against the man who sells my song, or the Senator's song, as the case may be, and it would more probably be the latter, in view of the recently expressed ambitions of the Senator from New York along that line.

Mr. WAGNER. Not yet attained.

Mr. BARKLEY. If I understand the Senator correctly, he wants to insert a provision as to what in damage suits are called "punitive damages."

Mr. WAGNER. Yes.

Mr. BARKLEY. Where there is no actual monetary loss susceptible of proof, so that a man would not promiscuously go out and infringe on the copyrights of others, although it would be difficult or impossible to prove that actual monetary damage resulted.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. DUFFY. The case the Senator cited of a chain broadcast of a copyrighted song leads me to say that it was the thought of those who framed the bill that $250 would be no object in such a case; it would be so small; but the framers of the bill thought that the $5,000 maximum limit was too low. Therefore, in the bill they raised the maximum limit from $5,000 to $20,000, so that without proof of actual damages the court could, in a case of that kind, award up to $20,000 damages, instead of $5,000, as at the present time. The $250 minimum certainly would not have had any particular effect on a broadcasting company that was going intensively to steal.

The Senator recalls the "ancient days", but that was before "ASCAP", and the other organizations, which have now grown so strong that they are being prosecuted by the Federal Government for violation of the antitrust laws.

Mr. WAGNER. Speaking of the action brought by the Government, I understand that after a 4-day trial the Government asked that the case go over until November.

Mr. DUFFY. I understand it is to be resumed in November.

Mr. COSTIGAN. Mr. President, will the Senator yield to me?

Mr. WAGNER. I yield.

Mr. COSTIGAN. May we assume that the Senator from New York will tender an amendment proposing a minimum of nominal or actual damages and in addition exemplary damages?

Mr. WAGNER. Yes. I want the Senate to pass upon it. If it is the opinion of the Senate that I am mistaken in my apprehension, I am always ready to accept its decision.

There is another provision of the pending bill to which the artists object, and I think properly so. I refer to the divisibility section.

Mr. DUFFY. Mr. President, I may say to the Senator that that provision was inserted in the bill at the request of the Author's League.

Mr. WAGNER. I cannot understand how they could be for it.

Mr. DUFFY. I know it is hard to satisfy them.

Mr. WAGNER. I will state my objection to it. Under the present law, the writer of a play who has a copyright may contract for the production of his play upon the stage. He may then make another contract for the production of his story into a moving picture. At the same time, he could remain in control of the exhibitions of the moving picture, which might be a very valuable thing to do.

For example, there was a play on Broadway, which was quite a success, called "The Farmer Takes a Wife." Suppose that an identical moving picture had been produced on Broadway at the same time as the play. How long would the play have lasted with an admission charge of $2, contrasted with 25 cents for the movie? The playright can secure protection only by controlling the exhibition of the picture until the play has had its run. I have, within recent days, read that the moving picture The Farmer Takes a Wife is to be produced on Broadway. The play has run its course.

This new bill, however, provides that if a playwright sells production rights to a movie concern, he must in the same contract dispose of the exhibition rights. Why should it be provided that he must cover both at once? Why should we not, as in the case of other contracts, leave all parties free to agree upon whatever terms as they choose, without these restrictions?

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. DUFFY. The hearings on the copyright bills which have been before the Senate and the House for years have shown that the authors have struggled year after year for the divisibility provisions which is in the bill before us.

Mr. WAGNER. It is not divisibility, but indivisibility, that this bill provides.

Mr. DUFFY. Yes; they can divide it up.

Mr. WAGNER. It cannot be divided up under the bill.

Mr. DUFFY. The fact is that there is specific provision that it can be divided. An author, if he so desires, can sell his rights to a movie producer, so to have the play produced in a movie; he can sell it to a book publisher to have it produced in a book; he can divide it up.

Mr. WAGNER. That can be done today. But under the bill the production and exhibition rights cannot be separated.

Mr. DUFFY. It can only be done if specific exceptions are made in the contract.

Mr. WAGNER. Oh, no.

Mr. DUFFY. If the Senator is speaking for the poor authors, and wants the provision stricken from the bill, I am perfectly willing to have it stricken. It was included because the authors asked for it.

Mr. WAGNER. They do not say so in their communications to me. Any author today is free to make the contracts that the Senator mentions. He may make a contract with the producer, and he may make another with the exhibitor. But under the Senator's bill, as I read it, the author is not at liberty to do these two things. He must cede both rights at once. I want to be corrected if I am mistaken.

Mr. DUFFY. Making a moving picture would not be of much value unless one could exhibit it, I assume.

Mr. WAGNER. But the author should be allowed to arrange with the exhibitor as to the time of the showing, in order not to kill his play. To at least that protection, it seems to me, the writer is entitled. The bill clearly provides the contrary, for on page 3 it says:

> The right to produce a motion picture shall include the right to exhibit it.

Mr. BORAH. Mr. President, it would be interesting to know how one could compel a man to make a contract of that kind. May he not exercise his discretion?

Mr. WAGNER. I agree entirely with the Senator from Idaho.

Mr. LEWIS. Mr. President, I should like to seek information from the Senator from New York.

Mr. WAGNER. I will give it to the Senator if I can. However, I am not any too familiar with this bill.

Mr. LEWIS. I also seek information from the Senator from Wisconsin upon this question of divisibility and responsibility. I should like to ask a question in view of a certain late experience.

If a Senator should rise on the floor, and, in his presentation of a subject which interested him greatly and in which he was much concerned, succeed in making something of an acceptable speech, which might even be regarded as a brilliant undertaking, and if on the following day, or 2 days after that, it should be discovered that a

Member of the House subsequently made a very full display of the subject matter, taking completely the speech of the Senator and heralding it as his own, is there any provision in the pending bill which will recognize the CONGRESSIONAL RECORD as having any value as a repository of the speech of the Senator which was thus appropriated by another?

Mr. WAGNER. I am afraid I cannot answer that question.

Mr. LEWIS. Then, Mr. President, I have no recourse. There is a complete loss.

Mr. WAGNER. Does anyone else ever contend that he is the author of a speech which the Senator from Illinois has delivered? No one else can make the brilliant speeches which the Senator from Illinois makes. I recognize them in a moment, and I could at once recognize an infringement of the Senator's copyright.

Mr. LEWIS. That observation by my able friend, the Senator from New York, does give some compensation, though not punitive damages.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. WALSH. I can understand what a very great benefit it would be to an author to be able to contract for the production only of his drama or his sketch, because if he could make such a contract and then make another contract for distribution he would be in the position of having knowledge of how popular his production might be after it was produced, and make better terms; but I cannot conceive of a producer and distributor dividing his contract with the author so as to permit the author to contract first for the production and then again for the distribution.

Mr. WAGNER. It is frequently done, I may say to the Senator from Massachusetts.

Mr. WALSH. It is done at the present time?

Mr. WAGNER. Yes.

Mr. WALSH. I can see great advantages to the author in such a contract.

Mr. WAGNER. The playwright is interested in not having his royalties from either source destroyed. If he has both a picture and a play on Broadway at once, one will destroy the other.

Mr. WALSH. Of course, the producer has to take a chance, and a great chance sometimes, as to how valuable the production will be after it is translated onto the screen.

Mr. WAGNER. Yes.

Mr. WALSH. While the author, after the picture was produced, would have the benefit of knowing whether or not he had developed a popular picture, and therefore would be in a position to exact larger and better terms from the producer.

Mr. WAGNER. I recognize both sides of the question.

Mr. WALSH. I think there is much to be said for what the Senator from New York says.

Mr. WAGNER. Of course, a playwright and a producer may make an indivisible contract, providing for both the production and the exhibition; but why on earth should we compel them by statute to do so?

Mr. WALSH. I am not satisfied that we should compel an author and a playwright to contract for both production and distribution at the same time. Each one should be optional.

Mr. DUFFY. Mr. President, I invite the Senator's attention to page 6 of the report of the committee, where this language appears:

> "That the right to produce a motion picture shall include the right to exhibit it."
>
> This language is intended solely to prevent an author who has granted motion-picture producing rights from claiming that he is entitled to prevent the produced picture from being exhibited.

Mr. WAGNER. This bill does everything possible to prevent the artist from doing anything that somebody may not want him to do. I do not understand what sin the artist has perpetrated to be so treated.

Mr. DUFFY. The report reads:

> This language is intended solely to prevent an author who has granted motion-picture producing rights from claiming that he is entitled to prevent the produced picture from being exhibited.

In other words, if he has sold and been paid for the production rights, he should not be permitted to say, "I have sold the right to produce, but you may not exhibit here what I have sold."

Mr. WAGNER. I have not heard of such a case.

Mr. LA FOLLETTE. Mr. President, it seems to me offhand that we ought not to be concerned with the idea that motion-picture producers, with all their lawyers and their knowledge of the laws of contract, will not protect themselves so far as concerns their right to exhibit a picture after they have obtained the right to produce it. If any such case has arisen in one instance, they would certainly then be put on notice to provide in all their contracts against a recurrence in the future.

I think the Senator from New York is absolutely correct when he says it is very important that in selling the motion-picture rights of a play which is at the time being currently produced on the legitimate stage, the author certainly ought to have some right to say when the motion picture is to be produced. Otherwise, the property, insofar as its value as a legitimate play is concerned, might be absolutely wiped out.

Mr. WAGNER. There is another provision of the bill to which I object. It has to do with what is termed "incidental use." On page 23 of the new bill it is provided that there shall be no liability for infringement in case of incidental and not reasonably avoidable use in motion pictures or broadcasts depicting current events. If the infringement is merely "incidental", the artist has absolutely no remedy. This is something absolutely new to our law, and I invite the special attention of the Senate to it.

Suppose a song writer has written a song which has been a great success. A current events moving picture is produced, and in it his song is sung. He would have absolutely no remedy if the use was "incidental."

Mr. DUFFY. The incident which caused the provision to be inserted in the bill was a case where a moving picture was being taken of some big scene, I think, in London, England, where a band happened to be in the parade and happened to be playing a particular song as it passed by the movie camera. It happened to be a copyrighted piece. It was held to be an infringement. It was very incidental. Only a few bars were reproduced in the moving picture. That seemed to the committee to be such an unfair situation that we tried to remedy it.

Mr. WAGNER. It seems to me a careless and dangerous procedure, merely because of some particular and odd incident, to put in jeopardy the copyright interests of all the song writers of the country. A very interesting picture may be made dealing with current events. Some very popular songs may be woven into the picture, and the crowds may swarm to hear these beautiful melodies. This would prove a very profitable commercial transaction to the picture house. Yet if the owner of the song should walk in and say, "Look at all the money that you have been making by appropriating my songs in your current events", the reply might be, "Congress has enacted a law which gives me permission to do that. You cannot get any damages for that, and I can keep all the gate receipts."

Obviously, very few moving-picture operators would do that. I do not know any who would. But those who would not do it do not need or want such unfair protection. Such a provision in this bill could protect only the very few who are interested in piracy.

Mr. DUFFY. The phraseology is, "merely incidental and not reasonably avoidable."

Mr. WAGNER. But why should not the author be compensated for even incidental use? If the use had no value, the producer would not resort to it. If it has value, the creator should get part of it. And even if the use is accidental or unavoidable, why should not the author get the

fair value of his product? Besides, what an indefinite term "merely incidental" is.

Mr. DUFFY. I am sustaining it in good faith.

Mr. WAGNER. The Senator never heard me utter a word impugning the good faith of anything he has done. I know he always acts in good faith. I am arguing about the merits of a particular provision. If there is an answer to my complaint, I am willing to stop right now. But I know that if I were a judge upon the bench, I should not want to have the question put up to me whether a popular current-events song in a moving picture was "incidental" or not. That would be a very perplexing problem to solve.

What vexes me here again is that we are solicitous not about the man who has written the successful and popular song, but about the infringer. I think that corrections could be made which would make this bill fairer to everybody.

May this "incidental" use be made over a radio as well as in a moving picture of current events?

Mr. DUFFY. The language is:

The merely incidental and not reasonably avoidable inclusion of a copyrighted work in a motion picture or broadcast depicting or relating current events.

Mr. WAGNER. Oh, then I have told only half the story. We may have a current-events program over the air, advertising something very interesting; and in that program there may be one of George M. Cohan's popular songs, or someone else's. If the song is "incidental" to the broadcasting program, there can be no liability. I respectfully submit to the junior Senator from Wisconsin that that is going pretty far to protect infringers. I know that at times, particularly if they are innocent, they ought not to be dealt with harshly; but they should never be treated more favorably than the victim whose property rights, innocently or not, have been taken without compensation.

Mr. DUFFY. For instance, in the broadcasting of a Rose Bowl football game, we might for a moment or two hear a band in the stands play a few bars of a copyrighted song. It must be incidental; it must be that it cannot be reasonably avoided; and it must be a current news event. I think the provision is very limited.

Mr. WAGNER. In New York City we have several motion-picture houses which exhibit nothing but current events. They are very profitable and very interesting. I attend them very frequently, and enjoy the speeches of some of my colleagues, along with other current events. I think that if they interspersed a few popular songs which were "incidental", they would increase the number of their patrons.

I am proud of these picture places. I have never known them to do wrong, and I am confident that they want to pay for what they get. They do not care for this vague "incidental use" provision, which could serve only to cloak the abuses of the occasional wrongdoer.

There is yet another provision of the bill about which I should like to ask the junior Senator from Wisconsin. The bill provides that "works prepared expressly for radio broadcasting" may be copyrighted. Is that an exceptional right being given a particular industry? We have a general copyright law whereby books and songs and plays may be copyrighted. Why this special provision? Does not the present law cover the radio industry?

Mr. DUFFY. This is a provision in favor of the authors. If an author prepares a special scenario or special plan or arrangement, he may copyright it. It is again something in favor of the author.

Mr. WAGNER. Very well; I see no objection to that.

I have a little more that I wish to say. May I ask the Senator from Kentucky how long today's session is to continue?

Mr. BARKLEY. Not longer than 5 o'clock. I understand the Senator has two or three amendments to offer which he is not prepared to offer tonight.

Mr. WAGNER. I am not prepared to offer them tonight. I did intend to offer an amendment I had prepared, but the Senator from Idaho offered a similar one, and it was adopted. I think the elimination of the provision practically denying the right to temporary injunctive relief constitues a great improvement in the bill.

Mr. BARKLEY. Has the Senator finished all he wishes to say this afternoon?

Mr. WAGNER. Yes; I have finished all I wish to say this afternoon.

Mr. BARKLEY. We are prepared, then, to have an executive session, and afterward to take a recess. Will the Senator yield to me for that purpose?

Mr. WAGNER. Certainly.

AIR MAIL SERVICE IN ALASKA

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 5159) to authorize the Postmaster General to contract for air mail service in Alaska, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist upon its amendment, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, and Mr. SCHALL conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair) laid before the Senate a message from the President of the United States nominating Cullen F. Thomas, of Texas, to be United States Commissioner General for the Texas Centennial Exposition and celebrations, which was referred to the Committee on the Library.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. BARKLEY, from the Committee on the Library, reported favorably the nomination of Cullen F. Thomas, of Texas, to be United States Commissioner General for the Texas Centennial Exposition and celebrations.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Hugh Gladney Grant, of Alabama, to be Envoy Extraordinary and Minister Plenipotentiary to Albania.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the Calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Regular Army.

Mr. SHEPPARD. I ask unanimous consent that the Army nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

That completes the calendar.

COMMISSIONER GENERAL FOR TEXAS CENTENNIAL EXPOSITION

Mr. CONNALLY. Mr. President, I ask unanimous consent that the nomination of Mr. Cullen F. Thomas as Commissioner General for the Texas Centennial Exposition, which has been reported and is on the calendar, but not on the printed calendar, be considered at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The legislative clerk read the nomination of Cullen F. Thomas, of Texas, to be United States Commissioner General for the Texas Centennial Exposition and celebrations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CONNALLY. I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. BARKLEY. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Wednesday, August 7, 1935, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate August 6 (legislative day of July 29), 1935

UNITED STATES COMMISSIONER GENERAL FOR THE TEXAS CENTENNIAL EXPOSITION AND CELEBRATIONS

Cullen F. Thomas, of Texas, to be United States Commissioner General for the Texas Centennial Exposition and celebrations.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 6 (legislative day of July 29), 1935

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Hugh Gladney Grant to be Envoy Extraordinary and Minister Plenipotentiary to Albania.

UNITED STATES COMMISSIONER GENERAL FOR THE TEXAS CENTENNIAL EXPOSITION AND CELEBRATIONS

Cullen F. Thomas, to be United States Commissioner General for the Texas Centennial Exposition and celebrations.

APPOINTMENTS IN THE REGULAR ARMY

Charles Evans Kilbourne to be major general.
Charles Frederic Humphrey, Jr., to be brigadier general.
Laurence Halstead to be brigadier general.
Robert White DuPriest to be first lieutenant, Medical Corps.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Lathrop Boyd Clapham.
Capt. William Edward Bergin.

TO CAVALRY

Second Lt. David Wagstaff, Jr.

TO FIELD ARTILLERY

Second Lt. James Rhoden Pritchard.

TO INFANTRY

Lt. Col. Robert Ross Welshmer.

TO AIR CORPS

First Lt. Clayton Earl Hughes.
Second Lt. John Bevier Ackerman.
Second Lt. Edward Joseph Hale.

TO QUARTERMASTER CORPS

Second Lt. Clifford Christopher Wagner.

PROMOTIONS IN THE REGULAR ARMY

Maurice Wendell Hale to be captain, Veterinary Corps.
John Kenneth Sitzman to be captain, Dental Corps.

POSTMASTERS

CALIFORNIA

Albert H. Abbott, La Verne.
John Ransom Casey, Pomona.
Joseph L. Hamilton, Puente.
Garrett Curley, Rivera.

FLORIDA

William E. Arthur, Bradenton.
Lewis S. Andrews, Cocoa.
Rubye C. Farmer, Holly Hill.
John A. Russell, Islamorada.
Howard W. Harrison, Jay.
Charlie B. Goodman, Shamrock.
John H. Dutill, Umatilla.

MISSOURI

Mary G. Ramsey, Lexington.

NEVADA

John J. Noone, Goldfield.
Margaret F. Rackliffe, Mina.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 6, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The earth is the Lord's and the fullness thereof, the world and they that dwell therein.

Thy scepter swings over all spaces, laws, and forces. Thou hast established them and dost ever renew and sustain the universal frame. Almighty God, we rejoice that Thou hast made us and not we ourselves. We pray, Heavenly Father, to bring us into harmony with Thee. O make us worthy of the universe of light, beauty, and glory of which Thou art the center. Take our lives in these earthen vessels and purify them. When the wheels of circumstance grind hard, when our faces feel the spray of the tempest, and when heartstrings are stretched nighest to the breaking point, do Thou comfort us with these words: None of these shall be able to separate us from the love of God which is in Christ Jesus our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1629. An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes; and

S. 1633. An act to amend the Interstate Commerce Act, as amended, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8554) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6511) entitled "An act to amend the air-mail laws and to authorize the extension of the Air Mail Service."

SECOND DEFICIENCY APPROPRIATION BILL—1935–36

Mr. BUCHANAN, from the Committee on Appropriations, submitted a conference report and statement on the bill

(H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes, for printing in the RECORD.

ADDITIONAL COMPENSATION TO CERTAIN EMPLOYEES OF THE HOUSE OF REPRESENTATIVES

Mr. WARREN, from the Committee on Accounts, submitted the following privileged report (Rept. No. 1716, H. Res. 313) for printing in the RECORD.

House Resolution 313

Resolved, That the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, until otherwise authorized by law, additional compensation per annum, payable monthly, to certain employees of the House, as follows:

To the cashier in the Sergeant at Arms' office the sum of $1,080;

To the assistant cashier in the Sergeant at Arms' office the sum of $1,180;

To the Deputy Sergeant at Arms in charge of pairs the sum of $780;

To the minority pair clerk the sum of $780; and

To the Sergeant at Arms, the additional sum of $1,200 for stenographic services.

SEC. 2. The provisions of this resolution shall become effective on August 15, 1935.

PRINTING OF CANNON'S MANUAL

Mr. LAMBETH. Mr. Speaker, by direction of the Committee on Printing, I ask for the present consideration of a privileged resolution (H. Res. 199), which I have sent to the desk.

The Clerk read the resolution, as follows:

House Resolution 199

Resolved, That there shall be printed and bound for the use of the House 1,500 copies of a revision of Cannon's Procedure in the House of Representatives, by CLARENCE CANNON, to be printed under the supervision of the author and to be distributed to Members by the Speaker.

Mr. SNELL. Will the gentleman yield?

Mr. LAMBETH. I yield.

Mr. SNELL. I did not understand the number of copies to be distributed.

Mr. LAMBETH. Fifteen hundred.

Mr. SNELL. And there will be one assigned to each Member, and the others retained by the Speaker?

Mr. LAMBETH. They will be distributed through the Speaker's office upon request of the Members. The present edition has become exhausted, and, as the gentleman knows, we have recently passed legislation providing for a revision of Hinds' Precedents. This is a companion bill, providing for this little manual to accompany it.

Mr. SNELL. Oh, this is just the manual?

Mr. LAMBETH. It is just the manual; little pocket edition.

Mr. RICH. Will the gentleman yield?

Mr. LAMBETH. I yield.

Mr. RICH. I understood the gentleman to say 1,500, but I understood the Clerk to read 4,500.

Mr. LAMBETH. One thousand five hundred.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PAYMENT OF CLAIMS FOR UNAUTHORIZED EMERGENCY TREATMENT OF WORLD WAR VETERANS

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 4513) to authorize payment of claims for unauthorized emergency treatment of World War veterans, now on the Speaker's desk.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

Mr. SNELL. Reserving the right to object, and I do not intend to object at the present time, this is a rather far-reaching resolution, and I think the gentleman should make some explanation to the House, and tell us exactly what this proposes to do.

Mr. KOPPELMANN. The Chairman of the Committee on World War Veteran Affairs is now on the floor, and he will make the explanation.

Mr. SNELL. That is entirely satisfactory to me.

Mr. RANKIN. Permit me to say to the gentleman from New York [Mr. SNELL] that this resolution was sent to the Veterans' Administration and was returned with the recommendation that it be passed with certain amendments, which are included in the bill. It was reported out of the Veterans' Committee unanimously. There is no objection to it on either side.

Mr. SNELL. I think the gentleman should state to the House what it provides.

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman from Mississippi [Mr. RANKIN] if that is a bill prepared by the Veterans' Administration?

Mr. RANKIN. This bill was introduced by the gentleman from Connecticut [Mr. KOPPELMANN].

Mr. BLANTON. At the instance of the Veterans' Administration?

Mr. RANKIN. I do not know at whose instance it was introduced.

Mr. BLANTON. It is not a Veterans' Administration bill?

Mr. RANKIN. No; but it was referred to them for a report, just as we refer all veterans' bills.

Mr. BLANTON. But the gentleman's committee, which is the Committee on World War Veterans' Legislation, has passed this bill and approves it unanimously?

Mr. RANKIN. Yes; with the amendments.

Mr. SNELL. I think we ought to have a short explanation of why it is necessary at this time.

Mr. KOPPLEMANN. The best way to explain it would be to state one of the many cases that would be remedied.

A veteran of the World War was suddenly taken ill and rushed to a hospital. He is treated at the hospital, and certain expenditures are incurred. After he gets out of the hospital a bill is sent to the Government for payment. Under the law it could be paid, but between the time it was ordered paid and the time the check of the Government was drawn in favor of the veteran, an Executive order under the economy act struck it out. That particular check, as a great many other checks throughout the country, is being held up because of the Executive order which intervened between the time the check was approved and the time it was to be paid. As a result a great many veterans are suffering because this money paid out by them or owed by them for medical services has been unpaid all this time. It is owed by the Government.

Mr. SNELL. And this is simply to make right injustices that were done to the soldiers on account of an Executive order following the economy act?

Mr. KOPPLEMANN. Exactly.

Mr. RANKIN. I will say to the gentleman from New York that it is also approved by the Budget.

Mr. BLANTON. Under reservation of objection, I want to state that the main reason of that President's economy order which stopped this practice was that the Government found that in many instances in these emergency cases, a doctor would charge not a reasonable fee, but, because it was a Government matter and he expected to get the money out of the Government, he would charge an extortionate fee of $500 when his fee to anybody else would only be $50. Is there anything in the bill to stop such fraudulent practice?

Mr. KOPPLEMANN. I would say to the gentleman from Texas, in the first place, that his contention is correct, that doctors did take advantage.

Mr. BLANTON. Many of them certainly did; they mulcted the Government.

Mr. KOPPLEMANN. That is correct. Now, under this measure, the only bills that would be approved would be those approved by the Veterans' Bureau.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KOPPLEMANN. Certainly.

Mr. RICH. If the doctors were trying to mulct the Government when they rendered bills for attendance to ex-service men, why was it necessary that the Executive

order should be so drastic as to cut everybody out? Why did it not apply only to those exorbitant bills? In my judgment, it certainly was a very poor Executive order that would cut them out entirely.

Mr. BLANTON. Oh, the gentleman is getting painfully partisan.

Mr. RICH. Nobody in the House is more partisan than the gentleman from Texas; and he knows it.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 17, title I, Public Law No. 2, Seventy-third Congress, any claim for unauthorized medical expenses under the provisions of section 202 (9) of the World War Veterans' Act, as amended (U. S. C., title 38, sec. 483), wherein claim was duly filed prior to March 20, 1933, may be adjudicated by the Veterans' Administration on the proofs and evidence received by the Veterans' Administration prior to March 20, 1933, and any person found entitled to reimbursement shall be paid the reasonable value of services as prescribed by the said section 202 (9).

With the following committee amendment:

Page 1, lines 9 and 10, and page 2, line 1, strike out the following: "on the proofs and evidence received by the Veterans' Administration prior to March 20, 1933."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS CONNECTICUT RIVER, MIDDLETOWN, CONN.

Mr. CITRON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 8963) granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.

Mr. SNELL. Mr. Speaker, reserving the right to object, do I understand this is an emergency matter and should go through for a special reason at this time?

Mr. CITRON. That is so, in my opinion. As a matter of fact they are making soundings for picking the place for this bridge. At first it was not thought necessary to have a bill passed through Congress. I have consulted the War Department and they agree that a bill is necessary, and so I drafted this measure. They expect to expend about $3,500,000 on this project. I am fearful if we do not pass this measure now we will adjourn before we have further opportunity to act on this.

Mr. SNELL. Of course, I am not opposed to any bridge bill, but it was my hope that we could take them up on the regular Consent Calendar day; but if this is an emergency matter I shall not object.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Connecticut and the county of Middlesex, to construct, maintain, and operate a free highway bridge and approaches thereto across the Connecticut River, at a point suitable to the interests of navigation, at or near Middletown, Conn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAFETY ON THE HIGHWAYS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I want to bring to the attention of the House the fact that the Department of Agriculture is having printed 100,000 copies of a 4-page pamphlet dealing with safety on the highways. We all know the appalling increase in highway accidents. It was stressed last week when we had up for consideration the bus and truck bill.

We are told that more than 30,000 people are killed each year and something like 300,000 people are injured, that the property damage runs into the hundreds of millions of dollars. We know also that our insurance rates for liability insurance have doubled and tripled.

We have been sitting here for some months considering and passing bills designed to give the people of America a more abundant life. We should give some consideration to preserving that life when the people go on the highways.

Great Britain recently had published 15,000,000 copies of a similar pamphlet. We are making an experiment here.

I take this occasion to commend the Secretary of Agriculture for his action. I do not know whether we can reach the reckless, foolish people on the highways by educational processes, but I do hope that the Membership of this House will take advantage of the opportunity to distribute in their respective districts copies of this pamphlet, and I am quite sure the Department of Agriculture will make additional copies available should there be a demand for them. [Applause.]

EMERGENCY LEGISLATION IS STILL NECESSARY IF 40 PERCENT OF FARM HOMES ARE TO BE SAVED FROM FORECLOSURE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the financial situation of the farmers of the country, and include therein certain tables I prepared myself, showing the situation with regard to mortgages, foreclosures, and other matters pertaining to their finances?

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, the depression started with the farmers in 1920, instead of 1929, as the year in which business started down grade.

The one thing that touched off the farm slide downward in 1920 was the action taken by the Federal Reserve Board in May 1920 in raising the discount rate. Through this raise in the rate and propaganda put out by the Federal Reserve Board, the Federal Reserve banks and the member banks, a period of drastic deflation was inaugurated. Outstanding loans were forced in. To meet these obligations the farmers were forced to sell at a furious rate. This action caused a break in market prices that could not be stopped, and by 1921 the result of this uncalled for, this cruel and next to criminal order of the Federal Reserve Board will be reflected in the tables presented herewith. The farmers' doom was sealed then, and up to date no action has been taken by Congress which will have the effect of saving more than a small percent of the farm homes that existed in 1920. This story can best be told by the actual figures:

Farm debt

Year	Debt on lands	Other debts
1920	$7,857,700,000	$3,100,000,000
1925	9,360,620,000	4,305,000,000
1928	9,500,000,000	4,600,000,000
1932	8,500,000,000	3,910,000,000
1933	[1]	3,500,000,000
1934 [2]	8,200,000,000	4,100,000,000

[1] About the same. [2] Acre mortgage had trebled since pre-war.

This would indicate that the farmers were paying off their mortgages and were actually in better position financially now than in 1928. This important fact should be remembered that from 1928 to 1933 foreclosures and forced transfers greatly increased, and as each foreclosure or forced sale was made, that indebtedness was washed out and to that extent reduced the amount of outstanding mortgaged debt.

The proof of this statement is found in the figures published by the Bureau of Agricultural Statistics, House Document No. 9, Seventy-third Congress. An examination of these figures indicates that since 1920, 40 percent of all farm homes in America were either foreclosed, transferred to settle debts, or lost under delinquent tax sales.

If all the owners who owned farm homes in 1920 still had them, less the normal transfers of approximately three farms out of a thousand farms each year, the actual indebtedness today on farms would amount to $14,000,000,000; and beside that, other indebtedness of the farmer would amount to $6,440,000,000, or a grand total indebtedness of $20,440,000,000.

INTEREST RATES

From 1920 to 1930 there was no change in the average interest rate, the figures running year after year at about 6 percent.

This, of course, is the rate on land mortgages. During the same period interest on short-term paper carried an average rate of 7½ percent and on other demands and accounts 10 percent.

That indebtedness of the farmers has increased right along and not diminished, as some declare, can be proven by the following facts:

Amount of interest on farm indebtedness

1920	$250,000,000
1925	568,000,000
1928	900,000,000

Since then the amount has lessened, but it is still over three times what it was in 1920.

The interest burden can be shown by another table.

In 1920 the percent of annual income for interest was 4 percent of the gross; 1928, 10 percent; 1931, 8 percent; 1932, 11 percent; 1934, 13 percent.

FARM TAXES

The pre-war tax burden has constantly increased until 1932, when there was a slight drop, but the tax burden still remains more than twice as much as in the pre-war period. The following tables will illustrate this increase:

1900	$262,000,000
1910	268,000,000
1911	275,000,000
1912	278,000,000
1913	286,000,000
1914	292,000,000
1915	298,000,000
1916	304,000,000
1917	310,000,000
1918	345,000,000
1919	380,000,000
1920	452,000,000
1921	633,000,000
1922	678,000,000
1923	718,000,000
1924	727,000,000
1925	729,000,000
1926	738,000,000
1927	754,000,000
1928	766,000,000
1929	777,000,000
1930	777,000,000
1931	730,000,000
1932	629,000,000

Another way of putting the matter would be to say that on every $100 of farm property in the pre-war period, there was levied a tax of $0.55. That rate has increased until the tax on the same value of property is $1.50, or an increase of nearly 300 percent.

In 1930 it took four times as many units of farm production to pay taxes as it did in 1914.

By 1933 more than 15 farms per thousand were being lost through tax sales.

Taxes per acre of farm land increased from 24 cents in 1914 to 58 cents in 1929, an increase of 141 percent.

RAILROAD RATES

The increase in freight rates as applied to farm products can be best illustrated by the following figures:

1920, carload of cattle cost in freight, on the average, $129; 1934, $164.

1920, carload rates on hogs, $132; 1934, $157.

1920, carload rates on wheat, $128; 1934, $146.

1914, freight rates per car, all produce, $103.20; 1934, $142.50.

FARM MACHINERY COSTS HAVE INCREASED AS THE FARMERS' PRODUCTS HAVE DIMINISHED

1914 a binder cost $145.25; 1919 (the peak), $241.25; 1922, $206.50; 1925, $228.33; 1928, $234.54; 1931, $226.22; 1934, 233.29; an increase of over 60 percent of pre-war prices.

Wagons

1914	$73.25
1919	138.00
1926	137.89
1932	111.83
1934	108.92

An increase of 48 percent of pre-war prices.

Shoes

Pre-war prices	$2.30
Present prices	2.57

Overalls

Pre-war prices	$0.89
Present prices	1.32

Many more illustrations could be made, and have from time to time been made, illustrative of the increased costs to the farmer for the necessary purchase he must make and the necessary overhead which he must pay, but all items tell the same story. No notice would have even been taken by the farmer of this increased cost if his income had kept pace with the general rise of prices. The first alarm which the farmer sensed was the fact that while his production continued and actually increased over former years, due to more scientific farming, he discovered that he could not pay his bills. His crop, at prices obtainable, would not pay the interest on his land; it would not pay the taxes; and, finally, he could not obtain enough to eat and went on relief.

We should pause long enough in the Nation's Capitol to discover just what went wrong in 1920 and has stayed wrong ever since.

This story can be told by examining into the figures on incomes and prices and thus determine why the farmer could not pay, first, his interest and taxes and, finally, could not pay anything, and had to ask the Government for something to eat.

OUR NATIONAL INCOME

1914: $36,232,000,000; agriculture's share, $5,081,000,000; farmers received 14 percent of national income.

1920: $75,397,000,000; agriculture's share, $11,057,000,000; farmers received 14 percent plus.

1921: $60,685,000,000; agriculture's share, $6,967,000,000; farmers received 11 percent plus.

1929: $91,988,000,000; agriculture's share, $8,254,000,000; farmers' share, 9 percent plus.

1930: $70,300,000,000; agriculture's share, $6,955,000,000; farmers' share, 9 percent plus.

1932: $39,400,000,000; agriculture's share, $3,582,000,000; farmers' share, 9 percent plus.

1934: $47,500,000,000; agriculture's share, $5,287,000,000; farmers' share, 11 percent.

VALUE OF FARM PROPERTY

As the prices increased for the farmer's overhead expenses and the goods he purchased, and at the same time the national income was becoming less and less and the farmers' percentage of that decreasing, we are not surprised to learn what became of the farmers' accumulations in farm property during the same period. This table tells the whole story as a conclusion from the other facts herein stated. Value of farm property in—

1919	$79,000,000,000
1920	66,316,000,000
1929	58,000,000,000
1930	47,880,000,000
1932	37,027,000,000
1933	30,151,000,000
1934	31,655,000,000

From 1924 to 1931 field crops in the United States dropped in price 74 percent; livestock in the same period dropped

only 19 percent. It will thus be readily seen that in the Wheat Belt, the Cotton Belt, and the Corn Belt the drop was most devastating. From 1930 to 1932 the drop in farm products registered 40 percent.

This drop can be more clearly understood by dividing up farm products into groups and giving the price in the various years.

Hogs in 1919 brought $16.23 per hundred pounds live weight; 1932, $3.47; 1934, $4.25.

Cattle in 1919 brought 72 cents per hundred pounds live weight; 1932, $4.07; 1934, $3.86.

Sheep in 1919 brought 58 cents per hundred pounds live weight; 1932, $2.39; 1934, $2.96.

Wheat in 1919 brought $2.15 per bushel; 1932, 38 cents; 1934, 79 cents.

Cotton in 1919 brought 29 cents per pound; 1932, 5 cents; 1934, 12 cents.

Corn in 1919 brought $1.56 per bushel; 1932, 28 cents; 1934, 61 cents.

PURCHASING POWER

The manufacturing East have never clearly understood what effect the purchasing power of the farmer has had on the prosperity of their own manufacturing institutions and everyone dependent upon manufacturing.

The following figures demonstrate beyond argument how the loss of the farmers' purchasing power directly affects the East and other manufacturing sections of the country.

Pre-war period the farmers purchased from manufactured goods approximately the following percentage of the entire output:

Steel	40
Leather goods	42
Textile mills	45

1932

Steel	10
Leather goods	11
Textile mills	15

During this period the farmers' share of the national income had fallen from 14 to 9 percent, and the value of farm products had fallen in many cases to 25 percent of the 1929 prices.

The shrinkage in the value of all farm property had fallen from $79,000,000,000 in 1919 to $37,027,000,000 in 1932, or a net loss of over $41,000,000,000. In other words, the farm, because of the high price of things bought and overhead, and the low price of the products raised, had not only come to a dead stop in making any dividends but the outgoing expense had eaten up over half of the entire value of farm property.

What other story do the figures show?

FORECLOSURES

Total forced sales and transfers of farm land from 1926 to 1932 indicate the following loss rate: 1926, 21 farms out of every 100 farms were lost; 1927, 23; 1928, 22; 1929, 19; 1930, 20; 1931, 26; 1932, 41.

In other words, during these 7 years, and that includes 4 years before the crash of 1929, 172 farms out of every 1,000 farms had been lost through inability to pay debts. The rate from 1920 to 1926 averaged 27 farms per 1,000 as the farmers' depression started in 1920. From 1920, therefore, to 1934, a period of 15 years, over 30 percent of all farms in the United States were lost to the owners for inability to pay maturing debts.

By 1928 the bankruptcy rate among farmers was nine times what it was as compared to the pre-war period.

During the same period tax deeds were also taking their toll, and by the year 1932, 15 farms out of every 1,000 were being lost through tax deeds.

When we analyze the figures and add losses through failure to pay mortgages and failure to pay taxes, 40 percent of all farms existing in 1920 had been lost by 1932.

The rate of foreclosures increased in the year 1933 above any period known in our history. The following table tells a more pathetic story of the loss of farms than any statement that can be framed from pure imagination:

	1933	1934	1935
	Percent	*Percent*	*Percent*
Illinois	44.6	33.8	21.7
Minnesota	59.1	37.5	24.3
Iowa	78.3	54.3	37.3
Missouri	51.2	36.1	29.0
North Dakota	63.3	31.3	18.9
South Dakota	78.0	64.2	62.4
Nebraska	58.2	45.8	41.0
Kansas	52.7	48.0	40.7
Mississippi	47.6	41.5	27.6
Oklahoma	44.7	23.7	16.4

During the last few months of 1932 and in 1933 the farmers of the United States, seeing that there was no way in which they could save their homes from mortgage and tax sales, formed organizations in some 20 States of the Union to resist these sales. This group was known as the "Holiday Association." The name was coined from an occurrence in a small town in Iowa where the first meeting was held in 1932. A bank in that town could not pay its depositors although the assets were good. An enterprising young cashier saved the bank by a strategic move. He printed a sign and hung it in the closed door of the bank reading "holiday." All depositors know, of course, that no one could draw money from a bank on a holiday. The cashier worked this scheme 3 days in succession and until funds were secured to keep the bank open. The plan worked and the bank continued business, whereas without this move the bank would have closed and the depositors would lose the customary amount usual to closed banks, which is in many cases all there was on deposit. The farmers heard of this plan and they reasoned that they wanted the same plan. They could pay their debts if given a chance, but could not pay then. They therefore named their organization the Holiday Association. After these organizations got under way the foreclosures suddenly dropped off. Seventy thousand members joined the organization in North Dakota alone, and foreclosures dropped from 63.3 percent to 18.9 percent.

The holiday associations did not stop at this. They went into politics and elected representatives and Governors—in some States—favorable to the passage of laws and moratoria to prevent the sacrifice of property by foreclosures where the owners were helpless to protect themselves. North Dakota had the first effective moratorium declared by Gov. William Langer. Twenty-six States now have moratoria by law, and in every State where such laws exist or where the Governors have by proclamation accomplished the same result we find that the foreclosure rate has been brought down too precipitately. The above table will demonstrate the force of my statement.

At this point, Mr. Speaker, let me say that the farm-mortgage debt is not actually distributed in the United States, as the following table indicates:

1930:	*Percent*
New England	1.57
Middle Atlantic	5.18
East North Central	20.46
West North Central	39.01
South Atlantic	5.51
East South Central	3.95
West South Central	9.79
Mountain	5.91
Pacific	8.62

New England now has a mortgaged indebtedness of only one and fifty-seven hundredths of the Nation's total. This may account in part for the fact that very few representatives from New England are interested enough in the farm-mortgage question to even permit the Frazier-Lemke bill to be discussed in the House.

North Carolina, South Carolina, Georgia, Florida, Delaware, Maryland, and Virginia only have 4.25 percent of the Nation's farm indebtedness. From that section comes scarcely any support for the open discussion of the Frazier-Lemke bill.

Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas bear the burden of the national farm

debt, these States having 39 percent of the Nation's total. Every one of these States named have backed a hearing on the Frazier-Lemke bill with solid congressional delegations, with the exception of Missouri, and in that State most of the Congressmen have signed the petition to bring the measure up for a hearing on its merits.

FARM TENANCY INCREASING

No other result could follow the wholesale foreclosures of mortgages against defenseless farmers than the increase of tenancy.

In 1920 the percentage of tenants to all engaged in farming was 38; in 1930, 42; in 1932, 46; in 1934, 49.

These figures speak for the Nation as a whole. In the strictly agricultural States, such as North Dakota, South Dakota, the tenantry farming has increased until at the present time over 60 percent of all farms are farmed by tenants.

HOW THE FARM-MORTGAGE DEBT IS HELD

In 1928 Federal land banks held 12.1 percent of the farm-mortgage debt; joint-stock land banks, 7 percent; commercial banks, 10.08 percent; mortgage companies, 10.04 percent; insurance companies, 22.9 percent; retired farmers, 10.06 percent; active farmers, 3.06 percent; other individuals, 15.04 percent; other agencies, 7.02 percent.

At that time the total debt was $9,468,000,000.

Since that time all agencies except the Federal land bank and the joint-stock land banks have decreased their loans, and now, since the joint-stock land banks have suspended business, the Federal land bank remains the only one sure source of money for refinancing farms. At the present time the Federal land banks have about 27 percent of the debt and seem to have reached a point where they can make few further loans. The debt is bigger than the commitments authorized.

Complaints increase daily from farmers stating that their applications have been rejected by some Federal land bank. Sometimes these banks will give reasons why the loan has been rejected and other times they refuse to give any information, claiming, in private interviews, that to give out this information would subject them to suit. Whatever the reason is, the farmers cannot save their farms by the use of the only method now provided to refinance them. In order to refinance 27 percent of the farm-land indebtedness, it was necessary for the Federal land banks to discount $200,000,000 of the indebtedness. While the Frazier-Lemke farm bankruptcy law remained a law upon the statute books, it was easy to secure discounts. Since this act was declared unconstitutional by the Supreme Court, discounts are difficult to obtain. Without substantial discounts, further loans have slowed down, and in some districts commitments are negligible. Applications now are only 15 percent of what they were in 1933. (F. C. A., May 24, 1935.)

Farm land values by States, showing percentage of value today as compared to the values in the pre-war period 1912–14.

The States are arranged in accordance with the lowest percentages of values. The first State named having the lowest percentage of value of farm lands as compared to the pre-war period:

	1935	Value in 1920
	Percent	*Percent*
1. South Dakota	54	181
2. Missouri	58	167
3. Indiana	61	161
4. Illinois	61	160
5. Ohio	66	159
6. Iowa	67	213
7. North Dakota	67	145
8. Nebraska	72	179
9. Georgia	72	217
10. Kansas	73	151
11. South Carolina	76	230
12. West Virginia	78	154
13. Pennsylvania	79	140
14. Wisconsin	82	171
15. Delaware	82	139
16. New York	82	133
17. Minnesota	83	213
18. Michigan	83	154

From the above tables it should be apparent to anyone that when a debt was contracted on a farm in 1920 or 1925—when the amount of farm mortgages reached the peak point—those farms were valued at 170 percent, average, of the pre-war period values. Today we are trying to make loans on the same farms using a value of 70 percent of the pre-war values.

A farm valued in pre-war period at $5,000 had a value of $8,500 when the loan was contracted. When we come now to make a new loan to refinance the old, we discover that the value of the same farm is fixed at $3,500. On a valuation of $8,500, 1920–25, a loan was made for 50 percent of the value, or $4,250. The loan is past due, and we try to refinance it through the Federal land bank. The appraisal shows a value of only $3,500 or actually $1,000 less than the face of the loan. On this new value we can make a loan—if we are lucky—of 75 percent of the value, or $2,625. This new loan lacks just $1,625 of being enough to pay the old principal. Usually there is a large amount of unpaid taxes and accumulated interest to be added to the principal. Result—the loan is turned down.

The Federal land-bank loaning system has just about come to the end of its ability to relieve the distressed farmers. Shall we leave them there in that position? This Congress has not supplied the farmers with any agency through which they can save their farms.

WHAT IS TO BE DONE

Does this Congress desire to have another 40 percent of farm homes lost? Does this Congress desire to have the farmers or their families removed to the cities to swell the already unemployed millions, or to take the jobs of those in the city who are still able to exist on their present scanty employment?

There is only one answer to these questions and that is that this Congress will fail in its duty to all the American people and to the farms in particular if it adjourns without providing some remedy for the present alarming situation where another 40 percent of farm homes in America are in danger of foreclosure and loss to the owners.

This Congress should act immediately. It should take a step commensurate with the emergency presented. We should offer a plan whereby the farmers can save their remaining homes. The only measure before Congress which will give this relief and offer a plan of refinancing the farm homes is the Frazier-Lemke farm-mortgage refinance bill. This bill has been acted upon favorably by the Committee on Agriculture and was reported out by a vote of 14 to 5. But, still the bill is held up because the Committee on Rules refuses to bring in a rule under which the bill may be discussed.

A petition has been on the Speaker's desk for months, requiring the signatures of 218 Congressmen to bring in a direct rule and permit a discussion of the bill. On two occasions, supporters of the bill have secured within four of the required number of names, and in each instance Members have been induced to withdraw their names. Today the petition has only 203 names. Withdrawals come from both Democrats and Republicans. Refusals to sign come from both Democrats and Republicans. New York, Massachusetts, Pennsylvania, and New Jersey, and most of the solid South hold the whip hand. Their Congressmen will not sign the petition. When it comes to giving the farmers a chance to save their homes or a chance for the soldiers to secure a small part of their lost opportunities while bottled up in camps or exposed to fire in the trenches, we find New York, Massachusetts, and New Jersey Republicans standing shoulder to shoulder with their Democratic enemies. To assert that there is any difference between a regular Republican and a regular Democrat when it comes to a question of restoring the business of the Nation to its normal position, is absolutely incorrect.

For 7 months now the regular Republicans have exerted all their energies on the floor of the House to try to convince the country that Herbert Hoover was a good President, and that the country was in good condition when the voters fired him, or that it would have been in good condition if the

Democrats in Congress had supported Mr. Hoover. The regular Democrats likewise spend all their leisure time on the floor of the House to convince themselves that prosperity has returned, and that they, "the Democrats", are entitled to the credit for this outstanding accomplishment. In the meantime the voice of the people is seldom heard. It cannot be heard, for the Democrats and the Republicans control the time.

The facts are that Hoover was repudiated and deserved to be, and to talk more of Hoover is absurd. To say that we have returned to prosperity is still equally absurd. We cannot be said to have returned to prosperity when 20,000,000 people are still on relief and more than half of the population of the United States in some form of distress. We are still in an emergency situation and we need emergency legislation now more than we ever needed it.

The passage of the Frazier-Lemke bill will not take us out of the emergency situation—it is one step. It will give a new lease of life to the farmer, his family, that class that feeds the Nation. We cannot progress 3 days without food, and it would seem to be an act of wisdom to keep the food factories going. No citizen will expect the farmer in this emergency to produce food for less than the cost of production. Those who labor expect to pay the cost of producing food, and a little more. They never intended to give the processor and the distributor $11.50 out of every $19 paid for food. That is the record today. That leaves the producer on $7.50 of the $19 paid by the consumer.

Finally, if we can suffice as a nation until we accomplish it, we must as a government take over the direct job of handling the money and credit of the Nation. We cannot expect any sustained recovery until we take this control of money and credits away from individuals and associations of individuals. We have already left control so long with private interests that our greatest stumbling block to recovery is the huge debt that has been contracted through the system of private control of the Nation's money and credit. It is nothing short of absolute stupidity to issue bonds to finance the Government. With close to forty billion Government debt, the bond system places an annual interest burden on the people of a billion and a quarter. The interest on public and private debts in the United States is stupendous. This has been made possible by the private control of the Government's money and credit.

That annual interest burden is over $15,000,000,000. Fifteen billion dollars is more than the combined income of agriculture and labor for 1934. This interest burden is increasing annually. It takes all our substance to pay interest, if we paid it. We don't pay it because we still want to live and want our children to live. When we do not pay the interest annually it is added to the principal to create more interest which we can never pay. The Government is responsible—Congress is responsible—for two important failures of duty. First, when it allowed private interest in the first place to assume and take control of the Government's money and credit (the National Bank Act of 1862), and, second, in failing now to retake possession of its own money and credit and use it in behalf of the people.

Every attempt to wrench ourselves loose from the grip of a dishonest and privately controlled dollar, every attempt to establish an honest dollar—one that is as valuable 10 years from now as it is today, every attempt to stop issuing Government bonds, and replace them by Treasury notes without interest is met by a chorus of yells coming from both Democrats and Republicans. Inflation! Inflation! The press takes up the howl and hollers just a little bit louder. Inflation! Inflation!

Let us calmly analyze the situation. We owe more debts than we can ever pay with the dollar we use today. We owe more interest and taxes annually than we can ever pay. Every sensible and well-informed student of our financial situation will admit this. The Supreme Court says we cannot cut down these debts without the consent of the creditor. We must pay because the contract so provides. We must give the pound of flesh, but the Supreme Court has failed to produce a Portia to attend the taking of the pound of flesh.

We, therefore, must pay or lose our property. The property will be lost as surely as there is a divine Ruler of the Universe, unless the dollar we pay with is worth as much as the dollar we borrowed and enough more to pay for the accumulated interest. Our great Republic is slowly sinking in an endless sea of interest. Which choice will you make? Inflate the currency until these obligations can be met, or continue the program of dear money, controlled by private interests, until the people of the United States, in their wrath, rise up and flood the country with printing press money until a $10,000 mortgage on a farm home can be paid with a buck sheep?

Even though we are in a bad situation financially, we can adjust all difficulties and preserve our equilibrium, if we let our intelligence direct us, if we will be tolerant to the view of others, if we will cast prejudice aside, if we will open our eyes to vision when there is vision, if we will think more of the future of a great country and its people than we do of those interests that concern ourselves alone.

We can begin the program now of real recovery, if we have 218 men and women in this House with courage enough, with American fighting spirit enough in their veins to bring in the Frazier-Lemke bill for discussion on the floor of this House no matter who shouts inflation. Let us do, if nothing else, the just thing. Isn't it just to permit a bill to be discussed? What harm will result from an open discussion of the bill? Are Members afraid to sign for fear they shall become convinced that its provisions are right?

If this Congress smothers this bill, it means more than the defeat of merely a bill—it will mean that representative government has failed—it means that no matter what the people demand, they cannot be heard in the Congress composed of their elected representatives. This is no time in our history to rebuke the people. This is no time to destroy confidence in our Government. We have inherited the greatest, the best Government on earth. Do we know enough to perpetuate it, or will it finally crumble and decay and take its place in the musty pages of history with ancient Rome, and all other governments which have refused to listen to the voice of the people?

THE PRIVATE CALENDAR

The SPEAKER. The order of business today is the consideration of individual bills on the Private Calendar. The Clerk will call the first bill on the Private Calendar.

W. H. GREENE

The Clerk called the first bill on the Private Calendar, H. R. 3202, for the relief of W. H. Greene.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. H. Greene, of Rural Free Delivery No. 3, box 139–A, Bakersfield, Calif., the sum of $144.92, for the loss of personal articles in the Matilija forest fire in the Santa Barbara National Forest in California, on September 12, 1932.

With the following committee amendments:

In line 7, after the figures "$144.92", insert the clause "in full settlement of all claims against the United States."

Add at the end of the bill:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SARAH ELIZABETH BALLENTYNE

The Clerk called the next bill, H. R. 3546, for the relief of Sarah Elizabeth Ballentyne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sarah Elizabeth Ballentyne, Houston, Pa., the sum of $2,833. Such sum shall be in full settlement of all claims against the United States on account of damages sustained by the said Sarah Elizabeth Ballentyne resulting from the death of her son, William Ballentyne, who was struck and fatally injured by an automobile owned and operated by the Bureau of Mines, Department of the Interior, on March 6, 1934, near Canonsburg, Pa.

With the following committee amendment:

Page 2, line 2, add the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAYMOND PARRAMORE

The Clerk called the next bill, H. R. 3967, for the relief of Raymond Parramore.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Raymond Parramore, the sum of $10,000 in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by the said Raymond Parramore as a result of being struck and run down by a truck operated by an employee of the Government in the city of Jacksonville, Fla., December 11, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 6, strike out "$10,000" and insert in lieu thereof "$6,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON

The Clerk called the next bill, H. R. 4436, conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claims of Alta Melvin and Tommy Melvin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Western District of Washington to hear, determine, and render judgment, upon the claims of Alta Melvin and her son, Tommy Melvin, both of Seattle, Wash., for damages resulting from injuries received by them when the automobile in which they were riding was struck by a United States Army truck from Fort Lawton, Wash., at the intersection of Twenty-eighth Place West and Gilmon Avenue in Seattle, Wash., on June 21, 1932.

SEC. 2. In the determination of such claims, the United States shall be held liable for any tort committed by any of its employees (including enlisted personnel) to the same extent as if the United States were a private person.

SEC. 3. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended.

With the following committee amendment:

On page 1, line 5, after the word "judgment", insert "as if the United States were suable in tort."

On page 2, strike out lines 4 to 7, inclusive.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH SALINGHI

The Clerk called the next bill, H. R. 4619, for the relief of Joseph Salinghi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Joseph Salinghi the sum of $4,645, out of any money in the United States Treasury not otherwise appropriated for injuries received on November 9, 1926, on which date he was sturck by an automobile owned and operated by the United States Veterans' Bureau in Hartford, Conn.

With the following committee amendments:

On page 1, line 6, after the word "appropriated", insert the following: "in full settlement of all claims against the United States."

At the end of the bill insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HANCOCK of New York: On page 1, line 6, strike out "$4,645" and insert in lieu thereof "$5,500."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HAUSER CONSTRUCTION CO.

The Clerk called the next bill, H. R. 4791, for the relief of the Hauser Construction Co.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. There is a similar Senate bill on the subject, and, without objection, the bill S. 470 will be substituted for the House bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Hauser Construction Co., of Portland, Oreg., the sum of $192,400, in full satisfaction of all claims of such company against the United States arising out of a certain rivers and harbors contract (no. W698 eng.-428) for the restoration and extension of the north and south jetties at the Yaquina Bay entrance, Newport, Oreg., entered into by such company with the Office of the Chief of Engineers, United States Army, under date fo January 11, 1933, such sum representing the additional stone costs, equipment rentals, depreciation charges, and miscellaneous expenses incurred by such company in order to obtain and place sufficient stone to meet contract specifications when the quarry approved by such contract proved inadequate: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the con-

trary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

A similar House bill (H. R. 4791) was laid on the table.

JULIUS A. GESKE

The Clerk called the next bill, H. R. 5090, for the relief of Julius A. Geske.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Julius A. Geske, of Harshaw, Wis., the sum of $50.98 for damages sustained to the automobile of said Julius A. Geske when struck by a United States mail truck at the intersection of Michigan Boulevard and Eighth Street, in the city of Chicago, Ill., on the 19th day of July 1920.

With the following committee amendments:

Page 1, line 6, after the figures "$50.98", insert the words "in full settlement of all claims against the United States."

At the end of the bill insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

R. C. M'COY ET AL.

The Clerk called the next bill, H. R. 5122, for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, Jim Hamilton, Otis Hamilton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, J. E. Seymour, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, Roxie Anderson, J. L. Mitchell, and J. C. Russell.

There being no objection, the Clerk read the bill, as follows:

Whereas in October 1933, the Government announced it would make loans on the basis of 10 cents per pound to producers on cotton stored in warehouses approved by the Reconstruction Finance Corporation and the Commodity Credit Crporation; and

Whereas in pursuance of this policy and authority, the Commodity Credit Corporation contracted for a certain brick warehouse from J. E. McCoy & Son, located at Kingsland, Cleveland County, Ark., which warehouse was approved by the said Commodity Credit Corporation and the Reconstruction Finance Corporation, and notice of its approval as a Government warehouse for the storage of cotton for loans by producers in that section was duly given and farmers desiring loans were advised to store their cotton in said warehouse; and

Whereas on the 2d day of November 1933, being the first day said warehouse was open to receive cotton for storage, 137 bales were stored therein by farmers seeking loans from said Commodity Credit Corporation, 72 bales of which were weighed and receipted for and 65 bales of which were accepted but had not been weighed or receipted for when night came, but were to be weighed and receipted for the following day; and

Whereas in the early morning of November 3, 1933, said warehouse, and its contents, including the 65 bales of cotton stored therein and unreceipted for, were burned and totally destroyed; and

Whereas it has been determined that the names of the owners of said 65 bales of cotton, the amounts and weight thereof are as hereinafter set forth, and that the owners who sustained said loss should each be compensated by the Government of the United States on the basis of 10 cents per pound: Therefore

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following persons the amounts herein stipulated following their names and the loss each sustained, namely:

R. C. McCoy, 927 pounds (two bales), $92.70;
J. L. Garner, 530 pounds (one bale), $53;
C. G. Kauffman, 2,073 pounds (four bales), $207.30;
W. G. Smiley, 859 pounds (two bales), $85.90;
R. A. Burks, 444 pounds (one bale), $44.40;
C. W. Brazzelton, 2,602 pounds (five bales), $260.20;
Jim Hamilton, 556 pounds (one bale), $55.60;
Otis Hamilton, 578 pounds (one bale), $57.80;
R. F. Brazzelton, 1,011 pounds (two bales), $101.10;
Dave Cash, 4,159 pounds (nine bales), $415.90;
Mrs. A. W. Dykes, 592 pounds (one bale), $59.20;
Jim Thereldkeld, 1,003 pounds (two bales), $100.30;
R. R. Crain, 483 pounds (one bale), $48.30;
J. B. Tolson, 3,705 pounds (seven bales), $370.50;
J. C. Rogers, 1,113 pounds (two bales), $111.30;
S. K. Broach, 1,100 pounds (two bales), $110;
Albert Easterling, 1,466 pounds (three bales), $146.60;
J. L. Rivers, 561 pounds (one bale), $56.10;
F. C. Wilson, 597 pounds (one bale), $59.70;
J. E. Seymour, 520 pounds (one bale), $52;
E. C. Finley, 539 pounds (one bale), $53.90;
W. W. Mitchell, 2,597 pounds (five bales), $259.70;
J. G. Carey, 448 pounds (one bale), $44.80;
Carl Graves, 443 pounds (one bale), $44.30;
Jerome Dupree, 475 pounds (one bale), $47.50;
J. R. Mitchell, 487 pounds (one bale), $48.70;
Roxie Anderson, 528 pounds (one bale), $52.80;
J. L. Mitchell, 1,512 pounds (three bales), $151.30;
J. C. Russell, 1,058 pounds (two bales), $105.80;
Total, $3,296.60.

SEC. 2. That such payments shall be received in full settlement with each of said persons for the loss they sustained by reason of their cotton having been destroyed by fire while stored in said warehouse, and the sum of $3,296.60 is hereby appropriated for the purpose of carrying out the provisions of this act.

Amend the title so as to read: "A bill for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, J. L. Mitchell, and J. C. Russell."

With the following committee amendments:

Page 3, strike out lines 16, 17, 18, and 19.

Page 4, strike out lines 17 and 18.

Page 5, strike out lines 7 and 8.

Page 5, line 13, strike out "$3,296.60" and insert in lieu thereof "$3,078.40."

Page 5, line 18, strike out "$3,296.60" and insert in lieu thereof "$3,078.40."

Page 5, after line 19, insert the following:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read as follows: "A bill for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, J. L. Mitchell, and J. C. Russell."

MALACHY RYAN

The Clerk called the next bill, H. R. 5550, for the relief of Malachy Ryan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay out of any money in the Treasury not otherwise appropriated the sum of $573.75, to Malachy Ryan, former postmaster at Caledonia, Minn. Such sum represents paid money orders which were lost in the burglary of the post office at Caledonia, Minn., on May 8, 1933, from no fault or negligence on the part of the postmaster.

With the following committee amendment:

On page 1, strike out lines 3 to 9, inclusive, and insert the following: "That the Comptroller General of the United States is authorized and directed to credit the money-order account of Malachy Ryan, former acting postmaster at Caledonia, Minn., with $573.75, or so much thereof as is necessary, to relieve him for the alleged loss of 51 paid money orders in a burglary of the post office at Caledonia, Minn., on May 8, 1933, disallowed in the audit of his accounts due to his failure to record the particulars of the said money orders."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. COSTELLO: On page 2, line 2, strike out "$573.75" and insert in lieu thereof "464.75."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILTON KASCH

The Clerk called the next bill, H. R. 5746, to authorize the removal of the bar of the statute of limitations with respect to certain taxes paid by Milton Kasch.

Mr. McFARLANE and Mr. TRUAX objected, and, under the rule, the bill was recommitted to the Committee on Claims.

JULIA M. CROWELL

The Clerk called the next bill, H. R. 6402, for the relief of Julia M. Crowell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to Julia M. Crowell, widow of Hiram M. Crowell, an employee of the United States Shipping Board as master of the steamship *Tuscorora*, the benefits of the Employees' Compensation Act approved September 7, 1916, as amended, in the same manner and to the same extent as the beneficiaries of other officers and members of the crew of the said steamship *Tuscorora* who were lost with the said vessel on or about December 8, 1917.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

R. B. MILLER

The Clerk called the next bill, S. 28, for the relief of R. B. Miller.

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

ALVA A. MURPHY

The Clerk called the next bill, S. 170, for the relief of Alva A. Murphy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alva A. Murphy, of Spencer, Iowa, the sum of $1,500 in full satisfaction of all claims of such Alva A. Murphy against the United States for damages resulting from injuries to himself and his car when shot at by one Claude Rideout on June 22, 1933, on State highway no. 2, about 5 miles west of Oskaloosa, Iowa, while such Alva A. Murphy was assisting Harry Elliott, United States prohibition agent, to arrest such Claude Rideout: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTER J. BRYSON PAVING CO.

The Clerk called the next bill, S. 659, for the relief of Walter J. Bryson Paving Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Walter J. Bryson Paving Co., out of any money in the Treasury not otherwise appropriated, the sum of $3,500.50, in full and final settlement of all claims against the Government for certain dredging work performed by said company in the improvement of the channel in the Anclote River, Florida: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BROWN & CUNNINGHAM

The Clerk called the next bill, S. 684, for the relief of Brown & Cunningham, of Port Deposit, Md.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fred S. Brown and Nellie R. Cunningham, doing business under the name of Brown & Cunningham, Port Deposit, Md., the sum of $2,400, in full satisfaction of their claims against the United States for damages on account of loss of business and destruction of certain stock and fixtures caused by a Marine Corps truck (no. 1394), when such truck crashed into the store owned by said Brown & Cunningham at Port Deposit, Md., on October 12, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANFORD & BROOKS CO.

The Clerk called the next bill, S. 685, for the relief of the Sanford & Brooks Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Sanford & Brooks Co., a corporation organized and existing under the laws of the State of Maryland, the sum of $53,208.49, in full satisfaction of its claim against the United States for refund of income taxes assessed and collected for the year 1920 on amounts paid by the United States to such corporation during such year to compensate the said Sanford & Brooks Co. for the cost to it of certain work done in dredging the Delaware River for the Government of the United States, of which work the said Government got the benefit, said work having been done during the years 1913 to 1916, both inclusive, under contract with the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. H. MARSHALL

The Clerk called the next bill, S. 712, for the relief of A. H. Marshall.

Mr. McFARLANE, Mr. COSTELLO, and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CLAIMS FOR EXTRA LABOR AT CERTAIN NAVY YARDS

The Clerk called the next bill, S. 872, for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow to the respective persons the respective amounts found by the Court of Claims to have been underpaid to said persons, for labor performed at the several navy yards and shore stations herein named, in excess of the legal day of 8 hours, as set forth in Senate documents herein enumerated, and for which purpose the sum of $332,342.74, or so much thereof as may be necessary, is hereby appropriated.

That the payment of said respective amounts is to be in full for and receipt of same to be taken and accepted in each case as a full and final release and discharge of their said respective claims for extra hours above the legal day of 8 hours at the several navy yards and shore stations.

That the said navy yards and shore stations and Senate documents are as follows:

CALIFORNIA

Mare Island Navy Yard: Senate Documents Nos. 713, 714, Sixty-first Congress, third session; 279, 447, Sixty-second Congress, second session; and 1085, Sixty-second Congress, third session.

FLORIDA

Pensacola Navy Yard: Senate Documents Nos. 500, Sixty-first Congress, second session; 778, 791, Sixty-first Congress, third session; and 155, 200, 287, 756, Sixty-second Congress, second session.

MARYLAND

United State Naval Academy: Senate Document No. 1055, Sixty-second Congress, third session.

MASSACHUSETTS

Boston Navy Yard: Senate Documents Nos. 382, Sixty-first Congress, second session; 150, 151, Sixty-second Congress, second session; and 1083, Sixty-second Congress, third session.

NEW HAMPSHIRE

Portsmouth Navy Yard: Senate Documents Nos. 315, Sixtieth Congress, first session; 431, Sixty-first Congress, second session; 770, 811, Sixty-first Congress, third session; 152, 153, 154, 206, 278, 715, 847, 848, Sixty-second Congress, second session; and 1058, 1076, 1077, 1082, Sixty-second Congress, third session.

NEW YORK

Brooklyn Navy Yard: Senate Documents Nos. 108, Sixty-first Congress, first session; 287, Sixty-first Congress, second session; 777, 792, Sixty-first Congress, third session; 198, 286, 717, Sixty-second Congress, second session; and 1057, 1079, 1080, Sixty-second Congress, third session.

PENNSYLVANIA

League Island Navy Yard, Philadelphia: Senate Documents Nos. 330, 332, Sixtieth Congress, first session; 710, 716, 717, 774, 795, Sixty-first Congress, third session; 185, 714, Sixty-second Congress, second session; and 1081, 1084, 1086, Sixty-second Congress, third session.

RHODE ISLAND

Naval Torpedo Station, Newport: Senate Document No. 715, Sixty-first Congress, third session.

VIRGINIA

Norfolk Navy Yard: Senate Documents Nos. 509, Sixtieth Congress, first session; 711, 793, Sixty-first Congress, third session; 146, 205, 446, Sixty-second Congress, second session; and 1056, Sixty-second Congress, third session.

DISTRICT OF COLUMBIA

Washington Navy Yard: Senate Documents Nos. 288, 432, Sixty-first Congress, second session; 712, 771, 772, 775, 776, 794, Sixty-first Congress, third session; 120, 145, 199, 200, 202, 276, 277, 724, 757, 849, Sixty-second Congress, second session; 1078, Sixty-second Congress, third session; and 354, Sixty-third Congress, second session.

SEC. 2. That where the payment to be made under this act is less than $1,000, and the person who rendered the service is dead, and no demand is presented by a duly appointed legal representative of his estate, payment may be made to the decedent's widow or legal heirs as is provided by existing law relating to the settlement of accounts of deceased officers or enlisted men of the Army (34 Stat. L. 750): *Provided*, That in all cases where the original claimants were adjudicated bankrupts, payments shall be made to the next of kin instead of to the assignees in bankruptcy: *And provided further*, That wherever under this act it is provided that a payment be made to an executor or an administrator, whether original or ancillary or de bonis non, and such executor or administrator is dead or no longer holds his office, payment shall be made to the successor therein, his title to hold such office being established to the satisfaction of the Comptroller General of the United States.

SEC. 3. That no part of the amount of any claim appropriated for in this act in excess of 20 percent thereof shall be paid or delivered to or received by any attorney on account of services rendered in connection with said claim: *Provided*, That in each case, payment for which is herein provided, the Comptroller General shall deduct a sum equal to said 20 percent and pay the same to the attorney or attorneys who appeared for the claimant in the Court of Claims, as found by said court, and set forth in the Senate documents aforesaid; and in event of the death of said attorney or attorneys, payment of said 20 percent to be made to his or their legal representatives, upon execution of a full release and a complete discharge to the claimant for all services rendered therein, and after the payment of such fee the balance thereof to be paid to the claimant. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum which in the aggregate exceeds 20 percent of the amount of any item appropriated in this act on account of services rendered or advances made in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 1, after the word "appropriated", insert the words "out of any money in the Treasury not otherwise appropriated."

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment striking out "20 percent" and inserting in lieu thereof "10 percent", in section 3.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 5, line 12, strike out "20" and insert "10"; and in line 17, strike out "20" and insert "10"; and in line 21, strike out "20" and insert "10"; and on page 6, line 3, strike out "20" and insert "10."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIRST NATIONAL BANK OF NEWTON, MASS.

The Clerk called the bill (S. 908) for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.

The SPEAKER. Is there objection?

Mr. TRUAX. I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin C. Jenney, receiver of the First National Bank of Newton, Mass., the sum of $9,172.54, being interest which accrued under section 1090 of the Revised Statutes, on the judgment of the Court of Claims in favor of said bank for the period between the date of the filing of the transcript of judgment with the Secretary of the Treasury and the date when the order or mandate of the Supreme Court of the United States was issued to the Court of Claims upon the dismissal of the appeal in said case on motion of the United States, and payment of which amount is recommended by the Attorney General: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

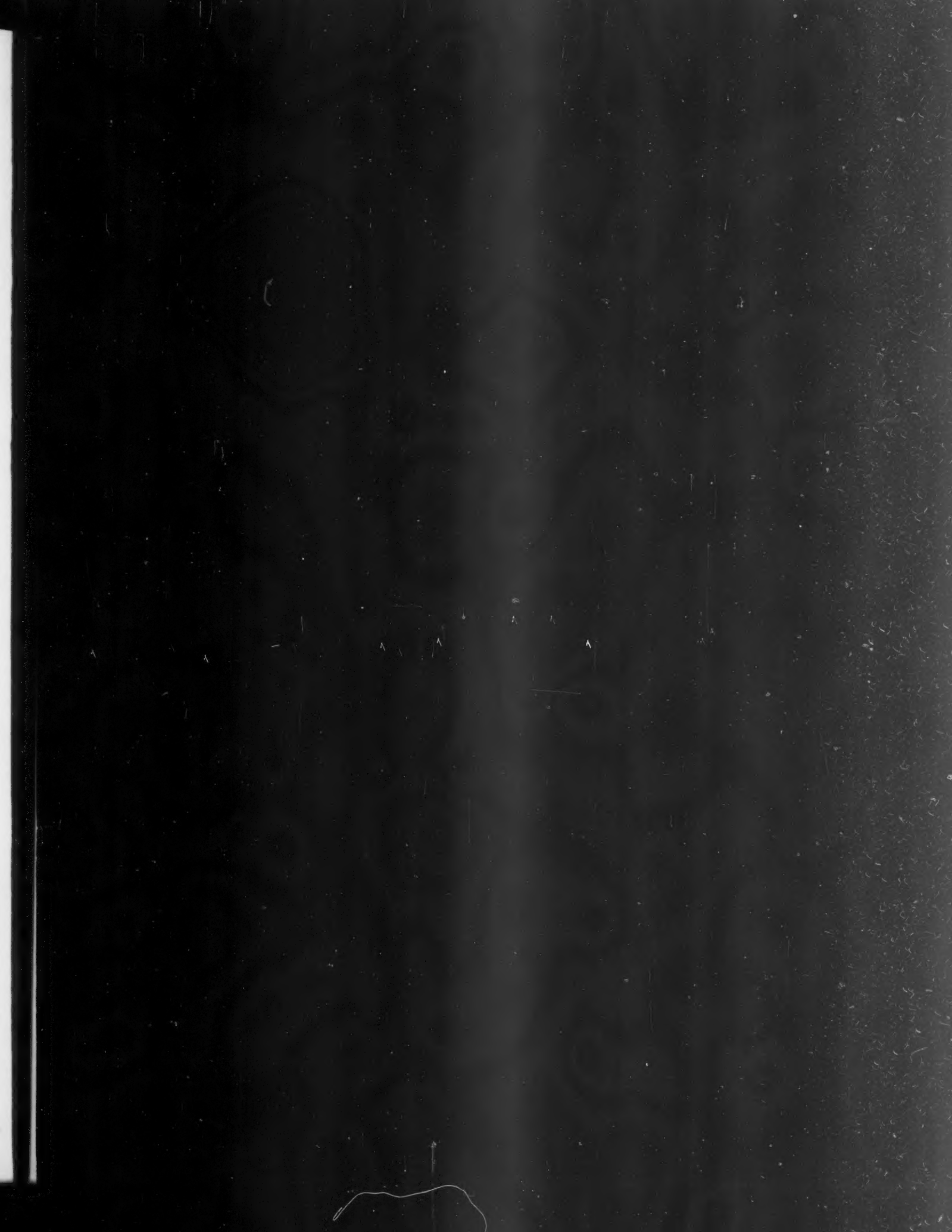
The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HAMPTON AND BRANCHVILLE RAILROAD CO.

The Clerk called the bill (S. 1024) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon



the claim of the Hampton & Branchville Railroad Co., of Hampton, S. C., against the United States for the sum of $4,306.51, representing the amount of a judgment recovered by the United States from such company by virtue of a certain guaranty contract between such company and the United States entered into in accordance with the provisions of section 209 of the Transportation Act, 1920, and such additional sum as may be found to be due by the United States to such company as a result of such contract.

SEC. 2. The Court of Claims is authorized and directed to make such detailed examination of the accounts of such company as may be necessary in order to ascertain the amount, if any, due such company by the United States by virtue of such contract.

SEC. 3. Such claim may be instituted at any time within 6 months after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings in any suit brought in the Court of Claims under this act, appeals therefrom, and payment of any judgment therein shall be had as in the case of claims over which court has jurisdiction under section 145 of the Judicial Code, as amended.

With the following committee amendments:

Page 1, line 7, strike out the figures "$4,306.51" and insert "$4,768.46."

Page 2, line 2, after the figures "1920", strike out the balance of the section.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BILTMORE-OTEEN BANK, NORTH CAROLINA

The Clerk called the bill (S. 1079) authorizing the Secretary of the Treasury to execute a certain indemnity agreement.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to execute, in the name of the United States, and deliver to the liquidating agent of the Biltmore-Oteen Bank, Biltmore, N. C., upon receipt from such liquidating agent of $385, an agreement of indemnity binding the United States to make reimbursement to such liquidating agent in the event that such liquidating agent is required to make payment to a bona fide holder upon presentation of draft no. 380, dated November 7, 1922, in the amount of $385, drawn by the Biltmore-Oteen Bank, Biltmore, N. C., on the Hanover National Bank, New York, N. Y., to the order of the Treasurer of the United States.

With the following committee amendment:

Page 2, line 3, at the end of the bill insert: "*Provided*, That if the liquidating agent of the Biltmore-Oteen Bank is required to make payment to a bona fide holder upon the presentation of said draft no. 380 the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated the sum of $385 to said liquidating agent pursuant to the terms of the indemnity agreement authorized by this act."

The committee amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FIRST CAMDEN NATIONAL BANK, CAMDEN, N. J.

The Clerk called the bill (S. 1472) for the relief of the First Camden National Bank and Trust Co. of Camden, N. J.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected.

The bill was recommitted to the Committee on Claims.

GEORGE VOELTZ

The Clerk called the next bill on the calendar, S. 1781, for the relief of George Voeltz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George Voeltz the sum of $5,000 in full settlement of all claims against the Government for damages suffered by reason of being struck by a Government motor truck which was driven by a clerk in the United States mail service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRUCE BROS. GRAIN CO.

The Clerk called the bill (H. R. 5815) for the relief of Bruce Bros. Grain Co.

Mr. HOPE and Mr. HANCOCK of New York objected, and the bill was recommitted to the Committee on Claims.

GEORGE B. MARX, INC.

The Clerk called the bill (H. R. 7727) to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.

Mr. COSTELLO and Mr. McFARLANE objected, and the bill was recommitted to the Committee on War Claims.

CERTAIN OFFICERS AND EMPLOYEES OF FOREIGN SERVICE OF UNITED STATES

The Clerk called the bill (H. R. 5646) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature and other causes.

Mr. HANCOCK of New York and Mr. HOPE objected, and the bill was recommitted to the Committee on Foreign Affairs.

LEON FREDERICK RUGGLES

The Clerk called the bill (H. R. 6297) for the relief of Leon Frederick Ruggles.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leon Frederick Ruggles the sum of $563.47, in full settlement of all claims against the Government for medical and hospital expenses incurred by him as a result of an emergency operation.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

WILL A. HELMER

The Clerk called the bill (H. R. 3147) for the relief of Will A. Helmer.

Mr. COSTELLO and Mr. McFARLANE objected, and the bill was recommitted to the Committee on War Claims.

WILLIAM BARDEL

The Clerk called the bill (S. 39) for the relief of the estate of William Bardel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in full settlement against the Government, to the estate of William Bardel, the sum of $2,624 for the property loss sustained by him as a result of the war while acting as American consul at Reims, France: *Provided* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FREDERICK LEININGER

The Clerk called the bill (H. R. 839) for the relief of Frederick Leininger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws Frederick Leininger, late of Company F, Fiftieth Regiment Wisconsin Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of said company and regiment on the 26th day of August 1865: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HARRY LAYMAN

The Clerk called the bill (S. 276) for the relief of Harry Layman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Harry Layman, of Cincinnati, Ohio, in full settlement of all claims against the Government for injuries incurred while working in the military stone quarry at the United States penitentiary annex, Fort Leavenworth, Kans.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider laid on the table.

EMMA B. HINE

The Clerk called the bill (H. R. 258) for the relief of Emma B. Hine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emma B. Hine the sum of $37.65, which was the salary to which she was entitled while serving as acting postmistress, Blythewood, S. C., under the direction of the Post Office Department, from April 5 to 23, 1933.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of Humphrey A. Brown, deceased, former postmaster at Blythewood, S. C., with $37.65, being the amount retained from postal receipts by Emma B. Hine as compensation for her voluntary services in acting as postmaster at that post office from April 5 to 23, 1933, inclusive."

The committee amendment was agreed to, and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOSEPH MAIER

The Clerk called the bill (H. R. 605) for the relief of Joseph Maier.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Joseph Maier, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, with interest from March 22, 1920, to compensate said Joseph Maier for judgment rendered in the Common Pleas Court of Franklin County, Ohio, against the Postal Telegraph Co., a corporation under Government control, for injuries received December 22, 1918, at Columbus, Ohio.

With the following committee amendments:

Page 1, line 6, after the figures "$1,000", strike out "with interest from March 22, 1920, to compensate said Joseph Maier" and insert in lieu thereof "in full settlement of all claims against the United States."

Page 2, line 1, after the word "Ohio", strike out the period, insert a colon and the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE R. BROWN

The Clerk called the bill (H. R. 653) for the relief of George R. Brown.

Mr. MOTT and Mr. COSTELLO objected, and the bill was recommitted to the Committee on Claims.

UNITED STATES BANK OF ST. LOUIS, MO.

The Clerk called the bill (H. R. 970) for the relief of the United States Bank of St. Louis, Mo.

Mr. McFARLANE and Mr. TRUAX objected, and the bill was recommitted to the Committee on Claims.

ETTA A. SHEPARD

The Clerk called the next bill, H. R. 1917, for the relief of Etta Shepard.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McFARLANE, Mr. COSTELLO, and Mr. TRUAX objected, and the bill, under the rule, was recommitted to the Committee on Claims.

CORA AKINS

The Clerk called the next bill, H. R. 2335, for the relief of Cora Akins.

The SPEAKER. Is there objection?

Mr. McFARLANE, Mr. COSTELLO, and Mr. TRUAX objected, and the bill, under the rule, was recommitteed to the Committee on Claims.

E. F. PURVIS

The Clerk called the next bill, H. R. 2411, for the relief of E. F. Purvis.

There being no objection the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. F. Purvis, of Grambling, La., the sum of $600.16 in full satisfaction of his claim for damages against the United States for injuries suffered by him on February 10, 1933, when the automobile in which he was riding collided, near Shreveport, La., with a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$600.16" and insert in lieu thereof "$425.16."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGAL GUARDIAN OF NICK VASILZEVIC

The Clerk called the next bill, H. R. 3509, for the relief of the legal guardian of Nick Vasilzevic.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the legal guardian of Nick Vasilzevic, the 6-year-old son of Helen Vasilzevic, who was electrocuted on August 13, 1931, at 1238 North Nineteenth Street, Milwaukee, Wis., following a raid of such premises by Federal prohibition agents who poured wine on the dirt floor of the basement, which action resulted in the electro-

cution of Mrs. Vasilzevic as she stood in the basement and turned on an electric-light switch.

SEC. 2. That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attornews, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated by this act on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after the word "appropriated", insert "and in full settlement of all claims against the United States."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRINCE ROYAL, ET AL.

The Clerk called the next bill, H. R. 3965, for the relief of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, and Prince Royal, Jr.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any funds in the Treasury not otherwise appropriated, to Prince Royal, Sr., surviving husband of Edwina Royal, and to Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, and Prince Royal, Jr., the surviving children of Edwina Royal, the sum of $50,000 in full settlement of all damages incurred by the killing of Edwina Royal on a public highway of Gwinnett County, Ga., by a motor truck being driven by Johnnie Holston, an agent and employee of the Civilian Conservation Corps of the United States, Camp F–11, while operating said truck within the scope of his employment and which said killing occurred on November 2, 1934.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey, all of Buford, Gwinnett County, Ga., for damages resulting from the death of Mrs. Prince Royal, Sr. (Edwina Royal), and for personal injuries received by Maggie Fields Ramsey, when the automobile in which they were riding was struck by Civilian Conservation Corps truck no. 32469 on the Gainesville-Buford Highway, Georgia, on November 2, 1934."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey."

GLADYS PICKLESIMER

The Clerk called the next bill, H. R. 4601, for the relief of the heirs of Gladys Picklesimer.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Gladys Picklesimer the sum of $10,000. Said sum shall be in full settlement of all claims against the United States for damages sustained by such heirs on account of the death of the said Gladys Picklesimer as the result of being struck by a vehicle operated by an inspector of the Post Office Department while on official business, when she was attempting to board a school bus on Federal Route No. 52, in Mingo County, W. Va., on May 11, 1934.

With the following committee amendments:

Page 1, line 5, strike out the words "the heirs" and insert "William Picklesimer, father."

Page 1, line 6, strike out "$10,000" and insert in lieu thereof "$5,000."

Page 1, line 8, strike out the words "such heirs" and insert the word "him."

Page 2, line 3, after the figures insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY SCIPPER

The Clerk called the next bill, H. R. 5492, for the relief of Henry Scipper.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, to Henry Scipper, the sum of $2,500, in full settlement of all claims against the Government of the United States for personal and permanent damages and injuries sustained and suffered by the said Henry Scipper as a result of being negligently struck, run down, and thrown into the ditch along public road no. 11, known as the Wheeler Road, Coahoma County, Miss., by a motor truck, negligently operated by M. H. Scott, Jr., an employee of the Government of the United States, while operating said truck in the scope of his employment, on January 12, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorneys or attorney, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE CURRENT

The Clerk called the next bill, H. R. 5525, for the relief of George Current.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and is hereby, authorized to consider and determine, in the same manner and to the same extent as if application for the benefits of the Employees' Compensation Act had been made within the 1-year period required by sections 17 and 20 thereof, the claim of George Current, on account of disability due to epilepsy alleged to have been proximately caused by an injury received while on duty during his employment in the service of the United States between May 6, 1929, and March 14, 1934: *Provided*, That no benefits shall accrue prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORA JACOBS

The Clerk called the next bill, H. R. 5771, for the relief of Flora Jacobs, administratrix of the estate of A. L. Jacobs, deceased.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and the bill, under the rule, was recommitted to the Committee on Claims.

RAPHAEL LEVY

The Clerk called the next bill, H. R. 5772, for the relief of Raphael Levy.

The SPEAKER. Is there objection?

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

LOSSES OCCASIONED BY EXPLOSION AT NAVAL AMMUNITION DEPOT, LAKE DENMARK, N. J.

The Clerk called the next bill, H. R. 5816, to provide an appropriation for the payment of claims of persons who suffered property damage, death, or personal injury due to

the explosion at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the sum of $362.75 is appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Comptroller General of the United States to make payment of the claim of May C. Gustin for property damage or personal injury due to the explosion at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926, as recommended by the Comptroller General of the United States, and as fully set forth in his letter of February 11, 1935, to the Congress, pursuant to the act of March 2, 1927 (44 Stat., pt. 3, p. 1800).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of May C. Gustin."

OTTO MISCH CO.

The Clerk called the next bill, H. R. 6137, for the relief of the Otto Misch Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Otto Misch Co., out of any money in the Treasury not otherwise appropriated, the sum of $28,000, in payment for work done by the said company in repairing damages to the United States Marine Hospital at Norfolk, Va., caused by hurricane and flood on August 22 and 23 and September 15 and 16, 1933.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury is authorized and directed to effect a modification of the contract with the Otto Misch Co. for the construction of additions and improvements at the United States Marine Hospital, Norfolk, Va., so as to afford such relief as he deems proper for losses caused said company for restoration of damages occasioned by severe floods and hurricanes on August 22 and 23 and September 15 and 16, 1933: *Provided*, That the present appropriation for the marine hospital project, Norfolk, Va., shall be available for the purposes named, and that any cost in excess thereof shall be paid by the Secretary of the Treasury, out of any money in the Treasury not otherwise appropriated: *Provided further*, That any amount allowed under the terms of this act shall not exceed the sum of $28,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JANE ALICE EVERSON

The Clerk called the next bill, H. R. 6444, for the relief of Jane Alice Everson.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

WAYNE M. COTNER

The Clerk called the next bill, H. R. 6488, for the relief of Wayne M. Cotner.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

RELIEF OF CERTAIN PURCHASERS OF LAND IN THE BOROUGH OF BROOKLAWN, STATE OF NEW JERSEY

The Clerk called the next bill, H. R. 6587, for the relief of certain purchasers of land in the borough of Brooklawn, State of New Jersey.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2140) may be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the United States Shipping Board Bureau is authorized and directed to make refunds to present owners of lands in the borough of Brooklawn, in the State of New Jersey, which have been purchased by them from the United States of 28 percent of the purchase price of such purchased lands where the full purchase price of said lands or where the full amount of principal and interest due on purchase-money bonds and mortgages given to the United States of America, represented by the United States Shipping Board, covering such lands has been paid by such owners into the Treasury of the United States.

SEC. 2. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided*, That said refunds shall be in full settlement of all claims that such owners of lands, as hereinbefore described in this act, may have against the Government of the United States: *And provided further*, That no part of the amount appropriated by virtue of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated by virtue of this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of the act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Page 1, line 7, strike out "28" and insert "14."
Page 2, lines 10 and 16, strike out "10" and insert "5."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 6587) were laid on the table.

ROCCO D'AMATO

The Clerk called the next bill, H. R. 7099, for the relief of Rocco D'Amato.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Rocco D'Amato, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, in full settlement of all claims against the Government of the United States, being the amount of bonds deposited as security to guarantee the production of an alien and filed with the inspector in charge of immigration at New York and later forfeited because of the failure of the bondsman to produce the alien on the date of appearance in compliance with the terms of the delivery bond: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF RIGHTFUL HEIRS OF TIWASTEWIN OR ANNA

The Clerk called the next bill, H. R. 7350, for the relief of the rightful heirs of Tiwastewin or Anna.

By unanimous consent, a similar Senate bill (S. 2533) was substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ignatius Court, Simon Court, Anna Jackson, Abraham Heduta, Louisa Heduta, Thomas Pan or Zitkana, George Pan or Heraka, Lucy Pan or Istaosapa, and Sarah Pan or Assinna, the rightful heirs of Tiwastewin or Anna, deceased allottee no. 473 of the Sisseton-Wahpeton Tribe, North Dakota, as determined by the Secretary of the Interior pursuant to existing law, the sum of $93.33 to said Ignatius Court, the sum of $93.33 to the said Simon Court, the sum of $93.33 to said Anna Jackson, the sum of $46.66 to said Abraham Heduta, the sum of $46.66 to said Louisa Heduta, the sum of $46.66 to said Thomas Pan or Zitkana, the sum of $46.66 to said George Pan or Heraka, the sum of $46.66 to said Lucy Pan or Istaosapa, and the sum of $46.66 to said Sarah Pan or Assinna, total sum not to exceed the sum of $559.95: *Provided*, That the Secretary of the Interior may deposit the said sums to the credit of the said heirs and handle in the same manner as other individual Indian moneys: *Provided further*, That not to exceed 5 percent of these amounts shall be paid to any attorney or attorneys for services rendered in this

matter: *And provided further,* That should the persons herein named be not living upon the date of the passage of this act the said sum shall be credited to and become a part of his or her estate.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 7350) were laid on the table.

POST-OFFICE SITE, LYONS, N. Y.

The Clerk called the next bill, H. R. 8004, authorizing the Secretary of the Treasury to execute a quitclaim deed of certain land located in the village of Lyons, N. Y.

By unanimous consent, a similar Senate bill (S. 2958) was substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and empowered to sell and convey by the usual quitclaim deed to the owner of record of the land abutting the northwesterly side of the post-office site at Lyons, N. Y., a parcel of land forming a part of said site on which there encroaches a portion of a building now or formerly designated as the "Hotel Wayne"; the land covered by the encroachment being described as lying and being in the village of Lyons, county of Wayne, State of New York: Beginning at a point in the northwesterly side of the present post-office site, which point is 100.05 feet northwesterly and 140 feet southwesterly from the intersection of the southwesterly side of Pearl Street with the northwesterly side of Williams Street; running thence in a southwesterly direction along the northwesterly boundary of the post-office site a distance of approximately 14 feet to a point; thence in a southeastwardly direction a distance of approximately 6 feet to a point; thence in a northeasterly direction parallel with the northwesterly boundary of the post-office site a distance of approximately 14 feet to a point; thence in a northwesterly direction a distance of approximately 6 feet to the point or place of beginning.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 8004) were laid on the table.

CATHERINE GRACE

The Clerk called the next bill, H. R. 8224, for the relief of Catherine Grace.

By unanimous consent, a similar Senate bill (S. 2879) was substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Catherine Grace, widow of William J. Grace, late American consul at Sheffield, England, the sum of $4,500, such sum representing 1 year's salary of her deceased husband, who died at his post of duty on February 11, 1933.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 8224) were laid on the table.

HEIRS OF GEORGE P. EDDY

The Clerk called the next bill, H. R. 7671, to direct the Secretary of the Interior to convey title to certain lands in California to the heirs of George P. Eddy.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. McFARLANE and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on the Public Lands.

IRA L. REEVES

The Clerk called the next bill, H. R. 5325, for the relief of Ira L. Reeves.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon Ira L. Reeves, formerly major of Infantry in the Army of the United States, before a retiring board to inquire whether at the time of his resignation from the Army March 7, 1920, he was incapacitated for service and whether such incapacity was the result of an incident of service, and whether said Ira L. Reeves, as a consequence thereof, should have been placed upon the retired list of the Army, and upon the result of such inquiry the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said Ira L. Reeves a major of Infantry and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided,* That the said Ira L. Reeves shall not be entitled to any back pay or allowances.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARCHIE JOSEPH EVANS, DECEASED

The Clerk called the next bill, H. R. 5516, authorizing the President to issue a posthumous commission as second lieutenant, Air Corps Reserve, to Archie Joseph Evans, deceased, and to present the same to Maj. Argess M. Evans, father of the said Archie Joseph Evans, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to issue a posthumous commission as second lieutenant, Air Corps Reserve, to Archie Joseph Evans, deceased, for unfortunately being killed in an accident when his plane crashed in mid-air, all in line of duty. The posthumous commission shall be presented to Maj. Argess M. Evans, father of the said Archie Joseph Evans, deceased.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID J. FITZGERALD

The Clerk called the next bill, H. R. 5838, to place David J. Fitzgerald on the retired list of the United States Army as a first lieutenant.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to appoint David J. Fitzgerald, formerly second lieutenant, United States Army, a first lieutenant in the United States Army, and to retire him.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENT P. ROUSSEAU

The Clerk called the next bill, H. R. 4777, to provide for the advancement on the retired list of the Army of Vincent P. Rousseau.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That on and after the date of approval of this act Vincent P. Rousseau, first lieutenant, United States Army, retired, shall have the rank and receive the pay and allowances of a captain on the retired list of the United States Army.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO CERTAIN WIDOWS OF SOLDIERS AND SAILORS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 8421, granting pensions to certain widows of soldiers and sailors of the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

This bill is a substitute for the following House bills referred to this committee:

H. R. 207. Mattie L. Stults
H. R. 208. Mary E. Sutherland
H. R. 215. Julia Lyon
H. R. 216. Mary J. Logsdon
H. R. 217. Mary Miller
H. H. 221. Martha Kasinger
H. R. 222. Louisa F. Mansfield
H. R. 223. Gorda James
H. H. 227. Mattie Bumgardner
H. R. 228. Alwilda Brooks
H. R. 263. Mary R. Currier
H. R. 276. Ida L. Budd
H. R. 277. Emma Burdge
H. R. 278. Abaline Merrill
H. R. 301. Nellie Meigs
H. R. 305. Mary A. Jennings
H. R. 316. Irene R. Hart
H. R. 321. Elizabeth H. Camp
H. R. 339. Margaret T. McLaughlin
H. R. 369. Emeline Rowe
H. R. 370. Sarah E. Sutton
H. R. 379. Jennie S. Bogardus
H. R. 382. Lavinia McDonald Beard
H. R. 428. Marie Brown
H. R. 446. Lizzie E. Brown
H. R. 450. Rosa M. Green
H. R. 451. Sadie Hainline
H. R. 452. Alvesta Otto
H. R. 474. Dora B. Webb
H. R. 479. Mary V. Sailesbury
H. R. 480. Sarah S. Shumate
H. R. 482. Lucy C. Montgomery
H. R. 483. Jennie Tewksbury
H. R. 484. Harriett A. Litten
H. R. 544. Della Leach
H. R. 545. Alfrettia Smith
H. R. 630. Pearl Thomas
H. R. 632. Flora E. Bailey
H. R. 633. Anna H. Brock
H. R. 634. Carrie Jeannette Dahn
H. R. 635. Annie Lewis
H. R. 652. Jane E. Mitchell
H. R. 699. Bell D. Qualls
H. R. 700. Christine F. Lewis

H. R. 701. Sallie Jordan
H. R. 703. Editha Smith
H. R. 719. Sarah Smith
H. R. 723. Emily J. Poe
H. R. 727. Margaret Moore
H. R. 749. Lucinda McDaniel
H. R. 753. Polly Stewart
H. R. 756. Emeline Gambrel
H. R. 806. Mary F. Shields
H. R. 826. Mary H. Auch
H. R. 843. Sarah A. Ridens
H. R. 844. Laura M. Gillespie
H. R. 853. Maude K. Priest
H. R. 909. Rose Milliman
H. R. 933. Lou A. Strother
H. R. 936. Mariah M. Johnson
H. R. 944. Maggie Berry
H. R. 979. Gertrude Storck
H. R. 986. Mary E. Ferris
H. R. 998. Evaline Binkley
H. R. 999. Carolina Chance
H. R. 1002. Mary Miller
H. R. 1028. Margaret E. Stephens
H. R. 1063. Amanda Riddell
H. R. 1065. Jennie Schonacker
H. R. 1097. Mary E. Hiles
H. R. 1114. Della Porter
H. R. 1116. Mary A. Hayes
H. R. 1130. Bertha T. Hastings
H. R. 1152. Annie E. Jackson
H. R. 1153. Mary E. Ringer
H. R. 1154. Nora Pierce
H. R. 1156. Reatha Reneau
H. R. 1157. Hattie Harvey
H. R. 1159. Herthe L. R. Whitney
H. R. 1160. Lucy E. Huff
H. R. 1165. Sarah L. Ellison
H. R. 1173. Martha Story
H. R. 1174. Laura A. Donnelly
H. R. 1220. Venia Moody
H. R. 1235. Sarah J. Lake
H. R. 1317. Belle Hill
H. R. 1339. Anna Maude Delay
H. R. 1340. Ella Orr
H. R. 1342. Mary J. Waltenbaugh
H. R. 1343. H. Emma Streepy
H. R. 1458. Mary J. Trailor
H. R. 1523. Clara S. Hopple
H. R. 1538. Anna Milholland
H. R. 1566. Della Rankin
H. R. 1578. Elizabeth Frances Baker
H. R. 1588. Belle B. Hood
H. R. 1595. Annie Lewis
H. R. 1598. Sylvia Abner
H. R. 1602. Sarah Ann B. Emry
H. R. 1605. Lee Rigsby
H. R. 1616. Mary Newton
H. R. 1617. Lucy Leach
H. R. 1621. Julia Pitts
H. R. 1662. Alice B. Mitchell
H. R. 1666. Laura A. Garrison
H. R. 1689. Julia C. Messamore
H. R. 1707. Lottie L. Stoner
H. R. 1710. Catharine Gunderman
H. R. 1717. Annie I. Ritz
H. R. 1780. Hattie McIntosh
H. R. 1795. Anna Fletcher
H. R. 1799. Alice Chumbley
H. R. 1839. Mary E. Allen
H. R. 1841. Jeanette Nelson
H. R. 1842. Josephine Black
H. R. 1843. Carrie Thompson
H. R. 1877. Rhoda H. Lozier
H. R. 1888. Matilda E. A. Hornback
H. R. 1896. Lu M. Linscott
H. R. 1897. Elise M. Lum
H. R. 1898. Daisy Vredenbergh
H. R. 1901. Lura H. P. Markley
H. R. 1902. Irene C. Flack
H. R. 1943. Mary Spear
H. R. 1944. Sarah M. H. Nickerson
H. R. 1945. Bertha L. Wade
H. R. 1946. Dora B. Mann
H. R. 1948. Arlotha M. Perkins
H. R. 1969. Emma Caroline Washburn
H. R. 1973. Hattie Yarwood
H. R. 1974. Emma T. Porter
H. R. 1975. Bessie Hall
H. R. 1976. Alta Manypenny
H. R. 1977. Mattie St. Clair
H. R. 1978. Elizabeth Smith
H. R. 1979. Minnie F. R. Leach
H. R. 1980. Susie E. Payne
H. R. 1982. Agnes Holbrook
H. R. 1984. Esther Critchell
H. R. 2096. Bertha M. Lewis
H. R. 2143. Neville S. Tout
H. R. 2144. Harriet A. Ward
H. R. 2161. Margaret Albritton
H. R. 2175. Mary Banks Fuller
H. R. 2176. Fannie L. Leonard
H. R. 2226. Issadorah Wilson
H. R. 2227. Laura E. Rowell
H. R. 2230. Nettie B. Protzman
H. R. 2231. Ruth P. Kerns
H. R. 2232. Willanna Green
H. R. 2235. Emma W. Zane
H. R. 2236. Mary E. Adams
H. R. 2237. Emma Ferris
H. R. 2312. Mary G. Sherwood
H. R. 2338. Sarah J. Green
H. R. 2339. Susan E. Jeffres
H. R. 2340. Hannah L. Heaton
H. R. 2341. Luticia C. Anderson
H. R. 2345. Allie M. Walker
H. R. 2346. Maggie Allen
H. R. 2357. Martha K. Hazelton
H. R. 2359. Louisa Weaver
H. R. 2360. Zubie Owens
H. R. 2450. Pearl Brentlinger
H. R. 2484. Julie A. Allen
H. R. 2541. Alfarata Phillips
H. R. 2610. Mary C. Miller
H. R. 2688. Ida B. Cutright
H. R. 2714. Ruah L. Martin
H. R. 2717. Annie Rhodes
H. R. 2721. Mary E. Mecomber
H. R. 2724. Ona Gross
H. R. 2726. Sarah K. Copeland
H. R. 2727. Nan A. Benson
H. R. 2728. Malisa Maze
H. R. 2922. Kitty Alice Love
H. R. 2977. Antonia Kuehn
H. R. 2983. Sarah E. Linder
H. R. 2997. Hattie Ware
H. R. 3088. Frances Vaughn
H. R. 3089. Neley Keller
H. R. 3093. Ida A. Borthwick
H. R. 3113. Lottie Smith
H. R. 3119. Roberta Davis
H. R. 3134. Jessie M. Warner
H. R. 3136. Sarah A. Thomas
H. R. 3142. Hulda S. Dick
H. R. 3146. Lena P. Riddick
H. R. 3199. Henrietta Zeno
H. R. 3211. Lester N. Hays
H. R. 3232. Ellen F. Colt
H. R. 3302. Cora Dawson
H. R. 3304. Mary P. Smith
H. R. 3305. Cora B. Gardner
H. R. 3306. Agnes Crawford
H. R. 3350. Nettie J. Brown
H. R. 3351. Minnie Smith
H. R. 3405. Lydia E. Perkins
H. R. 3406. Anna L. Rumsey
H. R. 3496. Mary J. Goodwin
H. R. 3516. Sarah C. Burnett
H. R. 3517. Edna A. Cole
H. R. 3518. Mary C. McKarnin
H. R. 3520. Jane Salmons
H. R. 3526. Jane S. Murphy
H. R. 3529. Mariah E. Groom
H. R. 3530. Mary F. Williams
H. R. 3531. Louisa Wainscott
H. R. 3534. Mary E. Brewer
H. R. 3606. Agnes M. Jackman
H. R. 3664. Ethel S. Ferguson
H. R. 3665. Lizzie M. Schaber
H. R. 3666. Sarah A. King
H. R. 3668. Emma Wood
H. R. 3676. Ada Plattenberger
H. R. 3693. Mary C. Learned
H. R. 3698. Sarah A. DeGross
H. R. 3700. Elizabeth Ellen Barker
H. R. 3726. Susan McKay Young
H. R. 3742. Ella Pierce
H. R. 3743. Edith M. Cruise
H. R. 3751. Sarah W. Chisholm
H. R. 3753. Lillie E. Brinkerhoff
H. R. 3755. Hortense Van Horn
H. R. 3756. Anna V. Peck
H. R. 3775. Anna L. Harman
H. R. 3778. Ada Simpson
H. R. 3791. Mary E. Burchett
H. R. 3792. Eliza James
H. R. 3795. Mary E. Nichols
H. R. 3796. Mary E. Hays
H. R. 3816. Parmelia J. Woodward
H. R. 3817. Ida H. Burch
H. R. 3824. Cora J. Lowell
H. R. 3828. Ella B. Kinnamon
H. R. 3844. Annie M. Oliver
H. R. 3845. Lucy Pierce
H. R. 3860. Nora B. Dunlavy
H. R. 3899. Annie Beals
H. R. 3900. Jennie M. Spaulding
H. R. 3936. Mumzell Woldredge
H. R. 3942. Belle R. Taylor
H. R. 4035. Laura C. Hobbs
H. R. 4061. Viannie M. Walters
H. R. 4071. Gracie M. Kent
H. R. 4093. Lorania M. Blackman
H. R. 4100. Mary A. C. Scales
H. R. 4104. Minnie A. Lacy
H. R. 4109. Flora Duckett
H. R. 4114. Jane P. Davis
H. R. 4115. Mary E. O'Keefe
H. R. 4117. Margaret D. Fonda
H. R. 4155. Matie Patrey
H. R. 4158. Harriet B. Gilmore
H. R. 4166. Rebecca Brown
H. R. 4211. E. Jane Spencer
H. R. 4215. Agnes E. Kimmel
H. R. 4221. Catherine Orender
H. R. 4268. Catherine J. Hoyer
H. R. 4270. Charlotte M. Spaulding
H. R. 4272. Clara E. Bryan
H. R. 4367. Laura C. Clark
H. R. 4374. Emily G. Van Luvender
H. R. 4417. Jessie B. McElroy
H. R. 4418. Mary E. Snyder
H. R. 4432. Margaret M. Crane
H. R. 4499. Mary J. Cooley
H. R. 4583. Margaret Officer
H. R. 4584. Martha J. Hopper
H. R. 4585. Bettie A. Reese
H. R. 4586. Lou Jones
H. R. 4587. Jemima Reeves
H. R. 4588. Lillie Siemiller
H. R. 4598. Mary A. Ruble
H. R. 4624. Jennie Freeman
H. R. 4626. Marilla A. Buchwalter
H. R. 4628. Belle Robinson
H. R. 4692. Florence I. Christie
H. R. 4693. Annie S. Nealley
H. R. 4694. Maria B. Thompson
H. R. 4701. Elsie Latshaw
H. R. 4712. Lana Miller
H. R. 4738. Louise Workman
H. R. 4940. Sarah M. Williams
H. R. 4944. Lillian S. Budd
H. R. 4946. Mary J. Edwards
H. R. 5011. Lucretia E. Barton
H. R. 5014. Sylvia I. Whiteman
H. R. 5105. Unoca Ferguson
H. R. 5141. Maude Campbell
H. R. 5148. Annie E. McKown
H. R. 5151. Rebecca Patterson
H. R. 5238. Melissa P. Seneker
H. R. 5239. Mary L. Head
H. R. 5308. Elizabeth Hammer
H. R. 5327. Ethel Kapp
H. R. 5328. Belle Hockensmith
H. R. 5354. Irma Mendenhall
H. R. 5392. Sarah J. Clarkson
H. R. 5421. Margaret F. Wilson
H. R. 5486. Agnes P. Miller
H. R. 5517. Annie M. Swingle
H. R. 5561. Sarah Nance
H. R. 5566. Katie A. Smith
H. R. 5629. Susan Harder
H. R. 5667. Florence Bonnell
H. R. 5677. Mary J. Ferguson
H. R. 5690. Hattie House
H. R. 5739. Agnes Metcalf
H. R. 5786. Sinda Forbes
H. R. 5787. Sarah R. Beggs
H. R. 5823. Eleanor A. Warren
H. R. 5832. Flavia F. Kile
H. R. 5833. Carrie Stidham
H. R. 5835. Dicey Terry
H. R. 5837. Leona J. Strickland
H. R. 5896. Mary B. Morris
H. R. 5932. Eleanor R. Gage
H. R. 5981. Debbie Klingler
H. R. 5982. Mary E. Bussard
H. R. 6051. Minerva Wells
H. R. 6066. Norma Roush
H. R. 6078. Glennie Edwinson
H. R. 6166. Mary J. Adams
H. R. 6167. Margaret Thurman
H. R. 6173. Mary A. Lynch
H. R. 6175. Lillian La Motte
H. R. 6179. Narcissa Walter
H. R. 6253. Jennie Welborn
H. R. 6301. Sadie Saunders
H. R. 6304. Margaret Schofield
H. R. 6334. Lizzie Lawson
H. R. 6343. Mattie Mayo
H. R. 6386. Sarah M. Waugh
H. R. 6400. Sarah Ukele
H. R. 6403. Martha Buffington
H. R. 6412. Lena K. Wagner
H. R. 6447. Catherine King
H. R. 6523. Jennie L. McNeill
H. R. 6527. Frances Collins
H. R. 6563. Mary H. Roberts
H. R. 6564. Hattie E. Shobe
H. R. 6582. Helen R. Pitney
H. R. 6604. Amanda Napier
H. R. 6640. Josie Greathouse
H. R. 6752. Agnes G. Smith
H. R. 6753. Anna Angelow
H. R. 6761. Minerva J. Atkinson
H. R. 6820. Lucy Jones
H. R. 6843. Sophia Finley
H. R. 6893. Lenace Marlin
H. R. 7004. Orvilla Finton
H. R. 7067. Grace V. Lawrence
H. R. 7072. Maggie A. Bernethy
H. R. 7112. Mary E. Burns
H. R. 7113. Olivia Stebbins
H. R. 7145. Mary Ann Melvin
H. R. 7191. Sarah E. Nolen
H. R. 7248. Sarah E. Goine
H. R. 7259. Sophia Springer
H. R. 7269. Frank B. Oatman
H. R. 7334. Clara L. Garvin
H. R. 7351. Grace E. Fairchild
H. R. 7360. Eudora M. Elkins
H. R. 7436. Catherine C. West
H. R. 7548. Mary M. McFarland
H. R. 7587. Martha Wyatt
H. R. 7608. Effie T. McElhiney
H. R. 7663. Eliza J. Wilkinson
H. R. 7664. Mary E. Michaud
H. R. 7792. Mira W. Miller
H. R. 7948. Mollie Sigman
H. R. 7990. Emma Z. Bowden
H. R. 8012. Sylvia Campbell

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO FORMER WIDOWS OF SOLDIERS AND SAILORS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 8422, granting pensions to certain former widows of soldiers and sailors of the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

This bill is a substitute for the following House bills referred to this committee:

H. R. 449. Agnes B. Currey
H. R. 1003. Laura A. Slotterbeck
H. R. 1810. Amanda C. Bodenhamer
H. R. 1892. Della Bond
H. R. 1894. Margaret Haskin
H. R. 2716. Frances E. Newton
H. R. 2720. Annie C. Linthicum
H. R. 2722. Nancy V. Mosher
H. R. 3139. Martha Ella Downing
H. R. 3144. Mary E. Carroll
H. R. 3303. Ella Chapman
H. R. 3527. Mary C. Wilkerson
H. R. 3541. Nannie Blades
H. R. 3691. Margaret E. Pryce
H. R. 3842. Sarah J. Tuttle
H. R. 3878. Mary E. Hoffman
H. R. 4212. Marietta Cannon

H. R. 5045. Angeline Hart
H. R. 5125. Maryette Sweet
H. R. 5514. Julia A. Taylor
H. R. 5560. Ella F. Stewart
H. R. 5682. Susan Van Pelt
H. R. 6528. Sarah J. Clutter
H. R. 7064. Emma Temple
H. R. 7489. Anna Saunders

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PENSIONS TO CERTAIN FORMER WIDOWS OF SOLDIERS AND SAILORS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 8423, granting increase of pensions to certain former widows of soldiers and sailors of the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

This bill is a substitute for the following House bills referred to this committee:

H. R. 288. Maggie Burke
H. R. 471. Melissa Endicott
H. R. 549. Decimay Ely
H. R. 565. Frances E. Foster
H. R. 583. Kate Rogers
H. R. 884. Rebecca Berry
H. R. 1336. Clare E. Herr
H. R. 1612. Burley Van Fleet
H. R. 1815. Lucy E. Blevins
H. R. 2219. Victoria Gould
H. R. 2583. Jennie Kohn
H. R. 2584. Nancy A. Welch
H. R. 2947. Lelia C. W. Lee
H. R. 2957. Selina S. Luxford
H. R. 3122. Miriam A. Williams
H. R. 3307. Mary Wilder
H. R. 3317. Eliza Pickard
H. R. 3353. Matilda A. Button
H. R. 3535. Eliza Mulvania
H. R. 3877. Annie Coleman
H. R. 4470. Mary A. Warman
H. R. 4732. Sarah E. Sturm
H. R. 6220. Martha E. H. Fisher
H. R. 6310. Martha E. Humphreys
H. R. 6415. Lydia E. Laton
H. R. 6554. Martha E. McLellen
H. R. 6632. Margaret A. Morse
H. R. 7432. Carrie A. Eagin
H. R. 7726. Mary E. Wetmiller

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PENSIONS TO CERTAIN WIDOWS OF SOLDIERS AND SAILORS OF THE CIVIL WAR

The Clerk called the next bill (H. R. 8424) granting increase of pensions to certain widows of soldiers and sailors of the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

This bill is a substitute for the following House bills referred to this committee.

H. R. 201. Sallie Miller
H. R. 203. Winnie Hazard
H. R. 204. Martha R. Henderson
H. R. 205. Martha J. Blacketer
H. R. 210. Nancy A. Scott
H. R. 289. Safrona Elliott
H. R. 290. Martha J. Crets
H. R. 291. Mary Diker
H. R. 292. Sarah A. Burd
H. R. 295. Susan F. Behymer
H. R. 296. Rowena Grice
H. R. 323. Miranda C. Thompson
H. R. 326. Alice A. Ellis
H. R. 353. Ida M. Lent
H. R. 356. Rose Ann Richards
H. R. 358. Laura M. Shipman
H. R. 359. Abigail Stone
H. R. 360. Clara F. Tower
H. R. 362. Sarah A. Bulluck
H. R. 364. Hattie G. Dyer
H. R. 365. Agnes C. Johnson
H. R. 366. Mariah C. Kent
H. R. 367. Margaret V. Besa
H. R. 384. Eliza Peddicord
H. R. 385. Harriet E. Tally
H. R. 386. Delliah Rice
H. R. 387. Maria J. Harner
H. R. 440. Rose R. Corner
H. R. 444. Ella M. Tansey
H. R. 445. Sarah Jane Wiegel
H. R. 454. Nancy South
H. R. 455. Rachel Smith
H. R. 456. Mary E. Pickens
H. R. 459. Catherine Ribel
H. R. 460. California Farmer
H. R. 461. Mary L. Martin
H. R. 462. Mary M. Folden
H. R. 464. Caroline Rupe
H. R. 465. Juliana Crabtree
H. R. 466. Dorinda Phillips
H. R. 467. Elizabeth Russell
H. R. 469. Sarah A. Fox
H. R. 472. Mary Conaway
H. R. 473. Sarah J. Collins
H. R. 504. Sophie M. Swigert
H. R. 505. Violet S. Woodward
H. R. 506. Mary C. Kaneff
H. R. 510. Eliza Laird
H. R. 512. Mary E. Gramm
H. R. 513. Mary E. Derry
H. R. 514. Amy F. Brown
H. R. 515. Caroline Webb
H. R. 516. Sarah A. Dougherty
H. R. 518. Mary E. DeWitt
H. R. 520. Elizabeth Board
H. R. 521. Adabelle Brown
H. R. 522. Maria S. Carsey
H. R. 523. Henrietta H. Eator
H. R. 524. Jane Cooper
H. R. 525. Mary C. Arthur
H. R. 526. Eva Barlow
H. R. 552. Elizabeth Cooley
H. R. 553. Caroline Collier
H. R. 555. L. Belle Bailey
H. R. 557. Susan Buckingham
H. R. 558. Sarah J. Blair
H. R. 563. Jane A. Taylor
H. R. 568. Columbia Hankins
H. R. 570. Mary Jones
H. R. 574. Miami Leeper
H. R. 575. Sarah C. Lines
H. R. 576. Annie I. McCoy
H. R. 577. Anna W. McDonald
H. R. 578. Sarah J. Moody
H. R. 579. Mary A. Pocock
H. R. 581. Mary C. Reichard
H. R. 639. Sally J. Hendrix
H. R. 640. Eulise M. Hubbard
H. R. 641. Sophia Huber
H. R. 643. Florence S. McGinnis
H. R. 644. Hannah Sims
H. R. 647. Clara L. Waggoner
H. R. 648. Eliza A. Washington
H. R. 763. Eliza M. Matthews
H. R. 804. Deborah Pond
H. R. 808. Sarah A. Boman
H. R. 822. Sarah M. Emmerson
H. R. 840. Sarah Raney
H. R. 841. Jane Martin
H. R. 873. Eudora Kightly
H. R. 874. Kate Harris
H. R. 876. Amanda A. Sibrel
H. R. 879. Wilhelmina Tonnemacher
H. R. 880. Susan A. Rice
H. R. 881. Martha Brown
H. R. 882. Mary Buchanan
H. R. 883. Eunice T. Brown
H. R. 913. Nancy Hyson
H. R. 958. Mary Reynolds
H. R. 960. Ellar Bales
H. R. 981. Margaret A. Kelly
H. R. 982. Anna Barfield
H. R. 1008. Edith Stickels
H. R. 1009. Kate O'Connor
H. R. 1010. Phebe Thompson
H. R. 1011. Delilah Demars
H. R. 1015. Gertrude Kaup
H. R. 1016. Lucretia C. Bailey
H. R. 1085. Catharine H. Oxley
H. R. 1086. Susan E. Raser
H. R. 1087. Marion M. Jones
H. R. 1088. Caroline Humbaugh
H. R. 1089. Mary E. Lantz
H. R. 1091. Martha E. Emerick
H. R. 1093. Sallie King
H. R. 1095. Lula H. Powers
H. R. 1096. Anna E. Kaney
H. R. 1098. Anna M. Parish
H. R. 1099. Rebecca D. Stewart
H. R. 1100. Margaret Marshall
H. R. 1135. Ruth P. Shivers
H. R. 1139. Rebecca L. Richards
H. R. 1143. Eva A. Holter
H. R. 1145. Elizabeth J. Coburn
H. R. 1148. Mary Clemons
H. R. 1295. Mary A. Minihan
H. R. 1320. Mary E. Harper
H. R. 1321. Hattie M. Warner
H. R. 1329. Mary F. Massey
H. R. 1337. Frances C. Gaskill
H. R. 1344. Martha J. Wick
H. R. 1345. Sarah A. Teague
H. R. 1351. Eliza C. Dunlap
H. R. 1352. Elizabeth A. Crum
H. R. 1354. Jane Battin
H. R. 1355. Harriet Reynolds
H. R. 1356. Sarah J. Pittman
H. R. 1357. Phoebe A. Jennings
H. R. 1358. Cordelia Hiatt
H. R. 1449. Margaret Ellen Pierce
H. R. 1451. Annie L. Tucker
H. R. 1460. Tealie A. Bogard
H. R. 1462. Magdalene Emrich
H. R. 1490. Julia E. Clark
H. R. 1491. Jane Wiley
H. R. 1508. Charity West
H. R. 1535. Agness B. Smith
H. R. 1537. Mary A. West
H. R. 1581. Mary E. Lee
H. R. 1665. L. Georgia D. Crane
H. R. 1711. Elizabeth Campbell
H. R. 1719. Emma Buchanan
H. R. 1722. Ellen V. Gillson
H. R. 1723. Minerva C. Bedford
H. R. 1725. Clara A. DeKay
H. R. 1726. Anna N. Osterhout
H. R. 1729. Adelaide L. Rapelye
H. R. 1730. Agnes E. Silvernail
H. R. 1731. Annie E. Robinson
H. R. 1732. Jennie Van Renssalaer
H. R. 1777. Clara W. Barrett
H. R. 1781. Elizabeth J. Cunningham
H. R. 1782. Lucy A. Vandiver
H. R. 1783. Elizabeth M. Harrah
H. R. 1785. Clara Carnahan
H. R. 1786. Mary J. Gwinn
H. R. 1788. Mary Gibson
H. R. 1811. Joanna E. Vickers
H. R. 1812. Catharine Myers
H. R. 1813. Mary A. Swing
H. R. 1819. Clementine Young
H. R. 1820. Louisa Kendall
H. R. 1821. Mary E. Whitlock
H. R. 1822. Emeline Kinnaman
H. R. 1823. Mary E. Cole
H. R. 1824. Nancy E. Bucher
H. R. 1844. Cora A. Pattison
H. R. 1845. Katherine Barden
H. R. 1861. Eva J. Tucker
H. R. 1925. Ella S. T. Witbeck
H. R. 1926. Mary A. Richmond
H. R. 1928. Mary Maley
H. R. 1939. Sarah M. McCullough
H. R. 1949. Jennie F. Seavey
H. R. 2112. Susan A. Pitts
H. R. 2113. Ida H. Rupert
H. R. 2135. McLean W. Terry
H. R. 2222. Mary J. McAlearney
H. R. 2334. Christine Hounshell
H. R. 2337. Mary Jane Butler
H. R. 2370. Lillie A. Athey
H. R. 2373. Mary A. Robison
H. R. 2374. Mary C. Abrams
H. R. 2375. Mary M. Adams
H. R. 2382. Martha A. Blanchard
H. R. 2383. Jennie Hoffman
H. R. 2384. Margaret Zimmer
H. R. 2445. Addie Allen
H. R. 2461. Polly Tippetts
H. R. 2524. Mary J. King
H. R. 2533. Mary E. Eberly
H. R. 2535. Margaret J. Miller
H. R. 2537. Augusta E. Cutler
H. R. 2538. Mary E. Cahoone
H. R. 2539. Hattie E. Chappell
H. R. 2540. Lucy A. Beckwith
H. R. 2547. Martha M. Tryon
H. R. 2567. Mary Buhrer
H. R. 2570. Eunice N. Palmer
H. R. 2576. Ellen A. Stevens
H. R. 2577. Catherine J. Cupp
H. R. 2578. Harriet Deamer
H. R. 2586. Frances A. Kuder
H. R. 2590. Mary L. Hill
H. R. 2595. Martha M. Ely
H. R. 2599. Margaret I. Reider
H. R. 2600. Abbie Davison
H. R. 2601. Catharine Brown
H. R. 2715. Ida Nagel
H. R. 2937. Evelyn C. Devereaux
H. R. 2938. Alice Hultberg
H. R. 2940. Addie J. Wheeler
H. R. 2941. Lizzie S. Reed
H. R. 2942. Kittie G. Bozard
H. R. 2943. Mary L. Wilson
H. R. 2945. Jenettie E. Evans
H. R. 2948. Susan C. Stanley
H. R. 2950. Ella G. Millspaugh
H. R. 2951. Miriam E. Crampton
H. R. 2953. Martha F. Reynolds
H. R. 2955. Delphina Fox
H. R. 2958. Emma Pierce
H. R. 2960. Betsy A. Noble
H. R. 2961. Augusta Bittmayer
H. R. 2962. Lucinda P. Avers
H. R. 2975. Katharina Reis
H. R. 2976. Mary E. Straube
H. R. 2985. Elmira J. Earhart
H. R. 3076. Ella G. Munhall
H. R. 3116. Anna Keener
H. R. 3117. Phenia E. Howard
H. R. 3118. Georgianna Barker
H. R. 3123. Sarah P. Scott
H. R. 3124. Mary C. Snyder
H. R. 3125. Susan I. Queen
H. R. 3127. Emily J. McCready
H. R. 3129. Mathilda Danielson
H. R. 3130. Florence I. Huss
H. R. 3131. Marcha A. Corkill
H. R. 3132. Margaret A. Bradshaw
H. R. 3148. Sarah C. Wiley
H. R. 3169. Sarah A. Morris
H. R. 3309. Addie M. Eggleston
H. R. 3310. Eunice A. Collins
H. R. 3311. Laura Joles
H. R. 3312. Emogene Allen
H. R. 3313. Margaret J. Merrill
H. R. 3314. Erzelia A. Lackey
H. R. 3315. Ida Bloss
H. R. 3318. Jennie Everett
H. R. 3319. Alwilda E. Seymour
H. R. 3320. Mary H. Ackley
H. R. 3321. Margaret Vandresar
H. R. 3328. Mary Hennesey
H. R. 3329. Nancy Fish
H. R. 3335. Alice W. Butts
H. R. 3336. Catherine Grunert
H. R. 3352. Bridget Haley
H. R. 3356. Catherine B. McCarthy
H. R. 3357. Elizabeth Miller
H. R. 3358. Jennie V. Myers
H. R. 3360. Sarah Seward
H. R. 3361. Caroline Appelt
H. R. 3363. Hattie J. Doolittle
H. R. 3497. Jennie Wood
H. R. 3498. Amanda L. Dare

H. R. 3499. Rachel P. Thomas
H. R. 3524. Eliza Hindman
H. R. 3536. Nancy A. Smalley
H. R. 3537. Margaret L. Ross
H. R. 3539. Mary E. Redmon
H. R. 3540. Anna Mapel
H. R. 3542. Maria Berghoff
H. R. 3679. Anna Flint
H. R. 3680. Martha C. Howe
H. R. 3682. Maria A. Houston
H. R. 3683. Elizabeth Diehl
H. R. 3685. Ernestine Singer
H. R. 3688. Elizabeth Snyder
H. R. 3689. Catherine Norton
H. R. 3704. Sarah Jane Bump
H. R. 3730. Effie C. Greene
H. R. 3740. Emma J. Miller
H. R. 3749. Jennette Knapp
H. R. 3750. Emma R. Pettie
H. R. 3768. Elizabeth L. Crist
H. R. 3770. Elizabeth S. Simpson
H. R. 3772. Susan A. Miller
H. R. 3773. Mary E. Grange
H. R. 3836. Emma Martin
H. R. 3875. Mary Knadle
H. R. 3925. Bella J. Roberts
H. R. 3931. Jennie M. Jenness
H. R. 3932. Mary Quirk
H. R. 4149. Amanda E. Kellam
H. R. 4151. Antoynett Brown
H. R. 4153. Alice J. Schrader
H. R. 4173. Sarah J. Lafferty
H. R. 4197. Nancy C. Austin
H. R. 4200. Maria O. Fowler
H. R. 4201. Mary E. Freeman
H. R. 4202. Susan B. Hill
H. R. 4203. Nancy Fopay
H. R. 4204. Margaret I. Maiden
H. R. 4220. Annie E. Teague
H. R. 4361. Leah Jones
H. R. 4415. Mary Odor
H. R. 4419. Rosetta W. Ringer
H. R. 4468. Ida M. Stough
H. R. 4493. Mary C. Davis
H. R. 4554. Martha J. Constant
H. R. 4579. Sarah L. Kooken
H. R. 4581. Cora L. Cole
H. R. 4589. Fronia L. B. Norwood
H. R. 4590. Ada A. Bevers
H. R. 4599. Olive J. Ebert
H. R. 4634. Annie M. Galligan
H. R. 4637. Mary E. Stagg
H. R. 4640. Lydia Springster
H. R. 4652. Harriet Niederhiser
H. R. 4654. Sarah J. Hochstetler
H. R. 4716. Alice Jordan
H. R. 4717. Cynthia A. Mitchell
H. R. 4719. Catharine E. Hinkle
H. R. 4782. Elizabeth Barton
H. R. 4793. Lucinda Lauck
H. R. 4937. Ellen E. Smith
H. R. 4954. Kate M. Kirby
H. R. 4963. Carrie F. Bloom
H. R. 5002. Margaret E. Laidig
H. R. 5004. Mary E. Dile
H. R. 5010. Mary C. Van Zandt
H. R. 5018. Mary E. Mearkle
H. R. 5019. Katie Kelso
H. R. 5084. Mary A. Ballard
H. R. 5103. Orrie S. McCutcheon
H. R. 5104. Carrie A. Groce
H. R. 5106. Sarah L. Smith
H. R. 5107. Josinah Brown
H. R. 5108. Sarah E. Boler
H. R. 5109. Lucy A. Cartmell
H. R. 5110. Malinda J. Jacobs
H. R. 5112. Nannie Queen
H. R. 5114. Hannah Gibbs
H. R. 5116. Mary M. Gibbs.
H. R. 5117. Phoebe A. Kimes
H. R. 5138. Catherine Becherer
H. R. 5324. Maime F. Presley
H. R. 5342. Emma C. Love
H. R. 5412. Julia Poust
H. R. 5416. Anna M. Gentgen
H. R. 5462. Mary A. Lindy
H. R. 5466. Elizabeth Koontz
H. R. 5471. Christena Huffman
H. R. 5554. Ella J. Winegar
H. R. 5568. Mary J. Hobgood
H. R. 5673. Rachel A. Barr
H. R. 5678. Emma B. Korn
H. R. 5679. Emma Wiley
H. R. 5684. Elizabeth Orndurf
H. R. 5686. Elizabeth Foughty
H. R. 5756. Margaret J. Rinehart
H. R. 5758. Susan C. Palmer
H. R. 5760. Barbara Weber
H. R. 5761. Drusilla Barnhart
H. R. 5821. Alice Paul
H. R. 5861. Eliza Adams
H. R. 5895. Mary C. Johnson
H. R. 5940. Laura E. Boze
H. R. 5946. Laura A. Smith
H. R. 5966. Matilda Ely
H. R. 5996. Eliza Noble
H. R. 5998. Martha Buckingham
H. R. 5999. Mary Baker
H. R. 6001. Mary M. Devol
H. R. 6003. Delila Coffman
H. R. 6008. Nettie Huffman
H. R. 6011. Julia A. Hull
H. R. 6047. Frances F. Shick
H. R. 6068. Mary E. Shelton
H. R. 6069. Jeanette Wallace
H. R. 6071. Sarah A. Swick
H. R. 6072. Ellen J. Vince
H. R. 6073. Birdie L. Santee
H. R. 6074. Flora Smith
H. R. 6076. Alwilda Ray
H. R. 6080. Mary E. Van Horn
H. R. 6133. Nancy Caudill
H. R. 6180. Margaret C. Mills
H. R. 6181. Martha Gorsuch
H. R. 6217. Sarah Miller
H. R. 6251. Margaret V. Myers
H. R. 6261. Barbara Cook
H. R. 6270. Sarah A. Lindsey
H. R. 6298. Agnes Bentley
H. R. 6303. Dora B. Reynolds
H. R. 6305. Sarah I. Tomlin
H. R. 6306. Mary E. Van Treese
H. R. 6309. Mary F. Hudgens
H. R. 6337. Kate C. George
H. R. 6385. Julia Woods
H. R. 6401. Mary E. Perky
H. R. 6420. Margaret E. Hoops
H. R. 6486. Sarah Marks
H. R. 6521. Mary Lehnen
H. R. 6571. Mary E. Oliver
H. R. 6690. Susan Rehard
H. R. 6758. Malisa Morris
H. R. 6786. Martha Ferguson
H. R. 6824. Christena M. Sharp
H. R. 6858. Phoebe S. Decker
H. R. 6879. Emma S. Dolaway
H. R. 6902. Jane Pelletier
H. R. 6930. Annie E. Santman
H. R. 6931. Tracy Huffman
H. R. 6932. Margaret A. Hansen
H. R. 6933. Sarah M. Flowers
H. R. 6934. Elizabeth A. Rickenberg
H. R. 6938. Barbara Wiley
H. R. 6939. Mary A. Taylor
H. R. 6940. Ann R. Mongan
H. R. 6972. Eliza J. Duff
H. R. 7002. Elizabeth Clark
H. R. 7006. Mary Welever
H. R. 7016. Eliza Cook
H. R. 7032. Elizabeth W. Barringer
H. R. 7071. Mary L. Garrison
H. R. 7118. Eliza P. Cook
H. R. 7119. Martha McGraw
H. R. 7139. Ella A. Hart
H. R. 7148. Anna Daul
H. R. 7179. Hattie I. Lusk
H. R. 7211. Almira Richards
H. R. 7283. Louise E. Van Norden
H. R. 7315. Brittie Ann Gault
H. R. 7329. Anzina L. Harper
H. R. 7331. Johanna E. Mouser
H. R. 7333. Elizabeth Brown
H. R. 7335. Mary E. Catlin
H. R. 7352. Matilda M. Fleming
H. R. 7387. Harriet Brownrigg
H. R. 7404. Isabelle Call
H. R. 7410. Helen Gallagher
H. R. 7426. Lydia R. DuBois
H. R. 7428. Martha Weiser
H. R. 7429. Anna J. Flick
H. R. 7431. Catharine A. Page
H. R. 7433. Kate Schnetzler
H. R. 7435. Margaret C. Lee
H. R. 7437. Mary A. Pendegrast
H. R. 7490. Emma Chapman
H. R. 7495. Mary L. Doze
H. R. 7517. Mary L. Gage
H. R. 7612. Emma Turner
H. R. 7637. Mary B. Beckett
H. R. 7662. Nancy A. Bortner
H. R. 7665. Mabel A. La Forge
H. R. 7706. Melissa D. Smith
H. R. 7724. Hester H. Lewis
H. R. 7742. Carrie L. Fay
H. R. 7750. Mary Wilson
H. R. 7752. Georgianna K. Griest
H. R. 7753. Addie L. Wright
H. R. 7772. Lydia J. Allard
H. R. 7907. Ella N. Herwick
H. R. 7967. Belle Armel
H. R. 8047. Clara Rabe
H. R. 8197. Eliza Robinson

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PENSIONS TO CERTAIN HELPLESS AND DEPENDENT CHILDREN OF SOLDIERS AND SAILORS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 8425, granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

This bill is a substitute for the following House bills referred to this committee:

H. R. 213. Arthur Pate
H. R. 214. Simpson Pennington
H. R. 218. Nancy Ann Laird
H. R. 219. Jim Meredith
H. R. 220. George Meredith
H. R. 283. John Westerkamp
H. R. 383. Harriet A. Irvin
H. R. 405. Julius Hampton, Jr.
H. R. 476. Michael T. Tippie
H. R. 477. Samuel Warner
H. R. 486. Anna Lesser
H. R. 487. Minnie B. Leonard
H. R. 488. Everett Horton
H. R. 490. Jennie Hopkins
H. R. 491. Leslie D. Hood
H. R. 493. Lewis Congrove
H. R. 494. Ella Carl
H. R. 501. Charles Younger
H. R. 546. Alice M. Stites
H. R. 789. Rosylena Wood
H. R. 791. Lucy Lesher
H. R. 824. Nola Forrester
H. R. 896. Josie Siessly
H. R. 898. Sallie Hutchens
H. R. 940. Nannie B. Floyd
H. R. 978. Emma Springer
H. R. 987. George Steingrabe
H. R. 990. Sarah Stephenson
H. R. 1001. Grover Peoples
H. R. 1004. Fannie Stults
H. R. 1120. Hester A. Bradford
H. R. 1121. Levi Copas
H. R. 1124. Ivy Pitzer
H. R. 1163. Charlie Campbell
H. R. 1164. Joke Campbell
H. R. 1166. Hattie Campbell
H. R. 1169. Robert N. Wilson
H. R. 1298. Hallie V. Weeks
H. R. 1350. Clarence W. Failor
H. R. 1526. Eva Case
H. R. 1530. Martha Weiss
H. R. 1592. Bettie Dillard
H. R. 1708. Cora I. Sprangler
H. R. 1794. Luther Hudson
H. R. 1800. Katie Glenn
H. R. 1801. Charles W. Ringer
H. R. 1807. Albert Braun
H. R. 1808. Edward Butler
H. R. 1809. Harry C. B. Frets
H. R. 1816. James B. Long
H. R. 1929. James C. Riley
H. R. 1938. Alberta B. Newman
H. R. 1983. William Gage
H. R. 2225. Elmer B. Williams
H. R. 2228. Isabelle Scott
H. R. 2233. Alice L. Calderhead
H. R. 2343. John J. Rosier
H. R. 2437. Ella Hatfield
H. R. 2438. Mary Agnes Drumgoold
H. R. 2529. Mary Jane McGlaughlin
H. R. 2581. Myrtle B. Oldfield
H. R. 2585. Charles F. Boroff
H. R. 2711. Ella Strutton
H. R. 2986. Milton Warner
H. R. 3112. John Schoonmaker, Jr.
H. R. 3140. Frances Engler
H. R. 3143. Azelle V. Crawford
H. R. 3213. Louise E. Stockwell
H. R. 3301. Katie Rock
H. R. 3349. Mary Metzger
H. R. 3399. Albert S. Miller
H. R. 3402. Sarah E. Schott
H. R. 3489. Francis A. Sipe
H. R. 3522. Daniel F. Glenn
H. R. 3523. Bertha E. Haroff
H. R. 3543. Sarah A. Bond
H. R. 3549. Elizabeth A. C. Bigham
H. R. 3752. Grace A. Walker
H. R. 3776. Lulu M. Williams
H. R. 3793. Grace L. Horn
H. R. 3798. Annie M. Bartlett
H. R. 3819. Clara Enyeart
H. R. 3861. Amanda Hart
H. R. 3880. William E. Coughlin
H. R. 4033. Maggie Sanders
H. R. 4042. Sarah E. Jackson
H. R. 4102. Lewis Stamper
H. R. 4103. Ned Johnston
H. R. 4172. George N. Groff
H. R. 4188. Claud Stine
H. R. 4192. James Edward Miller
H. R. 4193. Chester D. Green
H. R. 4194. Flossie M. Ramsey
H. R. 4195. Hannah D. Warren
H. R. 4199. Robert T. Bland
H. R. 4289. Arthur Boyce
H. R. 4391. Zack Pool
H. R. 4393. Hester M. Hill
H. R. 4582. Gabriel Patrick
H. R. 4604. Ann M. Callery
H. R. 4608. Excelia Lague-Leyo
H. R. 4627. Nellie Mae South
H. R. 4656. Ida Jones
H. R. 4721. George E. Ryan
H. R. 4866. Frank A. Boster
H. R. 4971. Margaret M. Saunders
H. R. 5007. Minnie G. Jones
H. R. 5009. William C. Fisher
H. R. 5013. Elizabeth S. Houtz
H. R. 5017. Sadie E. Goshorn
H. R. 5247. Leah Kesterson
H. R. 5254. Marion M. Luther
H. R. 5313. Effie P. Chiles
H. R. 5465. Arthur C. Isenberg
H. R. 5511. Ella May Paris
H. R. 5551. Alice R. Smith
H. R. 5666. Maretta A. Booher
H. R. 5669. Marion Gregory
H. R. 5674. Thomas M. Teeters
H. R. 5675. Ammon Barkman
H. R. 5676. William Barkman
H. R. 5830. Harry E. Duffield
H. R. 5908. Edith Pyle
H. R. 5934. Edna B. Hartley
H. R. 5976. Emma Blosser
H. R. 5988. Stella Littlejohn
H. R. 6048. Harry A. Croft
H. R. 6049. Charles W. Smith
H. R. 6099. Cora S. Day
H. R. 6107. Della Griffith
H. R. 6485. Clara L. Dolman
H. R. 6517. William E. Kimbrell
H. R. 6610. Dora McCallister
H. R. 6883. Margaret Ann Canatsey
H. R. 6896. Isabel Bennett
H. R. 6898. Jesse Mills
H. R. 6926. Mazie Layman
H. R. 6927. Elizabeth Jane Barnhart
H. R. 6928. Georgana Layman
H. R. 6929. Walter Clice
H. R. 6937. Sarah E. Stephen
H. R. 7138. Mary Love
H. R. 7274. James R. Gibbs
H. R. 7388. Ernest P. Garloch
H. R. 7390. Hattie R. Wierman
H. R. 7391. Mamie Cartmell
H. R. 7409. Maude Isabel Schuler

H. R. 7467. Hugh Brennan
H. R. 7699. Frank Burcham
H. R. 7708. Roy Walker
H. R. 7754. Kathryn Smith
H. R. 7826. Marion Van Natta
H. R. 7966. Edward Armel
H. R. 8143. Benson A. Weston
H. R. 8196. Thomas J. Robinson
H. R. 8222. Mary A. Proudfit

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSION TO CERTAIN SOLDIERS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 8426, granting pensions to certain soldiers of the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

This bill is a substitute for the following House bills referred to the committee:

H. R. 224. William H. Jones
H. R. 230. Alfred Daugherty
H. R. 448. Peter Cuddy
H. R. 734. Silas S. Shepperd
H. R. 748. George Brewer
H. R. 1066. Reubin H. Franklin
H. R. 1323. Jesse E. Lampkin
H. R. 1599. Andrew J. White
H. R. 2229. Milton McNabb, alias Milton McNab
H. R. 2381. Leander Simonson
H. R. 2723. James E. Hamilton
H. R. 3584. Joshua S. Mullins
H. R. 3739. Rawley B. Wright
H. R. 3840. Francis M. Weddle
H. R. 4501. Thomas McGuire
H. R. 4939. Samuel Edwards
H. R. 5338. Stillman Garrett, alias Stilmon Garrett
H. R. 5628. Joseph Thompson
H. R. 7036. John C. Camden
H. R. 7182. Taylor Pinkston

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LETTIE LEVERETT

The Clerk called the next bill, H. R. 1833, for the relief of Lettie Leverett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lettie Leverett, of Elgin, Okla., the widow and legal representative of the late Silas Leverett, the sum of $5,000 for the benefit of such widow and the minor dependent children. The payment of such sum shall constitute full settlement of all claims against the United States arising out of the death of Silas Leverett, on August 22, 1930, while engaged in fighting fire on the Fort Sill Military Reservation, Okla., in obedience to, and under the supervision of, officers of the National Guard of Oklahoma. The deceased was burned to death through the negligence of such officers in ordering and bringing the deceased into a position of extreme danger to life without due precaution for the safety of the deceased, and through the negligent operation of a Government truck on which the deceased was riding, and which was being operated by an enlisted man of the United States Army under orders of such officers. The deceased left surviving him the widow and three minor dependent children, Ray, aged 20; Reford, aged 19; and Juanita, aged 15.

With the following committee amendments:

On page 1, line 7, after the figures "$5,000", strike out "for the benefit of such widow and the minor dependent children. The payment of such sum shall constitute", and insert "in."

On page 2, line 10, after the word "such", strike out the remainder of the line and all of lines 11, 12, and the words "Juanita, aged 15" on line 13, and insert the following: "officers: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. E. L. BABCOCK

The Clerk called the next bill, H. R. 2119, for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $58 to Mrs. E. L. Babcock, the mother and natural guardian of Nelson Babcock, a minor, in full settlement of all claims of said guardian and minor against the Government of the United States for injuries received by him on the 25th day of December 1928 when an automobile, being driven by him in a lawful manner, was run into and damaged by a truck owned by the Navy Department of the United States, then and there being operated by one Leonard Driscoll, an employee of the United States Navy, in a negligent and reckless manner.

With the following committee amendment:

Page 1, line 5, strike out "$106" and insert in lieu thereof "$58."

Page 2, after line 3, insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY H. CARR ET AL.

The Clerk called the next bill, H. R. 2430, for the relief of Henry H. Carr; Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis; and Hilory Wise and Flora A. Wise.

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

JESSE ASHBY

The Clerk called the next bill, H. R. 3179, for the relief of Jesse Ashby.

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

FORREST D. STOUT

The Clerk called the next bill, H. R. 4568, for the relief of Forrest D. Stout.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Forrest D. Stout the sum of $540, in full settlement of all claims against the United States covering traveling and subsistence expenses due as assistant national-bank examiner.

With the following committee amendment:

On page 1, line 8, after the word "examiner", insert the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLADYS E. FAUGHNAN

The Clerk called the next bill, H. R. 5178, for the relief of Gladys E. Faughnan, guardian.

Mr. COSTELLO, Mr. McFARLANE, Mr. HOPE, and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

BERTHA MOSELEY BOTTOMS

The Clerk called the next bill, H. R. 5347, for the relief of Bertha Moseley Bottoms.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bertha Moseley Bottoms, the sum of $5,000 in full settlement of all claims against the United States on account of personal injuries incurred in a collision on April 11, 1934, between an automobile in which the said Bertha Moseley Bottoms was a passenger and a Government vehicle operated in connection with the Civilian Conservation Corps near Jasper, Ga.

With the following committee amendments:

On page 1, line 6, strike out "$5,000" and insert in lieu thereof "$2,500."

On page 2, line 1, after the word "Georgia", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSE TEIERMEYER

The Clerk called the next bill, H. R. 5351, for the relief of Rose Teiermeyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rose Teiermeyer, the sum of $500 in full settlement of all claims against the Government of the United States, being the amount of bond deposited as security to guarantee the production of an alien and filed with the inspector in charge of immigration at New York and later forfeited because of the failure of the bondsman to produce the alien on the date of appearance in compliance with the terms of the delivery bond:

With the following committee amendments:

Page 1, line 6, strike out "$500" and insert in lieu thereof "$261.72."

Page 2, line 2, after the word "bond", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWIS WORTHY AND DENNIS O. PENN

The Clerk called the next bill, H. R. 5863, for the relief of Lewis Worthy and Dennis O. Penn.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. Without objection, the Clerk will report a similar Senate bill (S. 1980).

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in full settlement of all claims against the Government of the United States, to Lewis Worthy, private (1599113), $211.96, and Dennis O. Penn, private (1599044), $213.97, being amount of salary deducted on account of general court-martial sentences June 1918: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 5863) was laid on the table.

NEW AMSTERDAM CASUALTY CO.

The Clerk called the next bill, H. R. 6105, for the relief of the New Amsterdam Casualty Co.

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CHARLES K. SHADE

The Clerk called the next bill, H. R. 6168, for the relief of Charles K. Shade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles K. Shade, of Oley, Pa., the sum of $487.29, in full settlement of all claims against the Government of the United States for the loss of 16 cattle condemned on account of tuberculosis eradication in the State of Pennsylvania, and as a result of tubercular tests conducted by that State and the Bureau of Animal Industry, Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE C. MANSFIELD CO. AND GEORGE D. MANSFIELD

The Clerk called the next bill, H. R. 6822, for the relief of the George C. Mansfield Co. and George D. Mansfield.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. Without objection, a similar Senate bill, S. 2160, will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the George C. Mansfield Co. and George D. Mansfield, of Milwaukee, Wis., are hereby authorized to bring suit against the United States to recover damages for any loss or losses which they may have suffered because of the action of the Federal Food Administration, division of enforcement, in directing and compelling said George C. Mansfield Co. and said George D. Mansfield to sell certain cheese products. Jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, consider, and determine such action on its merits, and to enter decree or judgment against the United States for the amount of such actual loss, if any, as may be found due to said George C. Mansfield Co. and said George D. Mansfield, without interest, with the same right of appeal as in other cases, notwithstanding the lapse of time or statute of limitations or the tortious character of the action: *Provided*, That such action shall be brought within 6 months from the date that this act becomes effective.

SEC. 2. That upon final determination of such cause, if a decree or judgment is rendered against the United States, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sum sufficient to pay final judgment, which shall be paid to said George C. Mansfield Co. and said George D. Mansfield or their duly authorized attorneys of record by the Secretary of the Treasury upon the presentation of a duly authenticated copy of such final decree or judgment.

With the following committee amendment:

Page 2, line 10, strike out all of section 2.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6822) was laid on the table.

RELIEF OF CERTAIN DISBURSING OFFICERS OF THE ARMY

The Clerk called the next bill, H. R. 6886, for the relief of certain disbursing officers of the Army of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. Without objection, the Clerk will report a similar Senate bill (S. 2169).

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. T. H. Chambers, Finance Department, $24.96; Maj. H. G. Coykendall, Finance Department, $15.40; Capt. H. B. Lovell, Finance Department, $21; Capt. Jacob R. McNeil, Finance Department, $1.50; Maj. E. C. Morton, Finance Department, $14.97; Maj. T. S. Pugh, Finance Department, $21.03; and Maj. Lee R. Watrous, Finance Department, $9.46; Capt. H. S. Farish, Finance Department, $3.80, said amounts being public funds for which they are accountable and which comprise minor errors in computation of pay and allowances due military personnel, who are no longer in the service of the United States, and which amounts have been disallowed by the Comptroller General of the United States.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. E. C. Morton, Finance Department, $170.81, representing payment made in error to an officer of the Army, who has since resigned the service, during the period in which he was absent on excessive leave.

SEC. 3. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Frank E. Parker, Finance Department, the sum of $146.96, public funds for which he is accountable and which were stolen on the night of September 4, 1933, from the company safe of the commanding officer, Three Hundred and Ninety-first Company, Civilian Conservation Corps, Beddington, Maine, such funds at that time being in the hands of his duly authorized agent officer.

SEC. 4. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Frank E. Parker, Finance Department, the sum of $174.67, said amount being public funds for which he is accountable and which were destroyed by fire while in the custody of his authorized agent at Civilian Conservation Corps Camp No. 2123, Warren, N. H., on December 31, 1933.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6886) was laid on the table.

CASSIE M. LYNE

The Clerk called the next bill on the calendar, H. R. 7137, for the relief of Cassie M. Lyne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission is authorized and directed to pay, from the date of approval of this act, to Cassie M. Lyne, in lieu of the retirement pay she is now receiving, the sum of $65 per month during her lifetime as compensation for injuries received while employed as a clerk in the office of the Quartermaster General, War Department.

With the following committee amendment:

Page 1, line 11, strike out the figures "65" and insert "50."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY T. HERRING

The Clerk called the next bill on the calendar, H. R. 5075, providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade.

The SPEAKER. Is there objection?

Mr. TRUAX and Mr. McFARLANE objected.

The bill was recommitted to the Committee on Military Affairs.

BOWERS SOUTHERN DREDGING CO.

The Clerk called the next bill on the calendar, S. 794, for the relief of the Bowers Southern Dredging Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to remit the liquidated damages of $5,400 assessed against the Bowers Southern Dredging Co. for delays caused by World War conditions in the performance of its contract no. 2665, dated November 17, 1917, with the Bureau of Yards and Docks, Navy Department, for dredging and filling certain areas at the naval air station, Miami, Fla., and to certify for payment to the said company, out of any money in the Treasury not otherwise appropriated, the sum of $3,400, being the amount actually withheld as such liquidated damages from amounts otherwise due under the contract: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THELBERT DAVIS

The Clerk called the next bill on the calendar, H. R. 704, for the relief of Thelbert Davis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thelbert Davis, former private, United States Marine Corps, the sum of $175. Such sum shall be in full settlement of all claims against the United States on account of gratuity, pay, and travel allowance.

With the following committee amendment:

Page 1, line 7, strike out the figures "$175" and insert "$169.66."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAEL P. LUCAS

The Clerk called the next bill, H. R. 2469, for the relief of Michael P. Lucas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Michael P. Lucas, who was a member of Company D, Seventeenth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 7th day of December 1918: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN LIVINGSTON AND MRS. JOHN LIVINGSTON

The Clerk called the next bill on the calendar, H. R. 6275, for the relief of John Livingston and Mrs. John Livingston.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to John Livingston and Mrs. John Livingston, the sum of $10,000 in full satisfaction and settlement of all claims against the United States on account of the death of their son, 20 years of age Private Tom Alex Livingston, Company E, One Hundred and Fifty-fifth Infantry, Mississippi National Guard, who died while in the performance of his duty on August 12, 1934, during the annual encampment of the Mississippi National Guard, which began on August 5, 1934,

at Camp Beauregard, Alexandria, La., due to mistreatment and lack of proper medical care and attention and on account of cruel and inhuman treatment while in line of duty: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out the figures "$10,000" and insert "$5,000."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT J. SMITH, ALIAS WILLIAM M'CLOCKLIN

The Clerk called the bill (S. 1347) for the relief of Robert J. Smith, alias William McClocklin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, sailors, and marines Robert J. Smith, alias William McClocklin, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on October 6, 1899, as a private of Troop I, Third Regiment United States Cavalry: *Provided*, That no back pay, pension, or allowances shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A. N. ROSS

The Clerk called the bill (H. R. 2935) for the relief of A. N. Ross.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Without objection, a similar Senate bill (S. 1359) will be substituted, and the Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the payment by A. N. Ross, disbursing clerk of the Federal Trade Commission, located at Washington, D. C., of the sum of $1,390, representing an amount paid by him to Hugh E. White as per diem in lieu of subsistence during the period from April 10, 1922, to October 29, 1923, inclusive, which payments were made in good faith in connection with and pursuant to a contract made between said Commission and said White, the legality of which has been questioned by the United States, be, and the same is hereby, validated.

SEC. 2. That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of A. N. Ross, disbursing clerk of the Federal Trade Commission, located at Washington, D. C., the amount of $1,936, representing an amount paid by him in good faith to Hugh E. White as per diem in lieu of subsistence during the period from February 1, 1924, to June 15, 1925, both inclusive, which payment was made in connection with and pursuant to the terms of temporary employment and disallowed by the Comptroller General as having been paid in contravention of the act of April 6, 1914 (38 Stat., pp. 312, 318), or the rulings of the General Accounting Office.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 2935) were laid on the table.

RENE HOOGE

The Clerk called the bill (H. R. 3839) for the relief of Rene Hooge.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Without objection, a similar Senate bill (S. 928) will be substituted for the House bill. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to Rene Hooge, of Bexar County, Tex., out of any money in the Treasury not otherwise appropriated, the sum of $1,000, in full satisfaction of all claims against the Government for personal injuries received, caused by the negligence of officers and agents of the United States in failing to remove from Kelly Field, in Bexar County, Tex., certain explosives which caused the personal injury to said Rene Hooge, on or about November 21, 1926: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 3839) was laid on the table.

VOTE ON UTILITY BILL—PERSONAL EXPLANATION

Mr. WOOD. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOOD. Mr. Speaker, I received a letter from Mr. D. W. Gramling, of the legislative board of engineers of Missouri, which I hold in my hand. Among other things, touching upon the utility bill, he writes as follows:

Well, old buddy, the press quotes you as voting to kill the death clause in the utility-holding bill. I have not checked the record, but several fellows have questioned me about it. I would like to have your version of the matter, and if you did vote not to kill the holding company, why, as it seems from afar off that it was not along our lines of thought of the joint legislative labor committee of Missouri.

Mr. Speaker, I received this letter before the record vote on the utility bill the other day. I want the RECORD to show that in the Committee of the Whole House on the state of the Union, on all teller votes on sections 13 and 11, I voted with the President. I voted with the people as against unnecessary holding companies, and I desire that that be made a part of the RECORD.

In connection with propaganda that was circulated by the utility companies, to the effect that there was a patronage club being wielded over some Members of Congress to get them to vote for the so-called "death clause", I desire to state that if my vote on all administrative measures had been predicated upon patronage I received from this administration, I would not have voted for a single administration bill, because I have not received any patronage. I have asked for but little, and that little I have asked for I have not received. Nevertheless, I have gone along as I saw fit; and in the interest of the people, as I say, I have voted for almost every administration measure. Because I felt that the Senate bill, a section of which dealt with holding companies, which was rejected by the House, was fair and just I stood with the provisions of the Senate bill and voted for the so-called "death clause", both in the Committee of the Whole House on the state of the Union and on the record vote in the House.

THE PRIVATE CALENDAR

EDITH M. POWELL

The Clerk called the next bill, H. R. 3913, for the relief of Edith M. Powell.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and the bill, under the rule, was recommitted to the Committee on Claims.

AMY M'LAURIN

The Clerk called the next bill, H. R. 4570, for the relief of Amy McLaurin.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Amy McLaurin, of Houston, Tex., mother of the late Emmett J. McLaurin.

With the following committee amendment:

Page 1, line 8, after the word "McLaurin", insert "who is alleged to have sustained injury resulting in his death, on or about December 20, 1918, while in the employ of E. I. du Pont de Nemours & Co., under contract with the United States Government, at the Old Hickory Powder Plant, Nashville, Tenn.: *Provided*, That payments hereunder, if any, shall be made monthly from the date of approval of this act."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAMLICO TIMBER CORPORATION

The Clerk called the next bill, H. R. 5415, to confer jurisdiction on the District Court of the United States for the Eastern District of North Carolina, to hear, determine, and render judgment upon the claims of the Pamlico Timber Corporation against the United States.

There being no objection the Clerk read as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court of the United States for the Eastern District of North Carolina, to hear, determine, and render judgment upon, notwithstanding the lapse of time or any provision of law to the contrary, the claim of Pamlico Timber Corporation, a corporation, for damages to property of the Pamlico Timber Corporation, a corporation, arising from a fire set by a surveying party of the Department of Agriculture, which tort was committeed on or about the 19th day of October 1931, which jurisdiction is conferred upon the said court, providing said corporation brings its suit for such damages in said court within 12 months after the date of the enactment of this act. The said court shall, if it render judgment for the claimant, allow interest on the amount of damages found, at the rate prescribed by law at the time of such allowance in cases of judgment against the United States, from the time such damages were sustained until the judgment is paid. Review of such judgment may be had by either party in the same manner as provided by law in other causes in such court.

SEC. 2. There is authorized to be appropriated such sum as may be necessary to pay the amount of any judgment rendered and interest allowed pursuant to this act. The amount of such judgment and the interest allowed shall be paid by the Secretary of the Treasury upon presentation of a duly authenticated copy of the judgment of the said court.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the District Court of the United States for the Eastern District of North Carolina to hear, determine, and render judgment upon, as if the United States were suable in tort, the claim of the Pamlico Timber Corporation, of Winchester, Va., for damages to its property adjacent to Swanquarter Migratory Bird Refuge, Hyde County, N. C., allegedly arising from a fire set by a surveying party of the Bureau of Biological Survey, Department of Agriculture, on or about the 19th day of October 1931. Suit hereunder may be instituted at any time within 1 year from the date of the enactment of this act, and proceedings therein, appeals therefrom, and payment of judgment thereon, if any, shall be had in the same manner as in the case of claims over which such court has jurisdiction under the provisions of the Judicial Code."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. H. SPHAR

The Clerk called the next bill, H. R. 5523, for the relief of A. H. Sphar.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $100 to A. H. Sphar, of Cortez, Colo., as reimbursement for the loss of a bull which died from poison on September 27, 1925, while loaned to and in the possession of the Government at the Ute Mountain Indian School at Towaoc, Colo.

With the following committee amendment:

Page 1, line 10, after the word "Colorado", insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SAMUEL W. CARTER

The Clerk called the next bill, H. R. 5654, to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims, notwithstanding the lapse of time or the statute of limitations, to hear and determine the claim of Samuel W. Carter for compensation for the alleged adoption and use by the Government of the United States of a certain invention relating to the design and construction of propeller blades for which original Letters Patent of the United States No. 1471590 were issued to him on October 23, 1923, and for which Letters Patent of the United States Reissue No. 16387 were issued to him on July 20, 1926. Said claim shall not be considered as barred because of the fact that the claimant was on the retired list of the United States Army and receiving compensation from the United States Government at the time the patented article was invented.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HANCOCK of New York. Mr. Speaker, it has been agreed by the Members on both sides that we will not go any further with the Private Calendar than the point now reached.

Mr. TAYLOR of Colorado. Mr. Speaker, the examiners of these bills say that this is as far as they have had time to examine them. I ask unanimous consent that the Private Calendar be dispensed with for the present.

The SPEAKER. Is there objection?

There was no objection.

BRIDGE BILLS

Mr. TAYLOR of Colorado. Mr. Speaker, I send to the Clerk's desk a unanimous-consent request, which I ask to have read.

The SPEAKER. The Clerk will read the request of the gentleman from Colorado.

The Clerk read as follows:

Mr. Speaker, I ask unanimous consent that on Monday next it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering so-called "bridge bills" on the Consent Calendar; that in the Committee of the Whole the so-called "bridge bills" shall be considered in the numerical order in which they appear on the Consent Calendar; that general debate on each bill considered in the Committe of the Whole shall be limited to 10 minutes, to be equally divided and controlled by those favoring and opposing the bill; that upon the conclusion of the reading of each bill for amendment such bill shall temporarily be laid aside to be reported to the House when the Committee of the Whole rises; that upon report to the House of the sundry bills so considered in the Committee of the Whole, the previous question shall be considered as ordered upon each bill, together with such amendments as may have been reported to the House from the Committee of the Whole, to final passage.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. TAYLOR]?

Mr. TRUAX. Reserving the right to object——

Mr. McFARLANE. Mr. Speaker, I reserve the right to object.

Mr. TAYLOR of Colorado. Mr. Speaker, this question of the consideration of bridge bills has, all this session, been very controversial and unsettled. We have been trying to work out some procedure whereby we can dispose of them at this session of the Congress. The unanimous-consent request which I have sent to the desk is the composite result of the best we have been able to arrive at up to this time. I feel that if this consent is given we will be able to handle all of these bills in an orderly and expeditious manner.

Mr. HOPE. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. HOPE. Has the gentleman consulted with the gentleman from Ohio [Mr. JENKINS] or the other gentlemen

who handle the Consent Calendar on this side of the House concerning this request?

Mr. TAYLOR of Colorado. I understand they have been consulted.

Mr. O'CONNOR. I may say to the gentleman that the minority leader, Mr. SNELL, has been very much interested, and the unanimous-consent request was made largely at his request.

Mr. HOPE. The reason I asked the question is that the minority leader does not now happen to be present, and practically none of the Members on this side of the aisle who work on the Consent Calendar are present at this time.

Mr. O'CONNOR. I may say to the gentleman that I discussed it thoroughly with the minority leader twice this morning. I am informed that he discussed the matter with the Speaker and was very much interested in some such plan being worked out with regard to these bridge bills.

Mr. BACHARACH. If the gentleman will yield, do I understand the minority leader agreed to Thursday?

Mr. O'CONNOR. No; Monday was his suggestion.

Mr. BACHARACH. The impression seems to be that these bills were to be taken up Thursday. That is the reason for my question.

Mr. TABER. Does the unanimous-consent request provide for Monday?

Mr. O'CONNOR. Yes.

Mr. BACHARACH. And the minority leader agreed to the request?

Mr. O'CONNOR. He did not agree to the exact language, but I discussed the features with him and I am quite sure that it would meet with his approval were he here.

Mr. BACHARACH. So far as I know, it is satisfactory to this side.

Mr. TRUAX. Mr. Speaker, reserving the right to object, I want to say to the Members of the House that there are some Members who believe that bridges should be free wherever possible instead of being toll bridges.

Yesterday, in the course of my argument for this policy, I referred to certain actions that had been taken by the officials of Allegheny County, Pa. I had not those clippings with me yesterday which proved my case. I have the clippings now, and I want to say to this House that the county commissioner, C. C. McGovern, made a flying round trip to Washington, where he asked P. W. A. officials to abolish the Allegheny County Authority and slash the county public-works program to approximately $10,000,000 and turn projects over to the commissioners to be financed by a county bond issue and P. W. A. grant instead of through tolls. Now, that is the program those people in Allegheny County want. It is the program desired by the two Representatives from Pittsburgh, namely, Mr. DUNN and Mr. MORITZ.

Mr. HOLMES. Mr. Speaker, will the gentlemen yield?

Mr. TRUAX. I yield.

Mr. HOLMES. Does the gentleman anticipate that the P. W. A. will change its attitude on this problem after working on it for 12 or 14 months and having agreed with the Allegheny County Authority as to the method of procedure?

Mr. TRUAX. Will the gentleman allow me to continue reading the clipping?

Mr. HOLMES. I shall be pleased to.

Mr. TRUAX. This reads further:

> That the members of the Authority propose to go to the National Capital tomorrow, where they will meet Secretary Harold L. Ickes.

Now, I have not the latest information, but pending its receipt I would ask that no action be taken at this time upon bridge bills.

So far as my knowledge goes those opposing toll bridges were not consulted in this unanimous-consent request that has just been submitted by the gentleman from Colorado. I believe they are entitled to some little consideration. I believe these people who want free bridges are entitled to some consideration; and I do not think it is wise or just to attempt to set aside a special day and give these toll bridges the right-of-way and priority of consideration over other bills that are pending in this House which are of primary importance to hundreds of thousands of people.

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. Certainly.

Mr. TAYLOR of Colorado. I may say, Mr. Speaker, that I expect to submit a further unanimous-consent request that on Thursday of this week it may be in order to take up the Consent Calendar.

I think nearly half of the Membership of the House have one or more bills on either the Private Calendar or the Consent Calendar; and I do feel that they ought to have an opportunity to have them considered before this session adjourns; and if they are to become a law at this session of the Congress, they must got over to the Senate next week. For this reason I am trying to expedite the consideration of bridge bills, and I hope to take up the Consent Calendar again next. I want to take up the Private Calendar again as soon as possible to give the Members a chance to get their bills considered by the Senate at this session.

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, I would call the gentleman's attention to the fact that the annual- and sick-leave bills, for the consideration of which rules have been granted by the Rules Committee, we expect to call up on Thursday. I hope the gentleman will not submit any request which will interfere with the consideration of these bills which we have been waiting almost 2 weeks to bring up.

Mr. TAYLOR of Colorado. The gentleman will notice my request was that it might be in order to consider bills on the Consent Calendar. That would not displace special orders or privileged matters.

Mr. O'CONNOR. Mr. Speaker, if the gentleman will yield, in addition to the bills referred to by the gentleman from Georgia, we have granted rules that were reported long before them. We are hopeful of taking up other rules. We have pending now, after we dispose of those two bills to which we have granted preference, about 10 rules; and it is entirely possible that we may report more rules.

We are going to report some more. In my opinion, making this in order for Thursday, the Consent Calendar would never be reached because of the many rules we have pending.

Mr. RAMSPECK. I just want to have an understanding.

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein these newspaper clippings.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. ELLENBOGEN. Mr. Speaker, reserving the right to object, I do not think that should go in the RECORD. I do not believe the newspaper clippings should be included in the RECORD; therefore, I object.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. McFARLANE. Mr. Speaker, reserving the right to object.

Mr. O'CONNOR demanded the regular order.

Mr. TRUAX. Mr. Speaker, I object.

Mr. MITCHELL of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 8742, to amend the Packers and Stockyards Act, and to substitute therefor Senate bill 12 and consider the Senate bill.

This is an act to amend the Stockyards Act so as to include live poultry.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. TABER. Mr. Speaker, reserving the right to object, may I inquire if the gentleman from Tennessee has notified the minority members of the Agriculture Committee that this is coming up? The gentleman from Kansas [Mr. HOPE], was here a second ago.

Mr. BOILEAU. I may say to the gentleman from New York that this bill was approved by the Agricultural Committee by unanimous vote of that committee.

Mr. TABER. Will the gentleman explain the bill?

Mr. MITCHELL of Tennessee. Mr. Speaker, I am glad to say to the Membership of the House that there was no opposition in the Committee on Agriculture to the passage of this bill. Answering directly the inquiry of my colleague the gentleman from New York, I may say that a few minutes ago I discussed this matter with the gentleman from Kansas [Mr. HOPE], to whom the gentleman from New York referred, and he is heartily in favor of the passage of the bill.

This bill was passed by the Senate several weeks ago and simply amends the present Stockyards Act so as to add section 5 to the same, putting live poultry in the same position as meats and similar commodities. The purpose of the bill is to cut out racketeering in the cities. They have been unable to cope with this situation in the chicken markets, especially in New York and Chicago. Extra charges are placed upon every shipment of live poultry to the central market. I may say that the extra charge will amount to something like $380 per car, which adds to the expense of poultry in the cities. For some 4 or 5 hours' handling in the city of New York the expense incident to the poultry industry amounts to $380 to $400 per car, whereas in the shipment from the central South and the West, where the poultry is raised and produced, and there is involved about 4 days in transit, the charge is even less than is accumulated in these city markets such as Chicago and New York City.

It is the custom on these markets to charge extra for cartage and for coops, although the coop is used 40, 50, or even 75 times.

Mr. O'CONNOR. Will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield.

Mr. O'CONNOR. I have been waiting to hear the effect of the bill. The mere fact that the bill has been reported unanimously by the Committee on Agriculture is not necessarily an endorsement. It is an important matter which should be considered. Other bills have been reported from that committee which will never be considered. What is the effect of this bill on the cost of this live poultry in the city of New York?

Mr. MITCHELL of Tennessee. It would reduce the price per bird to the consumer in the city of New York from 15 to 20 cents.

Mr. O'CONNOR. What prompts this gratuitous concern for the city of New York that has never been thought of before?

Mr. MITCHELL of Tennessee. The gentleman's distinguished Senator introduced the bill and secured its passage in the other Chamber.

Mr. O'CONNOR. Will the gentleman tell us just how you propose to accomplish this?

Mr. MITCHELL of Tennessee. Well, you take the number of birds or chickens that are shipped per car and figure the expense of $380 or $400 that accumulates in the eastern market where this extra cartage and other charges are made, whether the services are rendered or not. These charges go to a trust or monopoly or racket, and the railroads have been powerless to cope with the situation. This has been referred to as a "racket" on the markets for years in New York City and in Chicago, and prosecution under the Sherman antitrust law has failed to bring the relief sought by this bill. The Department of Agriculture favors the bill, the Committee on Agriculture unanimously favors it, and the other body in the Capitol passed it without any opposition, as I understand it.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield to the gentleman from New Jersey.

Mr. LEHLBACH. What I should like to know is what are the provisions of the bill and how does it affect the transportation and marketing of poultry?

Mr. MITCHELL of Tennessee. I shall be pleased to answer my colleague's inquiry. It simply adds live poultry to the present Packers and Stockyards Act and places the administration of this measure under the Secretary of Agriculture.

Mr. LEHLBACH. But what are the provisions of the Stockyards Act as applied to poultry and what does it do to the poultry?

Mr. MITCHELL of Tennessee. It would cut off, may I say, this extra charge that is not warranted, and it would destroy these operations of the trust and the combines.

Mr. LEHLBACH. That is what it is intended to do, but, for instance, what happens to a chicken if this bill passes?

Mr. MITCHELL of Tennessee. I have just stated to my colleague about the extra cost of handling. They charge cartage even though the poultry car is backed up immediately behind the place of business of the commission merchant, and this would tend to cheapen the price of poultry to the consumer, if that is what my colleague is asking.

Mr. LEHLBACH. I am asking just what are the provisions of the bill. The gentleman states that the provisions of the bill would preclude the making of certain charges. In what manner would it preclude the making of such charges and what does the bill do? I understand what are the secondary consequences of the passage of the bill, but what are the precise provisions of the bill? What does it do to a chicken from the time it is brought from the farm until it is brought to the market?

Mr. MITCHELL of Tennessee. It simply directs the Secretary of Agriculture to prescribe certain rules and regulations. It is a kindred bill to certain legislation which has heretofore been enacted, and the purpose of it, of course, is absolutely to prevent charges for services that are never rendered. This is well known by the men in the cities. They charge for trucking or for cartage, whether there is any expense incident to it or not, and I may say to my friend there is really more poultry sold than there is beef or any other character of meat in this country.

Mr. LEHLBACH. I am not very well acquainted with the provisions of the Stockyards Act, but as I understand it, the stockyards market is a public utility and the act regulates the handling of cattle in the stockyards and their disposition in the stockyards, which is a public utility. Where are there any chicken stockyards in New York City or any other city which make the provisions of the Stockyards Act applicable?

Mr. MITCHELL of Tennessee. It is simply in line with the general provisions of that section and adds a new section, section 5, to it; and as we insist, if I make myself clear to my friend, it would absolutely preclude this charge of three hundred and some dollars on every car that is shipped to the market either in Chicago or New York City, and the producers in the South and in the West would receive at least 2 or 3 cents per pound more on their live poultry than they now receive by having this racketeering and stealing in the city markets cut out.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield.

Mr. PIERCE. I think our colleagues would understand the situation more clearly if the gentleman would explain who puts on this charge of $380 that we seek to avoid by the passage of this bill.

Mr. MITCHELL of Tennessee. The charges are put on by persons who render no service whatever.

Mr. PIERCE. It is simply racketeering.

Mr. MITCHELL of Tennessee. It is graft and stealing.

Mr. PIERCE. In all of the big cities.

Mr. MITCHELL of Tennessee. Yes; and on every car that is delivered the man that handles it takes 1, 2, or 3 birds home with him as a souvenir. Nobody can trace it, and if they do trace it you are powerless to do anything about it.

Mr. MARCANTONIO. I think the gentleman is stating an extreme case. Anybody who wants protection in the city of New York can get it.

Mr. MITCHELL of Tennessee. What I mean is that it is done without the knowledge of the authorities. It is like the shell game, it is there but you cannot see it.

I will say this further, that even though you know it, you cannot trace it. The charge of the truckman is fixed at $60 or $70 or $80, dependent on the situation, and this is put on

from the time it reaches the city market until it reaches its destination, in 4 or 5 hours' time, and the total drayage does not exceed a mile and a half, and a charge is made in excess of the freight by the railroad company that brings it all the way from the South to the eastern market. These charges are put on within 4 or 5 hours after it reaches the market in the city.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield.

Mr. CHRISTIANSON. I want to help the gentleman clarify the points raised by the Member from New Jersey, Mr. LEHLBACH, and I believe I can do it by asking a few questions. It is a fact, is it not, that public stockyards are subject to Federal control because they have to operate under Federal license? Poultry, on the other hand, is handled by men who do not operate under Federal license and therefore are not subject to Federal control? The purpose of the present bill is, is it not, to require those who handle poultry to operate under a Federal license, so that the Secretary of Agriculture may impose rules and regulations?

Mr. MITCHELL of Tennessee. The gentleman has well stated the situation. That is exactly what the bill does.

Mr. LUCKEY. Will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield.

Mr. LUCKEY. I am completely in sympathy with the gentleman's bill. Something has to be done along that line. The freight from Omaha, Nebr., to New York is $285.

Mr. MITCHELL of Tennessee. Something in excess of that.

Mr. LUCKEY. And the charges for the distribution of poultry by this organization is over $300.

Mr. MITCHELL of Tennessee. The cost for 4 hours' time is more than the 4 days' transportation on the railroad.

Mr. LUCKEY. It results in the people of the city paying more for their poultry, and the people who raise it in Nebraska do not get anything out of it.

Mr. MITCHELL of Tennessee. It means relief to the consumer and the producer both. I hope there will be no opposition to the bill.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of Tennessee. Yes.

Mr. O'CONNOR. Mr. Speaker, under N. R. A. this thing was taken care of. Since then there has been a let-down. As to this racketeering organization in New York City, just at this moment the authorities there are prosecuting them. State authorities started to prosecute them about a year ago. The Federal authorities stepped in and have not made much of a job of it. I think recently a lot of them were acquitted. Everybody in the street knows who they are.

Mr. MARCANTONIO. They were acquitted in the Federal court.

Mr. O'CONNOR. After the Federal court had stepped in and interfered with the prosecution by the county authorities. But I can assure the gentleman that that particular gang which forces itself chiefly on live poultry, if left to the hands of the district attorney of New York, will be put out of business.

Mr. MITCHELL of Tennessee. I am very glad to have the comment of the gentleman from New York.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act to regulate interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products, and eggs, and for other purposes, approved August 15, 1921 (U. S. C., title 7, secs. 181–229), is hereby amended by the addition of the following title:

"TITLE V—LIVE POULTRY DEALERS AND HANDLERS

"SECTION 501. The handling of the great volume of live poultry required as an article of food for the inhabitants of large centers of population is attendant with various unfair, deceptive, and fraudulent practices and devices, resulting in the producers sustaining sundry losses and receiving prices far below the reasonable value of their live poultry in comparison with prices of other commodities and in unduly and arbitrarily enhancing the cost to the consumers. Such practices and devices are an undue restraint and unjust burden upon interstate commerce and are a matter of such grave concern to the industry and to the public as to make it imperative that steps be taken to free such commerce from such burden and restraint and to protect producers and consumers against such practices and devices.

"SEC. 502. (a) The Secretary of Agriculture is authorized and directed to ascertain from time to time and to designate the cities where such practices and devices exist to the extent stated in the preceding section and the markets and places in or near such cities where live poultry is received, sold, and handled in sufficient quantity to constitute an important influence on the supply and price of live poultry and poultry products. On and after the effective date of such designation, which shall be publicly announced by the Secretary by publication in one or more trade journals or in the daily press or in such other manner as he may determine to be adequate for the purpose approximately 30 days prior to such date, no person other than packers as defined in title II of said act and railroads shall engage in, furnish, or conduct any service or facility in any such designated city, place, or market in connection with the receiving, buying, or selling, on a commission basis or otherwise, marketing, feeding, watering, holding, delivering, shipping, weighing, unloading, loading on trucks, trucking, or handling in commerce of live poultry without a license from the Secretary of Agriculture as herein authorized valid and effective at such time. Any person who violates any provision of this subsection shall be subject to a fine of not more than $500 or imprisonment of not more than 6 months, or both.

"(b) Any person desiring a license shall make application to the Secretary, who may by regulation prescribe the information to be contained in such application. The Secretary shall issue a license to any applicant furnishing the required information unless he finds after opportunity for a hearing that such applicant is unfit to engage in the activity for which he has made application by reason of his having at any time within 2 years prior to his application engaged in any practice of the character prohibited by this act or because he is financially unable to fulfill the obligations that he would incur as a licensee.

"SEC. 503. Sections 202, 401, 402, 403, and 404 of said act are amended by the addition of the words 'or any live poultry dealer or handler' after the word 'packer' wherever it occurs in said sections. The term 'live poultry dealer' means any person engaged in the business of buying or selling live poultry in commerce for purposes of slaughter either on his own account or as the employee or agent of the vendor or purchaser.

"SEC. 504. The provisions of sections 305 to 316, both inclusive, 401, 402, 403, and 404 of said act shall be applicable to licensees with respect to services and facilities covered by this title and the rates, charges, and rentals therefor except that the schedules of rates, charges, and rentals shall be posted in the place of business of the licensee as prescribed in regulations made by the Secretary.

"SEC. 505. Whenever the Secretary determines, after opportunity for a hearing, that any licensee has violated or is violating any of the provisions of this title, he may publish the facts and circumstances of such violation and by order suspend the license of such offender for a period not to exceed 90 days, and if the violation is flagrant or repeated he may by order revoke the license of the offender."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill was laid on the table.

RELIEF OF CERTAIN DISBURSING OFFICERS, UNITED STATES ARMY

Mr. DALY. Mr. Speaker, I ask unanimous consent for the present consideration of S. 556, for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I reserve the right to object. I would like to have an explanation of the bill.

Mr. McFARLANE. I reserve the right to object. What is the bill about?

Mr. DALY. The bill is similar to H. R. 4841. It is a bill to clear up the bookkeeping department in the Army. It is an Army bill and it has for its purpose the squaring of the accounts in the Army which involve some six or seven thousand dollars, which cannot be cleaned up and balanced, save by an act of Congress. These bills grow out of amounts expended by some Army officers.

Mr. PITTENGER. This is just a bookkeeping proposition and does not involve any expenditure of money.

Mr. McFARLANE. What is in the bill?

Mr. DALY. It is a bookkeeping proposition. It does not involve the expenditure of more than $700.

Mr. McFARLANE. What kind of a bookkeeping proposition? That is what is the matter with the country today—bookkeeping.

Mr. DALY. There is no doubt about that. This bill has been in Congress for 3 years. It passed the House in the last session of Congress. It passed the Senate on two different occasions. It was brought up on the floor of the House during this session and the gentleman from Kansas [Mr. HOPE] objected to it. After he read the bill he withdrew his objections. It was then objected to by the gentleman from Ohio [Mr. TRUAX] and he has informed me that after careful consideration he would not object to it.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. DALY. Yes.

Mr. HOPE. This bill came up on a call of the Private Calendar some 4 or 5 weeks ago, or at least, a similar House bill. None of the gentleman's conferees on the Democratic side objected to the bill at that time. I objected to it, but after further study of the matter I became convinced that the bill is a meritorious one. A number of items are involved. There was some dispute between the War Department and the Comptroller General on two or three items in the bill. I objected to it for the purpose of making further study of the objections of the Comptroller General, but after doing so became convinced that the position of the War Department in the matter was correct. Therefore, I withdrew what objection I had to the bill.

Mr. McFARLANE. How much is involved?

Mr. DALY. It involves a total expenditure of between seven and eight hundred dollars, and cleans up some $16,000 worth of bookkeeping accounts.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Selden B. Armat, major, Finance Department, $60.91; Francis J. Baker, major, Finance Department, $25; Edwin F. Ely, major, Finance Department, $77.37; Clarence M. Exley, major, Finance Department, $92.02; Eugene M. Foster, captain, Finance Department, $19.65; Peter Hanses, captain, Quartermaster Corps, $10.70; Thomas B. Kennedy, captain, Finance Department, $60.30; Montgomery T. Legg, major, Finance Department, $178.47; Harry B. Lovell, captain, Finance Department, $34.78; Samuel B. McIntyre, late colonel, Finance Department, $31.37; Jacob R. McNiel, captain, Finance Department, $180.23; Hilden Olin, colonel, Finance Department, $59.57; Herbert E. Pace, major, Finance Department, $91; Joseph F. Routhier, first lieutenant, Finance Department, $96.53; Philip A. Scholl, captain, Finance Department, $333.82; Edwin B. Spiller, major, Finance Department, $18.27; George N. Watson, major, Finance Department, $178; and Lawrence P. Worrall, captain, Finance Department, $11.28, said amounts being public funds for which they are accountable and which comprise minor errors in computation of pay and allowances due military personnel, who are no longer in the service of the United States, and which amounts have been disallowed by the Comptroller General of the United States.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Francis J. Baker, major, Finance Department, $105.57, public funds for which he is accountable, paid to members of the National Guard of Florida and Tennessee for armory drill pay.

SEC. 3. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Edward T. Comegys, major, Finance Department, the sum of $22.70, public funds for which he is accountable and which were paid by him to Wilmot A. Danielson, major, Quartermaster Corps, for mileage performed under War Department orders, and which amount was disallowed by the Comptroller General of the United States.

SEC. 4. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Otto W. Gralund, major, Finance Department, the sum of $73.80, public funds for which he is accountable and which were paid to a former officer of the United States covering commutation of quarters and from whom it is impossible to make collection.

SEC. 5. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Carl Halla, major, Finance Department, the sum of $323.48, public funds for which he is accountable and which were paid Maj. (then captain) Maurice L. Miller, Infantry, covering loss of personal property and whose claim was approved by the Acting Secretary of War on August 6, 1925, and disallowed by the Comptroller General of the United States.

SEC. 6. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Peter Hanses, captain, Quartermaster Corps, the sum of $43.80, public funds for which he is accountable and which were paid to 14 citizens' military training camp students covering mileage from their homes to Camp Harry J. Jones, Ariz., collection of which amount cannot be effected.

SEC. 7. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Thomas B. Kennedy, captain (retired), Finance Department, the sum of $58.50, public funds for which he is accountable and which were paid to 12 Reserve Officers' Training Corps and citizens' military training camp students on account of mileage from their homes to Fort Sheridan, Ill., collection of which amount cannot now be effected.

SEC. 8. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Edwin J. O'Hara, major, Finance Department, the sum of $86.26, public funds for which he is accountable and which were paid to Howard S. Miller, lieutenant colonel, Coast Artillery Corps, covering mileage under proper orders of the War Department and which payment was disallowed by the Comptroller General of the United States.

SEC. 9. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Edwin M. Lawton, disbursing clerk, War Department, the sum of $38.61, public funds for which he is accountable and which were paid to James R. Kyle, a civilian employee of the Quartermaster General's office, and disallowed by the Comptroller General of the United States.

SEC. 10. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank B. Strunk, former private, Battery C, Three Hundred and Thirty-seventh Regiment Field Artillery, the sum of $44.75, being the amount he has paid for one second Liberty Loan bond by deduction from his pay as an enlisted man and which bond was lost in the mails.

SEC. 11. That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of Clarence M. Exley, major, Finance Department, the sum of $22.56, representing public funds for which he is accountable, being payment of mileage of two officers of the Army traveling on orders of the War Department, which now stands as disallowances on the books of the General Accounting Office.

SEC. 12. That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of William A. MacNicholl, major, Finance Department, the sum of $145.70, representing public funds for which he is accountable, being payment of mileage and expenses to an officer of the Army traveling on orders of the War Department, which now stands as disallowances on the books of the General Accounting Office.

SEC. 13. That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of Arthur O. Walsh, captain, Finance Department, the sum of $84.60, representing public funds for which he is accountable and which comprise minor errors in computation of pay and allowances due military personnel who are no longer in the service of the United States, which now stands as disallowances on the books of the General Accounting Office.

SEC. 14. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Austin H. Brown, major, Finance Department, the sum of $46.58, being the amount he has refunded to the United States on account of disallowances in his account as a disbursing officer.

SEC. 15. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alexander T. McCone, first lieutenant, Field Artillery, $124; and to John C. Hamilton, first lieutenant, Cavalry, $132, being the amounts originally paid to them by disbursing officers of the Army and which amounts they have refunded to the United States by reason of disallowances by the Comptroller General of the United States, covering traveling expenses while studying foreign languages in Europe under proper orders of the War Department.

SEC. 16. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Fred W. Boschen, lieutenant colonel, Finance Department, United States Army, in the sum of $1,165.58, being payments made by him to officers of the Regular Army for traveling expenses and disallowed by the Comptroller General.

SEC. 17. That the Comptroller General of the United States be, and he is hereby, authorized and directed not to require refund from the following-named officers of the Army of amounts originally paid them by a disbursing officer of the Army covering traveling expenses while studying foreign languages in Europe under proper orders of the War Department, which amounts were later disallowed by the Comptroller General: Thomas G. Peyton, major, Cavalry, $236.60; Leo V. Warner, captain, Field Artillery, $235.60; Francis B. Valentine, first lieutenant, Air Corps, $132; and Reginald W. Hubbell, first lieutenant, Quartermaster Corps, $561.38.

SEC. 18. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts

of the following disbursing officers of the Army of the United States the amounts set opposite their names: Herbert Baldwin, captain, Finance Department, $10; Philip G. Blackmore, major, Ordnance Department, $11.70; Jerome Clark, major, Finance Department, $10.05; Edward T. Comegys, major, Finance Department, $97.31; John M. Connor, first lieutenant, Finance Department, $29; Edward Dworak, major, Finance Department, $40.44; Frank F. Fulton, captain, Finance Department, $68.40; John B. Harper, major, Finance Department, $5.45; Laurence V. Houston, captain, Field Artillery, $20.73; Royal G. Jenks, captain, Finance Department, $36.89; Robert J. Kennedy, captain, Finance Department, $6.50; Edwin J. O'Hara, major, Finance Department, $40.77; Walter H. Sutherland, captain, Finance Department, $2; and Ernest W. Wilson, captain, Finance Department, $102.91; said amounts being public funds for which they are accountable and which comprise minor errors in computation of pay and allowances due military personnel who are no longer in the service of the United States, and which amounts have been disallowed by the Comptroller General of the United States.

SEC. 19. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the finance officer, Panama Canal Department, Quarry Heights, Canal Zone, the sum of $34.75, public funds for which he is accountable and which represent the amount paid by his agent officer with the Pan American flight on vouchers which have been submitted but which are not acceptable by the General Accounting Office.

SEC. 20. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Edward T. Comegys, major, Finance Department, United States Army, the sum of $57.70, public funds for which he is accountable and which were paid by him covering shipment of household goods and personal effects of Capt. John J. Atkinson, Field Artillery, United States Army, upon his permanent change of station: *Provided*, That there shall be no charge raised against Captain Atkinson by reason of this shipment.

SEC. 21. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Kinsley W. Slauson, captain, Quartermaster Corps, United States Army, the sum of $118.50, public funds for which he is accountable and which were paid to officers of the Regular Army for traveling expenses and disallowed by the Comptroller General of the United States: *Provided*, That the amounts so paid shall not be charged against any moneys otherwise due the payees.

SEC. 22. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of John B. Harper, major, Finance Department, United States Army, the sum of $90.90, public funds for which he is accountable and which amount was paid for the transportation of personal property of G. V. Heidt, lieutenant colonel (retired), United States Army, upon his retirement, which amount has been disallowed by the Comptroller General: *Provided*, That no refund on this account shall be demanded of Lt. Col. G. V. Heidt, United States Army, retired.

SEC. 23. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Dana W. Morey, major, Finance Department, United States Army, the sum of $37.85, public funds for which he is accountable and which were stolen by a person or persons unknown sometime between July 20 and 22, 1929, from the safe in the finance office at Fort McPherson, Ga.

SEC. 24. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Oliver T. Simpson, captain, Finance Department, United States Army, the sum of $78.30, public funds for which he is accountable and which represent overpayments to an enlisted man and a citizens' military training camp trainee, and which amount has been disallowed by the Comptroller General of the United States.

SEC. 25. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of James T. Stockton, lieutenant colonel, Texas National Guard, formerly a United States property and disbursing officer for the State of Texas, the sum of $215.83, public funds for which he is accountable, and which were paid by him to former officers and enlisted men of the National Guard of Texas, and to a civilian caretaker of the National Guard of Texas, and which amounts have been disallowed by the Comptroller General.

SEC. 26. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Arthur L. Webb, major, Finance Department, United States Army, the sum of $50.40, public funds for which he is accountable, and which represent payments made to Reserve Officers' Training Corps students, which payments have been disallowed by the Comptroller General of the United States.

SEC. 27. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Ernest W. Wilson, captain, Finance Department, the sum of $89, public funds for which he is accountable, and which amount was paid to a contractor for services rendered and which payment has been disallowed by the Comptroller General of the United States on the grounds that the lower bid was not accepted. The War Department did not consider the lower bidder equipped to render the necessary service and approved payment to the next higher bidder.

SEC. 28. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas H. Emerson, major, Corps of Engineers, the sum of $150; and to James M. Loud, lieutenant colonel (retired), the sum of $75, being the amounts due these officers for deductions made from their pay and now due them as directed by the Supreme Court of the District of Columbia.

SEC. 29. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin K. Wright, first lieutenant, Infantry, United States Army, $1,681.17, or so much of such sum as shall have been collected from him prior to the passage of this act, representing a loss from the peculations and irregularities of a noncommissioned officer in the commissary at Fort Wright, Wash., during the period June 1 to July 26, 1929, while Lieutenant Wright was temporarily acting as post quartermaster: *Provided*, That no part of this shortage shall be later charged to Lt. Edwin K. Wright, Infantry.

SEC. 30. Any amounts which otherwise may have been due any of the disbursing officers mentioned herein, or, in the case of deceased officers, may have been due their heirs, for any other purpose, and which amounts or any part thereof have been used as a set-off by the Comptroller General to clear disallowances in said officers' accounts mentioned herein, shall be refunded to such disbursing officers or their heirs: *Provided*, That any amounts refunded by any of said disbursing officers, or their heirs, to the United States on account of said disallowances, shall also be refunded to such disbursing officers or their heirs.

SEC. 31. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Earl I. Brown, colonel, Corps of Engineers, United States Army, the sum of $9,341.35, representing public funds for which he is accountable and being the amount paid by him in April 1920, to the Sheridan-Kirk Contract Co. in connection with the construction of Lock and Dam No. 31 on the Ohio River under contract dated November 6, 1912.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SECOND DEFICIENCY APPROPRIATION BILL, 1935–36

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that after the reading of the Journal and disposition of business on the Speaker's table on tomorrow it may be in order to call up the conference report on the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL MONUMENT ON ESTATE OF PATRICK HENRY

Mr. BURCH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 997) to provide for the establishment of a national monument on the site of Red Hill, estate of Patrick Henry.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. SNELL. Reserving the right to object, what is this bill, please?

Mr. BURCH. It is a bill to provide for the establishment of a national monument on the site of Red Hill. The property is to be donated by the State or by individuals.

Mr. SNELL. I think the gentleman ought to make a full and complete statement of what that is going to cost, and so forth.

Mr. BURCH. There will be no cost to the Federal Government in connection with the acquisition of the property. The Secretary of the Interior is authorized in his discretion to accept on behalf of the United States, for installation in the cottage used as a law office by Patrick Henry, articles which may be offered as additions to the museum. The Secretary of the Interior is authorized, in his discretion, to mark monuments, tablets, or otherwise, historical points of interest within the boundaries of the Patrick Henry National Monument.

The bill provides that a national monument may be erected to Patrick Henry at Red Hill in Charlotte County, Va., when the property has been donated, either by the State of Virginia or by individuals. There is no financial obligation.

Mr. SNELL. Who is to erect the monument? Private individuals?

Mr. BURCH. Private individuals or by funds appropriated by the State of Virginia.

Mr. SNELL. What is the object of turning it over to the Federal Government if they are going to pay all the expense?

Mr. BURCH. Of course, Patrick Henry was a national figure. The Interior Department has approved this bill. The National Parks Service has approved this bill. It has the unanimous report of the Committee on Lands, and the bill has also passed the Senate.

Mr. SNELL. Of course, the obligation will be on the Federal Government at all future time to maintain and take care of this park?

Mr. BURCH. Of course.

Mr. SNELL. How large will the park be?

Mr. BURCH. Probably not more than a very few acres. The grave is there. Patrick Henry is buried at this point. His old law office is on the property. The building in which he lived was destroyed by fire a few years ago but the foundation is there. The cost could not be very much.

Mr. SNELL. Of course, there will be more or less expense in the maintenance and care of this property?

Mr. BURCH. There would be some little expense.

Mr. SNELL. Of course, that is the real object in having the Federal Government take it over.

Mr. BURCH. The idea at the beginning of it was to have this as a national monument.

Mr. SNELL. If we are going to spend all this money, I suppose we might as well do it that way as any other.

Mr. McFARLANE. Will the gentleman yield?

Mr. BURCH. I yield.

Mr. McFARLANE. I think the gentleman ought to insert in the RECORD at this point the speech that made Patrick Henry famous, where he chose liberty or instead death.

Mr. BURCH. I will be very glad to do so.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BURCH]?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That when title to the estate known as "Red Hill", the estate of Patrick Henry, located in Charlotte County, Va., together with such buildings and other property located thereon as may be designated by the Secretary of the Interior as necessary or desirable for national monument purposes shall have been vested in the United States, said area and improvements shall be designated and set apart by proclamation of the President for the preservation as a national monument for the benefit and inspiration of the people, and shall be called the "Patrick Henry National Monument."

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to accept donations of land, interests in land and/or buildings, structures, and other property within the boundaries of said national monument as determined and fixed hereunder, and donations of funds for the purchase and/or maintenance thereof, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may acquire on behalf of the United States out of any donated funds, by purchase at prices deemed by him reasonable, or by condemnation under the provisions of the act of August 1, 1888, such tracts of land within said national monument as may be necessary for the completion thereof.

SEC. 3. That the administration, protection, and development of the aforesaid national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes", as amended.

SEC. 4. The Secretary of the Interior is authorized and directed to make such alterations and repairs to the cottage used as a law office by Patrick Henry and to install therein such furniture and furnishings as may be necessary to (1) restore such cottage to the approximate condition and appearance possessed by it at the time of Patrick Henry's death, and (2) permit the use of such cottage as a museum for relics and records pertaining to Patrick Henry, and for other articles of national and patriotic interest. The Secretary of the Interior is authorized, in his discretion, to accept on behalf of the United States, for installation in such cottage, articles which may be offered as additions to the museum.

SEC. 5. The Secretary of the Interior is authorized, in his discretion, to mark with monuments, tablets, or otherwise, historical points of interest within the boundaries of the Patrick Henry National Monument.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATISTICS ON SPIRITS OF TURPENTINE AND ROSIN

Mr. DEEN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1811) providing for the publication of statistics relating to spirits of turpentine and rosin.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. SNELL. Reserving the right to object, let us have a brief explanation of what this bill is.

Mr. DEEN. Mr. Speaker, the bill simply provides that the Secretary of Agriculture be authorized and directed to obtain statistics on naval stores, turpentine products, in order to better adjust the production and consumption program of naval-stores products. The bill does not cost any money or authorize any appropriation. It will not authorize an additional appropriation.

Mr. SNELL. I cannot understand how you are going to provide for statistics on various matters and not cost any money.

Mr. DEEN. Not any extra money. The Secretary of Agriculture says that his present organization can do the work. He is in favor of the bill. The bill has passed the Senate.

Mr. SNELL. If he has the authorization, why does he need any more power?

Mr. DEEN. He has the authorization as far as the money is concerned, and he has the force with which to do the work.

Mr. SNELL. From what committee does this come?

Mr. DEEN. The Committee on Agriculture has unanimously reported the bill. There was no objection to it by any officials in the Department of Agriculture, as far as I know. The bill has passed the Senate.

Mr. TABER. Reserving the right to object, what useful purpose will be served by this?

Mr. DEEN. The useful purpose is that in trying to adjust the production and consumption program of naval stores in the five Southern States which produce naval stores, the naval stores division of the Department of Agriculture finds itself in need of the statistics with reference to the amount of rosin consumed in the United States annually, the amount exported, and various and sundry other statistics in regard to the production and consumption in order that they may give proper quotas and allotments to the various producers in the five States that produce naval-stores products.

It is highly important, I will say to my colleague, that this bill be passed.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to collect and/or compile and publish annually, and at such other times, and in such form and on such date or dates as he shall prescribe, statistics and essential information relating to spirits of turpentine and rosin produced, held, and used in the domestic and foreign commerce of the United States.

With the following committee amendments:

Page 1, lines 4 and 5, strike out "and to publish annually, in such form and on such date as he shall prescribe, statistics relating to the quantity of" and insert in lieu thereof the following: "and/or compile and publish annually, and at such other times, and in such form and on such date or dates as he shall prescribe, statistics and essential information relating to."

Page 2, line 2, after the word "the" insert "domestic and foreign commerce of the."

The committee amendments were agreed to.

Mr. HOLMES. Mr. Speaker, I make the point of no quorum.

The SPEAKER. Unanimous consent was given for the consideration of this bill.

Mr. HOLMES. Then, Mr. Speaker, I withdraw my point of no quorum temporarily.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. HOLMES. Mr. Speaker, I made the point of no quorum but withdrew it temporarily to permit the passage of the bill. I renew my point of order that there is not a quorum present.

The SPEAKER. The Chair will count.

Mr. TAYLOR of Colorado. Will not the gentleman withdraw his point of order to permit me to submit a unanimous-consent request?

Mr. HOLMES. Mr. Speaker, I withdraw my point of order temporarily to permit the gentleman from Colorado to submit a unanimous-consent request.

ORDER OF BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that it may be in order on Monday and Tuesday next to consider bills on the Consent Calendar.

Mr. BIERMANN. Mr. Speaker, reserving the right to object, I would like to ask the majority leader when we are going to get time to consider bills on the Private Calendar? More than 200 still remain to be acted upon.

Mr. TAYLOR of Colorado. The House put in most of today on them. I hope we went as far on the calendar as the special examiners had prepared to go, and I hope we may take them up again some time next week.

Mr. BIERMANN. Does the gentleman consider an hour and a half a day?

Mr. TAYLOR. We have considered over 100 bills today; that is a pretty good record.

Mr. BIERMANN. At the present rate we shall have to have 2½ to 3 days set aside to consider the balance of them.

Mr. TAYLOR of Colorado. I expect to take up both calendars and clean them up before we adjourn.

Mr. BIERMANN. Mr. Speaker, I withdraw my reservation of objection.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I would like to state to the gentleman from Colorado that many of us are very anxious to get through with the essential legislation. I understand there will be a number of conference reports ready for consideration on Monday and Tuesday.

Mr. TAYLOR of Colorado. My request was merely that it may be in order to consider them if we have the time to consider them.

Mr. BOILEAU. May I ask the gentleman whether or not he has any information as to when the Guffey coal bill will be brought up for consideration?

Mr. TAYLOR of Colorado. No; I have not. The committee has not yet reported out that bill. I have no information as to when that committee will report the bill.

Mr. BOILEAU. Many of us who live at some distance from Washington are anxious to dispose of those matters of essential legislation as soon as possible.

Mr. TAYLOR of Colorado. We all wish to close this session as soon as possible.

Mr. BOILEAU. I understand the committee has not yet reported the bill, but I thought the gentleman might have some information as to when it was intended to report the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, I wish the gentleman from Colorado would make the request that on Monday it shall be in order to consider bridge bills. I am not so particular about Tuesday.

Mr. TAYLOR of Colorado. I have already made that request, and it was objected to by the gentleman from Ohio [Mr. TRUAX].

Mr. McFARLANE. Mr. Speaker, reserving the right to object, I do not know of any reason why we should consider bridge bills over any other bills on the Consent Calendar and Private Calendar. I think we ought to let nature take its course and consider them as we come to them.

Mr. SNELL. If they would be considered fairly and on their merits, I would be very glad to have it done that way, but there are certain people who object to certain types of bridge bills and we do not get very far.

Mr. McFARLANE. So far as I am concerned, I do not object to toll bridges if it can be shown that the people want them. Personally, I favor free bridges wherever they can possibly be built.

Mr. SNELL. Let me ask the gentleman a question in all fairness, if people in my section of the country, the northern part of the State of New York, and the State of Vermont want to build a bridge, why should the gentleman object to it?

Mr. McFARLANE. In all fairness, if that kind of a showing is made and we know that it is justified, I do not object to it.

Mr. SNELL. I have that kind of a bridge bill on the calendar. So far as I know there never has been any local objection to the building of them, because they are a great convenience to the people of these two States.

Mr. McFARLANE. My position is that we should consider bridge bills like all other bills. I see no reason why we should give bridge bills favorable consideration over other bills.

Mr. SNELL. One reason for giving them preference is that they will create work at this time.

Mr. McFARLANE. So will the other bills.

Mr. SNELL. No; a great many of them are claims.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. TRUAX. Has the bill the gentleman referred to been objected to?

Mr. SNELL. It is on the calendar now, but similar bills have been objected to.

Mr. TRUAX. I will say to the gentleman that not all of the bills on the calendar have been objected to. We have not objected to any bill for a free bridge.

Mr. SNELL. But this bridge has got to be a toll bridge because there is no other way it can be paid for. If the people in the two States affected want such a bridge why should the gentleman object to it?

Mr. TRUAX. I was present, and I will say we have not considered the gentleman's bill yet.

Mr. SNELL. I had a similar one objected to before.

Mr. RAYBURN. The same condition exists today as has always existed. The Committee on Interstate and Foreign Commerce never reports a bridge bill unless it is in regular form and has the endorsement of the Department. In each session we have a great many bills. We are compelled to bring in an omnibus bill in order to pass all of them, and we intend to do that before this session is over.

Mr. SNELL. If I understand the situation correctly, the only interest the Federal Government has in any of these bridge propositions is the protection of the Government as far as the rights of navigation are concerned.

Mr. RAYBURN. That is correct; there is also the matter of the Federal-aid roads. The Government does not want to be imposed upon by someone getting a toll bridge in connection with a Federal-aid highway. That is the position the committee has taken with reference to bridge matters. The committee has also taken this position with reference to bridges: They never grant anyone the right to build a toll bridge if anyone else, whether it be State authority, individual, or corporation, will build a free bridge. However, where someone desires to build a bridge, and there is no chance whatever of getting a free bridge, and it will increase the transportation facilities, our committee has never objected and does not see why anyone else wants to object.

Mr. SNELL. It has been the policy of this House to grant these requests. In our individual case the arrangement was made for financing this bridge. If we can get this

matter acted on quickly we can put some men to work and it will help relieve the situation in the northern part of Vermont and the northern part of the State of New York. I am very anxious to get this through, and there is no objection anywhere, as far as I know, unless someone here in the House objects to its consideration.

Mr. McLAUGHLIN. Will the gentleman yield to permit me to ask a question of the gentleman from Ohio [Mr. TRUAX]?

Mr. SNELL. The majority leader has the floor, but I yield.

Mr. McLAUGHLIN. May I ask the gentleman from Ohio a question? Will he please state to the House what his attitude is on the matter of the construction of bridges which carry a toll provision? In other words, are he and his coobjectors objecting to all bills which provide for the erection of a bridge upon which a toll will be charged?

Mr. TRUAX. No; we have not objected to every such bill.

Mr. McLAUGHLIN. Then may I inquire what the gentleman's attitude is upon that matter?

Mr. TRUAX. We have objected to bills that contemplated toll bridges when free bridges could be constructed instead of toll bridges. That is the exact situation with reference to four bridges in Allegheny County, Pa. I should like the Chairman of the Interstate and Foreign Commerce Committee to explain why his committee insists on reporting only bills involving toll bridges, when the people back there and their commissioners want a free bridge?

Mr. RAYBURN. The committee does not insist on toll bridges.

Mr. TRUAX. Two members of the gentleman's committee insisted on that yesterday.

Mr. RAYBURN. When a free bridge could have been built?

Mr. TRUAX. Yes.

Mr. McLAUGHLIN. If a public body is appointed trustee for the erection of a bridge over a navigable stream, is the gentleman from Ohio going to object as a matter of principle to the granting of a franchise by the Congress for the reason that a toll will be charged when the bridge is erected?

Mr. TRUAX. I may say to the gentleman that personally I have no influence on the Members of the House, as was disclosed yesterday.

Mr. McLAUGHLIN. I am speaking to the gentleman as an objector.

Mr. TRUAX. My influence was indicated by the record vote yesterday; but, personally, I am opposed to toll bridges for reasons somewhat exhaustively explained heretofore.

The regular order was demanded.

Mr. TRUAX. I shall do my utmost to prevent the construction of toll bridges.

Mr. McLAUGHLIN. Does the gentleman intend to object unqualifiedly to all toll bridges?

Mr. TRUAX. No.

Mr. SNELL. I understood from the gentleman's position that he was going to object to all toll bridges.

Mr. TRUAX. No; I do not think the gentleman can find any such statement of mine.

Mr. McLAUGHLIN. Does the gentleman make a distinction between a bridge in the case in which a public body, such as a board of county commissioners, will be a trustee, and a bridge in the case in which a private individual will be trustee?

Mr. TRUAX. I have made this distinction in connection with bridges. If the trustee proposes to liquidate the debt within 20 years, I withdraw my objection, as was done in the case of a bill fostered by the gentleman from Pennsylvania [Mr. FADDIS].

Mr. McLAUGHLIN. Is the gentleman making it a condition that the debt must be liquidated in 20 years?

Mr. TRUAX. Not an absolute condition; no.

Mr. McLAUGHLIN. Is the gentleman making that a condition to his objection; in other words, that he will not object if the bridge debt will be liquidated in 20 years, and that he will object if a longer time than 20 years is required?

Mr. TRUAX. No; that is not an absolute condition.

Mr. McFARLANE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McFARLANE. I wonder if we cannot put the gentleman from Ohio [Mr. TRUAX] down in the front of the House so that we can interrogate him further.

Mr. SNELL. This is a matter which every Member of the House is interested in, and we might as well make up our mind to discuss how we are going to take care of these bridge bills.

Mr. TRUAX. In reply to the distinguished minority floor leader, may I say that the conditions he has recited are somewhat different from the conditions applying to the bridge bills we have already considered.

Mr. TAYLOR of Colorado. Why can we not consider all those bridge bills in an orderly way under the request I have made?

Mr. TRUAX. The request the gentleman made, to my mind, is not particularly orderly, in that you propose to consider these bills in the Committee of the Whole, which can be done with a minimum number of Members present, namely, 100.

Mr. O'CONNOR. That is the very purpose of it.

Mr. TRUAX. That was the point the gentleman from New York had in mind with respect to orderly procedure in considering bills on the Private Calendar, and the gentleman did succeed in eliminating all debate upon private bills, with the result also that two objections are now needed instead of one. To my mind, this is not quite orderly procedure, especially when we consider the wishes and desires of the taxpayers of the country back home.

Now, the gentleman's request is to consider these bridge bills as in Committee of the Whole, requiring only a quorum of 100 as against 218. Also, under this so-called "orderly procedure", you cannot get the Members on record, because you cannot have a roll-call vote. I personally am glad to go on record on all issues.

Mr. SNELL. But if we had to have a roll call on every one of these bridge bills, we could not consider them in 2 weeks.

Mr. TRUAX. We would not have to have a roll call on every one of them.

Mr. TAYLOR of Colorado. Does the gentleman intend to insist on his objection?

Mr. TRUAX. I think I shall.

Mr. UMSTEAD. Mr. Speaker, I demand the regular order.

Mr. TAYLOR of Colorado. Mr. Speaker, my pending request is that it may be in order on Monday and Tuesday next to consider bills on the Consent Calendar.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object for just a moment, that request was made for both days because it was thought possible to take up the bridge bills on Monday. Since an omnibus bridge bill will likely come in, I might suggest that 1 day, Monday, would be sufficient to devote to the Consent Calendar.

Mr. TAYLOR of Colorado. If we finish the Consent Calendar Monday, that will be all right.

Mr. O'CONNOR. If you make it in order to consider the Consent Calendar on Monday and Tuesday and the Speaker feels obligated to give the Consent Calendar precedence over important rules or other matters, there would be an entirely different situation.

Mr. TAYLOR of Colorado. I have no intention of displacing other important matters on either Monday or Tuesday.

Mr. O'CONNOR. I understood it would have preference and I submit that 2 days for the Consent Calendar are too much under the circumstances and 1 day will be sufficient.

Mr. TAYLOR of Colorado. Then, Mr. Speaker, I modify my request and make it apply to Monday only.

The SPEAKER. The gentleman from Colorado asks unanimous consent that it may be in order on Monday next to consider bills on the Consent Calendar. Is there objection?

Mr. McFARLANE. Mr. Speaker, reserving the right to object, it seems to me, we are confronted now with a rule from the Rules Committee to bring in an omnibus bill giving right-of-way to all these bridge bills over all other bills on

the calendar, and I do not see any reason why this should be done. The plan now seems to be to bring these bridge bills in under a rule that will permit little debate and no record vote and I am opposed to that procedure. I see no reason why bridge bills should be given preference over the other bills. There is no more merit or emergency involved in those bills than other bills on the calendar, and many of these bridge bills have been considered at least once and the bills that are to be brought up here under an omnibus bill will take care of that situation. There are hundreds of bills on the Private Calendar and a similar number on the Consent Calendar that have never received any consideration by the House, and it seems to me these bills are certainly entitled to their day in the House before we give any other bills prior consideration.

Mr. TAYLOR of Colorado. That is the very thing I am trying to do. There are something like 300 bills on each of those two calendars, and I hope to give the authors of all of them at least one chance to have them considered before this session of Congress adjourns, and if so I apprehend they will have to be called next week.

Mr. UMSTEAD. Mr. Speaker, I again demand the regular order.

Mr. McFARLANE. It looks to me like we are going to have some of these bridge bills that have not been considered by the House brought in here in an omnibus bill and the bill will be considered in the Committee of the Whole, and it will be impossible to get a record vote.

Mr. TAYLOR of Colorado. The bridge bills will not be given a preferred status by this request.

Mr. McFARLANE. That is not contemplated in the request now pending, but I notice from the floor comment that such procedure as I have outlined is contemplated in the near future.

Mr. TAYLOR of Colorado. No; I do not ask that.

Mr. UMSTEAD. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Colorado asks unanimous consent that it may be in order on Monday next to consider bills on the Consent Calendar. Is there objection?

There was no objection.

WILL A. HELMER

Mr. MAPES. Mr. Speaker, my colleague the gentleman from Michigan [Mr. KIMBALL] is ill in the hospital. The gentleman from Michigan introduced a bill (H. R. 3147) for the relief of Will A. Helmer, which is No. 535 on the Private Calendar and which was called and objected to this afternoon. I have spoken to the gentlemen who objected and they are willing to withdraw their objections, and I, therefore, ask unanimous consent, Mr. Speaker, to return to Calendar No. 535.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Will A. Helmer, of Battle Creek, Mich., the sum of $15,090, the said sum representing the rental on 400 acres of land, being a farm owned by said Will A. Helmer, adjacent to Camp Custer, in Calhoun County, Mich., which was taken over by the United States Government during the years 1917 to 1926, inclusive, and for damages done to said land by the building of a railroad through and over the said land, and for the taking of gravel from the land; for the destroying of fruit trees and other trees on said land.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed and a motion to reconsider laid on the table.

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

RECIPROCAL-TRADE AGREEMENTS

Mr. SCRUGHAM. Mr. Speaker, the so-called "reciprocal-trade agreements" with various foreign nations, recently negotiated by the State Department, in my opinion, constitute the most flagrant example of giving away material trade advantages with no adequate compensatory return, which is recorded in all the history of the Nation.

The ill effects of such policies and avoidance of destruction of numerous small industries in this country can only be prevented by an immediate return of the United States to the traditional American policy of extending conditional most-favored-nation treatment only on a bilateral basis. This would reverse the action taken by the Harding administration in 1922, when it abandoned the conditional principle which had been in effect for more than a hundred years as the guiding foreign-trade policy of the United States, and when it adopted the internationalist doctrine of the unconditional most-favored-nation policy. The fact is that the application of the unconditional most-favored-nation policy means a general reduction of tariffs by us, but not by other nations.

I do not consider that this is an appropriate policy for the United States at a time when 10,000,000 or more men are unemployed, and when we are confronted with the keenest and most ruthless foreign competition in the history of the country. In a time of rapidly changing price and wage levels in different countries and violent fluctuations of currency values, we must be in a position to protect ourselves.

The very economic existence of my State is threatened by the present situation. The harassed cattle-raising industry faces bankruptcy if contemplated trade agreements are permitted. Domestic mining of nearly all of the strategic war minerals may cease to exist if the multilateral agreements are carried to their logical conclusion. Already a small but thriving silica-sand industry in Nevada has been extinguished as a result of the Belgian treaty. Scores of others in every section of the country will meet with the same fate if some substantial protection is not given. During the past several years the United States has come to occupy an increasingly unfavorable position in world trade, owing to the attitude taken by other nations in the form of prohibitive tariffs, quotas, exchange controls, special agreements, the benefits of which do not extend to the United States.

If we are to compete in a situation like this we must retain the maximum freedom of action and bargaining power. The record of the past months indicates that under the unconditional most-favored-nation principle our bargaining power is progressively diminished with each trade agreement concluded, inasmuch as the concessions granted under them to one nation are extended gratis to all other nations, without requiring concessions of corresponding value in return.

A concrete example of this may be found in the circumstance that since the adoption of the trade agreement with Haiti, which binds coffee on the free list, Brazil and Colombia, the two important suppliers of coffee to this country, have had no incentive to ratify the trade agreements negotiated with them, for the reason that the advantages assured to Haiti are likewise assured to them under the unconditonal most-favored-nation principle, without requiring anything from them in return.

On the other hand, the Cuban agreement is an excellent example of a real reciprocal agreement. It differs profoundly from the other agreements being negotiated in that its benefits are confined to the United States and Cuba, which I think accounts for its success. The other agreements ignore entirely the principle of real reciprocity and in effect constitute little more than a general reduction in our tariffs.

Belgium, with which this country has consummated a reciprocal-trade agreement and thus has an unconditional commitment, made 20 bilateral agreements dealing with exchange, surtax, quota, tariffs, clearing, and compensation. In addition, since 1931, Belgium has employed a quota license system for certain imports. For example, the women's clothing quota is based on a period when the United States was not a supplier. The United States is further discriminated against in levying specifically graduated tariffs on automo-

biles on the basis of weight, with the lighter British, German, and Italian cars paying lower rates. Likewise, it may be pointed out that Brazil, another country with which a reciprocal pact has been negotiated, although it has not yet been ratified, has nine bilateral agreements with other nations, giving them special treatment in the matter of exchange and quotas. Since 1931, the statement reported, imports into Brazil have been subjected to stringent exchange control.

The British Empire tariff preference subjects American goods sent to the British dominions to a duty 15 to 20 percent higher than that on Empire products. Austria controls imports by quotas, making special agreements with countries that purchase there. Canada has extended the rates of its intermediate tariff schedule to nearly all non-British countries except the United States, and uses arbitrary valuations and antidumping duties to curtail imports, in particular from the United States.

In Denmark an exchange control board regulates the issue of exchange certificates to the disadvantage of American imports, while the tariff on automobiles is based on cylinder capacity and is therefore higher on cars of the United States than on those of Great Britain, in addition to granting special concessions to 13 nations other than the United States in bilateral agreements.

France has made 52 bilateral agreements governing its trade with other nations and does not extend all of its conventional tariff reductions to the United States. The French also use their quota system for bargaining purposes, the size of the quota depending partly on certain compensation for French exports.

Germany has 25 import-control boards, which regulate exports and imports by quotas, import licenses, barter transactions, exchange control, and other devices, in addition to 57 bilateral agreements. The point I wish to emphasize is the fact that the United States is being handsomely trimmed in these multilateral agreements being negotiated by the State Department.

I think that we must get our feet back on solid ground, and every time we give concessions know that we are going to get something equivalent in return.

My bill, H. R. 8526, is designed to accomplish this. It is quite true that it may take some months to liquidate our outstanding unconditional most-favored-nation commitments in treaties and trade agreements with various nations. These should be replaced by conditional most-favored-nation commitments at the earliest possible date. Pending the accomplishment of this, my bill makes provision so that we can observe our existing unconditional commitments where the nations concerned can demonstrate to our satisfaction that they are not discriminating against us or pursuing other acts or policies which tend to defeat the purpose of the Reciprocal Trade Agreements Act. But the important thing is to get back to fundamental American foreign-trade policy and put ourselves in a position where we can do some trading that will mean advancement toward American recovery.

This would bring realism into our foreign dealings. We would recognize, as do the British, that the world is in a state of flux, and that a nation can best help to save the world by saving itself and its own people. Stability of home industries, restoration of decent standards of living at home, return to normal price levels within our own country are to be considered before we can be of much assistance to the rest of the world.

In defense of the State Department policies on the reciprocal-trade agreements, a public address was given by Assistant Secretary Francis Sayre on June 28, entitled "The Most-Favored-Nation Policy", and was followed by a radio speech on July 2 on the Tariff and Business Recovery. Both were ably phrased and delivered, and presumably constitute the authoritative views of the State Department on the subject. In my opinion, the fallacy of many of these expressions can easily be demonstrated. For example, under the heading of "Most-Favored-Nation Policy", Mr. Sayre declares:

> First, let me make clear that the most-favored-nation policy is in no sense a novel policy, formulated as part of the new deal. It goes back a century at least; in a sense it is as old as trade itself. If a nation is to trade at all it must base its commercial policy upon one of two alternatives: It must give and seek trading privileges and concessions either (a) upon a basis of preferences extended to special-favored nations, or (b) upon a basis of equality to all nations which accord the same treatment to it.

This statement is misleading, for it utterly fails to take into account or to distinguish between the unconditional and the conditional most-favored-nation policy, which are two very different things. Under the unconditional policy we would extend benefits granted to one nation automatically and gratuitously to all other nations without asking of them specific advantages in return. Under the conditional policy we would extend such favors to third nations only in return for equivalent concessions, in other words a definite quid pro quo. Both policies are based upon equality of treatment which, as he says, has been the cornerstone of our foreign-trade policy, but it is important to note that with a few unimportant exceptions, the treaties of the United States, until subsequent to the World War, contained the conditional most-favored-nation clause only. As an example of the historic attitude of the United States toward the unconditional clause, there may be cited our denunciation of our unconditional most-favored-nation treaty with Switzerland in 1899. As is pointed out in the State Department memorandum, submitted by Secretary Hull to the House Ways and Means Committee during its hearings upon the Reciprocal Trade Agreements Act, it was not until 1922 that the United States made its radical shift from the conditional most-favored-nation policy to the unconditional policy.

Mr. Sayre is ambiguous when he refers to some 45 treaties or agreements with different nations containing the most-favored-nation clause. He omits to say that of these, 13 are conditional and 32 unconditional, all except 4 of which latter—Morocco, Muscat, Siam, Jugoslavia—have been negotiated subsequent to 1922. It is further significant that our 32 unconditional most-favored-nation commitments cover only 16.3 percent of our total foreign trade, whereas the remaining 83.7 percent is covered by conditional commitments or by no commitments at all.

An attempt to imply that the present unconditional most-favored-nation policy being pursued by the Department of State is identical with the historic American policy pursued from 1789 to 1922 appears to me to be without foundation. This conclusion is confirmed by Mr. Hull's memorandum mentioned above. Mr. Sayre implies that unless we extend trade concessions gratuitously to all nations we will be guilty of discrimination against them. There is no evidence that our historic conditional policy was ever regarded as a denial of equality of treatment. It is difficult to perceive any discrimination in asking a proper price for trade favors granted.

Second. Cuban trade agreement: In his June 28 speech, Mr. Sayre described the trade-agreements program and the relation of the Cuban agreement thereto in the following terms:

> The Trade Agreements Act of June 12, 1934, authorized the President to enter into trade agreements with foreign countries for the reciprocal reduction of trade barriers. Within the year trade agreements have been concluded with five countries, namely, Cuba, Brazil, Haiti, Belgium, and Sweden. Negotiations are under way with 13 other countries and as these progress it is expected that additional countries will be added to the list.
>
> Parenthetically, perhaps, I should explain that the trade agreement recently concluded with Cuba, which I presume my friend, Ambassador Patterson, will discuss, in one respect stands somewhat apart. The ties of close association between Cuba and the United States, due to historical considerations and geographical propinquity, are so strong that the United States ever since 1898 has felt justified in treating it, so to speak, as a member of the family in granting to it and receiving from it frankly preferential treatment; and to this end special provisions have been inserted in our most-favored-nation treaties and agreements with other nations excepting Cuba from their operation. The recent trade agreement with Cuba, therefore, has continued the special preferential tariff arrangement adopted in the commercial convention of 1902, and is in that one respect not typical of the other trade agreements now being negotiated.

This description of the Cuban agreement is eminently correct, for the Cuban agreement differs profoundly from the other trade agreements being negotiated in that it is

an exclusive and truly reciprocal trade agreement, the benefits of which extend only to the United States and Cuba, and under the Jones-Costigan Act a definite understanding was reached as to the amount which we will accept of Cuba's chief export, sugar, which enjoys a preferential rate of duty applied only to Cuba.

In contrast to this agreement, the benefits of the other trade agreements being negotiated are to be extended to other nations without demanding of them specific advantages in return. They are thus reciprocal in name only. The significance of Mr. Sayre's statement lies in the fact that this is probably the first time the State Department has clearly distinguished the Cuban trade agreement from the others. In the past it has been the habit of State Department spokesmen to refer to the success of the Cuban trade agreement as a basis for the claim that the other trade agreements would enjoy a comparable measure of success.

Mr. Sayre's specific reference to the Cuban agreement constitutes a significant admission that no analogy may be drawn between the Cuban agreement and the rest of the trade-agreements program, to which he refers in his speech. The conclusion is inescapable that the other agreements merely tend to bring about a general reduction of tariffs through generalization of concessions, as I shall demonstrate.

Third. Bargaining power and the principal-supplier formula: The advantages of the conditional most-favored-nation policy as a bargaining weapon are so obvious as to require little explanation. It may be pointed out that the Tariff Commission report in 1919 upon reciprocity and commercial treaties clearly indicated the incompatibility between employment of the unconditional policy and the use of bargaining reciprocal treaties. The unconditional most-favored-nation policy progressively destroys our bargaining power with other nations in measure as we conclude trade agreements the benefits of which are generalized to the rest of the world. As Mr. Sayre himself pointed out in a memorandum which he presented to the Senate Foreign Relations Committee (Senate Executive Rept. No. 12, 74th Cong., 1st sess.) with regard to the ratification of the Montevideo general agreement to refrain from invoking the most-favored-nation clause in respect of certain multilateral conventions—

> * * * the existence of the most-favored-nation clause in bilateral treaties encourages States to be slackers, to fail to do their part in building up a system of multilateral treaties, depending upon their bilateral treaties to obtain favors from other States which they themselves are not willing to accord in return.

This is a clear, if inadvertent, statement of the matter.

In the attempt to minimize the loss of bargaining power entailed in the unconditional most-favored-nation policy, the State Department has evolved the principal-supplier formula, which Mr. Sayre describes as follows:

> After a careful study it was found that each of some 29 nations was the leading supplier to the United States of at least one and in most cases of numerous important commodities. By restricting our concessions in the main to such commodities in the case of each country we can both restrict any injurious effects upon American producers resulting from the generalizations to relatively minor importance and at the same time retain sufficient bargaining advantage so that the twenty-ninth country will still desire a trade agreement with the United States after the concessions granted to 28 other countries have been generalized to it.

The ineffectiveness of this formula in maintaining a bargaining power, which is undermined from the start by the unconditional most-favored-nation policy, is discussed in the following terms in Mr. George N. Peek's memorandum of December 4, 1934, to the trade-agreements committee of the State Department:

> It is said that by confining our concessions to the principal suppliers of commodities imported by us the effects of automatic generalization of concessions will be minimized. However, in fact, there is usually not one, but a number of nations, which may be regarded as principal suppliers of any given commodity; and, furthermore, in many commodities the principal supplier or suppliers may differ in different years. This is particularly true in the case of commodities which are manufactured or controlled by cartels operating in two or more countries of the type of the Swedish Match Trust. Moreover, such a policy of making concessions only to principal suppliers would virtually prevent negotiations with many of the smaller countries. An excellent example of this sort is that of Haiti, which has no commodity of which it is a principal supplier to the American market.

Even if the principal-supplier formula were sound, which it is not, it is noteworthy that in the agreements actually negotiated the Department of State itself has made wide departures from this formula. Examples of such departures may be found:

(a) In the concession to Brazil on manganese: Brazil supplies less than 15 percent of our manganese imports, the bulk of which comes from Soviet Russia, Gold Coast, and British India, all of which will become the major beneficiaries through generalization of this concession;

(b) Concessions to Brazil on mate: Argentina is our principal supplier, sending us nearly three times as much as does Brazil, and consequently will get the major benefit of this concession;

(c) Concessions to Haiti on coffee: Nearly all of our coffee imports come from Brazil and Colombia, which, under the unconditional most-favored-nation policy, are the principal beneficiaries of this concession. The circumstances that they are to receive this concession by virtue of the concession to Haiti may be the reason that Brazil and Colombia have delayed ratification of the trade agreements previously negotiated with them;

(d) Similar departures from the principal-supplier formula may be found in the Belgian agreement (e. g., chalk, cement, steel ingots, waterproof cloth, oriental rugs, vegetable-fiber fabrics, creosote);

(e) In the Swedish agreement attention is called to cellulose, knives, pliers, paperboard, matches. In the case of matches, Russia and Japan will be the principal beneficiaries of our unconditional policy.

The above examples are chosen by way of illustration and are far from being inclusive.

A further evidence of the loss of bargaining power entailed in the unconditional policy may be found in the increasing tendency of the Department of State to limit the concessions granted either (a) by provisions such as that in the Belgian agreement, which provides that concessions granted may be withdrawn if other nations are found to be the principal beneficiaries of them; or (b) by resort to "trick" tariff classifications designed to favor countries with which we are negotiating and thus to circumvent the effect of the unconditional policy as applied to such concessions. This course is not frank, and is one which we have frequently, in the past, objected to when employed by other nations. Its employment by us is evidence of the weakness of our bargaining power under the unconditional policy. Thus, while openly proclaiming the unconditional most-favored-nation policy, actually the Department will find itself "hoist by its own petard."

Fourth. Spread of bilateral agreements: Mr. Sayre attempts to gloss over this by saying:

> A few countries such as France and Spain adopted a policy based upon * * * preferential bargaining.

This falls considerably short of the fact. Foreign nations, while they often pay lip service to the most-favored-nation principle, constantly nullify it by quotas, exchange controls, and special exclusive agreements. In point of fact, all but 24 nations of the world appear to have resorted to bilateral agreements to a greater or less extent, and 290 such agreements of this type between the principal trading nations have been recorded as in existence as of June 30, 1935. Compilations made from time to time show a steady increase of such agreements. At the same time nations employing such trade methods appear to have gained a perceptively greater share of world trade in contrast to our definite loss of our competitive position. The indications are that trade agreements are establishing new channels of trade based upon mutual understanding and advantage between the nations entering into them.

Fifth. Triangular Trade: Mr. Sayre says, and I quote him at some length:

> The foreign trade of the United States from its very nature must be essentially triangular. Speaking in a general way, most of the European industrial countries produce goods competitive with our own. They need large quantities of our raw materials, such as cotton, wheat, hog products, and the like, whereas the United States, being a manufacturing as well as an agricultural

Nation, naturally and almost necessarily buys less from these countries than it sells to them. In 1934 our exports to the United Kingdom, France, Germany, Italy, Belgium, and the Netherlands amounted to some $775,000,000; whereas, our imports from the same countries were but slightly over $335,000,000. In other words, our export balance to this group of nations amounted to some $440,000,000.

On the other hand, our trade with the principal tropical countries is exactly the converse. From them we buy products, such as coffee, tea, rubber, etc., of far greater value than we can sell to them. To Cuba, Brazil, Colombia, Venezuela, British Malaya, Dutch East Indies, British India, and Ceylon our total exports in 1934 amounted to no more than $225,000,000, in contrast to our imports of some $500,000,000. Our trade with this group of countries, in other words, showed an unfavorable balance of some $275,000,000.

Again, there is a third group of countries, primarily agricultural, competing with our own agricultural production, from which, as is quite natural, we can import considerably less than we export to them. In 1934 our total exports to the British dominions and Argentina were about $400,000,000 and our imports $250,000,000, showing a balance in our favor of some $150,000,000.

From this it must be clear that any policy which proves destructive of triangular trade strikes at the very heart of American commercial interests. We have large export surpluses with Europe and the British dominions. We have substantial import surpluses with the tropical countries. Our foreign trade is strikingly triangular. Preferential bargaining, as actual experience is proving, leads inescapably to the effort to equalize the value of exports and imports between each two countries; and bilateral balancing perforce kills triangular trade. Triangular trade cannot survive under a system of bargaining for special preferences. Its very existence depends upon most-favored-nation treatment and freedom from discriminatory practices in the movement of goods. So far as the United States is concerned, we must fight the system of preferential bargaining and bilateral balancing or lose a great part of our trade. To American agriculture, which depends vitally upon the maintenance of a large volume of triangular trade, the movement in these directions is particularly menacing. The only realistic commercial policy which meets practical American needs is one which aims to keep open the channels of trade to all countries upon equal terms.

It ill becomes the State Department to appeal to agriculture for support of their theories, when it is known generally that they are responsible for preventing trades which would have gone far to remove our agricultural surpluses, cotton in particular.

Mr. Sayre's reference to triangular trade are not entirely clear. If by that phase he refers to the fact that the United States has favorable trade balances with some nations and unfavorable balances with others, it would seem to add little to the discussion. If, as is believed, he has in mind triangular payments for shipments of goods in our foreign trade, a further analysis is required. Computations made by the League of Nations produce figures purporting to show that of total world trade about four-fifths is bilateral and only one-fifth triangular, even in normal years. Computations of the trade of the United States show closely similar percentages. However, these figures are based solely on shipments of goods and take no account of the fact that payment is often effected in many other nonmerchandise forms. In this connection I call attention to the statement made in the Balance of International Payments of the United States for 1922, issued by the Department of Commerce, as follows:

Our international balance sheet is not composed alone of the values of merchandise and precious metals that are imported and exported. During the last two decades the volume of transactions which, for lack of a better term, are referred to as "invisible" exports and imports have become of steadily increasing importance.

These items, embracing the movement of capital and the movement of current items such as interest, remittances of emigrants, tourists' expenditures abroad, and so on, have now come to be of such volume as entirely to dominate what is known as the "favorable" or "unfavorable" trade balance from merchandising account (bulletin no. 144).

The League of Nations, in its Review of World Trade, 1933, apparently concurs in this view, for on page no. 65 it says—

It (the tendency toward bilateralism) has not led to the elimination of active or passive bilateral trade balances, * * * because interest payments and services, as well as gold and capital movements, enter into the international account of each country and would offset bilateral trade balances even if there were no triangular trade.

When we look at the balance of international payments we find a very different picture from that reflected from a mere reference to trade balances. For example, exhibit III of Mr. Peek's letter to the President, of April 30, 1935, regarding the foreign trade and international investment position of the United States, shows that while we had a favorable trade balance with Europe in 1934 of $461,000,000, after full account had been taken of service, interest payments, gold movement, and capital transactions, we had an unfavorable balance of payments with Europe of $630,000,000. It is impossible to discuss triangular payments until full account has been taken of payments of all sorts; any other course is not only confusing but actually misleading. For example, the United States has a favorable balance of merchandise trade with the United Kingdom, yet, instead of giving rise to an equal volume of triangular trade, much of this is balanced by American dollars paid by tourists for British goods and services; an additional amount is balanced by the purchase of British shipping services and the payment of interest to British holders of American securities.

Likewise the United States has a favorable merchandise balance with Poland. Consistently, however, Polish immigrants in the United States remit a sufficient amount to cover the excess. In other words, American dollars are used to purchase the favorable balance of American goods without recourse to triangulation.

In view of the fact (a) that triangular trade is probably but one-fifth of the merchandise trade of the United States, (b) that merchandise trade (plus service transactions) accounts for only 41 percent of the total international dollar settlements of the United States, (c) that a large amount of so-called "triangular trade" (merchandise) is actually balanced bilaterally through nonmerchandise transactions, and (d) that the fundamental assumption in favor of triangular trade, that comparative costs determine the channel, has been entirely upset by direct and indirect governmental subsidy of exports, and direct and indirect restriction of imports by nearly all trading nations, there is apparently little reason left for the United States treating triangular trade with the respect that this theory has been given in the past.

(6) Tariff reduction: In his speech of July 7, Mr. Sayre states:

A high-tariff policy is a voluntary abandonment of foreign markets.

It is overwhelmingly clear from his statements and those of other State Department officials that their objective is to effect a general lowering of the American tariff through the medium of the unconditional most-favored-nation policy. Employment of the unconditional policy in generalizing trade concessions made under the so-called "Reciprocal Trade Agreements Act" cannot mean anything else.

I, for one, am not convinced that a general reduction of tariffs is an appropriate policy for the United States in times like these when we have 10,000,000 men out of work and when our recognized governmental policy is to raise prices and wages to a parity level. I want to draw particular attention to the fact that our imports of competitive agricultural commodities are already increasing by leaps and bounds, as is shown in the following figures:

Agricultural exports, imports,[1] and balance of trade of the United States

[In thousands of dollars]

Year beginning July 1—	Agricultural exports (including re-exports)	Agricultural imports	Agricultural trade balance (excess of imports —)
1909–10	893, 320	794, 370	98, 950
1910–11	1, 051, 367	773, 116	278, 251
1911–12	1, 067, 798	888, 495	179, 303
1912–13	1, 143, 304	916, 634	226, 670
1913–14	1, 134, 260	1, 000, 409	133, 851
1914–15	1, 514, 160	997, 911	516, 249
1915–16	1, 563, 088	1, 349, 563	213, 525
1916–17	2, 013, 673	1, 599, 660	414, 013
1917–18	2, 324, 676	1, 826, 436	498, 240
1918–19	3, 685, 505	1, 930, 028	1, 755, 477
1919–20	3, 989, 702	3, 410, 018	579, 684
1920–21	2, 698, 380	2, 060, 237	638, 143
1921–22	1, 959, 455	1, 371, 720	587, 735
1922–23	1, 847, 561	2, 077, 240	—229, 679
1923–24	1, 929, 817	1, 875, 365	54, 453

[1] Imports include all agricultural commodities, including sugar, rubber, coffee, etc.

Agricultural exports, imports, and balance of trade of the United States—Continued

[In thousands of dollars]

Year beginning July 1—	Agricultural exports (including re-exports)	Agricultural imports	Agricultural trade balance (excess of imports —)
1924–25	2,344,549	2,057,163	287,386
1925–26	1,966,901	2,529,775	−562,874
1926–27	1,980,086	2,281,421	−301,335
1927–28	1,888,842	2,193,868	−305,026
1928–29	1,911,158	2,179,046	−267,888
1929–30	1,546,577	1,890,508	−343,931
1930–31	1,066,825	1,163,054	−96,229
1931–32	774,837	834,238	−59,401
1932–33	604,416	611,688	−7,272
1934 [1]	745,000	861,000	−116,000

[1] Calendar year.

Source: Agricultural Yearbook, 1934, p. 660, table 440, and special tabulation for 1934.

I would also draw attention to the tremendous increase in the last 5 months of importations of cattle, which is causing grave concern not only to my constituents but all the cattlemen of the West.

Imports of live cattle into the United States

NUMBER

Year	Total	Canada	Mexico	Virgin Islands	United Kingdom	Other countries
1928	535,721	283,895	249,850	1,029	947	
1929	504,582	254,214	247,990	1,360	1,015	3
1930	234,173	58,796	172,414	2,421	542	
1931	95,355	26,089	66,745	2,224	289	8
1932	105,612	12,763	91,047	1,633	169	
1933	81,591	6,327	73,587	1,613	63	1
1934	66,304	7,433	57,090	1,765	16	
4 months, 1934	40,097	1,193	38,473	430	1	
4 months, 1935	147,874	43,282	104,592			

Imports of live cattle into the United States

DOLLARS

Year	Total	Canada	Mexico	Virgin Islands	United Kingdom	Other countries
1928	21,576,620	14,714,670	6,491,194	48,211	322,545	
1929	21,615,853	14,010,241	7,083,540	86,096	435,526	450
1930	7,527,263	2,637,125	4,621,311	99,437	169,395	
1931	2,744,775	1,185,416	1,384,908	67,613	104,706	2,132
1932	2,163,625	744,768	1,314,770	42,137	61,950	
1933	1,084,698	374,160	635,170	41,702	33,566	100
1934	1,040,328	415,078	591,959	25,188	8,103	
4 months, 1934	465,063	75,431	384,099	5,183	350	
4 months, 1935	3,704,872	2,430,308	1,274,564			

Source: Compiled from original monthly reports of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce, and Foreign Commerce and Navigation of the United States.

Imports of live cattle into the United States

CATTLE, EXCEPT FOR BREEDING, WEIGHING 700 POUNDS AND OVER

	Number					Dollars				
	Total	Canada	Mexico	United Kingdom	Virgin Islands [1]	Total	Canada	Mexico	United Kingdom	Virgin Islands [1]
1934										
Jan.	2	2				150	150			
Feb.	2	2				160	160			
Mar.	12	12				700	700			
Apr.	3	3				275	275			
May	62	19	16		27	2,110	950	160		1,000
June	8	7		1		590	333		257	
July	13	13				1,725	1,725			
Aug.	11	11				370	370			
Sept.	24	1			23	560	100			460
Oct.	8	8				825	825			
Nov.	7	7				265	265			
Dec.	641	7	634			28,070	380	27,690		
12 mos.	793	92	650	1	50	35,800	6,233	27,850	257	1,460
1935										
Jan.	1,342	1,274	68			65,313	63,273	2,040		
Feb.	3,524	3,502	22			200,810	200,351	459		
Mar.	11,452	11,300	62			636,601	635,911	690		
Apr.	14,257	13,487	770			888,560	879,964	8,576		
May	14,385	14,142	242	1		938,937	932,349	4,167	2,421	

[1] Dutiable cattle imported free from Virgin Islands.

Source: Compiled from original monthly reports of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

Imports of live cattle into the United States

CATTLE, EXCEPT FOR BREEDING, WEIGHING LESS THAN 700 POUNDS EACH

	Number				Dollars			
	Total	Canada	Mexico	Virgin Islands [1]	Total	Canada	Mexico	Virgin Islands [1]
1934								
January	7,740	30	7,544	166	66,107	635	63,350	2,122
February	7,189	27	7,162		67,821	440	67,381	
March	9,143	55	8,849	239	83,664	1,090	79,701	2,873
April	15,041	98	14,918	25	175,128	1,273	173,667	188
May	5,152	56	4,836	210	54,819	776	51,215	2,828
June	4,700	87	4,613		44,402	1,187	43,215	
July	3,186	16	2,973	197	33,356	422	29,752	3,182
August	457	100		357	6,568	1,349		5,219
September	1,501	941	535	25	7,087	1,542	5,350	195
October	806	122	459	225	9,775	1,429	4,590	3,756
November	1,319	121	1,006	192	11,218	1,751	6,962	2,505
December	2,417	80	2,258	79	20,576	930	18,786	860
12 months	58,651	1,733	55,203	1,715	580,521	12,824	543,969	23,728
1935								
January	4,486	173	4,313		44,057	5,157	38,900	
February	34,213	677	33,536		419,284	27,124	392,160	
March	40,469	4,381	36,088		593,994	143,154	450,840	
April	35,176	5,443	29,733		625,454	244,555	380,899	
May	[2] 32,676	6,611	26,062		[2] 583,622	251,023	331,800	

[1] Dutiable cattle imported free from Virgin Islands.

[2] 3 cows valued at $799 imported from United Kingdom in May 1935.

Source: Compiled from original monthly reports of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

Imports of live cattle into the United States

COWS FOR BREEDING

	Number				Dollars			
	Total	Canada	United Kingdom	Mexico	Total	Canada	United Kingdom	Mexico
1934								
January	279	279			18,070	18,070		
February	135	135			11,809	11,809		
March	130	130			9,865	9,865		
April	373	373			25,834	25,834		
May	630	620	10		44,746	39,100	5,646	
June	543	543			35,336	35,336		
July	366	366			27,303	27,303		
August	611	611			48,040	48,040		
September	1,478	383		1,095	40,731	25,611		15,120
October	460	460			31,858	31,858		
November	666	666			39,942	39,942		
December	862	862			66,446	66,446		
12 months	6,533	5,428	10	1,095	399,980	379,214	5,646	15,120
1935								
January	262	262			20,376	20,376		
February	366	366			26,608	26,608		
March	815	815			61,617	61,617		
April	973	973			76,052	76,052		
May	2,004	1,916	88		167,672	145,485	22,187	

Source: Compiled from original monthly reports of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

Imports of live cattle into the United States

BULLS FOR BREEDING

	Number				Dollars			
	Total	United Kingdom	Canada	Mexico	Total	United Kingdom	Canada	Mexico
1934								
January	10	1	9		1,885	350	1,535	
February	8		8		625		625	
March	13		13		960		960	
April	17		17		2,010		2,010	
May	15	1	14		1,837	513	1,324	
June	22		22		1,445		1,445	
July	13		13		1,185		1,185	
August	14	3	11		2,117	1,337	780	
September	44		6	38	2,614		714	1,900
October	13		13		839		839	
November	44		44		4,330		4,330	
December	114		10	104	4,180		1,060	3,120
12 months	327	5	180	142	24,027	2,200	16,807	5,020
1935								
January	13		13		1,206		1,206	
February	10		10		820		820	
March	41		41		3,029		3,029	
April	475		475		41,091		41,091	
May	122	9	113		14,058	4,841	9,217	

Source: Compiled from original monthly reports of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

To reduce tariffs further would increase these imports and would lower the ceiling of prices on all farm commodities, this at a time when agricultural buying power represents our greatest hope for general national recovery.

Increased imports of manufactured goods would follow, from Japan, for example, which is already supplying nearly 10 percent of our total imports, the effect of which upon industry, labor, and employment, it is not difficult to foresee. Except for raw silk Japanese imports are largely of manufactured goods, while our exports to Japan are largely raw materials. We have factory capacity greatly to increase our production. Besides, Japan has indicated by her activities in Manchuria that she contemplates owning her own sources of raw materials eventually.

I am discussing a matter of major national policy. I think that it is appropriate that Congress should pass on it. I do not believe that Congress in passing the Reciprocal Trade Agreements Act of 1934, had any intention of delegating a power to the Executive to effect a general reduction of the tariff. The declaration of policy of that act reads as follows:

PART III. PROMOTION OF FOREIGN TRADE

SEC. 350. (a) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States.

I believe that the attempt to employ the Reciprocal Trade Agreements Act to effect a general tariff reduction exceeds the authority conveyed in the act and should be limited by Congress in unmistakable terms. To this end, on March 4, 1935, I introduced a bill, H. R. 6366, to repeal the act. Upon further consideration I introduced, on June 17, H. R. 8526, to modify it on the basis that the Reciprocal Trade Agreements Act contained a proper and necessary bargaining power for the executive branch to enable us to combat effectively with present conditions in world trade if it is used for that purpose. The object of my present bill, amending the act, is to conserve that bargaining power for that purpose. This latter bill, if passed by Congress, would prevent the State Department from proceeding with their theories at the expense of American farmers, labor, and business, and would limit the act to the purpose intended by Congress, as set forth in the declaration of policy. [Applause.]

LEAVE OF ABSENCE

Mr. BOEHNE, by unanimous consent, was given leave of absence for 6 days, on account of important business.

QUESTION OF A QUORUM

Mr. HOLMES. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 7, 1935, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(Wednesday, Aug. 7, 10:30 a. m.)

Committee will hold hearings on bills H. R. 8452, H. R. 7574, House Joint Resolution 336, and House Joint Resolution 286 in room 445, old House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WARREN: Committee on Accounts. House Resolution 313. Resolution providing for additional compensation to certain employees of the House of Representatives; without amendment (Rept. No. 1716). Referred to the House Calendar.

Mr. LAMBETH: Committee on Printing. House Resolution 199. Resolution for the printing of Cannon's Procedure in the House of Representatives; without amendment (Rept. No. 1717). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 9054. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 1718). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Maryland: A bill (H. R. 9053) to regulate interstate and foreign commerce in petroleum and petroleum products, to establish the Petroleum Administrative Board, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DISNEY: A bill (H. R. 9055) to regulate interstate and foreign commerce in petroleum and petroleum products, to establish the Petroleum Administrative Board, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER: Joint resolution (H. J. Res. 372) for the permanent preservation of the United States frigate *Constitution* and other vessels having historical tradition; to the Committee on Naval Affairs.

By Mr. AYERS: Joint resolution (H. J. Res. 373) to further the development of a national program of land conservation and utilization; to the Committee on Agriculture.

By Mr. HOBBS: Joint resolution (H. J. Res. 374) proposing an amendment to the Constitution of the United States requiring the Supreme Court to render advisory opinions upon the constitutionality of acts of Congress whenever so requested by the President, or by at least one-third of each of the Houses of Congress; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KENNEDY of Maryland: A bill (H. R. 9054) for the relief of sundry claimants, and for other purposes; to the Committee on Claims.

By Mr. BUCKBEE: A bill (H. R. 9056) for the relief of the heirs of Jennie Shellcross; to the Committee on Claims.

By Mr. HILL of Alabama: A bill (H. R. 9057) granting a pension to Katherine A. Hurley; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Maryland: A bill (H. R. 9058) for the relief of the Baker-Whiteley Coal Co.; to the Committee on Claims.

By Mr. WIGGLESWORTH: A bill (H. R. 9059) authorizing the Secretary of War to appoint Frank W. Carpenter a warrant officer in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9269. By Mr. CARTER: Resolution of the Coolidge No. 26 Townsend Plan Club, Herman G. Walker, president, and Beulah M. Stackhouse, secretary; to the Committee on Ways and Means.

9270. Also, petition of the Oakland district of the California Council of Dads Clubs, for the permanent preservation of the United States frigate *Constitution*; to the Committee on Naval Affairs.

9271. By Mr. BOYLAN: Letter from the Brotherhood of Railroad Trainmen, favoring retirement system for railroad workers, Senate bills 3150 and 3151 and House bills 8651 and 8652; to the Committee on the Civil Service.

9272. By Mr. JOHNSON of Texas: Petition of E. C. Koerth, director bureau of food and drugs, State department of health, Austin, Tex., favoring the Copeland food and drug bill; to the Committee on Interstate and Foreign Commerce.

9273. By Mr. PFEIFER: Petition of the Brotherhood of Railroad Trainmen, legislative board, State of New York, concerning House bills 8651 and 8652; to the Committee on the Post Office and Post Roads.

9274. Also, petition of the New York State legislative board, Brotherhood of Locomotive Engineers, concerning House bills 8652 and 8651, introduced by Representative CROSSER, of Ohio; to the Committee on the Post Office and Post Roads.

9275. By Mr. RUDD: Petition of the Brotherhood of Railroad Trainmen, legislative board, State of New York, concerning the passage of Senate bills 3150 and 3151, and House bills 8651 and 8652, to establish a retirement system for railroad workers; to the Committee on Labor.

9276. By Mr. SADOWSKI: Petition of the Slovak League of America, Detroit, Mich., endorsing House bill 8163; to the Committee on Immigration and Naturalization.

9277. Also, petition of the Forgotten Man's Club, endorsing the increase of inheritance and gift taxes; to the Committee on Ways and Means.

9278. By Mr. TRUAX: Petition of the Welders Local 1357, International Association of Machinists, Dayton, Ohio, by their secretary, Robert N. Elsner, protesting against the Tydings military disobedience bill; to the Committee on Labor.

9279. Also, petition of the American Trucking Associations, Inc., Washington, D. C., by their president, Ted V. Rodgers, opposing Congressman MONAGHAN'S proposal that no employee be engaged in the operation of any motor vehicle for a period of more than 8 hours in any 24-hour period (S. 1629, the Eastman bus bill); to the Committee on Interstate and Foreign Commerce.

9280. Also, petition of Edith S. Gray, of Washington, D. C., formerly of Oberlin, Ohio, urging support of leave bill; to the Committee on the Civil Service.

9281. Also, petition of Helen R. Hirt, of Washington, D. C., formerly of Circleville, Ohio, urging support of leave bill; to the Committee on the Civil Service.

9282. Also, petition of E. H. Swinson, of Dayton, Ohio, urging support of House bill 8458, the Ramspeck leave bill; to the Committee on the Civil Service.

9283. Also, petition of the Federal Employees Trade Council of Cincinnati, Ohio, by their secretary, John C. Sweeney, urging support of House bills 8458 and 8459, Ramspeck leave bills; to the Committee on the Civil Service.

9284. Also, petition of the Lincoln Electric Co., Cleveland, Ohio, urging that the Walsh bill permit 40- rather than 36-hour week for the electrical industry, same as other durable goods industries, as 36-hour basis for this industry is competitively unfair; to the Committee on Labor.

9285. Also, petition of the Amalgamated Association of Iron, Steel, and Tin Workers, Mansfield, Ohio, by their legislative chairman, William F. Bell, opposing the Tydings-McCormack military disaffections bill; to the Committee on Labor.

9286. Also, petition of the American Federation of Government Employees, Cleveland, Ohio, by their president, E. Crowley, urging support of leave bill; to the Committee on the Civil Service.

SENATE

WEDNESDAY, AUGUST 7, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, August 6, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Logan	Radcliffe
Ashurst	Costigan	Lonergan	Reynolds
Austin	Davis	McAdoo	Robinson
Bachman	Dieterich	McCarran	Russell
Bankhead	Donahey	McGill	Schall
Barbour	Duffy	McKellar	Schwellenbach
Barkley	Fletcher	McNary	Sheppard
Black	Frazier	Maloney	Shipstead
Borah	George	Metcalf	Smith
Brown	Gerry	Minton	Steiwer
Bulkley	Gibson	Moore	Thomas, Okla.
Bulow	Glass	Murphy	Thomas, Utah
Burke	Gore	Murray	Townsend
Byrd	Guffey	Neely	Trammell
Byrnes	Hale	Norbeck	Tydings
Capper	Hatch	Norris	Vandenberg
Caraway	Hayden	Nye	Van Nuys
Carey	Johnson	O'Mahoney	Wagner
Chavez	King	Overton	Walsh
Clark	La Follette	Pittman	Wheeler
Connally	Lewis	Pope	White

Mr. LEWIS. I announce that the Senator from North Carolina [Mr. BAILEY], the junior Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the senior Senator from Mississippi [Mr. HARRISON], the Senator from Louisiana [Mr. LONG], and the Senator from Missouri [Mr. TRUMAN] are necessarily detained from the Senate.

I further announce that the Senator from West Virginia [Mr. HOLT] is absent because of illness.

Mr. SCHWELLENBACH. I announce that my colleague the senior Senator from Washington [Mr. BONE] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON], the Senator from Delaware [Mr. HASTINGS], and the Senator from New Hampshire [Mr. KEYES] are necessarily absent.

Mr. VANDENBERG. My colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

DELIVERY THROUGH THE MAILS OF VETERANS' CHECKS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to protect the United States against loss in the delivery through the mails of checks in payment of benefits provided for by laws administered by the Veterans' Administration, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

RESOLUTION ENDORSING PRESIDENT ROOSEVELT'S POLICIES

Mr. COPELAND presented a resolution adopted by the Central Labor Council of Buffalo and Vicinity, N. Y., endorsing the policies initiated by President Roosevelt, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. MALONEY, from the Committee on Commerce, to which was referred the bill (S. 3326) granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown,

Conn., reported it without amendment and submitted a report (No. 1206) thereon.

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 414) to convey certain lands and buildings to the city of Reno, Nev., reported it with an amendment and submitted a report (No. 1207) thereon.

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which was referred the bill (H. R. 6869) authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims, reported it without amendment and submitted a report (No. 1208) thereon.

Mr. TRAMMELL, from the Committee on Naval Affairs, to which was referred the bill (S. 2219) for the relief of Lt. D. A. Neumann, pay corps, United States Naval Reserve force, reported it without amendment and submitted a report (No. 1209) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. NEELY:

A bill (S. 3377) granting an increase of pension to John Flanagan; to the Committee on Pensions.

By Mr. McGILL:

A bill (S. 3378) granting an increase of pension to Eliza A. Walker (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND (by request):

A bill (S. 3379) to amend the act approved June 19, 1934, entitled the "Communications Act of 1934"; to the Committee on Commerce.

By Mr. BARBOUR:

A bill (S. 3380) for the relief of William H. Chambliss; to the Committee on Claims.

A bill (S. 3381) to provide for the protection and preservation of domestic sources of tin; to the Committee on Military Affairs.

By Mr. POPE:

A bill (S. 3382) to establish the Sawtooth National Park in the State of Idaho; to the Committee on Public Lands and Surveys.

By Mr. NORBECK and Mr. BULOW:

A bill (S. 3383) to extend the time for making payments on certain crop loans; to the Committee on Agriculture and Forestry.

By Mr. NORBECK:

A bill (S. 3384) for the relief of Gust Dahlman; to the Committee on Indian Affairs.

A bill (S. 3385) to provide for the exchange of Government-owned submarginal lands for Indian lands or other lands for national monument purposes, in the State of South Dakota, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. PITTMAN:

A bill (S. 3386) for the relief of Helen Gallagher Dominian; to the Committee on Foreign Relations.

By Mr. WALSH:

A bill (S. 3387) to amend section 603 of the Revenue Act of 1932; to the Committee on Finance.

GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2865) to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928, which was, on page 1, line 6, after the word "Commission", to insert "is continued from June 30, 1935, and."

Mr. VAN NUYS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

USE OF WATERS OF RIO GRANDE BELOW FORT QUITMAN, TEX.—CONFERENCE REPORT

Mr. CONNALLY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6453) to amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", and so forth, as amended by the public resolution of March 3, 1927, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment. In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Mexico; and to construct and maintain fences, monuments and other demarcations of the boundary line between the United States and Mexico, and sewer systems, water systems, and electric light, power, and gas systems crossing the international border, and to continue such work and operations through the American Commissioner as are now in progress and are authorized by law.

"The President is authorized and empowered to construct, operate, and maintain on the Rio Grande River below Fort Quitman, Tex., any and all works or projects which are recommended to the President as the result of such investigations and by the President are deemed necessary and proper."

And the Senate agree to the same.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22, and agree to the same.

KEY PITTMAN,
HIRAM W. JOHNSON,
TOM CONNALLY,
Managers on the part of the Senate.
S. D. McREYNOLDS,
SOL BLOOM,
Managers on the part of the House.

The report was agreed to.

SOCIAL-SECURITY LEGISLATION—ADDRESS BY SENATOR GEORGE

Mr. LEWIS. Mr. President, on August 1 an address was delivered over the radio by the able senior Senator from Georgia [Mr. GEORGE] upon the question of social-security legislation. I ask to have it entered and included in the CONGRESSIONAL RECORD for the information it contains.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The social-security bill marks the first national effort to make future provision against the hazards common in the lives of our people. Its broad scope necessarily makes it a rather complicated measure, but its major features can be summarized briefly.

First, the bill deals with the problem of poverty in old age. Under its terms the United States Government will take action both to help those who are today aged and destitute and will also inaugurate a system which is intended to prevent such destitution in the future. Many of those who are now old are receiving pensions from their States; 35 States have old-age pension laws. Whenever a State has such a law and it is approved as being sufficiently liberal, the Federal Government will match, up to $15 a month per person, whatever pension that State, together with its counties and towns, pays to its aged citizens. The State, as well as the counties and towns, is required to participate financially; but a very wise and helpful addition to the bill provides that if the State constitution prevents State participation, the Federal Government will match what the counties and towns put up until the people of the State have had an opportunity to remove the constitutional restriction.

The States will decide who shall receive pensions and how much they are to get. The Federal contributions, however, show that there is national recognition of the need of assisting these old folks who might starve or go to the poorhouse were no pension paid them.

For the future, at least with respect to all industrial employees, a plan of national old-age insurance is contemplated. These employees will, beginning in 1937, pay taxes in a small percentage of their wages. Their employers will pay taxes of an equal amount. This revenue will make it possible for the Federal Government to establish an old-age reserve account from which regular old-age benefits will be payable to these employees when they reach 65 and retire from regular employment. The benefits will be anywhere from $15 to $85 a month, depending on the previous wages earned by the employee.

At the present time probably over 3,000,000 employees are covered by private annuity plans maintained voluntarily by their employers. A Senate amendment to the bill would exempt these employees and employers from the Federal taxes and benefits if the private plan adequately guarantees benefits at least as high as the Federal benefits.

The old-age-insurance system looks to the future. It is intended to provide a small but regular income to those who today are not yet old. The beneficiaries themselves will help, by paying the new taxes, to build up their own annuities. Thus in the future the cost of State old-age pensions should be diminished, as more and more people are cared for by the Federal benefits which, in effect, they themselves have helped to buy. The social-security bill deals with another great problem, that of future unemployment. It is not aimed to affect the present situation, but simply to mitigate the hardships of unemployment in any future depression. It will

do this by promoting State systems of unemployment insurance. A new pay-roll tax will be levied next year on employers of eight or more persons. An employer may offset against the tax, however, whatever he has paid into an unemployment-insurance fund in his State in accordance with a State law. Thus, if the State wants to keep this money at home, for the benefit of its own citizens, it should pass an unemployment-compensation law, for then it would collect money to be used for its own unemployed, instead of having the money paid to Washington and mingled with all other tax receipts there.

The Federal Government will assist the State systems further by reimbursing the States for the administrative expenses caused by the operation of the systems.

Already, on the expectation that this bill would be enacted, several States have passed unemployment compensation laws. Under them funds would be accumulated for 2 years and then paid out to workers who become unemployed. A worker's unemployment compensation would, on the average, be equal to half his wages and would be paid him if he was genuinely unable to get work for as much as 15 weeks. It should be noted that next year and thereafter the employers in those States which have acted on this matter will be given a 90-percent credit against the new Federal pay-roll tax.

The social-security bill deals also with the problem of the underprivileged child. Many States now have laws providing aid for dependent children living in their own homes. Often this type of assistance is called "mothers' pensions" or "mothers' aid." The States have had little money available for this work, but from now on the Federal Government is ready to come to their assistance, paying one-third of the cost of the State aid to dependent children. Once again, however, the Federal participation in this work will be purely financial; the administration of the plan, the selection of children and families who should be helped, the decision as to how much aid they need, all would be in the hands of the State government.

Not only dependent children living in their own homes, but other children who are crippled or homeless or neglected, are remembered in the social-security bill. Appropriations are authorized to aid the States in the work of caring for these groups. Likewise, provision is made for promoting the work of the States in relation to the health and welfare of mothers and infants. I must mention briefly also some other subjects included in the bill, such as public-health work and vocational rehabilitation, existing Federal activities for which additional appropriations are authorized. There is also provision for matching whatever the States pay up to $15 a month as direct aid to persons who are blind, whatever their age may be.

Obviously we are setting in motion here a vast new force, which must be administered sanely and carefully, with the welfare of all the people in mind. The chief work of administration of those parts of the bill calling for Federal action will be in the hands of a new independent board of three people, to be appointed by the President, and to be known as the "Social Security Board." So important will this Board's work be that the American people will do well to demand of it the highest type of conscientious service, and at the same time to cooperate heartily with it in the work of providing a greater measure of security for the men, women, and children of our Nation.

With the exception of the Senate amendment, which has for its purpose the preservation of private annuity plans maintained voluntarily by forward-looking employers, the terms of the social-security bill have been agreed to in conference. Thus the terms of the bill are made certain and it may well stand out as the lasting achievement of the Roosevelt administration. It is worthy of notice that the social-security measure aroused no important opposition in any quarter. Moreover, it is the product of most careful and deliberate work. More than a year ago President Roosevelt initiated the program. The Committee on Social Security created by him, assisted by a staff of able and conscientious experts, submitted a unanimous report to the Congress. Exhaustive hearings were held in both Houses. On the foundation of actual experience the system will expand.

Within itself the machinery is provided for a vast new force in our economic life which we are here setting in motion.

THE GUFFEY COAL BILL—LETTER FROM NATIONAL CONFERENCE OF BITUMINOUS COAL PRODUCERS

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the National Conference of Bituminous Coal Producers relative to the so-called "Guffey coal bill."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE OF BITUMINOUS COAL PRODUCERS,
Washington, D. C., August 1, 1935.

To the Members of Congress:

We have a copy of an unsigned communication which we are advised went to each Member of Congress, entitled as follows: "Guffey-Snyder bill, H. R. 8479, brief estimate of increased costs of coal, basis last effective code prices." The statements made in this unsigned communication are so grossly exaggerated that we are not surprised that the committee or individual who prepared this statement neglected to add their signature. In view of the fact, however, that many Members of Congress may be misled by this statement, we desire to answer same as follows:

ADMINISTRATION DISTRICT CODE

Section 3, commencing page 5, a tax of 1 percent of 25 percent of the sales price of coal, based on actual cost in price area 1 at $1.83, which includes 90 percent of the production of bituminous coal in the United States, would amount to $.0046.

Part 1, commencing page 6, establishes 22 district boards. These boards will be substantially the same in number as the code authorities under the Bituminous Coal Code and should operate at no greater expense; and, in view of the experience gained under the code, we think at less expense. Actual expense operating code authorities in divisions I, II, and III, including all mines east of the Mississippi River, and which districts produced 95 percent of the total production of the United States, taken from N. R. A. figures, amounts to $.00593. This item, however, is not an additional cost due to the Guffey bill, because it has already been included in the figure of $1.83 production cost heretofore referred to under the operation of the Bituminous Coal Code.

PRICE FIXING

Under part 2, marketing, the assertions in the unsigned communication, showing cost under price-fixing of 16 cents a ton; a variation in prices between coals in different mines as 25 cents a ton, and the coordination of prices as 44½ cents a ton, a total of 85½ cents, are gross misrepresentations of the facts and not justified by the bill or by any theory that can be developed under the bill. The bill provides in paragraph (a): "In order to sustain the stabilization of wages, working conditions, and maximum hours of labor, said prices shall be established so as to yield a return per net ton * * * as equal as nearly as may be the weighted average of the total costs, per net ton * * * ", and this section is supplemented by paragraph (b) for the purpose of coordination as follows: "The minimum prices established as result of such coordination shall not, as to any district, reduce or increase the return per net ton upon all the coal produced therein, below or above the minimum return as provided in subsection (a) of this section, by an amount greater than necessary to accomplish such coordination, to the end that the return per net ton upon the entire tonnage of the minimum price area shall approximate, and be not less than, the weighted average of the total costs per net ton of the tonnage of such minimum price area."

The text of the bill in itself explains that the coordination made by paragraph (b) may result in sales prices equal to the average cost of the minimum price area, which, as heretofore stated, was $1.83. A low-cost district may have its prices reduced by the "amount * * * necessary to accomplish such coordination." This is exactly the method that was followed under the Bituminous Coal Code of Fair Competition, and which resulted in a sales realization of all prices in minimum price area 1 (divisions I and II under the code, 90 percent of the United States production) of $1.86 per net ton f. o. b. mines.

The statement that a variation in freight rates of $1.14 must be coordinated is outside of practical possibilities and was not coordinated under the Bituminous Coal Code of Fair Competition. Paragraph (b) also provides that "no minimum price shall be established that permits dumping"; said absorption of $1.14 a ton on coal that was realizing on the average $1.86 would have to be construed as dumping in some markets.

The assertions on this 85½ cents per ton increased costs in the unsigned communication are such gross misrepresentations of facts that it is difficult to be patient in discussing them. Instead of 85½-cent cost under these items alleged for part 2 of the bill, there will be no additional costs because they remain the same as under the Code of Fair Competition.

The unsigned communication also discusses "Increased cost because of accounting methods" of 15 cents per ton. The cost forms used by the industry under the Bituminous Coal Code were prescribed by the Division of Planning and Research of the National Recovery Administration and the jurisdiction of prescribing proper accounting methods under the bill will rest with the National Bituminous Coal Commission. Certainly the charge made that the operators will cheat in their accounting methods is unwarranted because there are two checks—first, by the Bureau of Internal Revenue, and, secondly, by the National Bituminous Coal Commission, insuring ample protection for the public. The National Conference of Bituminous Coal Producers resents the charge that coal operators would attempt to mulct the public by inflating the costs in the manner set out in the unsigned communication. There will be no additional cost because there is no need for change in accounting methods. The accounting methods prescribed by N. R. A. were sound and have been used by the industry since 1917.

Under title II, bituminous coal reserve, the unsigned communication says that the tax over the first 4 years would amount to $0.067 per net ton. This we accept as being a proper calculation of the amount of the taxes that would arise if title II were enacted into law, and so far as we can ascertain this is the only correct statement in the entire communication. (We are informed that the House Ways and Means Committee has eliminated title II from the bill; and, if so, this charge is also eliminated.)

The unsigned communication also charges that an additional 45 cents per ton cost will be encouraged by the passage of this measure due to an estimated wage increase. Suffice it to say that the Guffey bill has nothing whatever to do with wage increases or decreases, as this is a matter of collective bargaining clearly outside

the provisions of the bill. So far as this conference is concerned, there is no belief or expectation that this amount, or any other amount of wage increases, will be occasioned by the passage of the Guffey bill. This entire amount should be eliminated as being merely a figment of the imagination thrown in to startle the Members of Congress.

As we analyze the unsigned statement, if title II is eliminated the only increased costs above those under the Bituminous Coal Code will be the less than 5 mills ($0.0046) tax that will be imposed upon code members.

In another unsigned communication, evidently mailed by the same parties, they make the statement: "The miners demand a 6-hour day, a 5-day week, and an increase in the minimum basing rate of pay. The two parties to the contract have disagreed. They will still be in disagreement, regardless of what becomes of the Guffey-Snyder bill. The deadlock cannot be broken by the Guffey-Snyder bill or by any other bill." If the parties who failed to sign their names to either of these two documents which were received by you in the same envelope believe this latter statement, certainly their inclusion of 45 cents additional cost due to the wage increase must be untrue.

The entire tabulation of so-called "additional cost" due to the Guffey bill, totaling $1.5555 per ton, is such a bald misrepresentation of the facts that we cannot see how intelligent men would try to foist this kind of a statement upon the Members of the Congress. The fact that they failed to sign their names to these documents is an indication of the lack of confidence that may be placed in what they say.

The figures used in this communication as to costs and realization are taken from publication of costs and realization, April 1934 to January 1935, inclusive, published by the Division of Planning and Research, National Recovery Administration. We solicit any Member of Congress to have this Division check the figures furnished herein.

Attached hereto is a compilation of costs and realization data taken from the N. R. A. figures referred to in the preceding paragraph for the guidance of Members of Congress in considering this bill.

The National Conference of Bituminous Coal Producers wish to state in conclusion that the Guffey bill as such has nothing whatever to do with the making of a wage agreement. However, we are of the opinion that unless the stabilization of prices is secured, it will be difficult to make a wage agreement at the present level of wages. Prices are falling daily and current prices are greatly below cost of production. The stabilization of the bituminous coal industry can be brought about only by action of the Congress.

We solicit your support of H. R. 8479.

Respectfully submitted.

NATIONAL CONFERENCE OF BITUMINOUS COAL PRODUCERS,
By CHARLES O'NEILL, *Chairman Legislative Commitee.*

EXHIBIT A

Statement showing results of regulation of the bituminous industry under N. R. A.

District No.	1934 production	N. R. A. subdivisions	N. R. A. reports, 10 months, April 1934 to January 1935: Tonnage Reported	Tonnage Percent of total	Total cost	Realization	Margin	N. R. A. monthly reports: Cost May 1934	Cost January 1935	Realization May 1934	Realization January 1935	Margin May 1934	Margin January 1935	Coal year 1934 compared to 1933: Realization	Percent of United States production
1	37,800	Eastern Pennsylvania	20,249	67	$212	$206	−006	$212	$202	$200	$209	−012	+007	+0.70	−0.17
3	19,100	Northern West Virginia	10,468	71	167	162	−005	159	161	157	165	−002	+004	+.67	−.49
4	20,800	Ohio	9,695	60	180	186	+006	179	176	180	191	−001	+015	+.67	−.25
5	4,000	Panhandle, northern West Virginia.	1,906	62	173	176	+003	182	175	176	175	−006		+.52	−.15
6	44,100	Southern no. 1	32,294	90	194	204	+010	190	189	195	211	+005	+022	+.84	−.43
7	72,500	Southern no. 2	36,836	62	182	184	+002	174	181	176	194	−003	+010	+.69	−.24
2	53,900	Western Pennsylvania	26,454	60	194	191	−003	189	190	188	192	−001	+002	+.54	[1] +1.36
4	600	Michigan	347	73	318	316	−002	357	304	291	328	−066	+024	+.30	+.05
8	7,900	West Kentucky [2]													−.15
Total 1–8	260,700	Division 1 [3]	138,309	68	191	192	+001	187	187	185	198	−002	+011	+.68	−.46
9	40,900	Illinois	26,262	79	155	164	+009	165	146	155	170	−010	+024	+.19	+.51
10	14,300	Indiana	8,893	75	152	160	+008	164	136	153	163	−011	+027	+.32	+.13
11	3,300	Iowa [2]													+.03
Total 9–11	59,000	Division 2 [3] [4]	35,155	78	154	163	+009	165	144	155	169	−010	+025	+.22	+.67
Total 1–11	319,700	Division 1–2	173,464	70	[5] 183	[5] 186	+003	184	175	180	190	−004	+015	+.59	+.21
12	10,600	Division 3 [6]	3,987	53	228	224	−004	211	222	210	232	−001	+010	+.69	−.03

[1] Western Pennsylvania in 1933 affected by strikes to approximately the gain shown in coal year 1934.
[2] Cost and realization in November and December 1933, for west Kentucky was 15 and 21 cents less, respectively, than average of Illinois and Indiana. Iowa in same period was 79 and 86 cents more.
[3] Totals do not include west Kentucky nor Iowa, except where shown in columns.
[4] Strip mines included in division 2.
[5] Adjusting for entire coal year 1934–35 by using January realization and 10 months' cost for February and March 1935, and correcting for west Kentucky and Iowa on above basis, the average cost of divisions 1 and 2 becomes $1.84 and the average realization $1.87.
[6] Division 3 for 9 months only. December figures in January columns.

COLLECTION OF PROCESSING TAXES—OPINION OF DISTRICT JUDGE MARTIN

Mr. McKELLAR. Mr. President, recently the United States district judge at Memphis rendered a decision in one of the A. A. A. cases, La Croix against the United States. I ask unanimous consent that the opinion of the court may be printed in the RECORD as a part of my remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

[In the District Court of the United States for the western division of the Western District of Tennessee. *Jacob G. La Croix, plaintiff*, v. *The United States of America, defendant.* In equity, no. 1248. Saturday, July 27, 1935, at 9 p. m.]

ORAL OPINION OF MARTIN, DISTRICT JUDGE, DELIVERED AT THE CONCLUSION OF ARGUMENT OF THE MOTION TO DISMISS

This case has been heard on the motion of the United States of America, presented by the assistant district attorney, to dismiss the bill of complaint filed by the plaintiff, who is engaged in the business of operating a slaughterhouse and stockyard and in procuring hog products and in the sale of hog products.

The motion to dismiss questions the right of plaintiff to enjoin the United States of America from collecting the hog-processing taxes pursuant to the act of Congress known as the Agricultural Adjustment Act. The Government maintains that, under title 26, section 154, U. S. C. A., the suit cannot be maintained. Said section of the United States Code provides: "No suit for the purpose of restraining the assessment or collection of any tax shall be maintained in any court."

The plaintiff maintains, at the outset, that an injunction should be granted for the reason that there is pending in Congress, with high probability of passage, a bill which would prevent the recovery of processing taxes already paid. This court thinks it would be an unwarranted encroachment of the judicial power of the United States upon the legislative branch of government should the court attempt a race of diligence with Congress to defeat the applicability of an act to a pending case. At most, a court has the right to consider the effect of an act of Congress; at least it cannot attempt to defeat proposed legislation before it has become the law. The court, therefore, could not properly consider the effect upon an individual of the passage of a pending act which has not become law.

The plaintiff contends that the suit is properly brought under section 41, subsection 20, of the act known as the "Tucker Act." The authorities presented by counsel on both sides of the skillful and elaborate 5-hour argument force the conclusion that the United States of America, pursuant to the Tucker Act in the section just cited, may be properly sued for a claim for the recovery of money due plaintiff. But this court thinks that the United States of America cannot be enjoined from the collection of the taxes, but only its appropriate officers and agents may be enjoined from collecting or seeking to collect the taxes. The United States of America functions only through its constituted officials; and an injunction directed against the United States by name in its sovereign capacity would not be maintainable. Who would be restrained by such injunction? It is obviously a very different right to sue the United States of America, pursuant to an act of Con-

gress, and to enjoin the United States of America from the performance of some governmental function, such as the collection of taxes.

It is therefore the opinion of this court that the injunction prayed for in this bill is beyond the power of this court to grant, as directed, against the United States of America; and the motion to dismiss the bill will be sustained on this ground.

In the course of the consideration of the numerous questions presented on argument, it has been necessary to consider the constitutionality of the Agricultural Adjustment Act; and, while it is unnecessary for this court to pass upon the constitutionality of this act in the view taken that an injunction cannot be granted against the United States of America in this suit, the court deems it equitable to pass upon the constitutionality of the act and to declare the conclusion reached, because the question will be doubtless again presented by the plaintiff in a new suit which he would naturally bring against the appropriate officials whom he would seek to enjoin from collection of the challenged taxes.

Counsel for plaintiff has made a most able presentation of his argument against the validity of the act. His argument has been clear-cut and comprehensive, and he has brought forward numerous authorities upon which he bases his vigorous attack upon the constitutionality of the act in question. He has been helpful to the court in considering all of the many phases of the case necessary to be met to arrive at a correct determination of this question. The court will not attempt, in this oral opinion, to review these authorities or to deliver an erudite or elaborate opinion, for the reason that in many districts throughout the United States there are now pending or have been decided like issues here involved; and this case is not, therefore, a case of first impression. The final pronouncement upon the constitutionality of the Agricultural Adjustment Act will be adjudicated by the Supreme Court of the United States, perhaps before the end of the year.

Having reached a conclusion upon the constitutional questions involved, this court deems it more important to act promptly than to delay a decision for the purpose of writing an elaborate opinion discussing the authorities.

At the outset it should be announced that this court holds the firm conviction that a district court of the United States should not suspend the operation of an act of Congress as unconstitutional except upon the plainest grounds and surest conviction.

In *Nicol* v. *Ames* (175 U. S. 509, 514, 515) the Supreme Court of the United States said:

"It is always an exceedingly grave and delicate duty to decide upon the constitutionality of an act of the Congress of the United States. The presumption, as has frequently been said, is in favor of the validity of the act, and it is only when the question is free from any reasonable doubt that the court should hold an act of the lawmaking power of the Nation to be in violation of that fundamental instrument upon which all the powers of the Government rest. This is particularly true of a revenue act of Congress. The provisions of such an act should not be lightly or unadvisedly set aside, although if it be plainly antagonistic to the Constitution it is the duty of the court to so declare. The power to tax is one great power upon which the whole national fabric is based. It is as necessary to the existence and prosperity of a nation as is the air he breathes to the natural man. It is not only the power to destroy, but it is also the power to keep alive."

It is the judgment of this court that, before pronouncing an act of Congress unconstitutional and unenforcible, a district court should be even more carefully deliberate and firmly convinced beyond a reasonable doubt of its unconstitutionality than would be necessary on the part of a circuit court of appeals or of the Supreme Court of the United States. A district court is a one-man court. There are numerous district courts, and the result of conflicting views of individual district judges as to the unconstitutionality of acts of Congress leads to a frequently confusing status in the enforcibility of national laws. Wherefore, district courts should be most reluctant to pronounce acts of Congress void. The soundest public policy is conserved when district courts do not interfere with the operation of acts of Congress. Pending the final decision of the Supreme Court of the United States, nullification of laws in some districts and their enforcement in other districts leads to much confusion and inequality.

The challenge upon the constitutionality of the Agricultural Adjustment Act is, of course, serious, because certain district judges and the United States Circuit Court of Appeals for the First Circuit, in a 2 to 1 decision, have already declared the act unconstitutional. Respect for these decisions make the constitutionality of the act a grave question. With due deference to the distinguished judges with whom this court differs, this court does not feel impelled to follow them. Neither the Supreme Court of the United States nor the Sixth Circuit Court of Appeals has passed upon the question; and this court is, therefore, free to entertain and express independent views.

First, let us consider the background of the challenged act, the emergency existing at the time of its passage. It is well known that the national situation then existing was extremely desperate. Many men of intelligence and normal courage were almost hopeless of a restoration of normal conditions in America, as a result of what started as an economic depression and ended as an economic collapse. It was evident to men of thought that new measures must be brought forward and enacted into law to restore our country to normal prosperity.

To meet the situation Congress enacted many new laws which in bygone days would have seemed unnecessary, but which, when adopted, met with the sweeping approval of the overwhelming majority of the people of the United States, as shown by the ready spirit of cooperation in which our population entered upon accomplishment of the purposes of these laws. In the national disaster in which our country was placed nothing appeared more important than meeting the problem of aiding the farmer to continue to produce. It had been a matter of national discussion in the Halls of Congress, in the legislatures of the States, and by people generally as to what means or measures might be adopted to benefit the farmers. And so the Agricultural Adjustment Act was born.

It remained unchallenged as to its unconstitutionality, so far as this court knows, for many months; and an improvement was noted in the agricultural situation and in the common betterment of conditions as the direct and proximate result of the provisions of the act.

"The devil was sick, the devil a monk would be;
The devil got well, the devil a monk was he."

So, when the situation generally had improved, discussion became more current as to the probable unconstitutionality of the act; all of which is said to emphasize the view of this court of the importance of considering the act in the light of the general welfare clause of the Constitution of the United States, article 1, section 8, subsection 1, which provides:

"The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States."

In the opinion of this court, reasoning practically, if legislation in time of stress could ever have been needed more for the general welfare of the United States than was the legislation for the benefit of farmers at the time of the passage of this act, the court is in ignorance of any such time. A court of the United States should not be, and cannot be under the doctrines pronounced by the Supreme Court of the United States, concerned with the policy of legislation. Provided the legislation is constitutional, the act must be upheld.

It is immaterial, therefore, as to whether the Agricultural Adjustment Act is deemed expedient or not. Only the constitutionality of the act must be considered here.

Counsel for plaintiff maintains that the processing tax is not a tax at all. It seems that the complete answer to this is that the tax is paid into the Treasury of the United States and, even though ear-marked, it is still a tax. The fact that the farmer benefits directly from the tax does not prevent the applicability of article 1, section 8, subsection 1, of the Constitution, where the general welfare is likewise conserved.

The most serious question argued by counsel is as to whether—viewing the act in its entirety—there has been a delegation by Congress of the taxing power to the executive department. Most careful consideration has been given to the urgent argument of counsel and to the authorities which he cites. But an analysis of the act in its entirety leads this Court to the conclusion that, liberally and fairly interpreting this act, resolving every intendment in favor of its constitutionality, the taxing power is not delegated by the act to the Secretary of Agriculture. Congress has singled out and specified cotton, wheat, corn, hogs, etc., as the subject matter of the processing taxes. It must be noted, further, that Congress has fixed the basis of determining the taxes and has not left to the discretion of the Secretary of Agriculture the fixation of the taxes. Congress has delegated to the Secretary of Agriculture only the calculation of the taxes upon the basis fixed by the terms of the act to obtain a parity through the processing tax of prices of farm products existing in 1929.

This court finds no single passage in the act which vests in the Secretary of Agriculture an unconstitutional delegation of legislative authority and power.

The Supreme Court, in its recent decisions, has settled the proposition that no matter how grave the emergency, Congress will not be permitted to transcend the Constitution. But it would seem manifest that the Court did not intend to declare that the emergency may not be considered in resolving intendments in favor of the constitutionality of the act in a doubtful case. Any case may be classified as doubtful, where United States judges who have passed upon a question have expressed divergent views.

This court is aware that the opinion here rendered is at the moment a minority view; but, with proper deference to the majority of the courts, an independent view may be maintained here in the absence of authority binding this court. This court holds the opinion that the full import and meaning of article 1, section 8, subsection 1, of the Constitution has been too much obscured in the consideration by some courts of constitutional questions.

It is the opinion of this court that it was the purpose of the framers of the Constitution that this clause, giving the right to levy taxes to pay the public debts, provide for the common defense and general welfare, was to be applied in times of emergency as a liberal and flexible means of providing for the welfare of the United States in times of disaster; provided, of course, that no other and restraining clause was violated.

It seems that some judges have overstressed the interstate-commerce clause and the due-process clause at the expense of the general-welfare clause. The due-process clause of the Constitution is not violated by the method in which the Secretary of Agriculture is instructed to calculate applicable taxes to each of the commodities affected by the Agricultural Adjustment Act. Nor is there a lack of uniformity of taxation, as required by article I, section 8, subsection 1. Hogs in Iowa are taxed upon the same basis as hogs in Mississippi; wheat in Illinois upon the same basis as wheat in California; corn in Indiana upon the same basis

as corn in Tennessee; and cotton, likewise, is uniformly treated in all of its producing States.

In the early days of this Republic, the expenses of the common government were borne by taxes upon liquor and tobacco. These taxes were not held to be discriminatory. Why, therefore, should taxes levied upon corn, cotton, hogs, and the commodities described in the Agricultural Adjustment Act be regarded as vicious? Protective import taxes—not primarily designed for revenue—were the means of protection of infant industries, and have been continued for the benefit of lusty, healthy manufacturing enterprises. Why, then, the argument that the imposition of these farmer-benefit processing taxes is class legislation?

The Schechter case is not in point with the case under discussion; for the reason that the Schechter case involved the regulation of local business within the State, and the unconstitutionality of the National Recovery Act did not involve any consideration of taxation.

The motion to dismiss the bill is sustained; and an appropriate order will be entered in conformity with this opinion.

JOHN D. MARTIN,
United States District Judge.

REVISION OF COPYRIGHT ACT

The Senate resumed the consideration of the bill (S. 3047) to amend the act entitled "An act to amend and consolidate the acts respecting copyright", approved March 4, 1909, as amended, and for other purposes.

The VICE PRESIDENT. When the Senate adjourned last evening the Senator from New York [Mr. WAGNER] had the floor, and he is now recognized.

Mr. WAGNER. Mr. President, I desire to offer several amendments to the bill. I send to the desk the first of these, which I hope will be accepted by the Senator in charge of the measure.

The VICE PRESIDENT. The amendment offered by the Senator from New York will be stated.

The LEGISLATIVE CLERK. On page 3, line 3, after the word "whatsoever", it is proposed to strike out the following proviso:

Provided, That the right to produce a motion picture shall include the right to exhibit it.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New York.

Mr. WAGNER. Mr. President, I may say that I doubt very much the constitutionality of this provision of the bill. Under it, if a playwright makes a production contract with a moving-picture concern, he must also cede at the same time all exhibition rights. I cannot understand by what authority we can dictate the terms of contracts that are essentially private in their import rather than affected with a public interest.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. DUFFY. There are some Senators here who were not present yesterday. I wish to read merely a paragraph of the report of the Committee on Patents in reference to this particular provision. The excerpt from the report is as follows:

This language is intended solely to prevent an author who has granted motion-picture producing rights from claiming that he is entitled to prevent the produced picture from being exhibited. It would be absurd to leave the way open for such contention by a scenario writer or by a writer of a story upon which the scenario is based. The divisibility privileges provided for in section 24 of the bill, amending section 42 of the act of 1909, might suggest to an author that his license to produce might not include authorization to exhibit, but the union of the two authorizations provided for in the language quoted does not affect the performing right of the author of copyrighted material, characteristically music, which may be incidentally used in the production of a motion picture. A music composer assigns no right to produce a motion picture. He merely assigns a right to use his music incidentally in connection with the production of a motion picture.

For years the authors have been asking for the rights of divisibility. They wanted, if they had a story to sell to the publishers of books, also to have the right reserved to them to sell to moving-picture producers or to radio companies, if they could make use of it. The committee decided that that privilege for which the authors had asked for so many years should be granted, and such provision is included in the bill. But, as a safeguard, by reason of testimony brought out during the hearings, it was thought it should not be put in the power of the author to say, "I will sell my rights to produce a motion picture, but you cannot exhibit it after you have produced it." It seemed to the committee those two things should go together, so, on behalf of the committee, I shall not be able to accept the amendment.

Mr. WAGNER. As I tried to point out yesterday—and I do not propose to repeat unduly—this bill is packed with provisions to break down the protection which the law now gives to playwrights, authors, and others engaged in the creative arts. They are here being accorded harshly discriminatory treatment. I am sure that this is not due to animus on anyone's part, but merely to the haste and indifference with which we are acting upon this matter.

Generally, one has the right to make whatever contract he can with reference to his property so long as no public interest is offended. All that I am contending for is that artists should have the right to make with producers the kind of contracts they choose. This bill undertakes to say to the author, "If you want to sell your rights to moving picture producers, you can do so only upon the terms that we, as Members of the Congress, decide are appropriate."

I pointed out yesterday why it is frequently necessary for the playwright to be able to control the time of the production of a picture based upon his story. It would be utterly destructive to the playwright's interests if the picture might be shown on Broadway, at a price perhaps one-fifth the admission charged for the play, while the play was still running. The play would be destroyed at once. The playwright should have the right, it seems to me, to protect himself.

But now it is proposed to say to the playwright, who may have only one successful play in 10 or 15 years, "If you want to sell the production right, you must also sell the exhibition rights at the same time." I cannot believe that the motion-picture companies fear their own ability to consummate their own contracts. This is, in my opinion, unheard-of legislation.

Mr. DUFFY. Mr. President, the committee gave very careful consideration to the matter and endeavored to do justice to all concerned. I hope the amendment may be defeated.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was rejected.

Mr. WAGNER. Mr. President, I desire to offer another amendment. A provision of the bill denies recovery for infringement in case of—

The merely incidental and not reasonably avoidable inclusion of a copyrighted work in a motion picture or broadcast depicting or relating to current events.

In other words, if a reel or a broadcast depicting current events inadvertenly uses a song of great popularity and of great value to the copyright owner, he has absolutely no recourse if the use is "incidental." The large profits that the picture or radio company may reap are disregarded. To my mind, this is an extraordinary provision, and I ask that it be eliminated from the bill. I send an amendment for that purpose to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 23, to strike out lines 21 to 24, inclusive, as follows:

The merely incidental and not reasonably avoidable inclusion of a copyright work in a motion picture or broadcast depicting or relating current events.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York.

Mr. DUFFY. Mr. President, I wish to make just a very brief statement. The matter was discussed somewhat yesterday. The provision applies only to current events. It applies to incidents such as the broadcasting of a Rose Bowl football game or some great sporting event of Nation-wide interest. It might be that, while they were taking the picture a band would pass by the camera and a few bars of a copyrighted song or piece of music, perhaps the alma mater song of the University of California, would be registered. The provision applies only to current news events.

It applies to something that is entirely incidental and which cannot be reasonably avoided.

Such a case might arise by reason of an incident where some moving pictures were being taken of some big event and a band would march down the street playing at that particular time some piece of copyrighted music, and as a result a few bars of that music would be reproduced. Such a thing has been held to be an infringement. The committee thought such a situation ought not to be permitted to exist. I hope the amendment of the Senator from New York will be rejected.

Mr. WAGNER. Mr. President, I see that it will be of no avail to go further into the merits of the provision. I am very sorry that artists are being treated so cavalierly by this measure. No matter how much a popular song may add to the attractiveness of a current-events feature, its composer is to be allowed absolutely no remedy if it is used without his consent.

I feel confident that no motion-picture concern that I know anything about wants to profit by the accidental appropriation of the property of another. They all want to share their profits fairly with the artists of America. I can make no greater appeal upon this proposition. I see what the disposition of the Senate is.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. WAGNER].

The amendment was rejected.

Mr. WAGNER. I offer a further amendment.

The VICE PRESIDENT. The Senator from New York offers another amendment, which will be stated.

The CHIEF CLERK. On page 16, it is proposed to strike out lines 18 to 25, inclusive, and on page 17, to strike out lines 1 to 7, inclusive, and to insert in lieu thereof:

(3) To pay in lieu of actual damages and profits such damages as to the court shall appear to be just: *Provided*, That such damages shall in no case exceed $20,000 or be less than $200, and shall not be regarded as a penalty. This paragraph shall not deprive the copyright proprietor of any other remedy given him under this law, nor shall the limitation as to the amount of recovery apply to infringements accruing after the actual notice to the defendant, either by service of process in a suit or other written notice served upon him.

Mr. WAGNER. Mr. President, this amendment restores the provision for minimum statutory damages when a copyright has been infringed.

Suppose that I have written a song which has made a hit. The song is used by a broadcasting station. Those who are familiar with the subject know that in many or most instances the broadcast may absolutely destroy the value of my property. But under the rules of evidence I am unlikely to be able to prove the extent of damage. Thus, with impunity, the infringer may make tremendous profits by misappropriating my work.

The United States Supreme Court recognized this evil in a case upholding the statutory minima. In a unanimous opinion it was said:

The phraseology of the section was adopted to avoid the strictness of construction incident to a law imposing penalties and to give the owner of a copyright some recompense for injury done him, in a case where the rules of law render difficult or impossible proof of damages or discovery of profits. In this respect the old law was unsatisfactory.

In many cases the plaintiffs, though proving infringement, were able to recover only nominal damages, in spite of the fact that preparation and trial of the case imposed substantial expense and inconvenience.

The ineffectiveness of the remedy encouraged willful and deliberate infringement.

Thus spoke the United States Supreme Court. This bill proposes to revert to the old days when poor artists were exploited through deliberation or mistake. If the Court was correct in saying that "the effectiveness of the remedy encouraged willful and deliberate infringement", we are again promoting willful and deliberate infringement by the very few at the expense not only of the artists of our country, but also to the detriment of the radio and picture concerns, who desire to do business and to compete on a fair basis.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. DUFFY. Mr. President, I desire to quote another sentence from the same opinion of the Supreme Court to which the Senator from New York has just referred. I quoted it the other day, but many more Senators are present today than at that time, and it is only a very brief sentence. I read from page 199 of the opinion of the Court, found in Two Hundred and Eighty-three United States Reports:

It may be that proper control over broadcasting programs would automatically secure to the copyright owner sufficient protection from unauthorized public performances by use of a radio receiving set—

Listen to what the Supreme Court said—

and that this might justify legislation denying relief against those who in using the receiving set innocently invade the copyright, but the existing statute makes no such exception.

In other words, the Supreme Court went out of its way to show that by means of the radio cases might arise such as the Senator from Georgia pointed out, where in a little boarding house in the mountains of Georgia a few chairs were cleared out; some of the guests of the boarding house had a little dance to radio music; and they were hauled down to the Federal court; and the judge of the court could do nothing else than render a judgment for minimum damages of $250, plus the costs of the action, plus attorneys' fees.

We are talking a good deal about the little fellow. I desire to say that there is hardly any composer of music in this country today who is not a member of the American Society of Composers, Authors, and Publishers; and if someone should go to one of those individuals—Irving Berlin or anyone else—and ask him to grant the right to use his music in a place such as a little boarding house he could not do it. This is not a "little fellow" by any means, but is so big that the United States Government is prosecuting it under the Antitrust Act; so big that, according to the hearings before the House committee, it is able to pay salaries of $50,000 to its general manager and $35,000 to its president; it is so big and powerful that it has a monopoly. We by law are giving monopoly to private individuals, who get together and pool their monopolies into a great, gigantic, powerful organization; and, although I realize that the members of the organization say, "We do not intend to go after the little fellows", I say that every taxicab driver in the United States who has a radio in his cab is subject to suit if any copyrighted music comes over it—and almost all music that is at all popular is copyrighted. Even though the radio stations pay a fee for broadcasting it, the little fellow who is driving the taxicab is subject to have a $250 damage suit brought against him as a minimum, and the court could not do anything about it under the present law.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DUFFY. I yield.

Mr. WAGNER. Is not the situation to which the Senator refers taken care of in another section of the bill? I do not object to that section, which provides that no one shall be liable for the innocent auditory transmission of an infringed copyright, where no charge is made for the rendition. But the argument which the Senator has just made has no pertinence to the amendment which I now offer. He complained of a substantive evil in the old law that is now being cured. I am talking about a rule of liability where the question of substantive rights is not in issue—where the wrong is admitted.

Mr. DUFFY. This is the first time I knew the Senator did not disagree with that provision. His main attack seems to have been centered on the $250 minimum-damage provision, plus costs.

The Senator spoke a little while ago about a man making large profits out of the unauthorized use of a song. The present law specifically provides, and this bill provides, that the copyright owner may recover the amount of profit that anybody has made as an element of damages; but, even though he does not, still under the bill the judge would have the say as to whether the amount of damages should be anywhere up to $20,000, instead of limiting it between $250 and $5,000, as is the present case.

The Senator from New York the other day referred to a case where there was a Nation-wide broadcast. In such a case, I do not think the $250 minimum-damage provision would have any effect whatsoever; but we raised that minimum, so that if there were any cases of deliberate infringement, where the copyright owners did not feel it advisable to go into specific elements of damage, the court might award $20,000 damages. The bill before us makes it mandatory upon the court to award such amount of damages that the copyright will no longer be subject to violation by infringement; in other words, that it will discourage infringement.

We think that is proper; but we think the court ought to have the right to use its judgment to say what is a fair amount of damages, statutory damages, damages without proof of loss, to be given in any particular case.

That is all that is done by the bill presented here. We think it is one of the most important features of the bill; and we very seriously object to its being stricken out, at least in part, as it would be by the amendment of the Senator from New York.

Mr. WAGNER. Mr. President, as I stated yesterday, even the State Department recognized the principle of a minimum-damage provision, although they recommended that the sum be reduced from $250 to $100. If we pass the bill without this minimum provision, I predict that the wide-spread exploitation of artists will again begin.

Of course, it is easy to talk about getting $20,000 in damages, but in most cases that is a "pipe dream." I am trying to protect the obscure and powerless artist who finds it hard to get any redress at all.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. No; not just at this moment.

The Senator referred to the song writers who make large profits. I read in the morning papers that the Government is about to aid over 10,000 writers in this country because of their desperate condition. The Senator, no doubt, recalls a recent investigation revealing the huge salaries drawn by the heads of the large moving-picture concerns. I do not begrudge their fortunes, made by hard work and service to the public. But compare their lot with the poverty-stricken condition of 90 percent of the writers of America, and I think there will be no doubt as to who needs the protection of Congress.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. WAGNER. I will yield for a question.

Mr. DUFFY. I wish to ask a question. If the Senator is interested in the individual, why not frame his amendment so that it would not give protection to a great society like the American Society of Composers, Authors, and Publishers, but limit it to individuals, and not allow it to apply to those who act in concert in such large organizations?

Mr. WAGNER. I will accept an amendment that will protect the individual. That is what I am interested in. I will accept any modification the Senator might suggest that will protect the individual artist, and him alone.

Mr. DUFFY. This is the Senator's amendment. At the time this subject was before the Senate at a previous session, I think it was former Senator Dill, of Washington, who made the suggestion that there never should have been a provision for minimum damages where two or more get together in concert, assignees of the original copyright owners, or where copyright owners acted in concert, because they have a gigantic concern, which is ruthless.

Mr. WAGNER. We do not agree upon that. I cannot believe that these gentlemen are the racketeers that the Senator has asserted them to be. The statement was made in order to create prejudice against the most eminent artists, not only in this country but in the whole world. But we need not go any further into that.

As I read it, my amendment refers only to the individual artist. I do not see how the Senator can contend that it would protect anyone except the individual whose copyright is infringed upon.

Mr. DUFFY. Mr. President, will the Senator yield again?

Mr. WAGNER. I yield.

Mr. DUFFY. Irving Berlin and all the others immediately assign all the rights they have in their copyrights to this society, and they could not give to the Senator or to anyone else individually the right to produce their songs. Practically all of the big producers of the country, and many little ones, do that.

Mr. WAGNER. I am sorry, but the information that I have is to the contrary. I should like a vote upon the amendment.

Mr. DUFFY. Mr. President, I merely wish to say to those who may have come in late that this matter has been very seriously considered by the Committee on Patents, and I sincerely hope the amendment will be defeated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New York [Mr. WAGNER].

The amendment was rejected.

Mr. WAGNER. Mr. President, there is one further amendment I wish to offer, and then I shall be through. I am sure it is an amendment which the Senator from Idaho intended to include in the amendment which he offered yesterday. On page 18 of the bill is a provision which denies to the owner of an infringed copyright not only a temporary injunction but a permanent injunction as well in those cases where his product is used for advertising purposes.

Mr. BORAH. On what line does the provision begin?

Mr. WAGNER. On page 18, beginning on line 24, and extending through line 10 on page 20. It deals with the same subject matter that the Senator discussed yesterday.

Mr. BORAH. Beginning with the proviso on line 24?

Mr. WAGNER. On page 18, line 24, beginning with the words "In the event that advertising matter of any kind carried by a newspaper." It will be noticed that the prohibition here is against the granting of either a temporary or a permanent injunction where the particular copyrighted material is used in advertising over the radio or by any other method. In addition, it goes so far as to prevent an action even for damages or profits against the broadcaster, exhibitor, magazine, or newspaper that, without license, uses a copyrighted creation. The only recourse the copyright owner has is against the advertiser, and then only through a suit for damages rather than an injunction. If the advertiser is not financially responsible, the injured party has absolutely no remedy.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BORAH. In the light of the adoption of the amendment which I offered yesterday, it occurs to me this provision would be controlled by that amendment.

Mr. WAGNER. I think not; it goes even further.

Mr. BORAH. I should be very glad to have any correction made that is necessary, but I am of the opinion that the amendment adopted yesterday would control.

Mr. WAGNER. I am sure the Senator intended to cover this particular provision, but in the amendment offered by the Senator yesterday it was not covered.

Mr. BORAH. May I ask the Senator in charge of the bill as to his construction of the language beginning on line 24, page 18? To what extent would this provision of the bill be affected by the amendment adopted yesterday? The amendment agreed to yesterday specifically permits an injunction for the infringement of copyright. Would not that amendment control this provision?

Mr. DUFFY. I am of the opinion that it might not. This is a recommendation from the Interdepartmental Committee. If an advertiser should present a matter which might in fact have been copyrighted, the advertiser would be responsible, rather than the publisher. I question whether the action taken on the amendment of the Senator from Idaho would control this. I am not certain.

Mr. BORAH. I am frank to say that I did not observe this provision in the bill. I think it well that we take action to make our purpose more definite.

Mr. WAGNER. May I ask the Senator from Wisconsin if it is not true that this provision of the bill prohibits any kind of action against either the newspaper or magazine or

radio which uses a copyrighted creation in an advertisement?

Mr. DUFFY. The remedy would be against the advertiser.

Mr. WAGNER. The remedy would be against the advertiser, but it would only be in the nature of a suit for damages. One could not enjoin the publication or the broadcast of the particular advertising sketch, whatever it might be.

Mr. BORAH. The provision referred to by the Senator from New York reads:

(d) In the event that advertising matter of any kind carried by a newspaper, magazine, or periodical, or broadcast by radio shall infringe any copyrighted work, where the publisher of the newspaper, magazine, or periodical, or the broadcaster, shall show that he was not aware that he was infringing and that such infringement could not reasonably have been foreseen, the person aggrieved shall be entitled to an injunction only (1) before work of manufacture of the issue has commenced, or, in the case of broadcasting, before the rehearsal of the program has begun.

Mr. President, it seems to me that that is a wholly different proposition from the one with which we were dealing yesterday. This is an advertising proposition, and if the advertiser shows that he was not aware that he was infringing, and that the infringement could not reasonably have been foreseen, then the party is not entitled to an injunction, unless the injunction is asked before the work of printing the issue has commenced.

Mr. WAGNER. I think the two propositions are the same. A court of equity should be allowed to deal with a case where an injustice has been done by granting an injunction.

Mr. BORAH. I shall be very glad to support the proposition if the Senator from New York thinks it is necessary.

Mr. WAGNER. I am very confident that the Senator from Wisconsin [Mr. DUFFY] will accept an amendment striking out this particular provision in view of the action taken by the Senate yesterday.

Mr. DUFFY. Mr. President, I do not know what the amendment proposed is.

Mr. WAGNER. My amendment is to strike out subsection (d), beginning on line 24 of page 18, and extending down to and including line 10 on page 20. The subsection deals with the subject of injunctions in case of advertising infringements.

I think that the Senator will certainly recognize that this is a very harsh provision. If, perchance, the advertiser becomes financially irresponsible, the author has no remedy. I think that the author should at least be permitted to go into a court of equity and show that the publication or the broadcast would work an injustice.

Mr. DUFFY. Mr. President, I will say in view of the action taken by the Senate yesterday with reference to the amendment proposed by the Senator from Idaho [Mr. BORAH] that I do not have any very decided feeling one way or the other on that matter. I wish to follow the recommendation of the Interdepartmental Committee on Copyright, which gave so much attention to and study of this matter, and whose recommendation was adopted by the Senate Committee on Patents.

Mr. WAGNER. Does not the Senator from Wisconsin as a lawyer realize that there is a question with respect to the matter?

Mr. DUFFY. Yes; there is a question. I will say that for the purpose of expediting the consideration of the bill I shall be willing to accept the amendment of the Senator from New York [Mr. WAGNER].

Mr. WAGNER. Very well; I move to strike out subsection (d), comprising lines 24 and 25 on page 18, all of page 19, and down to and including line 10 on page 20.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and read the third time.

Mr. COPELAND. May I ask my colleague, who just proposed an amendment, what its fate was?

Mr. WAGNER. The amendment has just been agreed to.

Mr. COPELAND. Mr. President, I wish to say a word or two about the bill. I do not like to discuss it. I have not had the benefit of listening to the debate on it, having been occupied in my committee room almost every minute of this week in connection with consideration of the ship subsidy bill. So I venture to say that the statement I shall make will be a rehash of what has previously been said.

I find myself embarrassed because among my constituents and friends there is a marked division of opinion concerning the bill. My friends among the broadcasters—and they are good friends; my friends in the hotel men's association, and they are good friends—are very heartily in favor of the measure. On the contrary, the authors of my State and the song writers and others are in bitter opposition to it. I ask the Senator from Wisconsin whether attention has been given during the debate on the bill to the protests of the Authors' League of America.

Mr. DUFFY. I will state to the Senator from New York that the arguments which the Authors' League brought forth have been mentioned three or four times during the course of the debate. They have been all mentioned, so far as I recall, or most of them at least.

Mr. COPELAND. I received a letter this morning from the Authors' League.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. DUFFY. I also received a letter this morning from the Authors' Club, 48 West Seventy-sixth Street, New York City. I had not previously mentioned it. The Authors' Club declares in favor of the bill. I wonder if the Senator is acquainted with that organization.

Mr. COPELAND. I am not acquainted with that organization.

Mr. DUFFY. I ask to have printed as a part of my remarks at this point a letter which I received this morning from the Authors' Club, signed by Daniel Henderson, saying the club is in favor of the copyright bill.

The PRESIDENT pro tempore. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

THE AUTHORS CLUB,
New York City, August 5, 1935.

Senator F. RYAN DUFFY,
Senate Building, Washington, D. C.

DEAR SENATOR DUFFY: The Authors Club of New York approves of the copyright bill, S. 3047, and strongly urges favorable action upon it.

Sincerely yours,

DANIEL HENDERSON, *Secretary.*

Mr. COPELAND. Mr. President, I take it from the letter which I have received from the Authors League that there is a feeling on the part of the organization that its authoritative standing has been questioned. In the letter, having spoken of the references made to the Authors League, the writer goes on to say that the organization, while it is national, has its headquarters in New York and is incorporated as a membership corporation under the laws of New York. The purposes of the organization as stated are:

To promote and perfect the general professional interests of all creators of copyrightable material.

To procure adequate copyright legislation, both international and domestic, and to promote better copyright relations between the United States and other countries.

Then the third purpose is:

To encourage cordial relationships among its members.

The writer of this letter points out that the organization has approved heretofore every copyright bill which has been presented by the committees of the House or Senate in former Congresses. I happen to know that that is true of the bill we had here 4 or 5 years ago. This organization was enthusiastically in favor of that copyright bill. Now they are bitterly opposed to this bill.

This organization is made up of such persons as Pearl Buck, James Forbes, James Hopper, Sidney Howard, Rupert Hughes, Arthur Richman, George Barr Baker, Ralph J. Block, Elmer Davis, John Grey, Oscar Hammerstein 2d,

Brian Hooker, Sidney Howard, Will Irwin, Inez Haynes Irwin, Alice Duer Miller, Seton I. Miller, Elmer Rice, Rita Weiman, and others.

Mr. President, if it be true that these well-known writers are actually opposed to the bill, with apparently definite reasons for their opposition, I do not see how the Senate can fail to recognize the propriety of their protest. My regret is that I could not more urgently and strongly and influentially present the cause for which they stand; but I can at least make reasonably clear, through the protest which they have offered, why they are in opposition to the bill.

It may be, and I hope it is the case, that some of the objections which they present have been met fully by the Senator from Wisconsin.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. DUFFY. I think the primary objection of the Authors' League was to the injunction provision, which has been entirely changed, and I think that change meets their full approval. They have, of course, listed other objections, but during the hearings it was apparent that the chief objection was to the injunction provision.

Mr. COPELAND. Is it the contention of the Senator from Wisconsin that that objection has been met by modification of the bill?

Mr. DUFFY. Yes; I think entirely so as to the injunction provision.

Mr. COPELAND. May I ask my colleague [Mr. WAGNER] if he shares the enthusiasm of the Senator from Wisconsin that the amendment has met the objection of the Authors' League and others so far as the injunction features are concerned?

Mr. WAGNER. Yes. The provisions with reference to injunctions have been eliminated, I am very glad to say.

Mr. COPELAND. Did that elimination take place on the floor of the Senate?

Mr. WAGNER. Yes; by amendment offered by the Senator from Idaho [Mr. BORAH] and a further one offered by me this morning.

Mr. COPELAND. Very well.

Mr. WAGNER. That is the only success I have had today, and that was due to the aid of the Senator from Idaho.

Mr. COPELAND. I congratulate my colleague, and I congratulate also the Senator from Idaho. Then something has been accomplished so far in the debate by way of improving conditions for the authors. I am very glad of that. I find that the authors regard the legislation as fundamentally unsound because it discriminates against American authors both in favor of foreign authors and in favor of the commercial industry which exploits the author's work. What does the Senator from Wisconsin say as to that?

Mr. DUFFY. While the matter has been gone over four or five times, I am glad to refer to it again.

Mr. COPELAND. I apologize for bringing it up again.

Mr. DUFFY. The Authors' League, of course, is very anxious to have the United States join the International Copyright Union, and this bill, in a large measure, is an enabling act for that purpose. We give to the authors of all countries that are members of the Copyright Union, some 40 in number, the same privileges of automatic copyright which they, in turn, give to our authors. It is entirely reciprocal. We give to their authors what they give to our authors.

The question was raised on the floor that, in addition to that, we ought to give automatic copyright in this country to American authors. There are a number of countries, members of the Copyright Union, that require some formality on the part of their own authors, but it was thought, in view of the fact that the procedure is very simple in this country, that it causes no hardship, and is of great protection to the consuming public, that they should comply with the law as it now exists. Nothing is being taken away from the authors of this country; they merely comply, so far as this country is concerned, with the present law; but they derive the benefits in other countries which the others give to their authors.

Mr. COPELAND. May I ask the Senator if there is any justification for the charge made that this is really a fight between, on the one side, the broadcasters and the hotel men's association, and, on the other side, the helpless writers and composers? Is there any foundation for that statement?

Mr. DUFFY. In answer to the query of the Senator from New York, let me say that there is no foundation whatsoever for the statement. This bill was largely written by an interdepartmental copyright committee formed at the request of the Senate Foreign Relations Committee and composed of the following: Dr. Wallace McClure, of the State Department; Mr. Joseph T. Keating, legal assistant for the Treaty Division of the State Department; Mr. William L. Brown, the Register of Copyrights; Mr. Richard C. De Wolf, Assistant Register of Copyrights; and Mr. James L. Brown, Department of Commerce, formerly Chief of the Industrial Property Section, Bureau of Foreign and Domestic Commerce. I assure the Senator that this impartial governmental committee, formed at the request of a committee of this body, had no ulterior motive in this matter, but tried to effectuate a fair compromise in bringing forth this bill.

Mr. COPELAND. I am very much obliged to the Senator for what he has said. However, when there is strenuous opposition to a bill, when there is a profound conviction that the bill is dangerous, that it infringes upon the rights and privileges of a group, I can quite understand how helpless that group feels and how bitterly will be resented any action taken which seeks to curtail their rights.

Mr. President, I have been a Member of this body for a long time, something more than a dozen years, and I know how utterly hopeless it is to attempt any radical modification of a measure which has been reported by a committee, which has been debated for a long time in the Senate, and to which amendments have been voted down, indicating the intent of the Senate to follow the committee. With all this knowledge on my part, I recognize how hopeless it is to undertake any such thing as defeat of the bill.

As I said in the beginning, I have friends on both sides of this controversy; but, frankly, all my sympathies are with those who are in opposition to the bill. I think they feel that they have not had an opportunity to be heard; that they have not had an opportunity to have their arguments presented and digested. They feel that the proposed action is hasty and ill-advised. However, my colleague [Mr. WAGNER] at great length has presented the cause as it appears to us, coming from New York. He has done it in a far more capable manner than I could possibly do it; he has accomplished a great deal in the way of certain amendments which have been accepted; and, so far as I am concerned, I shall satisfy myself by entering my protest and by saying that I think the measure ought not to be passed. I protested against bringing it up at this particular stage of the proceedings of the Senate; but I would be untrue to my conviction that we ought not to be wasting any time here if I proceeded to waste any time in what I know, from the start, is a hopeless undertaking. Therefore, having entered my protest, I shall yield the floor.

The PRESIDENT pro tempore. The question is on the passage of the bill.

The bill was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 12. An act to amend the Packers and Stockyards Act;

S. 39. An act for the relief of the estate of William Bardel;

S. 170. An act for the relief of Alva A. Murphy;

S. 276. An act for the relief of Harry Layman;

S. 470. An act for the relief of the Hauser Construction Co.;

S. 556. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 659. An act for the relief of Walter J. Bryson Paving Co.;

S. 684. An act for the relief of Brown & Cunningham, of Port Deposit, Md.;

S. 685. An act for the relief of the Sanford & Brooks Co.;

S. 794. An act for the relief of the Bowers Southern Dredging Co.;

S. 908. An act for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

S. 928. An act for the relief of Rene Hooge;

S. 997. An act to provide for the establishment of a national monument on the site of Red Hill, estate of Patrick Henry;

S. 1347. An act for the relief of Robert J. Smith, alias William McClocklin;

S. 1359. An act for the relief of A. N. Ross;

S. 1761. An act for the relief of George Voeltz;

S. 1980. An act for the relief of Lewis Worthy and Dennis O. Penn;

S. 2169. An act for the relief of certain disbursing officers of the Army of the United States;

S. 2533. An act for the relief of the rightful heirs of Tiwastewin or Anna;

S. 2879. An act for the relief of Catherine Grace; and

S. 2958. An act authorizing the Secretary of the Treasury to execute a quitclaim deed of certain land located in the village of Lyons, N. Y.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement; and

S. 2160. An act for the relief of the George C. Mansfield Co. and George D. Mansfield.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 872. An act for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims;

S. 1024. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.;

S. 1811. An act providing for the publication of statistics relating to spirits of turpentine and rosin; and

S. 2140. An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 258. An act for the relief of Emma B. Hine;

H. R. 605. An act for the relief of Joseph Maier;

H. R. 704. An act for the relief of Thelbert Davis;

H. R. 839. An act for the relief of Frederick Leininger;

H. R. 1833. An act for the relief of Lettie Leverett;

H. R. 2119. An act for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor;

H. R. 2411. An act for the relief of E. F. Purvis;

H. R. 2469. An act for the relief of Michael P. Lucas;

H. R. 3147. An act for the relief of Will A. Helmer;

H. R. 3202. An act for the relief of W. H. Greene;

H. R. 3509. An act for the relief of the legal guardian of Nick Vasilzevic;

H. R. 3546. An act for the relief of Sarah Elizabeth Ballentyne;

H. R. 3965. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey;

H. R. 3967. An act for the relief of Raymond Parramore;

H. R. 4436. An act conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claims of Alta Melvin and Tommy Melvin;

H. R. 4513. An act to authorize payment of claims for unauthorized emergency treatment of World War veterans;

H. R. 4568. An act for the relief of Forrest D. Stout;

H. R. 4570. An act for the relief of Amy McLaurin;

H. R. 4601. An act for the relief of the heirs of Gladys Picklesimer;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4777. An act to provide for the advancement on the retired list of the Army of Vincent P. Rousseau;

H. R. 5090. An act for the relief of Julius A. Geske;

H. R. 5122. An act for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, J. E. Seymour, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, Roxie Anderson, J. L. Mitchell, and J. C. Russell;

H. R. 5325. An act for the relief of Ira L. Reeves;

H. R. 5347. An act for the relief of Bertha Moseley Bottoms;

H. R. 5351. An act for the relief of Rose Teiermeyer;

H. R. 5415. An act to confer jurisdiction on the District Court of the United States for the Eastern District of North Carolina to hear, determine, and render judgment upon the claims of the Pamlico Timber Corporation against the United States;

H. R. 5492. An act for the relief of Henry Scipper;

H. R. 5516. An act authorizing the President to issue a posthumous commission as second lieutenant, Air Corps Reserve, to Archie Joseph Evans, deceased, and to present the same to Maj. Argess M. Evans, father of the said Archie Joseph Evans, deceased;

H. R. 5523. An act for the relief of A. H. Sphar;

H. R. 5525. An act for the relief of George Current;

H. R. 5550. An act for the relief of Malachy Ryan;

H. R. 5654. An act to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter;

H. R. 5816. An act for the relief of May C. Gustin;

H. R. 5838. An act to place David J. Fitzgerald on the retired list of the United States Army as a first lieutenant;

H. R. 6134. An act for the relief of the Otto Misch Co.;

H. R. 6168. An act for the relief of Charles K. Shade;

H. R. 6275. An act for the relief of John Livingston and Mrs. John Livingston;

H. R. 6297. An act for the relief of Leon Frederick Ruggles;

H. R. 6402. An act for the relief of Julia M. Crowell;

H. R. 7099. An act for the relief of Rocco D'Amato;

H. R. 7137. An act for the relief of Cassie M. Lyne;

H. R. 8421. An act granting pensions to certain widows of soldiers and sailors of the Civil War;

H. R. 8422. An act granting pensions to certain former widows of soldiers and sailors of the Civil War;

H. R. 8423. An act granting increase of pensions to certain former widows of soldiers and sailors of the Civil War;

H. R. 8424. An act granting increase of pensions to certain widows of soldiers and sailors of the Civil War;

H. R. 8425. An act granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War;

H. R. 8426. An act granting pensions to certain soldiers of the Civil War; and

H. R. 8963. An act granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 1227. An act to authorize the issuance and sale to the United States of certain bonds of municipal governments in Puerto Rico, and for other purposes;

S. 1629. An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes;

S. 1726. An act to authorize the Secretary of War to grant a right-of-way for street purposes upon and across the San Antonio Arsenal, in the State of Texas;

S. 2193. An act to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah;

S. 2545. An act to provide funds for acquisition of the property of the Haskell Students Activities Association on behalf of the Indian school known as "Haskell Institute", Lawrence, Kans.;

S. 3289. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1935 reunion at Amarillo, Tex.;

S. 3329. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the Fort Knox Military Reservation, Ky., for the construction thereon of certain public buildings, and for other purposes;

H. R. 351. An act for the relief of Jane B. Smith and Dora D. Smith;

H. R. 2125. An act for the relief of George William Henning;

H. R. 3230. An act for the relief of Rufus Hunter Blackwell, Jr.;

H. R. 3641. An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department;

H. R. 3642. An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the police department;

H. R. 3979. An act to safeguard the estates of veterans derived from payments of pension, compensation, emergency officers' retirement pay and insurance, and for other purposes;

H. R. 4507. An act to amend sections 1, 2, and 3 of the act entitled "An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.", approved June 18, 1930, and to establish the Appomattox Court House National Historical Monument, and for other purposes;

H. R. 7447. An act to amend an act to provide for a Union Railroad Station in the District of Columbia, and for other purposes;

S. J. Res. 96. Joint resolution to carry out the intention of Congress with reference to the claims of the Crow Tribe of Indians of Montana and any band thereof against the United States;

S. J. Res. 117. Joint resolution to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution;

S. J. Res. 139. Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939; and

S. J. Res. 145. Joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the period August 16, 1935, to August 31, 1935, both inclusive.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 258. An act for the relief of Emma B. Hine;

H. R. 605. An act for the relief of Joseph Maier;

H. R. 704. An act for the relief of Thelbert Davis;

H. R. 1833. An act for the relief of Lettie Leverett;

H. R. 2119. An act for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor;

H. R. 2411. An act for the relief of E. F. Purvis;

H. R. 3147. An act for the relief of Will A. Helmer;

H. R. 3202. An act for the relief of W. H. Greene;

H. R. 3509. An act for the relief of the legal guardian of Nick Vasilzevic;

H. R. 3546. An act for the relief of Sarah Elizabeth Ballentyne;

H. R. 3965. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey;

H. R. 3967. An act for the relief of Raymond Parramore;

H. R. 4568. An act for the relief of Forrest D. Stout;

H. R. 4570. An act for the relief of Amy McLaurin;

H. R. 4601. An act for the relief of the heirs of Gladys Picklesimer;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 5090. An act for the relief of Julius A. Geske;

H. R. 5122. An act for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, J. E. Seymour, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, Roxie Anderson, J. L. Mitchell, and J. C. Russell;

H. R. 5347. An act for the relief of Bertha Moseley Bottoms;

H. R. 5351. An act for the relief of Rose Teiermeyer;

H. R. 5415. An act to confer jurisdiction on the District Court of the United States for the Eastern District of North Carolina, to hear, determine, and render judgment upon the claims of the Pamlico Timber Corporation against the United States;

H. R. 5492. An act for the relief of Henry Scipper;

H. R. 5523. An act for the relief of A. H. Sphar;

H. R. 5525. An act for the relief of George Current;

H. R. 5550. An act for the relief of Malachy Ryan;

H. R. 5654. An act to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter;

H. R. 5816. An act for the relief of May C. Gustin;

H. R. 6137. An act for the relief of the Otto Misch Co.;

H. R. 6168. An act for the relief of Charles K. Shade;

H. R. 6275. An act for the relief of John Livingston and Mrs. John Livingston;

H. R. 6297. An act for the relief of Leon Frederick Ruggles;

H. R. 6402. An act for the relief of Julia M. Crowell;

H. R. 7099. An act for the relief of Rocco D'Amato; and

H. R. 7137. An act for the relief of Cassie M. Lyne; to the Committee on Claims.

H. R. 4513. An act to authorize payment of claims for unauthorized emergency treatment of World War veterans; to the Committee on Finance.

H. R. 839. An act for the relief of Frederick Leininger;

H. R. 2469. An act for the relief of Michael P. Lucas;

H. R. 4777. An act to provide for the advancement on the retired list of the Army of Vincent P. Rousseau;

H. R. 5325. An act for the relief of Ira L. Reeves; and

H. R. 5516. An act authorizing the President to issue a posthumous commission as second lieutenant, Air Corps Reserve, to Archie Joseph Evans, deceased, and to present the same to Maj. Argess M. Evans, father of the said Archie Joseph Evans, deceased; to the Committee on Military Affairs.

H. R. 8421. An act granting pensions to certain widows of soldiers and sailors of the Civil War;

H. R. 8422. An act granting pensions to certain former widows of soldiers and sailors of the Civil War;

H. R. 8423. An act granting increase of pensions to certain former widows of soldiers and sailors of the Civil War;

H. R. 8424. An act granting increase of pensions to certain widows of soldiers and sailors of the Civil War;

H. R. 8425. An act granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War; and

H. R. 8426. An act granting pensions to certain soldiers of the Civil War; to the Committee on Pensions.

H. R. 4436. An act conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claims of Alta Melvin and Tommy Melvin;

H. R. 5838. An act to place David J. Fitzgerald on the retired list of the United States Army as a first lieutenant; and

H. R. 8963. An act granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.; to the calendar.

WITHDRAWAL OF RIGHT TO SUE ON GOLD-CLAUSE BONDS

Mr. ROBINSON. I move that the Senate proceed to the consideration of House Joint Resolution 348, authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes.

The Senator from Florida [Mr. FLETCHER], Chairman of the Banking and Currency Committee, requested me to make this motion.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Logan	Radcliffe
Ashurst	Costigan	Lonergan	Reynolds
Austin	Davis	McAdoo	Robinson
Bachman	Dieterich	McCarran	Russell
Bankhead	Donahey	McGill	Schall
Barbour	Duffy	McKellar	Schwellenbach
Barkley	Fletcher	McNary	Sheppard
Black	Frazier	Maloney	Shipstead
Borah	George	Metcalf	Smith
Brown	Gerry	Minton	Steiwer
Bulkley	Gibson	Moore	Thomas, Okla.
Bulow	Glass	Murphy	Thomas, Utah
Burke	Gore	Murray	Townsend
Byrd	Guffey	Neely	Trammell
Byrnes	Hale	Norbeck	Tydings
Capper	Hatch	Norris	Vandenberg
Caraway	Hayden	Nye	Van Nuys
Carey	Johnson	O'Mahoney	Wagner
Chavez	King	Overton	Walsh
Clark	La Follette	Pittman	Wheeler
Connally	Lewis	Pope	White

The PRESIDENT pro tempore. Eighty-four Senators have answered to their names. A quorum is present.

The question is on the motion of the Senator from Arkansas [Mr. ROBINSON] that the Senate proceed to the consideration of House Joint Resolution 348.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 348) authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes, which had been reported from the Committee on Banking and Currency with amendments.

HOURS OF DUTY OF POSTAL EMPLOYEES

Mr. McKELLAR. Mr. President, a few days ago the bill (H. R. 6990) to fix the hours of duty of postal employees, and for other purposes, passed the Senate and within the proper time I entered a motion to reconsider. I desire to call up that motion at this time, as I think it will take only a moment to dispose of it. I invite the particular attention of the Senator from South Carolina [Mr. BYRNES].

The PRESIDENT pro tempore. The Senator from Tennessee asks unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of his motion with regard to House bill 6990. Is there objection? The Chair hears none.

Mr. McKELLAR. I now ask unanimous consent that the Senate reconsider the votes by which the amendment was ordered to be engrossed and the bill to be read a third time, and passed, and also the vote by which the committee amendment as amended was agreed to.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and the votes are reconsidered.

The Senate resumed the consideration of the bill (H. R. 6990) to fix the hours of duty of postal employees, and for other purposes, which had been reported from the Committee on Post Offices and Post Roads with an amendment.

Mr. BYRNES. Mr. President, the motion to reconsider having been adopted the bill is now before the Senate. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 4, line 11, in the proviso, after the word "further", it is proposed to strike out the following:

That for the purpose of extending the benefits of this act to railway postal clerks, the service of said railway postal clerks assigned to road duty shall be based on an average not exceeding 8 hours per day for 254 days per annum, including a proper allowance for all service required on lay-off periods as provided in Post Office Department Circular Letter No. 1348, dated May 12, 1921, and railway postal clerks required to perform service in excess of an average of 8 hours per day as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time, at their option, for such overtime.

And to insert in lieu thereof the following:

That for the purpose of extending the benefits of this act to railway postal clerks the service of said railway postal clerks assigned to road duty shall be based on an average not exceeding 6 hours and 40 minutes per day for 306 days per annum, including a proper allowance for all service required on lay-off periods as provided in Post Office Department Circular Letter No. 1348, dated May 12, 1921; and railway postal clerks required to perform service in excess of 6 hours and 40 minutes daily, as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time, at their option, for such overtime.

Mr. McKELLAR. Mr. President, may I ask the Senator from South Carolina if his amendment to the committee amendment proposes to strike out the amendment which was offered the other day by the Senator and to insert the new matter in lieu thereof?

Mr. BYRNES. That is the purpose of the amendment to the committee amendment.

The amendment to the committee amendment which has just been read is approved by the Post Office Department, and is also approved by the officials of the railway mail clerks' organization. It is a compromise of the views of the railway-mail clerks and the Department. The Department is entirely willing to have an investigation made of the mileage factor in determining the compensation of railway mail clerks. I understand the Senator from Tennessee [Mr. McKELLAR] is willing to except that portion of the amendment, and I have no desire to offer it, because I have the assurance—and I want to put into the RECORD the statement that I have such assurance from the Post Office Department—that, without any action by Congress, it is their intention to make such a survey and investigation in order that they may determine whether or not mileage should be a factor in fixing the compensation of railway mail clerks. Hon. Harllee Branch, Second Assistant Postmaster General, has assured me that will be done, and upon that assurance I do not offer that part of the amendment which would provide for such a survey.

Mr. McKELLAR. Mr. President, I have no objection to the amendment offered by the Senator from South Carolina to the amendment of the committee.

The PRESIDENT pro tempore. Without objection, the amendment to the amendment is agreed to.

Mr. McKELLAR. Mr. President, the Department has asked me to offer certain clarifying amendments. The first of these I now send to the desk.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 15, after the word "service", it is proposed to insert the words "clerks at division headquarters of post-office inspectors, employees of the Stamped Envelope Agency", so as to make the clause read:

That when the needs of the service require supervisory employees, special clerks, clerks, and laborers in first- and second-class post offices, and employees of the motor-vehicle service, and carriers in the city delivery service and in the village delivery service, and employees of the Railway Mail Service, clerks at division headquarters of post-office inspectors, employees of the Stamped Envelope Agency, employees of the mail equipment shops—

And so forth.

The PRESIDENT pro tempore. Without objection, the amendment to the committee amendment is agreed to.

Mr. McKELLAR. My attention is likewise called to a desired change in punctuation or a grammatical change. I send the amendment to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 15, after the word "shops", it is proposed to strike out the comma and insert a semicolon; and in line 18, after the word "general", to strike out the comma and insert a semicolon.

The PRESIDENT pro tempore. Without objection, the amendment to the amendment is agreed to. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

WITHDRAWAL OF RIGHT TO SUE ON GOLD-CLAUSE BONDS

The Senate resumed the consideration of the joint resolution (H. J. Res. 348) authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes.

Mr. FLETCHER. Mr. President, in regard to the joint resolution now before the Senate which has been passed by the House I may state that a similar joint resolution was introduced in the Senate. Both joint resolutions were referred to the Committee on Banking and Currency. That committee held quite extensive hearings. We had before us the Attorney General, Mr. Cummings; the Solicitor General, Mr. Reed; the Secretary of the Treasury, Mr. Morgenthau; the Under Secretary, Mr. Coolidge; and other representatives of the Treasury Department.

The hearings have been printed and are available to Senators. The full committee sat during the hearings. An amendment was offered by the Senator from California [Mr. McADOO], to which the committee agreed, and the joint resolution as amended has been reported favorably to the Senate by order of the committee. So far as I know there is no minority report.

The joint resolution now before the Senate is a modification of the joint resolution as it passed the House. Under the joint resolution as it passed the House practically all obligations of the Government were covered and the privilege of entering suit was withdrawn. The joint resolution as now modified refers to obligations of the Government with respect to securities containing what is known as the gold clause and to obligations with respect to the currency of the Government; so the consent to sue the Government is withdrawn as to obligations containing the gold clause and obligations based upon the currency of the Government. That limits the scope of the joint resolution. The committee accepted that amendment, and that is the form in which the joint resolution now appears before the Senate.

The act establishing the Court of Claims was passed in 1855. It is under that act that the view is taken that consent was then given to bring suits against the Government. That act itself applied to cases where the Government not only consented to suits, but set up the machinery whereby suits might be prosecuted. The act expressly barred certain claims—for instance, claims between the States with reference to war matters—but the act is still in effect; and unless Congress shall now take this step, the Government may be subjected to pestiferous suits of all kinds, particularly with reference to the gold-clause provision. It is the purpose of the proposed legislation to withdraw the consent of the Government with respect to suits based upon the gold clause or with respect to currency matters.

To go back to the joint resolution of June 5, 1933, that joint resolution has been before the Supreme Court, and the Supreme Court has sustained the legislation which led up to it. This joint resolution is simply the inevitable result and consequence of the steps which Congress heretofore has taken with reference to this change in our economic and monetary policy. A new basis has been established, beginning with the emergency banking act of March 9, 1933, followed by numerous other joint resolutions and Executive orders, orders of the Treasury, and acts of Congress, all of which have been recited in the opinion by Chief Justice Hughes in the cases which went to the Supreme Court on that subject, and all of which have been declared to be authorized by Congress, to be valid and legal steps in connection with the duty of Congress and the obligation of Congress under the Constitution to coin money and regulate the value thereof.

Since those steps have been taken, this joint resolution follows as a natural, logical, inevitable consequence; and I can see no ground at all for arguing the question. There is no need to review the joint resolution of June 5, 1933, or the numerous acts of Congress, which, as I say, have been endorsed by the Supreme Court. The only question before us is whether, in accordance with the suggestion made by Mr. Justice Stone in his opinion in connection with the three cases which were submitted to the Supreme Court, this step should be taken by Congress, withdrawing the consent of the Government to be sued under obligations of this kind.

There is not any right on the part of anybody to sue the Government. The privilege has been granted in certain cases. It does not exceed the power and authority of Congress to withdraw its consent to be sued. It is entirely within the power and authority of Congress—and entirely appropriate—that the consent to be sued should be withdrawn. In view of the threatened suits—there are two now pending and others are threatened—in view of the possibility of pestiferous suits growing out of gold-clause contracts, it is desirable that the matter be concluded, and that the Government authorities be saved the trouble, the expense, the annoyance, and the embarrassment which may follow from numerous other suits that may be brought, although the Supreme Court has settled the law to the effect that these claimants have no standing. They have no just claim. They cannot recover. They can show no damages. What was done with reference to gold was entirely within the power of Congress; and if gold should be paid to a bondholder under a bond calling for gold, or any other security containing the gold clause, the Government would immediately take charge of the gold. Gold is no longer in circulation. There are some gold coins—about a billion dollars of gold coins—held by the Federal Reserve banks, but gold is out of circulation. Consequently no man is damaged who receives dollar for dollar in the currency of the United States for any obligation he may hold.

Mr. Justice Stone said:

> There is no occasion now to resolve doubts, which I entertain, with respect to these questions. At present they are academic. Concededly they may be transferred wholly to the realm of speculation by the exercise of the undoubted power of the Government to withdraw the privilege of suit upon its gold-clause obligations.

That is what this joint resolution proposes to do.

I might go into the hearings and into the cases that were decided by the Court, but I assume the Senate is more or less familiar with those cases. Three cases—nos. 270, 471, and 472—were passed upon in the October term, 1934, by the Supreme Court. The first case, no. 270, Norman against Baltimore & Ohio Railroad Co., involved a coupon, on writ of certiorari to the Supreme Court of the State of New York. The other two cases were entitled United States of America, Reconstruction Finance Corporation et al., petitioners, against Bankers' Trust Co., and William H. Bixby, trustees, on writs of certiorari to the United States Circuit Court of Appeals for the Eighth Circuit.

In the first case, involving a gold-clause coupon, the Court considered the joint resolution of June 5, 1933, and the other legislation. It also reviewed the various acts of Congress, including section 43 of the Agricultural Adjustment Act of May 12, 1933, involving what is known as the "Thomas amendment", and other legislation; and it concluded as follows:

Exercising that power, the Congress has undertaken to establish a uniform currency, and parity between kinds of currency, and to make that currency, dollar for dollar, legal tender for the payment of debts. In the light of abundant experience, the Congress was entitled to choose such a uniform monetary system, and to reject a dual system, with respect to all obligations within the range of the exercise of its constitutional authority. The contention that these gold clauses are valid contracts and cannot be struck down proceeds upon the assumption that private parties, and States and municipalities, may make and enforce contracts which may limit that authority. Dismissing that untenable assumption, the facts must be faced. We think that it is clearly shown that these clauses interfere with the exertion of the power granted to the Congress and certainly it is not established that the Congress arbitrarily or capriciously decided that such an interference existed.

The judgment and decree, severally under review, are affirmed.

The question put to the Supreme Court was decided, therefore, against the claimant.

The next case, F. Eugene Nortz against the United States, involved a gold certificate; and the questions certified by the court below were as follows:

1. Is an owner of gold certificates of the United States, series of 1928, not holding a Federal license to acquire or hold gold coins or gold certificates, who, on January 17, 1934, had surrendered his certificates to the Secretary of the Treasury of the United States under protest and had received therefor legal-tender currency of equivalent face amount, entitled to receive from the United States a further sum, inasmuch as the weight of a gold dollar was 25.8 grains, nine-tenths fine, and the market price thereof on January 17, 1934, was in excess of the currency so received?

The Supreme Court examined that case thoroughly and reached the conclusion that the question should be answered in the negative. The Court said:

The first question submitted by the Court of Claims is answered in the negative. It is unnecessary to answer the second question.

The next case was that of John M. Perry against the United States. The Court of Claims had certified the following question to the Supreme Court:

Is the claimant, being the holder and owner of a Fourth Liberty Loan 4¼-percent bond of the United States of the principal amount of $10,000, issued in 1918, which was payable on and after April 15, 1934, and which bond contained a clause that the principal is "payable in United States gold coin of the present standard of value", entitled to receive from the United States an amount in legal-tender currency in excess of the face amount of the bond?

The Supreme Court decided that question in the negative. It said:

In the view that the facts alleged by the petition fail to show a cause of action for actual damages, the first question submitted by the Court of Claims is answered in the negative. It is not necessary to answer the second question.

Those are the cases which have determined this matter, so that the holder of a gold-clause security is not damaged when he is paid in currency. He suffers no loss. He receives the same kind of money that everyone else receives, and everyone else uses for the payment of taxes and debts, dollar for dollar, there is no loss sustained by him, and the Supreme Court has so held.

Consequently, I do not believe any of these individuals, no matter how many suits were brought, could ever recover a cent; but it is a nuisance for the Government to be troubled with litigation which might be brought involving cases pestiferous in their nature, without the hope of recovery, and therefore this joint resolution is presented to shut off that sort of contention and to conclude the whole matter. We resolve that we stand by the legislation which we have heretofore enacted. No one wishes to retrace the steps we have taken, and there is nothing to do but to confirm what we have done by a measure of this kind.

I could go into the details of the hearings as long as Senators would like to have me do so, but I feel that with this statement, unless there is some occasion for further discussion, I should not consume the time of the Senate further. If any Senator should desire a detailed statement of the facts developed in the hearings I am prepared to give them, but I think perhaps we are all familiar with those facts. I understand there are perhaps $10,000,000 of gold-clause bonds outstanding. They have been gradually retired.

One question raised is that if a joint resolution of this sort is enacted it may interfere with the credit of the Government. The best proof that there is nothing in that contention is that when the gold-clause decisions were handed down, all of them in favor of the Government, there was no drop in the price of bonds. The price of Government bonds was sustained, and even went higher and higher. The fact is that the Treasury has recently sold $50,000,000 of securities bearing an interest rate of one-twentieth of 1 percent. They were short-term obligations, to be sure, but the Treasury is preparing to refund some $500,000,000 of bonds now bearing a rate of 1⅜ percent, an all-time low in the interest rate on Government securities, and that has all been accomplished since this joint resolution was presented. So there is no danger of any lessening of the Government credit. The fact is that Government bonds are selling today bearing a lower rate of interest than any they have ever borne, so far as I am advised, and there is no trouble about getting purchasers for the bonds.

Mr. President, with this statement, emphasizing the fact that this is simply a culmination, a logical and inevitable result, of the legislation heretofore enacted, and that this joint resolution ought to be enacted in the public interest, I will not take further time.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. NORRIS. Perhaps the Senator referred to this before I came in, because I have been absent from the Chamber; but what is the object in the committee changing the House text in regard to the time within which suits may be started? Why has the committee extended the time beyond the time fixed in the bill originally, and why was any time given, for that matter?

Mr. FLETCHER. The amendment was offered by the Senator from California [Mr. McAdoo], and he is best qualified to discuss it, so I will refer it to him.

As I recall, the suggestion was that 6 months ought to be allowed so that every man who had any sort of a claim, or imagined he had a claim, could bring his suit. It was felt that there ought to be some time fixed when the door would be closed, when the consent would be withdrawn. As I recall—and I think that was the impression received by the committee—the idea was that it was fair to fix a time, say, of 6 months, within which suits might be brought.

Mr. NORRIS. The object really was to withdraw the right an individual might have to sue the Government.

Mr. FLETCHER. Yes. I rather think it would be consistent to withdraw it now.

Mr. NORRIS. I cannot understand why there should be any difference. If we are to permit them to wait 6 months, why not 10 years? Why fix a time at all?

Mr. FLETCHER. The idea was that a time should arrive when such suits could no longer be brought, and when the door should be closed. It was thought that 6 months would give ample time for anyone who had any sort of a claim to present his claim.

Mr. NORRIS. Has not the court held that there is no such claim?

Mr. FLETCHER. I do not believe there is. There may be some case about which we do not know all the facts and circumstances.

Mr. NORRIS. That may be; but I listened to the citations to which the Senator referred, and, of course, we were all somewhat familiar with them. As I understood, there was no claim existing, according to the decision of the court.

Mr. FLETCHER. I think that is correct.

Mr. NORRIS. If there is no right to a suit, why extend the time for bringing suits?

Mr. FLETCHER. Two suits are pending, and more are threatened. The plaintiff in one of the other suits has amended his petition and is trying again to sustain his claim.

Mr. NORRIS. One of the objects is to save the Government from the necessity of defending these suits?

Mr. FLETCHER. Exactly.

Mr. NORRIS. If the claim is that they have no right to sue, I do not know why they should be given any time within which to bring a suit.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. SHIPSTEAD. Is it the contention that some who hold securities payable in gold are entitled to recover and that others who hold such securities have no right to recover? It seems to me that if there is any equity in the situation, all having securities of the Federal Government payable in gold, including gold certificates surrendered, are entitled to recover, if one is entitled to recover.

Mr. FLETCHER. Simply because we give 6 months' time within which suits may be brought does not necessarily mean that we believe the bondholders are entitled to recover. It merely means that if there should be some case about which we do not know, some case involving circumstances with which we are not at all acquainted, if any citizen has any sort of a claim with merit to it, he should have an opportunity to present it. But so far as we know, there is no such claim, and I do not believe there will be any demands on the Government. But we cannot prevent lawyers who take cases on contingent fees and that sort of thing from taking a chance and bringing a suit, whether there is any merit to it or not, and we want to stop that.

Mr. ADAMS. Mr. President, the Senator from Florida stated that there was no minority report, and that is quite true. There were some minority views in the committee which I think ought to be at least outlined for the purpose of the RECORD.

The Supreme Court of the United States in the Perry case drew a very clear and a very sound distinction. It said that if two private individuals enter into a contract providing that the money to be paid under that contract should be in a certain form of money, or in gold of a certain weight and fineness, such contract is subject to the control of the United States Government under its constitutional powers to coin money and regulate the value thereof; but the Supreme Court, when passing upon the obligations of the United States, said that the United States itself has no right to repudiate its own particular obligations. In private obligations between citizens, there is read into the contract the power of the United States to change the contract within the exercise of the Federal Government's constitutional power; but the Supreme Court said that when the United States borrowed money from its citizens to meet its necessities against which it issued its own bonds, and said to the citizens, "We will pay you in a certain type of currency or in gold of a certain weight and fineness", the power of repudiation or the power of change did not vest in one party to the contract. In fact, it is fundamental in the law that there is no contract if either party to the contract has the authority to vary its terms, because there is a lack of mutuality. The Supreme Court drew that distinction. The Court said in the Perry case, and it has gathered together much in a brief paragraph:

> The Constitution gives to the Congress the power to borrow money on the credit of the United States, an unqualified power, a power vital to the Government, upon which in an extremity its very life may depend. The binding quality of the promise of the United States is of the essence of the credit which is so pledged. Having this power to authorize the issue of definite obligations for the payment of money borrowed, the Congress has not been vested with authority to alter or destroy these obligations.

I am assuming, and I think Congress must assume, that by the passage of the gold-clause joint resolution we meant to comply with the Constitution. We had the right, the Supreme Court holds, to change the medium of payment of private obligations. We did not have the right to repudiate the Government's own obligation. So today the Government stands committed upon its solemn obligation to make certain payments upon its securities issued in time of war for the purpose of providing funds to carry on the war; and, the court having said we are bound by the obligation, we now propose to say to the citizen who holds the bond, "True, we may be indebted to you; true, we are held to our obligation; but we will close the doors of our courts so that you may not enforce the right which we admit you have."

The arguments for doing that are several; but, as I read the hearings, the reason stressed most was that the Attorney General's office or the Treasury Department would be harassed by the bringing of suits upon these obligations. The joint resolution as it passed the House contained this recital:

> Whereas no holder of any of the money or securities of the United States has suffered any damage because of the measures heretofore taken to maintain such security—

In other words, having specifically declared in the House joint resolution that no citizen had suffered any damage, we are so apprehensive that we are going to close the doors of our own courts so that the citizen may not go there and present his claim, which we ourselves assert is not good. The Supreme Court, in the Perry case, said that in view of the gold-clause legislation the holder of the gold-clause bond has not suffered any damage; that, inasmuch as he could not under the law lawfully obtain gold, therefore he could not set up a measure of damages to entitle him to maintain a suit; that his damages at most were nominal, and the Court of Claims was without authority to render judgment for nominal damages. So having asserted in the House joint resolution that the citizen has suffered no damage, having had the holding of the Supreme Court of the United States that there is no probability—almost no possibility—of a recovery, we are not willing even to have the obligations which we admit are due submitted to a court for adjudication.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Colorado yield to the Senator from Florida?

Mr. ADAMS. I yield.

Mr. FLETCHER. In the Perry case the Court said:

> Because the Government is not at liberty to alter or repudiate its obligations, it does not follow that the claims advanced by the plaintiff should be sustained. The action is for breach of contract. As a remedy for breach, plaintiff can recover no more than the loss he has suffered and of which he may rightfully complain. He is not entitled to be enriched.

The Court held that he had not shown any damage and therefore could not recover.

Mr. ADAMS. Absolutely. The Supreme Court of the United States held that no man holding the bonds may come into our courts and obtain an unjust enrichment by enforcing a covenant of this kind through which he has not been damaged. But what do we propose to do? We do not propose to stand upon our rights and say, "You have not been damaged", but to say to the citizen, "We will not even give you a chance to go into court and maintain your claim, where we, under the decision of the Court, are in a position to defeat you."

That is our position. It goes away beyond our necessities, if as a matter of fact the question of cost were the essential question; and I think it is not. I think, so far as this joint resolution is concerned, that there is no warrant for its passage if we propose to pass it solely by reason of cost to the United States.

Mr. President, I say to the Senate of the United States that the virtue of the United States ought not to be for sale at any price. What is involved in this case is the integrity of your country and mine. I am not willing to fix a price upon virtue. I am not willing to have my vote go upon the RECORD here to close the doors of the courts of justice either because the public officials would be harassed or because the Government would suffer damage. The foundation for whatever claim there may be is the act of the United States. There can be no claim for damage except by reason of things which

Congress has done and by reason of obligations which the Nation has issued.

In the fifth amendment to the Constitution it is provided that private property shall not be taken for public use without just compensation. If damage results from our action, we are in substance taking private property for public use. If we can shut the doors of the court against the citizen with respect to one of the amendments to our Constitution, we can shut the doors of the court against the citizen in his endeavor to protect his rights under the other amendments to the Constitution. If we may say, "You may not come into court to enforce an obligation upon a bond", we may say to him, "You may not come into court to enforce other rights which you have."

Mr. President, I am unwilling to have my Government, with my consent, refuse to its citizens the right to appeal to the courts. We all know that if the citizen wrongs the Government, no matter in how infinitesimal a manner, the whole force of the Government of the United States is brought to bear upon him. It matters not how small the offense, civil or criminal, the whole force of the 126,000,000 people who constitute the Government is brought to bear upon the citizen, and he has no chance to say, "I am not willing to be sued." However, we propose that the 126,000,000 people shall say to the individual citizen, "Even though we have wronged you, even though we have damaged you, we will shut the courts, and you shall not sue your fellow citizens en masse."

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. VANDENBERG. I should like to ask the Senator what difference there is between the situation now under discussion and the following hypothetical case:

The Government has placed its guaranty upon the principal and interest of several billion dollars' worth of Home Owners' Loan and Farm Loan bonds. Suppose, at the maturity of those bonds, the inherent security should be dissipated, and no recovery should be possible save by reliance upon the Government's guaranty. Is there any difference in principle between the action of the Government at that time in passing a joint resolution shutting the doors of the court to any suit for recovery on that guaranty and the action proposed by the pending joint resolution?

Mr. ADAMS. If there is any difference, it is that the money for which the bonds were issued was borrowed by the Government at a time when the life of the country was at stake; that is, there is more reason for recognizing such obligations than there is for recognizing the others; but there is no real distinction in principle. If this Government once establishes the principle that its word is only good when it chooses, and that its bonds are only good when it chooses, we will destroy the credit of the Government, and, more than that, we will destroy its integrity.

Mr. VANDENBERG. In other words, this would be a precedent for the subsequent action the nature of which I discussed with the Senator?

Mr. ADAMS. Most certainly.

Mr. BARKLEY. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. Certainly.

Mr. BARKLEY. Of course, the situation described by the Senator from Michigan presents, as he indicated, a hypothetical situation that probably would never arise, but even though the right to bring suit against the Government were withdrawn in those cases—which is not proposed here by the amendment we have offered, although it is covered by the House measure—or, if the right to bring suit in those cases or in any other case is not withdrawn at all, assuming, in principle, that an individual might bring suit and obtain judgment against the Government, Congress has the power at all times to refuse to appropriate the money with which to pay a judgment which might be recovered under any sort of action. We are simply withdrawing the right to bring suit on this particular type of obligation covered by the gold-clause bond, which, although the Supreme Court has said technically cannot be repudiated, in the same decision has held that there is no damage and there can be no recovery.

Mr. VANDENBERG. Mr. President, will the Senator from Colorado yield further to me?

Mr. ADAMS. I yield.

Mr. VANDENBERG. Then, if I understand correctly what the Senator from Kentucky is now saying to me, the final, brutal, hard, cold-blooded fact is that the Government can give no guaranty and no assurance to any investor which can be relied upon in the final analysis. Is that correct?

Mr. BARKLEY. Of course, the truth is that the Congress itself can never give to the people the guaranty that the privilege of bringing suit against the Government—it is not a right but a mere privilege, which can be granted or withdrawn at will—may not be, at some future date, withdrawn; and it has been done a number of times in the past.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. ADAMS. I yield.

Mr. NORRIS. It seems to me that it must be perfectly plain that anyone who deals with the Government or who has ever dealt with the Government in a transaction by which he loans money to the Government, or in any other way is brought into a position where the Government will have to pay him some money, always has and always will have, no matter what law we may pass, no matter even if we change the Constitution, in the end to depend upon the Government voluntarily carrying out the agreement and realize its right to repudiate it. Even as to any agreement that has ever been made, as the Senator from Kentucky says, if we permit a suit to be brought and a judgment rendered, the Government of the United States, as is true of any other sovereign government, can refuse to pay it if it wants to do so. That may be hard, but that is a principle that underlies every government; for, after all, the Government cannot be sued without its consent; it cannot be forced to do anything that it does not want to do; and the man who loans money to the Government relies upon the Government paying it, knowing that the Government does not have to pay it if it does not want to, and that there is no way to force the Government to pay it.

Mr. ADAMS. The statement the Senator from Nebraska makes is, of course, correct, that the individual citizen, in the final analysis, must depend upon the good faith and integrity of the Government; but the problem here is that the Government is proposing to deny to the citizen the opportunity to ascertain, through judicial channels, what the obligation is. In other words, if the Government wants to follow the suggestion of the Senator from Kentucky, if after the obligation has been determined, if after an adjudication it wishes to repudiate, that is one step in the proceedings; but here it is proposed to say to the citizen, "You shall not even take advantage of the legal machinery which has been provided to ascertain whether or not you have a claim against the Government."

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Illinois?

Mr. ADAMS. I yield.

Mr. LEWIS. May I have the attention of the Senator from Colorado, the Senator from Florida, and also the attention for a moment of our two friends, the Senator from Nebraska [Mr. NORRIS] and the Senator from Kentucky [Mr. BARKLEY]? I speak now more as a lawyer than as an assumed financier. I fear the absence of words necessary to legalize the measure. I am impressed that on page 3, in the language from line 5, beginning with the word "and", down to the word "him", in line 13, there is an absence of necessary contract phrases in the joint resolution. Anxious as I am to support the measure, if it can be framed legally to authorize those who hold gold contract bonds to be paid in the particular dollar described in the present measure on the basis

that it is the dollar of America, yet, sir, I fear there is an omission of any statement of paying the holder of the security in the present dollar the full value. It simply says "pay him", when I am sure it should read pay him in the full amount or the full value.

In other words, he should not be limited to receiving the dollar so described, a mere dollar for dollar as the dollar would stand under the joint resolution. While he may not enrich himself or speculate with the Government, he should still have the right to be paid in full the exact sum provided in his contract, though to be paid in the dollar provided by the pending measure.

Mr. BARKLEY. Does the Senator mean that a man holding a $10,000 Liberty bond carrying the gold clause should be paid $16,900, or $10,000 in the dollar that is current at the time the payment is made?

Mr. LEWIS. I feel that he would have a right to receive the value of his contract, only he must take it in the dollar as described in the present pending measure.

Mr. BARKLEY. Yes; but the Supreme Court said he did not have the right to be paid in the equivalent dollar of the previous gold-content dollar. In other words, he could not receive $16,900 in present dollars for a $10,000 obligation. The joint resolution provides that he may be paid at his option. He is not required to turn his bonds in; he may keep all of them until the end of the term for which they were issued; but he is given the right, at his option, to terminate the obligation by presenting it to the Secretary of the Treasury and receiving $10,000 in the dollar that is now current among the people of the United States.

Mr. LEWIS. That is where I fear the trouble lies. I may say to my able colleague that I speak as a lawyer, and I see the danger to this joint resolution when it gets before a court that must construe it. It is specifically limited simply to paying the bondholder in the present dollar—present dollar for formerly prescribed dollar—of what he contracted. I fear that since we are giving him a different dollar, we must provide that he shall be paid in full value of his contract, though it should be paid in the form of the present dollar. We cannot put him in that position. I fear, as I see it, when it comes to be construed by the court that we must appropriate dollar for dollar, and that the right will be preserved to hold to the value of gold at time of issue of the contract. If I drew this joint resolution and tendered it I would put it on the ground of national defense, on the necessity that at times like these a nation has a right to take over and away the gold held by the citizen, much less pay him gold on his bond, and compound it in the Treasury, because, as was said by the famous German statesman Bismarck, iron and gold are the two most important elements for the defense and protection of a nation—gold meaning money and iron meaning arms. In present-day conditions I deplore that in the present hour our Nation is quite justified in laying a foundation of preparation. Therefore I must insist, as a lawyer, that I fear the omission of the clause to be paid "in full the value of his contract", though in the present-day dollar, will imperil this provision of the proposed act.

Mr. BARKLEY. Mr. President, I will not now take further the time of the Senator from Colorado.

Mr. LEWIS. I apologize to the Senator from Colorado for interrupting him.

Mr. ADAMS. Mr. President, the pending joint resolution does not restrict itself to those bonds, but it further in its original form would forbid a suit by a man from whom gold had been taken under Executive order. This is the phrasing of it:

(3) Upon any claim or demand arising out of any surrender, requisition, seizure, or acquisition by any such coin or currency or of any gold or silver.

In other words, if the United States Government took from a citizen a stock of gold or silver and the citizen contended that the seizure was unlawful, the citizen would be denied, under this original form of the joint resolution, the right to appeal to the court to adjudicate his claim in that matter.

Now, let me give the Senate an illustration. The Senator from Michigan used a hypothetical case. Let me state one. A citizen of California in 1917 had $10,000 in gold in $20 gold pieces. Under the stimulus and fervor of the addresses of the junior Senator from California [Mr. McAdoo] he used $5,000 with which he bought Liberty bonds, giving half his store of gold for them. He holds them to this hour. He retained the other $5,000 in gold until 1933. The Government then demands that he turn over to it his $5,000 in gold, which he does, and for that he gets gold currency of one kind or another. Now, the Government proceeds to say to him, "The bond which you bought with gold shall not be payable in gold, nor can you even enter the courts to establish any damages you may have sustained. Further than that, we have depreciated by 40 percent the currency with which we took over your gold, but we will not permit you to go into court to make complaint."

In other words, my whole contention is that the Government of the United States, if it owes an obligation, should meet it; that the Congress and the Secretary of the Treasury should not determine in an ex parte way what that obligation is, but should permit the courts to adjudicate the extent of the obligation.

I merely have a word or so to add. I have been bringing up two boys in my household. To them I have said over and over again, "I can forgive anything but falsehood; I can forgive anything but the breaking down of your integrity." I am concerned with those boys and their future. Am I to be compelled to say to my boys, "You must be honest, you must keep your obligations, but the Government under which you live does not have to and does not keep its obligations"?

I think the integrity of the United States is involved in this issue. We have the right to shut our courts so far as legal right goes, of course, and there is no occasion to argue that point; but there is a moral right involved, and it is a moral right of great importance.

I attended a banquet some weeks ago in this city. There were present some three or four hundred of the outstanding citizens of the country. There were introduced at that meeting representatives of foreign governments. Finally the representative of the little State of Finland was introduced, and there ensued an ovation the like of which I have never seen in any assembly of that size. Why? Because Finland was faithful to its obligations.

Only a few days ago the question of public buildings abroad was before the Committee on Appropriations, and an item for an appropriation for a public building in Finland came up. Every member of the committee said, "Certainly we are going to construct that building. We want to recognize international integrity."

That is the point which is bothering me.

Mr. BULKLEY. Mr. President, will the Senator permit me to read into his speech at that point what the Supreme Court said in the sinking-fund case?

The PRESIDING OFFICER. Does the Senator from Colorado yield for that purpose?

Mr. ADAMS. Gladly.

Mr. BULKLEY. I read:

The United States are as much bound by their contracts as are individuals. If they repudiate their obligations, it is as much repudiation, with all the wrong and reproach that term implies, as it would be if the repudiator had been a State or a municipality or a citizen.

Mr. ADAMS. Mr. President, I cannot bring myself to reconcile the theory that we should do an immoral and unjust thing merely because it is going to inconvenience governmental officials or because it is going to cost us some money.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Kentucky?

Mr. ADAMS. I yield.

Mr. BARKLEY. I realize the Senator from Colorado opposed the original resolution passed by the Congress on the 5th of June 1933.

Mr. ADAMS. Oh, no; I shall have to correct the Senator. I voted for that resolution.

Mr. BARKLEY. I beg the Senator's pardon. I had forgotten. I thought he voted against it. At any rate, the same argument was made against that resolution which the Senator is now making against the pending joint resolution. Congress passed on the question in that resolution by declaring its new policy with respect to the gold content of the dollar. The Supreme Court has held in the Perry case that the holder of the Liberty bond which contains the gold clause is not entitled to what they called "an unjust enrichment" by being able to collect $16,900 for a $10,000 bond.

Does the Senator from Colorado believe that the holder of such a bond ought to be able to recover more than the stated value in the current dollar of the country?

Mr. ADAMS. May I answer that by asking the Senator why is he afraid to keep the courts open when the Supreme Court has taken that position?

Mr. BARKLEY. I am not afraid to keep any court open so far as fear is concerned, but I do not recognize that the right to bring suit against the sovereign power of the Government is on the same footing with any right the people inherently enjoy. Congress has exercised the right of giving to its citizens in certain cases the privilege of bringing suit against the Government. It has withdrawn that right on a number of occasions. It has withdrawn that right where the taking of actual property was involved so as to deny the right of the citizen to go before the Court of Claims and prove the taking of property and its value in order to recover. Since I have been a Member of Congress that right has been withdrawn from numerous citizens of the United States.

If there is no likelihood of recovery, if no man is entitled to what the Supreme Court called "an unjust enrichment", then why should the Government be harassed by numerous lawsuits, whether they be political or otherwise, simply because somebody thinks he has been damaged by our action in changing the form of our currency?

Does the Senator believe that because of technical language in the Liberty bonds concerning the gold clause—not one of which was ever bought by a citizen of the United States because of that clause—any citizen ought to enjoy an advantage and receive more in compensation for his contract than everybody else in the United States must accept in payment of obligations they hold, which they must accept in payment according to the current dollar that is in circulation?

If we are dealing with the morality of the Government, then I contend that the duty of the Government in morals is just as great to one class as it is to another. If we are to allow the holders of Liberty bonds, which happen to contain the gold clause, the right to bring suit against the Government in the hope of recovering on those bonds, then in morality and in justice I do not see how we can discriminate as between those fortunate citizens who happen to hold Liberty bonds and millions of other people who hold other kinds of obligations upon which they must accept face payment in the dollar which is current at the time of payment.

Mr. ADAMS. Mr. President, I am unable to share the apprehension of the learned Senator from Kentucky that the Government would be harassed by the bringing of fruitless suits. The Supreme Court having said that no recovery could be had under these conditions, I cannot imagine a great army of lawyers or litigants rushing in to pay the costs of bringing suits.

Let me state the fact that opportunity to bring such suits has been available ever since the passage of the joint resolutions, to which reference has been made, and there are pending at this time only two such suits.

Mr. BARKLEY. Why, then, according to the Senator's demand, should we open the courts or leave them open to the many moot cases which may be brought against the Government?

Mr. ADAMS. Of course, I know nothing about the bar in States other than my own, but I know that the lawyers in the State of Colorado could not be induced to bring suits upon claims upon which they had no chance to recover, which is the situation here so far as these cases are concerned.

So far as discrimination is concerend, the situation was pointed out very clearly by the Supreme Court in the Perry case. As I said, I voted for the gold-clause joint resolution. The Supreme Court has upheld that joint resolution in its application to private contracts, saying properly that every private contract has read into it the right of the Federal Government to prescribe the terms of its payment so far as it relates to coin and the value thereof. But at the same time, the Supreme Court has said that the Federal Government, as one party to the contract, may not repudiate its own contract.

So far as the gold clause being a technicality, I think that is rather a stretch of language. The gold clause was inserted for a very definite purpose; at least I assume so. It was in order that the man who bought the Liberty bond should know the payment which was to be made upon the bonds. It is not a technicality but a specific declaration of the manner and means of payment. If the Government of the United States can come in and change its own contract as to the manner of payment, it can with equal authority change the contract as to the amount of payment.

In other words, if a bond is for $10,000 in the present standard of weight and fineness of gold, then if the Government can say, "We will pay only in half that standard", the Government with equal authority can say, "We will pay only 5,000 of those units."

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. ADAMS. Certainly.

Mr. BARKLEY. If my use of the word "technical" offends the Senator——

Mr. ADAMS. Nothing the Senator from Kentucky might say could offend me.

Mr. BARKLEY. I thank the Senator and assure him the feeling is mutual.

When I said "technical" I meant technical in the sense that at that time and over a period of years it was the fashion to include the gold clause not only in bonds of the Government but in private bonds. Many railroad bonds contained the gold clause, all of which we have invalidated.

Mr. ADAMS. But it had been the fashion of this Government for more than 140 years to keep its obligations and its word.

Mr. BARKLEY. No one in the United States ever bought a Government bond based on his right to bring suit to recover on the bond.

Mr. ADAMS. The Senator has a wider acquaintance with bond purchasers than have I.

Mr. BARKLEY. I think the person who bought Liberty bonds in time of war, and who bought any other sort of bonds of the United States in time of war or in time of peace, did not consider that it would ever be necessary to bring a lawsuit in order to recover, because, even if they should bring a lawsuit, if Congress should decline to appropriate money to discharge the bonds of the United States, Congress never would appropriate the money to pay off a judgment anyone might secure against the United States; and if Congress should not appropriate the money to pay off a judgment, there would be no remedy, because the United States Government has no property upon which execution could be had to enforce collection of a judgment in any case.

So, in that sense, the gold clause was a technicality. The same number of bonds would have been sold without it that were sold with it. No one ever took the time or the trouble to read either the gold clause in the bonds or the law itself to ascertain that he had a right to bring suit against the United States if Congress at some time in the future should decline to appropriate the money with which to pay these obligations.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. ADAMS. Just a second.

Mr. BARKLEY. I will say, further, that outside of the Perry case, which was a result of the joint resolution of June 5, 1933, no suit has ever in the history of the United

States been brought on a Government bond, unless I am greatly mistaken. I do not think any such suit ever has been brought.

Mr. ADAMS. Does the Senator know any instance in the history of the United States when the United States Government has sought to change its obligation under its bond or to repudiate it in any particular?

Mr. BARKLEY. Of course, there never was any occasion for the Government, because of a change of the metallic base of the dollar, to bring about the situation which existed 2 years ago. It is not pertinent to ask, "Has it ever happened before?", because the situation never arose before. Until the World War we never had over $2,000,000,000 worth of obligations outstanding at any one time; and those which were outstanding were largely the result of the Civil War, and carried the right to be used as the basis of circulating medium through national-bank currency.

Mr. ADAMS. The Senator would not justify repudiation because our debts have grown larger?

Mr. BARKLEY. Oh, no; I am not talking about repudiation. The Senator uses that word again in the technical sense, I am afraid.

Mr. ADAMS. Yes, sir.

Mr. BARKLEY. My theory is that whenever we have paid off any obligation of the United States Government in the same kind of money that everybody else is required to accept and use, we have discharged our moral and our technical obligation, and no question of repudiation is involved; but if there is a question of repudiation, Congress settled that question on June 5, 1933, when it passed the joint resolution undertaking to change the form and nature of the obligation.

Mr. ADAMS. I think the Senator is in error as to when that question was settled. I think it was settled in the October term of the Supreme Court of the United States when they handed down the decision in the Perry case.

Mr. BARKLEY. The effect of which was, "We favor the law, but we are against its enforcement."

Mr. ADAMS. Pardon me just a second to restate, as simply as I may, the position I am taking—that regardless of how one construes the obligation, the United States made a certain contract. I think the contracts of the United States have been, and ought to be, good. A question arises as to how the obligation should be performed under the new gold joint resolution of Congress. I think the United States should keep its courts open in order that that matter may be litigated, so that if the United States owes something to the citizen, the citizen may be paid; and it seems to me that closing the courts to the adjudication of that matter is little less than repudiation.

Mr. FLETCHER. Mr. President——

Mr. ADAMS. I yield to the Senator from Florida.

Mr. FLETCHER. The Senator from Colorado does not deny that it was entirely within the authority and power of the Congress to require that where an obligation is payable in gold, the gold shall be turned over to the Treasury of the United States?

Mr. ADAMS. Of course not.

Mr. FLETCHER. Then if a bondholder is paid in gold, and he is required by another law to turn the gold into the Treasury and to accept currency for it, where is he harmed?

Mr. ADAMS. He is not harmed. That is the reason I ask, Why should we shut the door of the courts? Why should not the citizen be permitted to go into court if he thinks he has been harmed? The Senator and I agree that he has not been harmed; the Supreme Court says he has not been harmed; and I am merely asking, Why should we be unwilling to let the man who differs with the Senator and with me and with the Supreme Court go into a court of law and submit his claim?

Mr. FLETCHER. Then the argument of the Senator all comes down to this: He does not like this joint resolution, although, if the joint resolution shall be passed, it will harm nobody. It may not do any particular good, but it cannot do any harm if we pass it.

Mr. ADAMS. I am very much in favor of preserving the integrity of my country at all times, regardless of the financial consequences.

Mr. FLETCHER. Upon that point, let me read to the Senator what the President said in his message and see if he does not agree with it.

The President said:

> There is no constitutional or inherent right to sue the Government; on the contrary, the immunity of the sovereign from suit is a principle of universal acceptance, and permission to bring such suits is an act of grace, which, with us, may be granted or withheld by the Congress.

I think that is sound.

Mr. ADAMS. I think that is the law.

Mr. FLETCHER. The President said:

> There is no constitutional or inherent right to sue the Government. * * * The courts, it is hardly necessary for me to add, will always be open to those who seek justice, but they were not established for use by a few to enrich themselves at the expense of the many, nor to enable a few to embarrass sovereign action by the Government when taken for the benefit of all.

I think that is sound.

The President further said in this message:

> I recommend the immediate enactment of legislation * * * that will terminate any consent which the United States may have voluntarily given to be sued on its securities, coins, or currencies; and that will reaffirm the fixed policy of the United States to make payment to all holders of its securities, coins, and currencies on an equal and uniform dollar-for-dollar basis and will make appropriations available for payments on this basis and on this basis only.

That is the whole purpose of the joint resolution.

Mr. BULKLEY. Mr. President——

Mr. ADAMS. Just one second.

The Senator from Florida knows that if he makes an error in his income-tax return, if he falls short by 70 cents in making his payment, the Government will follow him, and hound him, and charge him with penalties and with interest. One hundred and twenty-six million people will follow him or any other single taxpayer to enforce their claims against him. I merely think 126,000,000 people ought to be willing to allow the individual citizen to go into the courts of the Nation and present his claims, be they good or be they bad.

I now yield to the Senator from Ohio.

Mr. BULKLEY. Mr. President, in answer to the suggestion of the Senator from Florida relative to the right of the Government to withdraw the privilege of a citizen to sue, I was about to suggest that that is not necessarily an extinguishment of the obligation; and when we talk about withdrawing the right to sue, we frequently mean merely requiring the citizen to pursue some other remedy.

Let me read briefly what the Court says in the Lynch case, recently decided, reported in Two Hundred and Ninety-second United States Reports, page 571. I read from page 582:

> Mere withdrawal of consent to sue on policies for yearly renewable term insurance would not imply repudiation. When the United States creates rights in individuals against itself, it is under no obligation to provide a remedy through the courts. It may limit the individual to administrative remedies. And withdrawal of all remedy, administrative as well as legal, would not necessarily imply repudiation. So long as the contractual obligation is recognized, Congress may direct its fulfillment without the interposition of either a court or an administrative tribunal.

The difficulty here is that, coupled with the withdrawal of the right to sue, we are expressly providing for a change in the contract itself, expressly providing a change in the right as well as a withdrawal of the remedy, and it is very questionable whether that is constitutional.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ADAMS. I gladly yield to the Senator from Michigan.

Mr. VANDENBERG. I shall not undertake to comment on the legalistic phases of the matter. It is the ethical phase of the matter which particularly challenges my conscience at the moment.

The Senator from Kentucky [Mr. BARKLEY] said that Liberty-bond buyers did not purchase those securities because

they found in them a clause which guaranteed payment in gold. The Senator from Kentucky is absolutely right; but the reason why they did not look for a gold clause, or rely upon some collateral promise of that character, was the fact that up to that good hour there never had been a time when they had been put upon notice that they could not rely upon their Uncle Sam to keep his word to the last penny. They knew that in his history, when he found his Republic faced with circumstances infinitely more critical than those with which we have been surrounded recently, he declined repudiation, and he set his fiscal house upon the rock of honor, in spite of all the burden and all the sacrifice that was involved. From that time down to the moment when, as the Senator from Kentucky says, he bought those bonds on the faith and honor of his Government, never did he have any occasion to doubt it. Of course, he did not then look at the fine print, or rely upon the gold clause; but if we go much further in this progressive process of constructive repudiation, he will buy nothing hereafter without putting a microscope upon it.

It is the ethical challenge which interests me. I join the Senator from Colorado in that challenge.

Mr. ADAMS. Mr. President, just a word or two upon an amendment adopted by the committee, presented by the Senator from California [Mr. McADOO].

The amendment provides that the withdrawal of the right to sue shall not apply to suits which have heretofore been commenced, or to suits which may be commenced within 6 months after the effective date of this joint resolution.

As I understand the effect of this amendment, it is that, perhaps, in rough figures, $1,000,000,000 of obligations may become due within this 6 months' period, and the holders of that amount would be entitled to bring suits. Ten billion dollars of gold obligations will not fall due until after the expiration of the 6 months' period, so as to them the original policy of the proposed law will apply, and the holders will be excluded from bringing suit, I think a most clear and definite discrimination between people holding similar types of obligations.

In the committee the Senator from Oklahoma submitted an amendment which would have granted a period of 6 months after the maturity of any bond within which to bring suit, or, to put it in another way, it provided a short statute of limitation of 6 months, and gave to the holder of every bond 6 months after his right of action accrued within which to bring his action. That amendment was voted down, and in its place was inserted a short statute of limitations which applies only to those who have causes of action arising within 6 months. It seems to me that is a most unwise and, I think, an unfair discrimination. I am fearful that it is open to the characterization of someone who said, "I am going to be virtuous for the next 6 months, but after that I am going on the loose."

I think the Senator from California had a good intention in presenting his amendment. I think from the arguments before the committee there was a feeling on the part of some that a cause of action might accrue upon a bond which did not mature for a year or 2 or 3 years, that the holder could bring a suit on the bond. I myself am unable to see how there could be a cause of action upon a bond prior to its maturity, because there might have been some effect upon its market value.

Mr. LEWIS. Mr. President, at this point will the able Senator from Colorado allow me to interrogate the Senator from Michigan in reference to a statement the Senator from Michigan has made of great importance, as I see it?

Mr. ADAMS. I am always glad to have the Senator from Michigan "put on the spot."

Mr. LEWIS. I call the attention of the Senator from Michigan to a matter of history, in view of his speech, which will go out and be given currency because of the high place he holds. The Senator called attention to the assumed fact that there has been nothing in our past history to justify the proponents of the pending joint resolution in presenting it, because, as the able Senator says, in the past our Government has ever preserved literally the words and literally the spirit of its pending contracts without any change, and, therefore, there was no reason to consider the prospect of a change in the present.

I ask the able Senator from Michigan if he does not recall that in the Civil War, and preceding and immediately following, this Government issued a vast number of bonds, necessary for the preservation of the Union, which were payable on certain terms expressed in those bonds. Afterward, for reasons satisfactory to the Government, it issued a certain form of money, which form of money was contested, charged in one breath as being "greenbacks", denied as coming within the provisions of the Constitution as to the coinage of money. Subsequently the Supreme Court of the United States, without regard to the "up-and-down" ruling from time to time, finally determined the Legal Tender cases, that those dollars were wholly to come within the definition of the coin of the Constitution, and, though they changed the form of the bond contracts, the change was constitutional and valid.

Therefore, I ask my able friend, would not those bonds, payable by the United States in money, have been payable after the decision in the money which had been justified by the Supreme Court of the United States, and was not this in terms contrary to what appeared to be the terms of those bonds at the time they had been issued? Was not this justified as called for by the peril of the Government? I ask, did we not, therefore, make the change, and did not the definition of "coin" of the Supreme Court of the United States give a new color to a new money that was brought forth, and were not those bonds paid and payable in that new money, just as now the purpose, contrary to the conclusion of the Senator from Michigan?

Mr. VANDENBERG. I am unable to follow the Senator in detail, and I am unfamiliar with the incident to which he refers, but I know of no instance in American history up to the present time when the Government of the United States has deliberately, and without any necessity whatsoever, broken the word of its contract with its people, and I think it is a desperately sad precedent to set today.

Mr. ADAMS. Mr. President, it might be pointed out in connection with some of the remarks of the Senator from Kentucky and also those of the Senator from Illinois, that we have had gold-clause bonds falling due within the past year to a large amount, and the holders of those bonds have accepted in exchange either bonds without the gold clause, or the prevailing currency of the United States, which, as a matter of fact, was not redeemable in gold. In other words, there has been no challenge as to these bonds on the part of the holders of the bonds, and I am disposed to think that if conditions were permitted to continue as they are, the entire amount of outstanding gold bonds would be paid in lawful currency without a question being raised. Our people are good citizens; they would not make their Government trouble; they would not harass their Government with a multitude of suits, and we are simply advertising the fact that we will take advantage of a sovereign power to close the courts even against the adjudication of a claim.

There is involved in this question, according to the statement of the advocates of the measure, little if any damage to the Government in dollars. They point out that the Supreme Court has held that there can be no recovery. So, from the purely material standpoint, we are not saving anything in dollars and cents. Therefore, why do it?

But beyond that, if we were saving anything, we should not sacrifice our integrity, we should not break our faith to that end. So far as I am concerned, the credit of the United States is involved. The man whose word is not good soon loses his credit, regardless of his assets, and here is a question of integrity, ultimately to reflect itself in the question of credit. Let me quote this one sentence from the Sinking Fund case, which is quoted in the Perry case:

> Punctilious fulfillment of contractual obligations is essential to the maintenance of the credit of public as well as of private debtors.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ADAMS. I am glad to yield.

Mr. VANDENBERG. The Senator points out the fact that this action is not necessary in order to save the Government actual monetary hazard. Therefore this does become literally a case where we trade our birthright for a mess of pottage.

STATISTICS RELATING TO TURPENTINE AND ROSIN

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1811) providing for the publication of statistics relating to spirits of turpentine and rosin, which were, on page 1, line 4, to strike out all after "collect", down to and including "of" where it appears the first time in line 6, and insert "and/or compile and publish annually, and at such other times, and in such form and on such date or dates as he shall prescribe, statistics and essential information relating to"; and on page 1, line 7, after "the", to insert "domestic and foreign commerce of the."

Mr. GEORGE. Mr. President, this is a bill which provides for the publication of statistics relating to naval stores. I move that the Senate concur in the House amendments.

The motion was agreed to.

RELIEF OF LAND PURCHASERS IN THE BOROUGH OF BROOKLAWN, N. J.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2140) for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey, which were, on page 1, line 7, to strike out "28" and insert "14"; on page 2, line 10, to strike out "10" and insert "5"; and on page 2, line 16, to strike out "10" and insert "5."

Mr. MOORE. I move that the Senate concur in the amendments of the House.

Mr. BARBOUR. As coauthor of the bill, I concur in the motion of my colleague the junior Senator from New Jersey [Mr. MOORE] that the Senate agree to the House amendments.

The motion was agreed to.

WITHDRAWAL OF RIGHT TO SUE ON GOLD-CLAUSE BONDS

The Senate resumed the consideration of the joint resolution (H. J. Res. 348) authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes.

Mr. McADOO. Mr. President, I think the argument has gone rather wide of the mark in the discussion of the pending joint resolution, which I think is limited to a very small compass. But in view of the things which have been said on the floor, I feel it my duty to make some allusion to the arguments which have been presented, even though I think they are not material to the discussion of the question before the Senate.

The distinguished Senator from Colorado [Mr. ADAMS] said a great deal about the honor of the Government and his concern about the preservation of the integrity of its obligations and about the advice he has given to his sons. I may say that I am in full sympathy with him as to the principle involved and that I hope there is no one within the range of my voice who is more sensitive to the honor and integrity of the American Government than am I.

I had a wide experience with the credit of the United States during a trying period in its history, and I would not have this Government violate in the slightest degree any obligation which it has incurred or fail to perform any contract it has made or to do its duty to the fullest extent in every direction in which its word is involved or the good faith and the honor of the people are involved.

But when I come to consider the Senator's remarks about his concern for the integrity of the Government and his apprehensions that the credit of the Government may be injured because we may limit the period within which suits may be brought against the Government on account of the gold clause in these bonds, I should like to refer for a moment to the RECORD as to what has gone on heretofore.

The Senator from Colorado [Mr. ADAMS] voted for the act of March 9, 1933, "To provide relief in the existing national emergency in banking, and for other purposes." What was that act? I shall not read the statute in full. Under that act, the President is authorized to prevent exports and hoarding of gold, and to require everybody to deliver gold to the Treasury of the United States, accepting currency therefor. It is provided in the act that whoever shall willfully violate any of the rules or regulations issued by the President with respect to the impounding of gold shall be fined not more than $10,000, or, if a natural person, be imprisoned for 10 years, or both.

There is a further provision authorizing the Secretary of the Treasury to issue licenses, and to require all gold coin, gold bullion, and gold certificates to be delivered to the Treasury; and for a failure to comply with such regulation a fine or a penalty equal to twice the value of the gold or gold certificates in respect to which such failure occurs may be imposed. Both of these punishments may be inflicted against the person who dares to receive and hold gold.

SEC. 4. In order to provide for the safer and more effective operation of the National Banking System and the Federal Reserve System, to preserve for the people the full benefits of the currency provided for by the Congress through the National Banking System and the Federal Reserve System, and to relieve interstate commerce of the burdens and obstructions resulting from the receipt on an unsound or unsafe basis of deposits subject to withdrawal by check, during such emergency period as the President of the United States by proclamation may prescribe, no member bank of the Federal Reserve System shall transact any banking business except to such extent and subject to such regulations, limitations, and restrictions as may be prescribed by the Secretary of the Treasury, with the approval of the President. Any individual, partnership, corporation, or association, or any director, officer, or employee thereof, violating any of the provisions of this section, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $10,000 or, if a natural person, may, in addition to such fine, be imprisoned for a term not exceeding 10 years.

When that act was passed the Government of the United States went off the gold basis. Gold payments were no longer permitted, and all the gold in the United States was impounded, legally and lawfully, as subsequently decided by the Supreme Court of the United States; and therefore the citizen who held any gold or who got any gold after that act was passed, and it was discovered in his possession, became guilty of a felony.

I should like to ask the Senator from Colorado if he thinks that by that vote he did not put the people of the United States in a position where they could not receive the gold which the Government had promised to pay to them, because he voted to make it a felony for them to receive the very gold which the Government had promised to pay them on its bonds. A citizen could not hold gold or be the recipient of gold without committing a felony.

Mr. ADAMS. Mr. President, the Supreme Court has held that upon the very ground that there was no injury to the holder of the bonds, he could not recover, and consequently there is no occasion for closing the courts to whatever claim he might have had.

Mr. McADOO. How does the Senator reconcile his concern about the integrity of the Government, and the inviolability of its obligations to its citizens, with his vote to make it a felony for them to receive the very gold which the Government had promised to pay them on a bond?

The Senator from Colorado also voted to approve the joint resolution of June 5, 1933. That resolution has been upheld by the Supreme Court. That is the resolution which is the chief point at issue in the decision of the Supreme Court. What did that joint resolution provide?

It declared:

That every provision contained in or made with respect to any obligation which purports to give the obligee a right to require payment in gold or a particular kind of coin or currency, or in an amount in money of the United States measured thereby, is

declared to be against public policy; and no such provision shall be contained in or made with respect to any obligation hereafter incurred. Every obligation—

That means bonds containing these clauses—

heretofore or hereafter incurred, whether or not any such provision is contained therein or made with respect thereto, shall be discharged upon payment, dollar for dollar, in any coin or currency which at the time of payment is legal tender for public and private debts. Any such provision contained in any law authorizing obligations to be issued by or under authority of the United States, is hereby repealed, but the repeal of any such provision shall not invalidate any other provision or authority contained in such law.

The Senator from Colorado voted to prevent the Government of the United States doing the identical thing which he now says the failure to do involves the honor or the morality or integrity of the Government.

Mr. BULKLEY. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from California yield to the Senator from Ohio?

Mr. McADOO. I yield.

Mr. BULKLEY. Did the Senator suggest that that joint resolution had been upheld by the Supreme Court?

Mr. McADOO. Yes. Its validity was sustained.

Mr. BULKLEY. Let me call the Senator's attention to this language from the Court's opinion in that case:

We conclude that the joint resolution of June 5, 1933, insofar as it attempted to override the obligation created by the bond in suit—

That was the gold-clause bond—

went beyond the congressional power.

Mr. McADOO. I am familiar with that decision. At the same time, the Court held that if no damage had been done, no right of action existed.

Mr. BULKLEY. That is quite different from upholding the joint resolution. The joint resolution was held to be unconstitutional insofar as it understook to override the gold clause in these bonds.

Mr. McADOO. Let me say that for technical reasons that may be true. Assuming it may be true for the sake of discussion, what materiality has it in the light of all that has occurred? Let me say that so far as gold is concerned, its value is not wholly intrinsic. Its value consists and has heretofore consisted largely in the fact that it is a legal tender for the payment of all debts, public and private. Who made it a legal tender, so that every man had to take it in payment of a debt, and every government had to take it in payment of taxes and public dues? Who imparted that value to it, so that it would be received everywhere at par? Why, the people of the United States, which is the Government of the United States; and it was because gold was invested with the legal-tender quality that it passed current and was in demand for reserves in the banks and was the basis, of course, for specie payments.

I advert to what the Senator from Michigan [Mr. VANDENBERG] said a moment ago—that the Government had never failed to pay any obligations as stipulated in the bond. Let me say to him that when the greenbacks were issued and were finally sustained by the Supreme Court of the United States, they were mere paper backed by no gold reserves or metallic reserve of any character; but because that piece of paper had imparted to it the legal-tender quality, it passed at par in payment of debts, public and private. When the Supreme Court sustained as constitutional the power of the Congress to issue that money and make it legal tender for the payment of debts, public and private, the greenbacks were treated as gold and circulated on a parity with gold. Those greenbacks were accepted in the bank reserves as gold, and have been from that time until this day. All maturing obligations of the United States since that time which were payable in gold could be paid and discharged with this paper money called "greenbacks", just as today every dollar that we carry in our pockets is legal-tender money, invested with the legal-tender quality by the Congress of the United States, and therefore is accepted at par in full payment of all debts, public and private.

What the Government of the United States is doing today is paying its bonds, whether they have the gold clause or not, in legal-tender money, which is just as good in this country today as gold. So long as the money circulated by the Government of the United States pays debts and buys commodities on equal terms with gold, the holder of a gold obligation who receives currency instead of gold suffers no injury. Therefore the Government has fully discharged its obligation when it pays him in any other kind of money which is just as good, which will buy just as much, and pay just as much debt as the gold itself would have done.

However, Mr. President, these questions are really not material to the issue. What we have done we had the constitutional right to do. That has been decided by the Supreme Court. I am not going to discuss those decisions, for it is unnecessary to take up the time of the Senate for that purpose.

If there has been any violation of the gold-clause provision, the question of the damages sustained by any bondholder is one which can be adjudicated in the courts. Personally, I do not see how there can be any possibility of any such claim for damages being sustained by the courts. Since the privilege of bringing suit against the Government is accorded by the Congress it may be withdrawn at any time by the Congress or may be limited in time or in scope by the Congress. The right to sue the Government is not accorded as to everything; and since at the time the gold-clause obligations were in effect made payable in currency, by the action of Congress and for which, perhaps, gentlemen who are now complaining voted, and since bondholders had at that time the right to sue in the Court of Claims for any injuries resulting from the action of the Congress, the House passed a joint resolution cutting off the right to bring suit immediately upon the enactment of the joint resolution which we are now considering.

I myself felt that the Congress had the absolute power to do that. I do not think anyone questions the right of the Congress to do that; but I felt, on the other hand, that we ought to be meticulous about the credit of the Government; and I was unwilling to cut off the right to go into the Court of Claims unless a reasonable time was given to any holder of a Government obligation affected by this action to file his claim in the Court of Claims, and, if he could establish any damage, obtain a judgment, which, of course, would be honored by Congress through the proper appropriation.

So I proposed an amendment to the House joint resolution, which, as I have said, in the form in which it reached the Senate, cut off immediately the right to sue and was retroactive as to existing suits, of which I think there are only two. My amendment provides that for 6 months after the effective date of this proposed act any citizen who feels that he has a claim against the Government because he has been given legal tender money in the form of paper which is just as good as gold, which will buy just as much and pay just as many debts as gold, may bring suit in the Court of Claims and have his case adjudicated. I feel that that is the decent thing to do; I think the Congress should do that. If one feeling himself aggrieved cannot establish damages, then it will be clear and conclusive that the Congress has not injured anybody by not paying its bonds in gold. There is force in the suggestion of the Supreme Court that a bondholder who merely demands the amount of gold stipulated in the bond, instead of accepting something of equal quality and of equal purchasing and debt-paying power would be merely enriching himself without having shown any just ground why he should receive more than the face value of his bond.

So it gets down to the narrow question, Mr. President, of cutting off immediately the right to sue, or to grant a period of 6 months after the effective date of this proposed act during which time anyone who feels aggrieved may file his claim in the Court of Claims and have it adjudicated. As I have already said, if he can prove damages he will get a judgment for the amount, and this great Government will pay such a judgment. Within my knowledge of American history the Government has never yet failed to respond to

any just claim that has been made against it. That is the reason why its credit is so firmly and so soundly established; that is the reason why today it has the best credit of any country on the globe.

The suggestion has been made to me that a foreigner who bought gold-clause bonds may be injured by the passage of the pending joint resolution because he will have to take currency. Both principal and interest of his bond is payable in the city of Washington. He has to take the money of the country at the place of payment here in Washington. Since we have devalued the gold dollar, he may be injured if he wants to take the money out of the country. Well, we cannot help that. He bought bonds payable in the city of Washington. But he bought with full knowledge—at least, he is presumed to have knowledge of the fact—that the Congress might at any time change its policy with respect to the currency. He bought bonds, presumably, with knowledge of the fact the gold standard might not be maintained for all time. We have been off the gold standard heretofore.

England is off the gold standard, and other countries of Europe are off the gold standard for the same reasons, perhaps, that impelled us to go off the gold standard. The citizens of those countries had to take their medicine the same as our citizens had to do. But can it be contended with any show of reason or justice that our whole currency policy must be directed or be controlled or influenced by the fact that foreigners hold some of our bonds and that we are not therefore free to act with respect to our domestic finances? For my own part, I cannot conceive such a situation. I think the doctrine of caveat emptor applies to the foreign bondholder as it does to everyone who makes investments of any character; he must take the risk of the investment wherever made. So I think that argument is not worthy of consideration.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. McADOO. I yield.

Mr. BARKLEY. As a matter of fact, the so-called "gold clause" in the bond was probably intended merely as a description of the type of dollar which was in circulation at the time, but, of course, it did not carry with it the implication that Congress could not at some future time change the basis of our circulating money from what it was prior to 1933.

Mr. McADOO. That may be true, but I do not care to go into the history of that question. I will, however, say a word as to the purchase of bonds by the American people. I had some experience in the selling of the Liberty bonds. I do not think the American people cared whether the bonds were expressed in terms of gold; I do not think they cared what the rate of interest was; and I do not think they cared about the price at which they were quoted upon the exchanges of the country, or whether they could bring suit in the event the Government should fail to pay them. I do not think any of those considerations entered into it, because I know what the persuasive argument was in the addresses which I made from one end of the country to the other in connection with the sale of Liberty bonds. The persuasive argument was patriotism, the desire to contribute everything that the citizen might be asked to contribute for the purpose of fighting the war to a victorious conclusion.

I may say, for the information of the Senate, that it is an amazing fact that the results ran counter to all the advice I received from those who maintained that a popular offering of bonds would not succeed unless the rate of interest was much higher than that at which they were put out; and, unless provision was made by which the Treasury should agree to buy back bonds after they had been sold to the public so that they would be maintained at par, it would be impossible to sell subsequent issues at par. Now let me give an instance of the incorrectness of that estimate of American character and American patriotism.

When the Fourth Liberty Loan was made, which was consummated a few days before the armistice in November 1918, $6,700,000,000 was subscribed by the people of the United States, representing 22,000,000 subscriptions. At that time similar bonds, bearing the same rate of interest, were being sold on the exchanges of the United States at something like 94 cents on the dollar, so that anyone who subscribed for the Fourth Liberty Loan bonds at par could have made a similar investment at probably about 94 cents, as I recall—I speak subject to correction, because I am speaking from memory, but I think it was about 94—against par for the new issue; but the American people subscribed at par the greatest loan that was ever put out by the American Government, because of their confidence in the United States, knowing that they would receive full value for the bonds if they continued to hold them; whether in gold or in any other kind of money, it would be good enough for them.

Mr. President, that is a great tribute to the patriotism of the American people. I explained to them that they were buying at par bonds from the Treasury of the United States for the purpose of helping their Government in the war, when they could buy them somewhere else at 94 cents on the dollar; I explained to them that they only took the risk on their investment of the depreciation of the principal of the bond temporarily, because presumably the saturation point in the bond market had been reached; I explained to them that the only risk they ran was the loss on a hundred-dollar bond of $6; that that was not comparable to the risk which their sons were taking in the trenches of France when they bared their bosoms to German shot and shell. The result was that every great bond issue I offered to the people was oversubscribed in every single instance.

Mr. President, if I had believed that what we were doing in the past 2 years by all the acts relating to the currency and the coinage was hurtful to the credit of the American Government or was dishonorable, I would never have given my vote to these measures. We devalued the dollar by 40 cents, we have gone off gold, and yet the credit of the American Government today stands as high or higher than it ever has stood in American history.

Mr. President, I say that when we pass this joint resolution, if we shall pass it, and give to every man who thinks that he is injured in any way by the financial policy of the Government in respect to any obligation he holds, the right to file suit in the Court of Claims within 6 months after the passage of the measure—and everyone who has been injured or thinks he has been injured can certainly file his claim within that time—I think we have done everything that good conscience, honesty, and integrity require.

Mr. VANDENBERG. Mr. President, I should like to ask the chairman of the committee what witnesses from the Treasury Department appeared in behalf of the legislation?

Mr. FLETCHER. Secretary Morgenthau appeared; assistant general counsel, Mr. Laylin and Mr. Harlan, appeared; and Mr. Reed, Solicitor General, appeared.

Mr. VANDENBERG. Did Mr. Laylin endorse the legislation?

Mr. FLETCHER. I presume so.

Mr. VANDENBERG. I understood Mr. Laylin, assistant general counsel of the Treasury, resigned and wrote a blistering letter to the Secretary of the Treasury hanging his resignation on the fact that he would have no part whatever in repudiation of this character. Is that information entirely wrong?

Mr. FLETCHER. Mr. Laylin appeared before the committee, as I recall.

Mr. BARKLEY. Mr. President, Mr. Laylin appeared before the House committee, but did not testify before the Senate committee directly, except to answer some questions during the testimony of others. He is not on the list of witnesses.

Mr. FLETCHER. His name appears on page 42 of the Senate committee hearings.

Mr. BARKLEY. He was present and was asked some questions during the testimony of the Solicitor General, but his name is not included in the list of witnesses as testifying originally.

Mr. VANDENBERG. Does the Senator from Kentucky know whether Mr. Laylin resigned?

Mr. BARKLEY. I do not know whether he resigned, and I do not think it has any bearing on this measure. I have not heard of his resignation.

Mr. VANDENBERG. In that respect the Senator differs from me, because I should like to know if he resigned, and I should also like to know if he resigned for the reason stated.

Mr. BARKLEY. I am satisfied if he resigned there were plenty of other men who could have been found to fill the position, and probably have been found by this time. I do not know whether he resigned or not. I do not mean to be abrupt with the Senator, but I have no knowledge whether he resigned, and I do not think it has any bearing whatsoever on the measure now before us. He gave a good account of himself before the committee.

Mr. VANDENBERG. The Senator means it would be very easy to find somebody who would go along with this theory of legislation?

Mr. BARKLEY. I do not mean that at all. Whenever anyone resigns a position in the Government, there is always someone easily available to fill the position.

Mr. VANDENBERG. When anyone resigns from the Government under this regime there must be a very powerful motive for it, because it happens so seldom.

Mr. BARKLEY. Very often men resign and write blistering letters that get them a little publicity which they had never before been able to get in all their lives and never would have been able to get afterward unless they did something sensational of that nature. I have in mind a recent case of that kind. But I have never heard that Mr. Laylin has resigned or that he wrote any letter in connection with it.

Mr. VANDENBERG. There has been no publicity for this blistering letter, and I should like to know if it exists, because if there is any former official of the Treasury Department who felt so keenly about the immorality of this legislation that he resigned in a letter to the Secretary of the Treasury indicating his feeling of outrage in respect to it, I think it is an important exhibit in reference to the consideration by the Senate of this joint resolution.

Mr. FLETCHER. Mr. President, I have no information about the matter referred to by the Senator from Michigan. The hearings show at page 36 that Mr. Laylin was present, because he was called upon for certain information. So far as his testimony or his statement in answer to questions before the committee is concerned, there is, so far as I can see, nothing in antagonism or opposition to the joint resolution.

Mr. Laylin went on to explain that there would be no difficulty about taking care of the outstanding obligations containing the gold clause. His whole position apparently was in support of the joint resolution.

Mr. BARKLEY. Mr. Laylin was assistant general counsel for the Treasury. He was present with Mr. Reed, Mr. Harlan, and the Attorney General. That was as late as July 17. During the testimony of another witness, I think, the Senator from California [Mr. McADOO] asked a question, and Mr. Laylin was asked to reply to it because it was knowledge within his possession. He was sitting there with other representatives of the Treasury. He was asked by some of them to answer the question himself. He certainly had not resigned at that time because he stated in his testimony that he was assistant general counsel. If he has resigned since that time, I have no knowledge of it, but I still maintain it is not material to the wisdom of the measure now before us whether he has or has not resigned.

Mr. FLETCHER. Mr. President, I invite the attention of the Senator from Michigan to page 38 of the Senate hearings, where Mr. Laylin was asked a question by the Senator from California and said:

> Mr. LAYLIN. Well, presumably, the worst blow to those holders of gold-clause bonds who felt that they were entitled to receive $1.69 on the dollar was the Supreme Court decision, and the market did not drop at all.
>
> Senator MCADOO. How could that be when this very act denies them the right to recover that amount?
>
> Mr. LAYLIN. On that point, if you are thinking that the possibility of withdrawing the right to sue might create a sellers' demand, a large portion of the press has construed the Liberty-bond opinion since the day it came down as having held that the joint resolution itself withdrew the right to sue, and I have had a number of people tell me that they could not understand why this resolution was being introduced, because they thought the Supreme Court had already reached that solution.

GEORGE C. MANSFIELD CO. AND GEORGE D. MANSFIELD

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2160) for the relief of the George C. Mansfield Co. and George D. Mansfield, which was, on page 2, to strike out all of section 2.

Mr. LA FOLLETTE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

WITHDRAWAL OF RIGHT TO SUE ON GOLD-CLAUSE BONDS

The Senate resumed the consideration of the joint resolution (H. J. Res. 348) authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations, and for other purposes.

Mr. SCHALL. Mr. President, it has been well said that ours is no aristocracy of blood where the king can do no wrong, but is an aristocracy of brains where, as my friend the Senator from Colorado [Mr. ADAMS] stated a few moments ago, the little child uplifts his hands toward his government and is taught that the race in life is a fierce struggle in which training, energy, honesty, faith, integrity, gain the palm.

That has been true up to the beginning of the present administration. A republic built upon the teachings of Christ, carrying upon its silver dollar the expression "In God We Trust", can go out and under false pretenses secure money, and then try to sneak away from the obligations to which it has been committed, and do this through a joint resolution prohibiting a hearing in court and the securing of justice to the defrauded.

The joint resolution before us, it seems to me, is in keeping with this repudiation administration. It seems that "Where virtue is, vice would stain her spotless purity." If there has been anything going along decently and honestly in this country, it is that thing which has been attacked. The administration has been long on promises and short on fulfillment. It raises its hands and swears to defend and maintain the Constitution, and it begins its administration right off the reel by adopting the slogan, "War on Depression", but as to anything it says or promises, we can look for the opposite in its performance. It has been in reality war on recovery. Every move of this administration has been in keeping with the repudiation measure now before us.

The moment the administration came into office, it usurped the power to close all the banks in the country, some 17,000 of them, 15,000 of them being as sound as a hound's tooth. Some of those sounder banks have not yet got back. Its object was to create consternation and chaos, for only through chaotic conditions could it demand the powers of Congress that it requires to establish its emperorship. Its object has been not to keep its promises, not to keep the obligations which brought it into office. A platform which the administration said it was back of 100 percent, it has not carried out in one particular. It has done exactly the opposite. The voice of Jacob has spoken, but the hand of Esau has been directed, not to keeping promises, not to keeping contracts, not to keeping faith, its actions have been outside the teachings of Christ, outside the teachings of God and man.

This first communistic President of the United States was acclaimed in communistic Russian papers.

The administration is 100 percent back of a platform which it has not kept in one word, but it has kept a platform submitted to the country by the Socialists and the Communists of the country. That it has kept faithfully; and it has the impudence to say to the people of the country that it has the mandate of the people of the Nation for a more abundant and useful life, and so forth, and so forth—to live more

abundantly by doing something that is entirely outside the covenant, outside the oath of office he took. No wonder the administration announced that he, in all probability, would be the last President of the United States. But he has not as yet announced the first emperorship of "Franklin the First", but all indications of the laws he has gotten out of this Congress and is still further demanding cannot be construed otherwise by honest Americans.

The administration's mandate from the people of the country was not to carry out the communistic and socialistic platform, which, as I understand, received only about 2 percent of the votes of the country. The administration has kept faith with that 2 percent; and I believe the people are beginning to get on to this sort of an administration. They are beginning to understand. The newspapers are beginning to publish the facts here and there. The censorship which the administration has placed upon Congress is gradually disintegrating, and the people are coming to understand what the administration is attempting to do with their Republic.

This is a fair sample, the measure before us today—this repudiation measure, this breaker of promises, this ignoring of contracts, this opposition to everything that is decent in this country.

Twenty-five days after this administration came into power it sent to Congress a bill, and drove it through the House with boot and spur, without allowing it even to be printed—a bill that would have put a publisher in jail for 10 years, and fined him $10,000, for daring to publish anything which the administration did not approve. It was followed by the bill creating the national racketeers' association, the N. R. A., and the utter ruin of its fine illusions and power of grandeur tipped over by unanimous decision of the Supreme Court. You can see the tenor of the administration when it refers to this kind of a Supreme Court as a "horse and buggy" outfit. Evidently it would prefer to have the Roman chariot outfit, for it certainly has gone back 2,000 years, back to the Roman chariot and Fabius Maximus when Cataline distributed doles to the populace to keep them quiet while the emperorship was riveted upon them. Cataline's doles were to thousands, but "Franklin the First's" doles run to 22,000,000, plus 13,000,000 unemployed, with an expenditure of eighteen billion so far in this administration and a deficit of over eleven billion, and the end is not yet. They do not expect recovery. They do not want recovery; they are already figuring a three to five billion dollar allocation to the President, with no strings attached, next year such as the five billion appropriation this year to further add to the Treasury of political doles and to insure the reelection of 1936.

"AFTER ME THE DELUGE"

Add to this the cost of government for the remaining term of this administration, and you have the grand total of $39,000,000,000. It only cost the 35 administrations up to and including the first term of President Wilson, with 5 wars included, twenty-four and a half billion dollars, yet this carrier-out of the communistic-socialistic platform will have spent, in 4 years, $15,000,000,000 more than the 35 Presidents over 124 years. Certainly a liberal outfit. They want to get all on the dole they can, and they have cleverly arranged to keep them on, for if a person on the dole dares to take a job for 1 day, he is let out for 3 months. So the tyrannical power of the dole has been arranged to augment the power of the administration and work toward its reelection. If this administration is reelected it is good-bye forever to our Republic and the last President and the first emperor of the United States will be a reality.

Yet the President, after the unanimous decision of the Supreme Court in the "sick chicken" case, the N. R. A., saying it was unconstitutional, with every power and incentive he could command, regardless of his oath, drove through Congress another N. R. A. bill seeking to do by indirection what was unlawful to do by direction. And the next bill for consideration following the disposal of this is another N. R. A. attempt to circumvent the Constitution. It provides to use the taxpayers' money to bribe by liberal loans to the trust 600, an agreement to place themselves under the dictates of another N. R. A.—another national ruin association. Ruin to the little fellow, but Government money and help to the fat boys who have ever despised our republican form of government and would much prefer to have it supplanted by that system of dictatorship now tyrannizing in Moscow, Berlin, and Rome.

The first aim of an autocrat is to get rid of the Constitution, which limits his freedom of action and cramps his style. The method of deposing the Constitution may be, as in Europe, a coup d'etat by force of arms, or, as here, the well-known Fabian method of harassment and gradual encroachment by first getting possession of economic resources and activities.

On February 28, 1933, in Berlin, 4 days before the inauguration in Washington, D. C., President von Hindenburg paved the way for the autocracy of Adolf Hitler by suspending all constitutional articles guaranteeing private property, personal liberty, freedom of the press, secrecy of postal communications, and the right to hold meetings and form associations.

On March 9, 1933—the same day Roosevelt usurped power to close the banks of the United States—the news came from Berlin that the Nazi-Hitlerites won the elections, seized the police power in nine principal German States, and 3 days later had emblazoned the Hitler swastika on the German flag and abolished the constitution and bill of rights of the German Republic.

On the same day the Soviet General Council in Moscow sentenced to death and shot 35 Russian economists and editors for efforts to balk the Soviet A. A. A. plan to dominate the farms; and in Washington the President was given dictatorial powers over credit, currency, gold and silver, foreign exchange, and the banks.

Thirty days later, April 12, 1933, the noted Fabian lecturer, George Bernard Shaw, on a trip around the world, including New York and Moscow, stopped off in New York long enough to appear at the Metropolitan Opera House and advise America to scrap the Constitution and the European war debts.

The Fabian advice of George Bernard Shaw, delivered here 5 weeks after the inauguration, has been followed with a zeal worthy of a better cause. Bernard Baruch, whom some say is our actual President, is the head of the Fabian Society in the United States. European war debts and post-war debts—except alone to little Finland—have been defaulted without protest. The measures passed here have been almost unanimously assaults upon the Constitution. And when the courts of the land, true to the purpose of their existence, have upheld the Constitution, a Federal campaign is now directed against the courts—as witness section 21 of the A. A. A. bill.

The weekly news magazine Time of July 15, 1935—which carries on its cover the portrait of the distinguished floor leader of the Senate majority, the Senator from Arkansas [Mr. ROBINSON]—editorially analyzes the administration campaign against the Constitution and the Supreme Court.

Editor of Time first publishes the letter of the President to the House Ways and Means subcommittee having in charge the Guffey coal bill, where Franklin D. Roosevelt expressly states:

> I hope your committee will not permit doubt as to constitutionality, however reasonable, to block the suggested legislation.

The magazine then cites the fact that the coal bill amounts to N. R. A.'s soft-coal code being reenacted into law, although the Supreme Court ruled that, and all other codes, unconstitutional. Then follows this forecast of White House policy in assembling its campaign against the Supreme Court. Says magazine Time:

> Attorney General Cummings refused to furnish the Ways and Means Committee with a brief for its constitutionality and, according to Washington talk, flatly told the President that the measure (coal bill) would never get by the Supreme Court. When to these two bills (labor bill and coal bill) are added the A. A. A. amendments, and others, Washington saw in the making a deliberate policy by the President to overwhelm the Supreme Court with a mass of new-deal legislation of doubtful constitutionality.

No Senator in this Chamber on either side of the aisle can well doubt the accuracy of this analysis after a glance at the unconstitutional provisions of the must bills passed

and still before us, including the pending repudiation bill. Doubtful constitutionality is written across the face of all the major bills that have been sent to Congress from the White House at this prolonged and unnecessary session. Editor of Time outlines the President's policy in the following paragraph:

If the Supreme Court is forced to throw most of it out next year on the eve of a Presidential campaign in a series of unpopular decisions, President Roosevelt will presumably go before the country and say, in effect:

"We tried to do things to help you, but the Supreme Court wouldn't let us. Therefore let us have a constitutional amendment which will limit the Supreme Court's power to wreck the country's welfare program and make me, F. D. R., emperor."

The role of new-deal autocracy in its program to scrap the Constitution is now particularly directed against the Supreme Court and article III of the Constitution, which provides:

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish.

The A. A. A. was passed with its tyrannical powers. This A. A. A. amendment bill, drafted by Frankfurter, Cohen, and Corcoran, is as full of unconstitutional provisions as a dog in the alley is full of fleas.

We were called upon by the executive branch of government to pass an amended act which violates article IV of the Constitution, sections 1 and 4, as witness:

1. The citizens of each State shall be entitled to all privileges and immunities of citizens in the several States.

4. The United States shall guarantee to every State a republican form of government.

The A. A. A. amendment must bill abridges the rights and privileges of American citizens in seeking justice in the courts on the ancient theory that the king can do no wrong, and destroys the guarantee of a republican form of government by invasion of the rights of the States by a swarm of Federal sheriffs invading rural farms and local industries and the unconstitutional levy of Federal taxes. It usurps the legislative power of Congress, and, like the pending bill, denies the citizen a day in court for appeal therefrom.

This invasion of local and State rights is as complete as that found in Russia, Italy, and Berlin, where the constitution and bill of rights have boldly been abolished without hypocrisy and without bribery and false pretense of emergency.

You may go down through the 57 varieties of Heinz pickles that have been put out by this administration, and every move has been to usurp power, and to keep the usurpation of that power from the people, to keep them from knowing anything about it. Three hundred newspaper men, the best brains in the country in newspaperdom, have been employed by the Government, contrary to law, with the taxpayers' money, at a cost of approximately $2,000,000 a year, to issue propaganda in favor of any law that we have, to dish up so-called "information", to take an ounce of fact and make a ton of glittering generalities to publish to the people, falsity, deceit, fraud, hypocrisy.

Oh, yes, the people are getting on, the people are getting on.

Take this Communications Act that we passed: If it could have been passed as it was sent here, it would have completed the emperorship; but enough of it was dragged out to prevent that. Still, my colleagues, there remains in that bill the power in the hands of the President today to declare an emergency, and upon the declaration of that emergency, to take over all the means of communication to the people, all the avenues of communication to the people of the country. It is well prepared and well aimed.

The President wanted chaos. Every move has been for chaos. He thought it would come 6 months ago. He thought there would be enough chaos raised in this country so that the Commander in Chief of the Army and Navy might take command. He is sending $9,000,000,000 of his gold, which no American citizen can lawfully own a fraction of a grain, under his edict, over into a Kentucky cave, where a couple of regiments can guard it.

Why? Because he fears the wrath of an uprising people when his ultimate intentions are laid bare. It needs to be guarded from the people. Thus nearly half the gold of all the world will cement his emperorship. We must pass some more of these laws prohibiting the people from having a chance even of going into court and having their case tried before a justice. Oh, no; we must not allow that. We must not allow anything to get out. We must keep it down. The other day, when I was trying to get information that the people of this Nation ought to have into the RECORD, the majority leader said I was a misrepresentative of Minnesota because I thought the people should know what is going on here, and I tried my best to have them know it; but there is not much chance under this administration of censorship, and the many avenues and ways of power they have to shut off the truth from coming to the people.

This is another method. We shall soon have before us a tax bill—another clever, cunning circumvention. Why? Because the money is just about run out in buying bonds today. The bankers are just about all in.

The administration has had to finance a deficit of ten to twelve billion dollars through the sale of Government bonds, and has done so by blackjacking the banks into buying so much as their reserves will allow, with the result that they now have in their vaults $18,000,000,000 out of a total of thirty billion, or 60 percent.

The limit is about reached, and already the Budget Director is working on the problem of compiling another Budget showing another three to five billion dollar deficit for the next session of Congress. Nearly simultaneously with the public announcement of the Budget activities in this direction comes the announcement to Congress from the President that taxes are to be increased both on corporations and individuals. The President says that he finds 58 families of this country are evading their taxes through tax-exempt securities and other means, and finds it necessary to increase their tax burdens, intimating that he will urge a tax-exemption amendment to the Constitution. Such an amendment was urged by Hoover, Coolidge, and Mellon.

However, thus far he has failed to do so, and it is reliably reported that the Treasury Department has no intention of insisting on any such amendment, because it would adversely affect the Government bond market at a time when the deficits are growing; hence we may rest assured that what he says about a tax-exempt amendment is mere words to pacify people who have long demanded such an exemption in order that these same people may be compelled through heavy tax penalties on their income to resort further to the purchase of tax-exempt Federal bonds. In this way he will have found a new market for them at a time when the banks have about exhausted their funds, and goes to prove that it is not recovery he wants, for he is planning to continue this terrible dole system that destroys morals and characters and has finessed the few rich men of the country into a position where they will have to buy the bonds to furnish him the money to carry on his grandiose ideas of becoming complete in power.

The result will be the diversion of funds from productive activity into tax-exempt bonds to sustain further Government activities and deficits. The American horn of plenty, which has always afforded so abundantly, is to be further strangled by the administration by the way of diversion from productive industrial securities to nonproductive Government bonds.

As a share-the-wealth proposition it is a mere illusion because the rich whom he threatens to tax will have the Federal tax-exempt bonds, and if they are ever paid they in turn will have the money that any future taxes go to pay. The Secretary of the Treasury has specifically advised that these increased taxes are to go to retire the Federal debt. The Federal debt is held by the bank owners in the sum of eighteen billion—the future Federal debt will be more and more taken over by corporations and individuals who will suffer under these increased taxes, and they in turn, of course, will receive any tax money raised by this tax bill, or any other tax bill, for retiring the public debt.

Hence, share the wealth, through this tax bill, exists only in imagination of anyone who is so foolish as to believe that this administration has any intention of passing any legislation aiming to share the wealth.

They do not want recovery, because if they had recovery they would not stand one iota of a chance in 1936. They want chaos, and they are getting it. They are getting what they want, and every move is in that direction. This is another—this repudiation measure which is before us today. Repudiate your promises; repudiate your platform; repudiate everything that is holy; repudiate your Christ and your God, for that is what the Communists did over in Russia, and that seems to be the platform which this administration is carrying out.

The people are getting on, however. Senators will notice that up here in Rhode Island they had a little election yesterday. If the people could only have known all the facts it would have been better still; but with just a few that have leaked out, they turned in a tremendous vote, despite the fact that the voters were threatened with being cut off from relief rolls if they failed to support the administration.

RHODE ISLAND REJECTS NEW DEAL

Mr. President, the noon editions of the Washington newspapers, I understand, carry in large front-page heads the news of the special congressional election in Rhode Island yesterday, under the caption: "Rhode Island Rejects the New Deal."

After a campaign waged on administration policies, we are told the verdict of the previous election was reversed, and the new deal was repudiated.

In a congressional district which 1 year ago gave the Democratic nominee a plurality of 21,000 votes, the Republican candidate yesterday was elected by a plurality of over 11,000 votes.

Compared with 1 year ago, the candidate who carried a banner labeled "Go forward with Roosevelt" suffered a reversal of 32,000 votes.

In a district where the Democratic candidate 1 year ago was elected by approximately 2 to 1, the new Republican Member of the House wins by a vote of 46,000 to 34,000.

In Virginia, we are told, when the new-deal organization tried to overthrow in the legislative primary elections the Jeffersonian Democrats, organized under the anti-new-deal policy of the distinguished junior Senator from Virginia [Mr. BYRD], the followers of the Senator won a decisive victory. This means that Democratic Virginia is following and supporting the Jeffersonian doctrine of its two distinguished Senators in their fight against new-deal measures based on the Socialist platform of 1932.

Straws indicating the revulsion of Rhode Island against new-deal policies furnish such items as these:

The city of Newport in the election of mayor went Republican for the first time in 17 years.

Jamestown, which was close 1 year ago, went Republican 3 to 1.

The home town of the new Congressman-elect, which went heavily Democratic a year ago, goes Republican by nearly 2 to 1.

Central Falls, so Democratic that it resisted the Harding sweep of 1920, goes Republican by 3 to 2.

A Pawtucket precinct goes Republican for the first time since 1910, 25 years ago. Thus the political returns of yesterday indicate the truth of that old Lincoln saying:

You can fool all of the people part of the time, and part of the people all of the time, but you cannot fool all the people all the time.

It appears, furthermore, from the election returns of yesterday, that you cannot fool the voters of Rhode Island and Virginia any longer at all.

Indeed, throughout the country the tide of the new deal is turning to ebb tide. The other day the news was flashed from Kansas that the president and vice president of the new young men's Democratic organization of the State had resigned and declared that they would henceforth support the Republican program in support of the Constitution and against the administration program of useless bureaus, exorbitant spending, colossal debt and deficits, and mounting taxes.

You can see the turning tide against White House autocracy even on Capitol Hill. For 3 weeks the administration attempted to foist upon the conference committee of the Senate and House its attorney, Cohen, who had been seated here in the Senate Chamber without protest from the ruling majority. It is to the credit of the Democratic House that it held out against this autocratic deal to the end, refused Cohen the right of attendance in the conference committee, and defeated the administration "electrocution" plan.

After 2½ years of this autocratic regime, in violation of the President's 100-percent pledge before election, the people of the United States are at last beginning to take his full measure. The tide is turning. The tide has turned. The ebb tide of new-deal orgy and frenzy has already set in. From this day forward, the efforts of the "brainstorm trust" to stay that tide will be as futile as Mother Partington's broom in stopping the ocean.

Mr. President, I ask to have printed in the RECORD at the end of my remarks a speech made by a farmer lady, Mrs. George Simmonds, from Marshall, Mo., up in New York yesterday. It is a dandy. I should like to have it go into the RECORD. She is an old Jeffersonian Democrat—she and her husband and her father—and it ought to be put in. I do not suppose many people get a chance to read the RECORD, but, to the extent that they do, they ought to read this speech; and I ask consent that the article in which the speech appears may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the article referred to by the Senator from Minnesota will be printed in the RECORD.

The article is as follows:

[From the New York Herald Tribune of Aug. 7, 1935]

MISSOURI WIFE FITS NEW-DEAL JIG-SAW PIECES—MRS. SIMMONDS FINDS THEY WORK OUT INTO PICTURE OF COMMUNISTIC STATE—URGES FOOD-TAX REVOLT—CALLS FOR DEFEAT OF ROOSEVELT AND FOOLISH BILLS

The jig-saw puzzle that is being put together in Washington at the present time will eventually present a picture of a new Communist state, unless its makers are stopped by the American people, Mrs. George B. Simmonds, of Marshall, Mo., told members of the Women's National Republican Club, 3 West Fifty-first Street, yesterday afternoon. Mrs. Simmonds is from Missouri, and they can see through things down there, she said.

She called on the voters to defeat Franklin D. Roosevelt at the next election, called on Congress to repeal the "foolish and wasteful and communistic bills" it has voted through during this session, and called on the people in eastern cities to refuse to pay the food taxes which are making possible the A. A. A. and other elements of the Roosevelt program.

PUZZLE GIVES HER AN IDEA

Seeing her children working on a jig-saw puzzle, which at first was all confusion, gave her an idea, she said, of trying to figure out what sort of picture the new-deal pieces would eventually make.

"Happenings and events have compelled us to decide", she said, "that the picture will be one of another communistic state here in our United States of America. Not only are these pieces of so-called 'legislation' shaped to fit together to make the pattern of communism but alongside of them are ranged the forces that are destroying our representative, constitutional form of government, so that it will be out of the way when they will have been placed as I am convinced this administration plans that they shall be placed.

"We have always felt that the plan back of all that was being done for farmers and done to them was and is regimentation, and the building up of a partisan political machine, from Washington down through agricultural agencies, but it was only as triple-A plans were dished out to us and as we watched other new-deal trickery, that we had to believe the tragic fact that there is a satanic design back of all these doings.

CITES ATTACKS ON CONSTITUTION

"We do not yet know what distorted demoniacal intellect is the motivating force, but we are persuaded it is there. We do not know whether the head of this administration is a part of it or merely the tool of it, because those back of it have played upon his apparent lust for power, but in any case, we know that he solemnly promised to uphold and preserve our Constitution and that he has slashed out in futile fury against it, and even now, according to one of our best-known students of politics and government, is seeming to lay plans to undermine that Constitution and that, therefore, he is not a safe person to have at the head of our Nation. We can see those things down on a Missouri farm."

Mrs. Simmonds, who was prominent at the recent "grass roots" Republican convention in Springfield, Ill., charged that its deliberations had been controlled by radicals.

WARNS REPUBLICANS

"It will be a sad thing for us all", she said, "if now the Republican Party allows itself to be painted pink and suffers more mistakes such as were made when at Springfield, Ill., certain radicals were able to write the pussyfooting resolution about agriculture that they did. A good many of us are as my own father said, 'I didn't leave the Democratic Party. It left me.' And unless the Republican Party rises to its sacred obligations and meets the challenge of the time, you and I may not live to see the day when again we farm people can return to what the head of this administration bewails as 'the old policy that every farmer was a lord on his own farm, free to raise whatever and as much of any crop as he pleased', a freedom he admits we do not now have and evidently does not want us to have.

"It is too bad", she continued, "that Congress did not know enough about human nature to wait until the last thing before they adjourned and then vote such relief money as they deemed absolutely necessary, and say exactly for what it was to be spent. Then", she said, "Congress, and not the administration, would have had the whip hand.

"I wish", she continued, "there were just one man in the House or the Senate who would have the character to get up and say, 'I don't want any of the taxpayers' money to take home with me. Down in my part of the country we can take care of ourselves, and we are going to do so.'"

She described how she and her husband had voted for the present administration, both being southern Democrats by inheritance and 1932 Democrats because of the Roosevelt economy promises; and how within 3 months they were worried—so worried, she said, that she could not keep from weeping over what she saw. When the A. A. A. contracts for crop restriction were sent to them, they refused to sign.

"The things being done by this administration for us farmers", she said, "never made any sense according to any principle of good farm management we have ever known, and my husband always managed to make something with his farming until this strange new deal began to be shuffled out to us. * * * We are still old-fashioned enough to read the Bible down in our Missouri farm home, and over in Proverbs it says, 'He that tilleth his land shall be satisfied with bread, but he who followeth vain persons is void of understanding.'"

Mrs. Simmonds, in a pale pink frock and broad-brimmed hat, was loudly applauded by Republican women who crowded the club's assembly room. Her address also was heard over a Nation-wide hook-up of the National Broadcasting Co.

She was followed by Charles Francis Coe, who attacked Roosevelt relief and financial policies.

"We have heard something about a whispering campaign recently", he said. "I should suggest a shouting campaign. Let us shout for American principles; let us defy selfish politics; and, with our hope, our energy, and our patriotism, let us not whisper but shout for a program which will restore America to Americans."

Mrs. Henry R. Caraway, president of the club, presided.

Mr. BARBOUR. Mr. President, I send to the desk an amendment, which I ask to have reported.

The PRESIDING OFFICER (Mr. MINTON in the chair). The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, at the end of the joint resolution, it is proposed to insert the following section:

There shall appear on the face of all securities of the United States issued after the date of the enactment of this joint resolution the words, "The Government of the United States shall not be subject to suit for nonrecovery of either the principal or interest in respect to this obligation."

Mr. BARBOUR. Mr. President, in my discussion of the pending joint resolution I shall not attempt to enter into the various legal phases involved. I do not agree with the whole philosophy of this proposed legislation; I do not agree, as a matter of fact, with anything that has gone before in this whole connection; but, entirely aside from whether or not we have the power to take the position we are going to take, or whether the Congress should give the Government the power proposed, certain points which have not been as yet advanced seem to me to be very important. One is that I am quite sure that there is not one person in half a million in the entire United States who really understands what this particular joint resolution means in the full sense; what it really covers and embraces.

When the message of the President of the United States in respect to this proposed legislation was sent to the Congress, I, for one, anyway, certainly formed the instant impression and those to whom I spoke at that time formed the same impression, that all this was going to do was to prevent in some way speculators from taking advantage of what the Government had done, and as gamblers, so to speak, turning to their own selfish profit the difference between the value of the dollar now and its value with the previous gold content.

If I am wrong in my belief, I hope some Senator will point out wherein I am wrong; but, in my opinion, this joint resolution goes infinitely further than that. As I read section 2, on page 3, of my print of the joint resolution, which I believe is the last one, at any rate, I am sure there is no change in this particular section, the Government, if the joint resolution should be enacted, could at any time forego the payment of either the principal of any bond when due, or the interest on any bond or bonds when that particular interest payment was due. And the bond owner, of course, would be denied his day in court. The Government could repudiate and the citizen would be helpless, for no bondholder could go into court. He would be specifically denied that right, whether or not he could collect anything, whether or not Congress would vote any appropriation to provide the funds for paying such a debt, if a court should rule that it was a just debt. The point is that when this joint resolution shall be enacted—and unhappily I think it will be—if it pleases the administration, the Secretary of the Treasury, or whoever it may be, for any reason arbitrarily to forego the payment of the principal of a bond when it is due, or the interest when it is due, the fact remains that there is no recovery, and no chance ever to find out if the citizen has a claim against his Government.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BARBOUR. I yield.

Mr. BARKLEY. Of course, if the Senator desires to go into the remote possibilities, it might be suggested that that has always been true. There has not been a time since the Government was organized when, if it so desired, it could not have foregone the payment of interest or the principal of any of its obligations. Even though the right of lawsuit existed by consent of the Government, there never has been a time when Congress could not have refused to appropriate the money to pay any Government obligations if it had desired to do so. If the Senator wants to have written on the face of the bond that the bondholder can bring suit, does he not think he also ought to state that there is no way by which the Congress can be compelled to pay the bond when it becomes due, if it desires to take that position?

Mr. VANDENBERG. Mr. President, will the Senator from New Jersey yield?

Mr. BARBOUR. I yield.

Mr. VANDENBERG. What the Senator from Kentucky says merely emphasizes the point the Senator from New Jersey is undertaking to make, it seems to me. It is true that during all these 140 years it would have been possible for Congress to repudiate the Government's obligation. It is true that for a century and a quarter, or more, it would have been possible for the Government to repudiate its obligations if it had desired so to do, but never until the last 2 years has that ever happened. Now we are on notice that it can happen, it does happen, and it is happening, and that is a totally different contemplation, and that is the horrible vice of the situation.

Mr. BARBOUR. Mr. President, that is exactly what I am contending, and coupled with that is the denial to the citizen of his right to a day in court in respect to any claim he may have against his Government.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. BARBOUR. I yield.

Mr. BARKLEY. Can the Senator give the name of any American citizen who ever bought a Liberty bond, or any other kind of a bond, because he had the right to bring suit against the Government for his collection?

Mr. BARBOUR. Mr. President, I do not know that I could, but I know that there probably was not a citizen who would have questioned the integrity of the Government, or would have felt for one moment that a proposal of the kind now before us would ever appear on the horizon. There is never a run on a bank unless someone becomes frightened about it. The depositors ordinarily do not question the

status of the deposits or resources of a bank, but let them once become frightened or suspicious; let an officer of the bank say, "You can no longer draw your money out except under such and such conditions", then there certainly will be a run.

By the same token such action as that contemplated by this joint resolution tends to hurt the credit of the United States. I do not pretend to be an expert so far as banking and currency are concerned, but I think this kind of procedure certainly tends to hurt the confidence of the citizens in their Government almost more than anything we have done thus far. And that is saying a very great deal.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BARBOUR. Gladly.

Mr. BARKLEY. The Secretary of the Treasury testified before the committee that, in his judgment, the enactment of the pending joint resolution would have no effect on the credit of the United States. But, aside from that, it may be stated that notwithstanding the fact that the President sent his message recommending the enactment of this joint resolution, notwithstanding the fact that the House of Representatives some time ago passed it, notwithstanding the fact that the Senate committee has reported it to the Senate, and it is a foregone conclusion that it will pass, and be signed by the President in some form, the prices of bonds of the United States Government have not been remotely affected by that knowledge.

Mr. BARBOUR. Yes, Mr. President; and just so long as the banks are able to do it they have to keep buying bonds to keep the prices of the bonds where they are today, because if their prices start to go down, it will ruin our whole banking structure.

Mr. VANDENBERG. Mr. President, will the Senator yield to me?

Mr. BARBOUR. Gladly.

Mr. VANDENBERG. Furthermore, no Senator is in a position to inquire of the Secretary of the Treasury whether he has used the $2,000,000,000 stabilization fund to rig the market in this respect.

Mr. CONNALLY. Mr. President, will the Senator from New Jersey yield to me?

Mr. BARBOUR. Very gladly.

Mr. CONNALLY. Will the Senator from Michigan explain how the Secretary of the Treasury could use the stabilization fund to rig the bond market?

Mr. VANDENBERG. Indeed, I will.

Mr. CONNALLY. Does the Senator have any information that he is rigging it?

Mr. VANDENBERG. I am referring to the fact that the Senator, supporting the majority of the Chamber, voted for a law which expressly prohibited any questioning of the Secretary of the Treasury at any time or place in respect to his use of a $2,000,000,000 stabilization fund.

Mr. CONNALLY. The Senator therefore concludes that he is using it to rig the market?

Mr. VANDENBERG. The Senator concludes nothing. The Senator states that it is impossible for anyone to know whether or not he is in the Government bond market.

Mr. CONNALLY. Does the Senator mean to charge here now that the Treasury is using this stabilization fund to rig the bond market?

Mr. VANDENBERG. The Senator means to state that the Secretary of the Treasury can use $2,000,000,000 in the Government bond market if he wishes so to do, and the Senator from Texas will never know the difference, nor will the Senator from Michigan.

Mr. CONNALLY. The Senator from Michigan ought to know that the stabilization fund was designed to stabilize the exchange value of the American dollar.

Mr. VANDENBERG. I am well aware of that.

Mr. CONNALLY. Simply because it might be possible that the Secretary of the Treasury could do such a thing, the Senator is rather intimating, as I understand, that the Secretary is doing it.

Mr. VANDENBERG. I am wondering whether he is or not, and I am asserting that the Senator cannot say that he is not doing it.

Mr. CONNALLY. I wish to say to the Senator that that just illustrates how markets may be rigged. They are more apt to be rigged by Senators making statements here on the floor about the possibility of the Secretary of the Treasury using the fund for rigging the market, and thereby probably having the reports carried in some quarters that he is doing it, and thus affecting the market. I do not think the Senator from Michigan ought to make any such insinuation or any such intimation unless he has some evidence to substantiate it.

Mr. VANDENBERG. Mr. President, will the Senator from New Jersey yield further?

Mr. BARBOUR. I yield.

Mr. VANDENBERG. Throughout the entire debate when the stabilization fund was created, the possibility of handling the fund in connection with the Government bond market was repeatedly discussed. I am entering no new factor whatever into the discussion. It was repeatedly discussed upon the floor of the Senate. I am asserting that no one knows whether or not the power has been used in that fashion. I am asserting that it may be used in that fashion at any time the Secretary desires so to use it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BARBOUR. I yield.

Mr. BARKLEY. In order to carry out the suggestion and the intimation made by the Senator from Michigan of the Secretary of the Treasury rigging the market, we should have to assume that he is using the stabilization fund to buy Government bonds. The Senator ought to know, if he does not, that no Secretary of the Treasury would buy Government bonds which are selling at above par and pay 102 or 103 or 104 for them and sell them back to the public at par. Certainly the Senator from Michigan does not mean to intimate that the Secretary of the Treasury is paying 103 for United States bonds in order to rig the market and then reselling those same bonds or substitute bonds to the public at 100 cents on the dollar.

Mr. FLETCHER. Mr. President, I ask the Senator from New Jersey to yield for just a moment.

Mr. BARBOUR. I am very glad to yield to the Senator from Florida.

Mr. FLETCHER. I shall read what the Secretary of the Treasury said at the hearing before the Senate Committee on Banking and Currency:

> I understand that * * * you desire from me an expression of my opinion concerning the probable effect of the resolution upon the Government-securities market.
>
> I cannot see that there will be any noticeable effect on the Government's credit or prices of securities by reason of the passage of this resolution, either because of the fact that suits on bonds would be barred, or by reason of the offer to pay at par for a short period of time the gold-clause bonds. Since the President forwarded to the Congress his message on this subject there has been no weakness in the Government-bond market; on the contrary, there has been an advance. The gold-clause bonds, by reason of the fact that they bear rates of interest above those now required, are selling considerably above par, and, hence, will not be offered by their holders at par.
>
> There is no implication in the resolution of a congressional or Treasury intent not to pay principal and interest in full on Government obligations. Indeed, the resolution expressly reaffirms the determination of the Congress and the Treasury to assure that the United States will continue to pay to the holders of all its securities, principal and interest, dollar for dollar on an equal and uniform basis.

Then the Secretary testified about the sale of bonds, and the following occurred:

> Senator GORE. Of this last half-billion-dollar issue of bonds of which you spoke, how long a time do those bonds run?
>
> * * * * * * *
>
> Secretary MORGENTHAU. They run 4 years and 5 months. They pay 1⅜-percent interest. I think it was the lowest that have been sold recently.

One-half billion dollars of bonds, running for 4 years and 5 months, at 1⅜-percent interest.

Mr. BARBOUR. Mr. President, I am not the one who has tried to make the point that the introduction of the pending

legislation has affected, up to now, the price of Government bonds in the market. I reiterate, however, that, in my judgment, this move is a dangerous one in the sense that, as I said before, certainly psychologically it has an effect which I think is adverse to the credit of the United States. I hope I am wrong, and I do not desire to say anything this afternoon which will contribute to such a lack of confidence.

The point I am trying to make—and I am attempting to keep off the very ground which the other Senators have injected—is that I do not believe there is one person in half a million who actually knows, as I have said before, what this joint resolution really means.

As I said at the outset, before the other Senators made their contributions in my time to this discussion, all of us believed originally that the President's message referred simply to the heading off, so to speak, of some possible speculation in relation to the gold content of the dollar in respect to the bonds as heretofore.

I have no quarrel with any kind of a bond that is sold in the future, on whatever terms it is sold, so long as the purchaser knows what he is buying, and the conditions under which he is purchasing it. Anything which is retroactive, in my judgment, is definitely repudiation; and whatever anyone's opinion about my amendment may be, there is not one thing called for in the amendment which is not demanded by the joint resolution itself, though it hides its full meaning very cleverly. There is not a Senator on the other side of the aisle or on this side of the aisle who can challenge my statement that when this afternoon shall have gone, and this bill shall have been passed, as I suppose—of course, it will be under the lash of the administration—a citizen will not be able to sue his Government for the recovery of any principal or any interest in relation to any bond whether he is entitled to do so or not.

All my amendment does is to bring clearly, honestly, and frankly out in the open just what is really meant by this joint resolution which we are asked by the administration to pass.

If I may, Mr. President, I should like to refer to the CONGRESSIONAL RECORD of July 18, page 11411, to touch upon part of the observations of Mr. HOLLISTER, my distinguished friend in the House of Representatives from Ohio:

> Mr. HOLLISTER. Mr. Speaker, I have yet to have explained to me why this bill is referred to as the "gold clause" bill, because at the outset it should be called to the attention of everyone that it removes all the rights of any holder of any Government obligation whatsoever, whether containing a gold clause or not, to recover on his obligation or to recover interest thereon in the event the Government fails to pay. It also takes away the right from every holder of Government obligations, mind you, whether direct obligations or indirect ones—that is, guaranteed ones—to have even a judicial interpretation of his contract with the Government of the United States. In other words, the holder of any obligation of the Government, whether it contains a gold clause or not, the holder of any obligation of the Home Owners' Loan Corporation or of the Farm Credit Administration, which obligations are merely guaranteed by the Government, if this legislation is passed may not go into a court of justice and have the court even interpret his contract.

I am glad to quote the Representative who made these remarks, because I consider that he is one of the very best authorities in either House of Congress on these matters.

I have here, also, Mr. President, a statement which I myself put in the RECORD by unanimous consent some little time ago, from the former distinguished Representative from New Jersey, Hon. Franklin W. Fort, along the same lines. This statement constituted his testimony before the Committee on Banking and Currency of the House of Representatives on July 11, 1935. I shall not read from this statement, however, nor shall I ask to have it, either in whole or in part, inserted in the RECORD at this point, though it certainly deserves such recognition, because, as I have said, I have already had it inserted in the RECORD, and Senators may refer to it if they like, and I hope they will do so. It is an excellent exposé of this legislation.

Mr. President, I do not wish to prolong this discussion. I feel it is fruitless to do so. I am proud of the fact, however, that in offering this amendment I have brought out, as I felt could not have been brought out in any other way more boldly in relief, exactly what this iniquitous measure does, and what it really means.

In conclusion, I suggest again that the message which the President sent to us at the time the joint resolution was presented to the Congress, as we were told we "must" pass it, was far from clear as to all it really embraced.

Mr. President, I should like to have a vote on the acceptance of my amendment to the joint resolution.

Mr. CONNALLY. Mr. President, a little while ago I challenged the statement of the Senator from Michigan [Mr. VANDENBERG], or rather his insinuation as to the possible use by the Secretary of the Treasury of the stabilization fund for the purpose of "rigging the market", whatever that term may mean. I am not familiar with stock manipulations, and I may not be using the term in proper fashion. The Senator from Michigan said, "rigging the market." I assume the market might be "rigged up" or it might be "rigged down", and "rigging" would be an artificial influence on the market.

The act establishing the equalization fund does not authorize any such use of the fund. Congress did not direct that the fund be used for such purpose. I read from section 10 of Public Act No. 87, Seventy-third Congress. I do not know whether or not the Senator from Michigan voted for that bill.

Mr. VANDENBERG. No.

Mr. CONNALLY. The Senator says he did not vote for it. I read:

> SEC. 10. For the purpose of stabilizing the exchange value of the dollar, the Secretary of the Treasury, with the approval of the President, directly or through such agencies as he may designate, is authorized, for the account of the fund established in this section—

In this section, not in this act—

> to deal in gold and foreign exchange and such other instruments of credit and securities as he may deem necessary to carry out the purposes of this section. An annual audit of such fund shall be made and a report thereof submitted to the President.

Mr. President, I submit that under that section the Secretary of the Treasury is authorized to deal only in gold and foreign exchange and such securities as will do what? Such securities as will affect the exchange value of the dollar. He could not, if he desired, deal in United States bonds and securities, as was suggested by the Senator from Michigan.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Michigan?

Mr. CONNALLY. Certainly.

Mr. VANDENBERG. I think it was repeatedly indicated in the debate, both by the proponents as well as the opponents of the legislation, that there may easily come a point at which a collapse in the Government-bond market would seriously affect the value of our money internally and externally, and that the language which the Senator has read does justify an investment of the stabilization fund in United States bonds if the effect on the market situation of the bonds is as indicated in the language the Senator read. That was freely discussed in the debate when the bill was before us, and it was upon that that I based my observation.

Mr. CONNALLY. Is that all upon which the Senator based his observation?

Mr. VANDENBERG. That and the obvious physical fact that the bond market can affect the value of our money and exchange.

Mr. CONNALLY. Does the Senator have any information, direct or indirect, that the Secretary of the Treasury has done or proposes to do anything with the equalization fund for the improper purpose of rigging the bond market of the United States?

Mr. VANDENBERG. May I answer the Senator?

Mr. CONNALLY. Certainly.

Mr. VANDENBERG. The Senator now uses the term "improper" use.

Mr. CONNALLY. Any kind of use. I withdraw the word "improper."

Mr. VANDENBERG. I would not consider, under the language of that authority, that it would be an improper use.

Mr. CONNALLY. I withdraw the word "improper."

Mr. VANDENBERG. My feeling about the present Secretary of the Treasury is such that I am perfectly sure he never would do what he might consider to be an improper thing. When the Senator asks me whether I have any information as to what he is doing with the stabilization fund, my answer has to be "no", because the very language of the act which he has in his hand precludes any inquiry at any time, at any place, anywhere, respecting the use of the $2,000,000,000. That is the vice of the situation. I have merely pointed out that the fund can be used in the bond market, and it does not occur to me that this is any reflection whatever on the Secretary of the Treasury.

Mr. CONNALLY. I am glad the Senator from Michigan has at last placed his views unequivocally before the Senate. He admits he has no information of any kind, direct or indirect, that the Secretary of the Treasury either has employed or has the power to employ the equalization fund for the purpose of affecting the market for United States bonds, and yet on the floor of the Senate he rose in his place, a Senator of the United States, before the assembled occupants of the press gallery, and was willing to intimate that the reason why bonds of the United States are today selling at the high figure for which they are selling is that the Secretary of the Treasury is "rigging the market" by using the equalization fund which was designed by Congress merely to help the Secretary of the Treasury regulate the value of the dollar in foreign exchange.

Mr. President, I am amazed that the Senator from Michigan should inject that sort of issue into the public press and call to the attention of the people of the United States the mere possibility when he admits he has no information that such was the case. "Oh," he said, "it could happen." Yes; it could happen, and therefore in the mind of the Senator from Michigan it probably did happen.

Mr. SCHALL. Mr. President, will the Senator yield?

Mr. CONNALLY. Not for the present.

Mr. President, what is the condition of the bond market of the United States? Today the price of Government bonds is perhaps higher than at any time within the recollection of any Senator present in the Chamber. When did any Senator know of 4¼-percent United States bonds selling for 117? That is what they are selling for or were selling for a few days ago. Four and one-fourth percent 1947 and 1962 bonds were selling for 117 on the market, and yet the Senator from Michigan intimates that the Government is using its equalization fund to boost the price of those bonds, boost its own securities and make them sell at a premium when it was suggested here a moment ago that the Government would go out and buy those bonds at $115 or $116 in order to make them go up or stay up, and at the same time it is selling its securities or redeeming its securities at par.

Mr. President, I have always regarded the Senator from Michigan as a Senator with a small degree only of partisan prejudice, if I may use that term. I have always regarded the Senator as a man who is not influenced in any large degree by partisanship. I do not charge that his statement today is influenced by partisanship; but if it is not, then what is the influence which is actuating the Senator from Michigan in being willing perhaps to "rig" the bond market by his own utterances on the floor of the Senate in making an insinuation—and insinuations are often just as serious as charges—that the Secretary of the Treasury is mishandling and misusing the equalization fund of $2,000,000,000?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. BARKLEY. Perhaps the Senator from Michigan desires that his remarks should "unrig" the market rather than "rig" it, because if they should have any effect at all it would be to "unrig" it rather than to "rig" it.

Mr. CONNALLY. I thank the Senator, but as I understand, the term means it may rig it up or it may rig it down. Of course, the statement of the Senator from Michigan might have a double effect. If the public thought the United States Government was trying to lower the price of its bonds, of course, that would have a very bad effect on the bond market. On the other hand, if they should believe the intimation of the Senator from Michigan that the Secretary of the Treasury is so devoid of all common sense and judgment that he would be trying to run the price of these bonds up beyond $117 and was in the market buying them, it might have the effect of lifting the price of the bonds a little higher.

If the Senator from Michigan is trying to rig the market, I have no way of knowing whether he wishes to rig it up or rig it down. If he simply wishes to "rig" the Secretary of the Treasury, I know that he wishes to "rig" him down. He certainly is not trying to "rig" him up. If he is undertaking to "rig" the Democratic administration, I know how he wants that done—he wishes to "rig" it down, not to "rig" it up—although, as I now recall, in the Senator's campaign in Michigan last year, after he heard from the primaries in Pennsylvania, the press carried a statement that the Senator from Michigan, if elected to the Senate, was not going to be very bitterly partisan; that he was going to work in harmony with the new deal wherever and whenever the new deal advocated policies that were for the good of the country; that the Senator from Michigan would be found fighting under the flag.

The Senator was successful in that election, and I doubt not that it was largely because of that statement which went out. I read it in my State. I cannot put my finger on it, but if I am in error I shall be glad to be corrected. I read the statement that for the rest of the Senator's campaign he was not going to make a bitter personal, political campaign as a bitter, partisan Republican, but he was going to deal with these questions in a broad, statesmanlike way.

Mr. President, the election has already happened. The Senator from Michigan is now here in the Senate; and, exemplifying that broad, statesmanlike attitude toward the administration and its policies, and forgetting all of these partisan considerations, he rises on the floor and intimates that the Secretary of the Treasury is doing something, and yet he says he has no information, direct or indirect, only his own imagination; only perhaps the hope that something of that kind might have happened and that he might be able, by some hook or crook, to find it out, and then rise on the floor of the Senate and righteously denounce this thing that might have happened, and therefore must have happened.

Mr. President, I particularly grieve that the Senator from Michigan should have been the occasion of my remarks, because, as I have already indicated, I have always regarded the Senator as above the petty fogs of partisanship and prejudice that lurk down in the lower levels. I have considered that he walked somewhat upon the mountain tops. For that reason I am particularly grieved that the Senator from Michigan should have been the occasion for my feeling it my duty to rise on the floor of the Senate and to vindicate the Secretary of the Treasury. Even a Secretary of the Treasury under a Democratic administration is presumed to be innocent until he is proved guilty; at least, when the charge is only an intimation.

I know that with the Senator from Michigan and some others the open season for Democrats is going to be on from now until November 1936; but, after all, the Secretary of the Treasury, I insist, is presumed to be innocent until at least some sort of evidence is furnished that he has done something wrong.

Mr. SCHALL. Mr. President——

Mr. CONNALLY. I yield to the Senator from Minnesota.

Mr. SCHALL. Does the Senator from Texas think there is any chance of getting any information out of the Secretary of the Treasury after a careful reading of the bill that censored everything in that Department, as it censored everything in every other department in Washington? There is no chance, the Senator knows, of getting anything but a hand-out from any of the departments.

Mr. CONNALLY. Let me ask the Senator from Minnesota what he would do with the information if he should get it.

Mr. SCHALL. What would I do with it? I certainly should not lay it before the Senator from Texas, because I

am sure in his unfounded zeal for the administration he would suppress it. He would misconstrue it and pretend it was not information but something else, and I would therefore, as it were and as the Bible puts it, be placing "pearls before swine" and have love's labor lost.

Mr. CONNALLY. Is the Senator through?

Mr. SCHALL. Yes.

Mr. CONNALLY. When the Senator concludes I shall be glad to reply to him.

That is characteristic of the Senator from Minnesota. The Senator from Texas was on the floor. It was his time. The Senator from Minnesota—gallant, courteous Senator that he is—requested the Senator from Texas to yield to the Senator from Minnesota. The Senator from Texas did yield; and then what was the response of the gallant, courteous, lofty-minded, high-toned Senator from Minnesota? It was to the effect that if he placed information before the Senator from Texas he would be placing "pearls before swine." I thank the Senator.

Mr. SCHALL. Mr. President——

Mr. CONNALLY. Not yet; I do not yield again. I do not yield further for the present.

That is characteristic of the Senator. The reason why the Senator from Texas asked the Senator from Minnesota what he would do with the information was that the Senator from Minnesota has stood on the floor of the Senate and has had read—not uttered by himself, but has had read—the most scurrilous——

Mr. SCHALL. Mr. President——

Mr. CONNALLY. I insist——

Mr. SCHALL. I resent any such inference.

Mr. CONNALLY. I do not yield to the Senator.

Mr. SCHALL. My movements are not quite so secret as those of the Secretary of the Treasury, but I do insist that I know more about my speeches than does the Senator from Texas.

Mr. CONNALLY. If the Senator will be patient, he may acquire some information.

Mr. SCHALL. Not from the Senator from Texas.

Mr. CONNALLY. I do not yield, Mr. President. I did not charge that the Senator's speeches were not written by himself.

Mr. SCHALL. Not only the Senator from Texas but the leader of the majority charged it, and other Democratic leaders have charged it in order to camouflage the truth concerning the doings of this administration they have not answered or will not answer.

The PRESIDING OFFICER. The Senator from Texas declines to yield.

Mr. CONNALLY. I decline to yield.

Here is what I said: I said that the Senator did not utter the speeches here on the floor; and he did not. I said that he had them read. I do not know who wrote them, and I do not care. I do not care who wrote them; but I do know that the Senator is responsible for those speeches. He has to vouch for them; and what the Senator from Texas does say is that the Senator from Minnesota had read here by the clerk speeches which reeked with scandalous assertions, which reeked with outrageous statements about the President of the United States and about many other people prominent in the Government, and that those charges were shameful and ought never to have been uttered on the floor of the Senate.

That is what the Senator from Texas says, and yet the Senator from Minnesota says that he is putting "pearls before swine!" "Pearls before swine!"

"Pearls!" "Pearls!" Ah! The Senator must have had reference to some of the speeches he has been putting before the Senate. He says he would put "pearls before swine." What are the "pearls"? I suppose the "pearls" were those oratorical gems, those statesmanlike utterances, those lofty periods which are found in the speeches which the Senator from Minnesota had the clerk read. If that is the conception of the Senator from Minnesota as to pearls, God pity other gems! Reeking with denunciation and rancor and bitterness and spite and spleen and scorn—that is the kind of speech that the Senator from Minnesota lays, not before swine, but before the Senate. If such is the material that he would lay before the Senate, God pity the poor swine! [Laughter.]

Mr. SCHALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. CONNALLY. I yield.

Mr. SCHALL. The Senator knows that speeches are constantly read here before the Senate.

Mr. CONNALLY. Too constantly. [Laughter.]

Mr. SCHALL. And the Senator knows that every Senator in this body, including himself, sometimes reads before the Senate. If I had the eyes the Senator has, I would read my own remarks, but not having eyes, I ask the courtesy, and I am compelled to ask it, though the Senator is not so compelled when he reads his remarks—I am compelled, under the rules of the Senate, to ask every Member of the Senate if I may lay my opinion before the Senate, and the Senator sometimes objects and sometimes comes over and says, "Let me see what you have there", and I hand it to him and he takes it over and reads it and passes it around, and finally it is said, "Well, I guess maybe that will go", or "I guess it will not go."

There is the censorship of the Senate. Why should the Senator from Texas constitute himself a committee of censorship on me? Why are you not willing to give me the same chance that you have? I have not even been able to get a hearing before the Rules Committee, though my amendment has been pending for months. I have asked that the rule be amended to give me, through the sight of the clerk, the same privilege that the Senator has in his own right, because he has sight. The rule prohibiting me from having the clerk read in lieu of my sight ought to be amended so that my rights on the floor may equal those of the Senator from Texas. The rule ought to be amended. I ought to have the same right the Senator from Texas has to read whatever I may choose to read here, and not be held up to scorn while the Senator from Texas or some other Democratic leader reserves the right to object while he makes belittling remarks concerning me and while his own chest swells in exultation of his privilege of censorship and bedevilment of me. As to the statement that somebody else has written my speech, the leader of the majority said the other day, "I think somebody has been hired to write his speech." A few days later the same Senator took the floor and for an hour and a half read a speech on his amendment relative to the Spanish-American War veterans. I had no right to object to him reading his speech. Why should Democratic leaders, defenders of this misadministration, have the right to pillory me and object to me reading my speech if I so desire?

Mr. CONNALLY. Mr. President, I do not yield for a speech now.

Mr. SCHALL. No; the Senator will not yield.

Mr. CONNALLY. I have yielded; but I do not want to yield for the whole afternoon for a speech.

Mr. SCHALL. No; the Senator does not want to hear the truth about this administration, and that is why he objects to my written and my spoken words.

Mr. CONNALLY. Mr. President, I decline to yield.

The PRESIDING OFFICER. The Senator from Texas declines to yield.

Mr. CONNALLY. I decline to yield to that kind of tactics. Nobody objects to the Secretary reading the remarks of the Senator——

Mr. SCHALL. All Democratic leaders have objected. I have never come here, lately, the last few days, or for a long time, but by orders of the Postmaster General I was objected to. Word was sent out that I was to be confounded, belittled——

The PRESIDING OFFICER. The Senator from Texas declines to yield.

Mr. SCHALL. And the Senator from Texas took part in that.

The PRESIDING OFFICER. The Senator from Minnesota will be seated. The Senator from Texas declines to yield further.

Mr. CONNALLY. I want to make clear, Mr. President, and I do not think anyone other than the Senator from Minnesota is laboring under any misapprehension about it. The Senator from Texas is making no objection to the reading of the Senator's speech, but the Senator from Texas is making objection to the material and the character of speech of the Senator.

Mr. SCHALL. Mr. President——

Mr. CONNALLY. I do not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. CONNALLY. I have not yielded.

Mr. SCHALL. If——

Mr. CONNALLY. I do not yield. I have yielded several times to the Senator from Minnesota, and the first time I yielded the thanks I got was a coarse and a brutal insult.

Mr. SCHALL. Mr. President, I meant no insult to the Senator from Texas.

Mr. CONNALLY. I do not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. CONNALLY. A Senator who on the floor of the Senate uses the coarse retorts to another Senator employed by the Senator from Minnesota is not entitled to the courtesy of being yielded to, though the Senator from Texas has yielded.

I wish to make it clear now that it is not the reading of the speech of the Senator from Minnesota to which the Senator from Texas is making objection, but he is making objection to the substance of the speeches. What he is objecting to is the Senator from Minnesota shielding himself behind the protection of the United States Senate and, standing here on the floor and claiming every privilege he can claim, making these unjustifiable, these malicious, these slanderous, these denunciatory, these outrageous charges against the President of the United States and other responsible officers of this Government. To that the Senator from Texas directs his objection.

Mr. SCHALL. Why does not the Senator answer some of those charges instead of using his line of abusive adjectives to camouflage.

The VICE PRESIDENT. Let the Senator from Minnesota conduct himself in the Senate according to the rules, please.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. BARBOUR].

The amendment was rejected.

Mr. FLETCHER. Mr. President, I ask unanimous consent that committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The clerk will state the first amendment of the Committee on Banking and Currency.

Mr. WHITE. Mr. President, I make the point of no quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Logan	Radcliffe
Ashurst	Costigan	Lonergan	Reynolds
Austin	Davis	McAdoo	Robinson
Bachman	Dieterich	McCarran	Russell
Bankhead	Donahey	McGill	Schall
Barbour	Duffy	McKellar	Schwellenbach
Barkley	Fletcher	McNary	Sheppard
Black	Frazier	Maloney	Shipstead
Borah	George	Metcalf	Smith
Brown	Gerry	Minton	Steiwer
Bulkley	Gibson	Moore	Thomas, Okla.
Bulow	Glass	Murphy	Thomas, Utah
Burke	Gore	Murray	Townsend
Byrd	Guffey	Neely	Trammell
Byrnes	Hale	Norbeck	Tydings
Capper	Hatch	Norris	Vandenberg
Caraway	Hayden	Nye	Van Nuys
Carey	Johnson	O'Mahoney	Wagner
Chavez	King	Overton	Walsh
Clark	La Follette	Pittman	Wheeler
Connally	Lewis	Pope	White

Mr. LEWIS. Mr. President, I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Mississippi [Mr. HARRISON], the Senate to the bill H. R. 8554, the second deficiency appro- from Louisiana [Mr. LONG] are necessarily detained from the Senate.

I also announce that the Senator from West Virginia [Mr. HOLT] is detained by illness.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6511) to amend the air mail laws and to authorize the extension of the air mail service.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 27, 29, and 36 to the bill, and concurred therein; and that the House had receded from its disagreement to the amendments of the Senate numbered 7, 13, 37, 40, 48, 49, 59, and 65 and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 33), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), that in the enrollment of H. R. 8554, the Second Deficiency Appropriation Bill, fiscal year 1935, the Clerk of the House of Representatives is authorized and directed to strike out the word "year" in line 17, page 10, of the engrossed bill, and insert in lieu thereof the following: "years 1935 and".

SECOND DEFICIENCY APPROPRIATIONS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives on certain amendments of the Senate to the bill H. R. 8554, the second deficiency appropriation bill, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
August 7, 1935.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 27, 29, and 36 to the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes, and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 7 to said bill and concur therein with the following amendment: In lieu of the matter inserted by said amendment insert:

"Air-conditioning, Capitol, Senate and House Office Buildings: For providing and installing air-conditioning systems, Capitol, Senate and House Office Buildings, including all necessary structural alterations required for such installations, fiscal years 1936 and 1937, $2,550,000, to be expended by the Architect of the Capitol and to include expenditures for material, supplies, equipment, accessories, advertising, traveling expenses, and, without regard to section 35 of the Public Buildings Act, approved June 25, 1910, as amended, or the Classification Act of 1923, as amended, the employment of necessary personnel (including professional, architectural, and engineering services)."

That the House recede from its disagreement to the amendment of the Senate numbered 13 to said bill and concur therein with the following amendment:

In line 15 of the matter inserted by said amendment strike out the following: ", to remain available until expended";

That the House recede from its disagreement to the amendment of the Senate numbered 37 to said bill and concur therein with the following amendment:

In lieu of the matter inserted by said amendment insert:

"Conservation of health among Indians (Sioux Sanatorium and employees' quarters, South Dakota): The unexpended balance of

the appropriation of $375,000 (including the amount impounded under section 320 of the act of June 30, 1932), contained in the Interior Department Appropriation Act, fiscal year 1932, and continued available by the acts of April 22, 1932, and February 17, 1933, for the construction of the Sioux Sanatorium and employees' quarters at Pierre, S. Dak., is hereby reappropriated and made available until June 30, 1937, for such a sanatorium and employees' quarters at such place in South Dakota as the Secretary of the Interior shall select."

That the House recede from its disagreement to the amendment of the Senate numbered 40 to said bill, and concur therein with the following amendment: In lieu of the matter inserted by the second proviso in such amendment insert:

": *Provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States; and in computing the amount of recoupment for each project interest at 3 percent per annum shall be included on unrecouped balances; ".

That the House recede from its disagreement to the amendment of the Senate numbered 48 to said bill, and concur therein with the following amendment: In lieu of the sum named in said amendment insert "$176,767; ".

That the House recede from its disagreement to the amendment of the Senate numbered 49 to said bill and concur therein with the following amendment: In lieu of the matter inserted by said amendment insert:

": *Provided*, That officers and employees may be appointed and paid from the amount herein appropriated without regard to the provisions of the civil-service laws requiring competitive examinations: *Provided further*, That said officers and employees (except Commissioners of Conciliation) shall be required to take nonassembled examinations; ".

That the House recede from its disagreement to the amendment of the Senate numbered 59 to said bill and concur therein with the following amendment: In lieu of the matter inserted by said amendment insert:

"Bureau of Interparliamentary Union for Promotion of International Arbitration: For an additional amount for United States contributions to international commissions, congresses, and bureaus, including $2,500 for the contribution of the United States toward the maintenance of the Bureau of Interparliamentary Union for Promotion of International Arbitration in addition to the amount contained in the Department of State Appropriation Act, 1936; and $10,000 for the expenses of the American group of the Interparliamentary Union, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, stenographic reporting and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), traveling expenses, purchase of necessary books, documents, newspapers, periodicals, and maps, stationery, official cards, printing and binding, entertainment, and other necessary expenses, to be disbursed on vouchers approved by the President and executive secretary of the American group; in all, fiscal year 1936, $12,500."; and

That the House recede from its disagreement to the amendment of the Senate numbered 65 to said bill and concur therein with the following amendment:

In line 10 of the matter inserted by said amendment, after the word "States", insert the following: "for any reason except fraud."

Mr. ADAMS. I move that the Senate concur in the amendments of the House to Senate amendments numbered 7, 13, 37, 40, 48, 49, 59, and 65.

Mr. McNARY. Will the Senator state briefly the changes which have been made?

Mr. ADAMS. Yes.

Amendment numbered 7 provides for the air conditioning of the remaining portion of the Senate Office Building, the House Office Buildings, and the Capitol. All these matters were agreed upon by the conference committee, and these items were submitted under the rules of the House for its concurrence, so there is nothing new other than the matters which were agreed upon by the conferees.

The VICE PRESIDENT. In other words, the Chair understands they were legislative matters which were returned to the House for its action.

Mr. ADAMS. Yes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Colorado.

The motion was agreed to.

The VICE PRESIDENT laid before the Senate a concurrent resolution (H. Con. Res. 33) of the House of Representatives, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of H. R. 8554, the second deficiency appropriation bill, fiscal year 1935, the Clerk of the House of Representatives is authorized and directed to strike out the word "year" in line 17, page 10, of the engrossed bill, and insert in lieu thereof the following: "years 1935 and ".

Mr. ADAMS. I move that the Senate concur in the resolution.

The motion was agreed to.

EXECUTION OF AN INDEMNITY AGREEMENT

The VICE PRESIDENT laid before the Senate the amendment of the House to the bill (S. 1079) authorizing the Secretary of the Treasury to execute a certain indemnity agreement, which was, on page 1, line 14, after the word "States", to insert a colon and the following proviso:

Provided, That if the liquidating agent of the Biltmore-Oteen Bank is required to make payment to a bona fide holder upon presentation of said draft no. 380, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $385 to said liquidating agent, pursuant to the terms of the indemnity agreement authorized by this act.

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

WITHDRAWAL OF RIGHT TO SUE ON GOLD-CLAUSE BONDS

The Senate resumed the consideration of the joint resolution (H. J. Res. 348) authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes.

The VICE PRESIDENT. The Clerk will state the first amendment of the committee.

The first amendment of the Committee on Banking and Currency was, in section 1, page 3, line 15, after the word "expire", to strike out "September 1, 1935" and to insert in lieu thereof "January 1, 1936", and in line 16, after the word "after", to strike out "January" and to insert in lieu thereof "July", so as to make the section read:

That the lawful holders of the coins or currencies of the United States shall be entitled to exchange them, dollar for dollar, for other coins or currencies which may be lawfully acquired and are legal tender for public and private debts; and that the owners of the gold-clause securities of the United States shall be, at their election, entitled to receive immediate payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier. The Secretary of the Treasury is authorized and directed to make such exchanges and payments upon presentation hereunder in the manner provided in regulations prescribed by him. The period within which the owners of gold-clause securities shall be entitled hereunder to receive payment prior to maturity shall expire January 1, 1936, or on such later date, not after July 1, 1936, as may be fixed by the Secretary of the Treasury.

The amendment was agreed to.

The next amendment was, in section 2, page 3, line 24, after the word "whatsoever", to strike out "heretofore or hereafter commenced, upon any bond, note, certificate of indebtedness, Treasury bill, or other similar obligation for the repayment of money or for interest thereon made, issued, or guaranteed by the United States or upon any coin or currency of the United States or upon any claim or demand arising out of any surrender, requisition, seizure, or acquisition of any such coin or currency or of any gold or silver, is withdrawn" and to insert in lieu thereof "(1) upon any gold-clause securities of the United States or for interest thereon, or (2) upon any coin or currency of the United States, or (3) upon any claim or demand arising out of any surrender, requisition, seizure, or acquisition of any such coin or currency or of any gold or silver and involving the effect or validity of any change in the metallic content of the dollar or other regulation of the value of money, is withdrawn: *Provided*, That this section shall not apply to any suit heretofore commenced, or which may be commenced within 6 months after the effective date of this joint resolution."

So as to make the section read:

SEC. 2. Any consent which the United States may have given to the assertion against it of any right, privilege, or power whether by way of suit, counterclaim, set-off, recoupment, or other affirmative

action or defense in its own name or in the name of any of its officers, agents, agencies, or instrumentalities in any proceeding of any nature whatsoever (1) upon any gold-clause securities of the United States or for interest thereon, or (2) upon any coin or currency of the United States, or (3) upon any claim or demand arising out of any surrender, requisition, seizure, or acquisition of any such coin or currency or of any gold or silver and involving the effect or validity of any change in the metallic content of the dollar or other regulation of the value of money, is withdrawn: *Provided*, That this section shall not apply to any suit heretofore commenced, or which may be commenced within 6 months after the effective date of this joint resolution.

The amendment was agreed to.

The next amendment was, in section 3, page 4, line 18, after "Sec. 3", to strike out "no" and to insert in lieu thereof "Except in cases with respect to which consent is not withdrawn under section 2, no", so as to make the section read:

SEC. 3. Except in cases with respect to which consent is not withdrawn under section 2, no sums, whether heretofore or hereafter appropriated or authorized to be expended, shall be available for, or expended in, payment upon securities, coins, or currencies of the United States except on an equal and uniform dollar for dollar basis.

The amendment was agreed to.

The next amendment was, in section 4, page 5, line 1, after the word "obligation", to strike out "payable in money of the United States"; and in line 10, after the word "bills", to strike out "and other obligations for the repayment of money, or for interest thereon, made, issued or guaranteed by the the United States", so as to make the section read:

SEC. 4. As used in this resolution the phrase "gold clause" means a provision contained in or made with respect to an obligation which purports to give the obligee a right to require payment in gold, or in a particular kind of coin or currency of the United States, or in an amount in money of the United States measured thereby, declared to be against public policy by Public Resolution Numbered 10 of June 5, 1933; and the phrase "securities of the United States" means the domestic public debt obligations of the United States, including bonds, notes, certificates of indebtedness, and Treasury bills, and other obligations for the repayment of money, or for interest thereon, made, issued or guaranteed by the United States.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the House joint resolution.

Mr. STEIWER. Mr. President, I have deferred my remarks until after the agreement to the committee amendments in order that I might discuss the precise subject before the Senate.

Mr. BORAH. Mr. President, do I understand that the amendment with reference to 6 months' limitation has been agreed to?

Mr. FLETCHER. It has been agreed to.

Mr. STEIWER. I do not wish to be too critical of the language of the committee amendments for the reason that I feel on the whole the committee amendment improves the resolution, and that there is less objection to the amended resolution than to the original resolution as it passed the House of Representatives. For the benefit of those Senators who may be interested and who have not had an opportunity to study this joint resolution, and in particular to study the amendment, I wish to say nevertheless there is some fair criticism of the amendment. It sets up two separate and distinct sorts of discrimination.

One is a discrimination against gold-clause bonds in favor of securities which contain no gold-clause covenant. The other is a discrimination in favor of securities having maturity within the 6-month limitation provided in the bill and against those securities the maturity of which comes at a later date.

The first discrimination grows out of the fact that the withdrawal of the right to sue is limited to the gold-clause obligations. It is limited not only in the sense it denies the right to sue the United States for the recovery of the principal or the interest on those obligations but it denies the right to resort to litigation with respect to these obligations in any way at all.

In section 2 it is provided that the consent which is to be withdrawn is a consent—

Whether by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense.

The agreement to this joint resolution, as amended, would result in this kind of a situation: If a citizen were sued for failure to pay Federal taxes and sought to litigate the question of tax exemption of the income from a Government security as a set-off against those taxes, he would be permitted to do so if the security in question were not a gold-clause security; he would not be permitted to do so if the security in question were a gold-clause security. That illustration might be multiplied manyfold, but I shall not detain the Senate to elaborate the idea. I am content merely to state it.

The second discrimination, I have said, is in favor of the securities which mature within 6 months as against those which do not mature within 6 months; this discrimination is made evident by the language commencing on line 14, page 4, where we find a proviso to this effect:

That this section shall not apply to any suit heretofore commenced, or which may be commenced within 6 months after the effective date of this joint resolution.

It inevitably follows that if the citizen holding a gold-clause bond holds a bond upon which there is a right of action which is now mature or a right of action which accrues within the 6 months following the effective date of the joint resolution, he may maintain that right of action, whereas if his right of action matures even 1 day following the expiration of the 6-month period he will not be permitted to maintain his right of action.

I do not know that these matters are of paramount importance. I call attention to them in order that the joint resolution may be understood by those who desire to be meticulous in their understanding of what is before us.

Mr. McADOO. Mr. President, will the Senator yield?

Mr. STEIWER. Certainly.

Mr. McADOO. I should like to ask my able friend from Oregon if it is not a fact that, even with respect to the statute of limitations, if a man delays one day after the time when the statute intervenes he loses his right in court? Where is the injustice in the present instance of fixing some limit of time within which suits may be filed?

Mr. STEIWER. Statutes of limitation in law are regarded as statutes of repose. They are nowhere justified on the ground of absolute justice.

Mr. McADOO. I am only drawing a comparison.

Mr. STEIWER. They are supported upon the theory that litigation finally must come to rest. Regardless, therefore, of the lack of equity as between litigants and wholly aside from questions of justice, there are factors which fairly support a statute of limitation.

But the Senator from California, with his broad knowledge of the subject, knows full well the pending joint resolution is not an act of limitation. It is an act withdrawing consent to be sued.

It is an act which provides immunity in the United States against the citizen upon the proposition of the right to sue with respect to gold-clause currencies and bonds. To me it seems inescapable that when this right to sue is limited, not to a 6-month period, but to those obligations upon which a right of action may mature within 6 months, we have created a discrimination in favor of the earlier maturities as against the later maturities. A statute of limitations presupposes a remedy. If the litigant does not avail himself of his remedy he may blame himself. The pending resolution denies and destroys the remedy in its entirety as to obligations maturing after 6 months. A statute of limitations thus permits opportunity for adjudication—the pending proposal defeats all opportunity. The difference is obvious.

Mr. President, if time permitted, a very interesting discussion could be suggested here with respect to the question as to whether it is better for our Government to maintain immunity from suits by citizens and to run the risk of impairing the national credit, or whether it is better to

forego immunity and permit our Government to defend suits and be assured we are not risking the national credit.

That subject was touched upon to some extent by the Senator from Colorado [Mr. ADAMS] earlier in the debate. I shall not enlarge upon it now. I suggest merely, however, that I should far prefer that our Government subject itself to the possible inconvenience of lawsuits, than to have any risk in these times and under these conditions of impairing the national credit.

It ought not to be necessary in this presence to make an argument in behalf of maintainance of the credit of our Government. Public credit has been referred to as the foundation of national strength. In times of emergency unimpaired credit, beyond all other things, may be the saving quality in our Government. Others, if they want, for reasons of convenience or expediency or in order to save the Department of Justice from the necessity of defending lawsuits, may trifle with the credit of our Government. I am unwilling to take a risk of that kind.

Because I fear the measure strikes a blow at the credit of the Government, at a national asset which is almost sacred when measured in terms of its value to our people, I do not find it possible to give my support to the legislation.

I rose, however, Mr. President, to discuss another feature of the legislation. It has been assumed the legislation would merely create an immunity against suits upon certain classes of coin and currencies and Federal obligations. In my opinion and based upon my study of the legislation, the joint resolution does more than merely to create immunity against lawsuits.

The measure, as I view it, first withdraws the right to sue and, secondly, by implication, if not by direct declaration, affects a repudiation, in part, of the obligations which are affected by the legislation. Because I regard it as a further step in repudiation of Federal obligations I cannot resist the conclusion that it is both unwise and immoral. It is probably unconstitutional.

Let me develop briefly the considerations which have led me to the conclusions I have just stated.

In section 2 of the joint resolution we find the language which provides for withdrawal of consent to be sued.

In section 3 we find the language which has already been referred to by the Senator from Ohio [Mr. BULKLEY]. It is brief and I shall ask the indulgence of the Senate that I may read it. As amended it is as follows:

SEC. 3. Except in cases with respect to which consent is not withdrawn under section 2, no sums, whether heretofore or hereafter appropriated or authorized to be expended, shall be available for, or expended in, payment upon securities, coins, or currencies of the United States except on an equal and uniform dollar-for-dollar basis.

Let me remind Senators that in June 1933 the act of Congress abrogated the gold clause in all contracts, private and public. Everyone recalls the litigation under which the Court sustained the right of the Government to abrogate the gold clause in private undertakings, and denied the right of the Government to repudiate its own obligations by abrogating the gold provisions of Federal undertakings.

Mr. President, that decision of the Court evidently brought to the Department of Justice a desire to take another step. The purpose of the first step had been denied by the decision of the Court, and so there comes before us this proposed legislation with the declaration which I have just read. We may, therefore, regard this question not as a mere withdrawal of the consent to be sued. That might be effected in very simple language. It might be accomplished by the mere provision that the right to sue the United States upon certain classes of securities "is hereby withdrawn" or "is hereby suspended until the further action of the Congress." It would be entirely simple to recognize the obligations which are outstanding, but, having recognized the obligations, nevertheless to provide that there should be no right of action against the sovereign upon those obligations.

The joint resolution before us is not content merely to withdraw or suspend the right of action. It does that, as I have said, and then in addition it declares no money shall be appropriated to pay those obligations except upon a dollar-for-dollar basis. Does that mean we recognize the gold clause in our undertakings? It means the contrary. It means, in view of the record, in view of the history of this effort to avoid payment under the gold stipulations of the contract, we now withdraw all right to sue and we now provide there shall be no appropriation for payment upon these obligations except upon a dollar-for-dollar basis.

What do we find in the authorities upon a proposition of this kind?

In the first place, I seriously doubt the power of Congress to take away one iota from the sacred obligations of our Government. If that power ever existed in the Congress, I think it was destroyed by the fourteenth amendment.

On this point the fourteenth amendment reads as follows; in section 4:

The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned.

Mr. President, I do not pretend to be able to make an authoritative statement concerning the exact meaning and effect of that provision of the Constitution. In the Perry case, recently decided by the Supreme Court, the Court quoted the language I have just read, and then made this significant statement:

While this provision was undoubtedly inspired by the desire to put beyond question the obligations of the Government issued during the Civil War, its language indicates a broader connotation. We regard it as confirmatory of a fundamental principle which applies as well to the Government bonds in question, and to others duly authorized by the Congress, as to those issued before the amendment was adopted. Nor can we perceive any reason for not considering the expression "the validity of the public debt" as embracing whatever concerns the integrity of the public obligations.

We conclude that the joint resolution of June 5, 1933, insofar as it attempted to override the obligation created by the bond in suit, went beyond the congressional power.

Let every Senator consider that brief exposition by the Supreme Court for what it may be worth. To me, it means that there is no power in our Government to take away from the sacred obligations of our country any part of our commitment to pay. To me, it means that whatever might have been the purpose of the constitutional amendment in the first instance, its language is so broad and inclusive that it is a fixed and organic rule for our guidance, and beyond that rule we may not go.

This provision undoubtedly profoundly affected the Court in its consideration of the Perry case, and aided the Court in arriving at the conclusion that there should be a distinction between the abrogation of the gold clause in private contracts and in public contracts, and in reaching its final and ultimate conclusion that Congress is without the power to abrogate the gold-clause requirement of public contracts.

Now let us see just what the Court said with respect to that proposition.

In the first place, the argument had been made that there lies with Congress the constitutional power to regulate the value of money. Of course, that is a sound contention; but the Court distinguished against that contention in the following language, which I quote from the case of John M. Perry against The United States:

There is no question as to the power of Congress to regulate the value of money, that is, to establish a monetary system and thus to determine the currency of the country. The question is whether the Congress can use that power so as to invalidate the terms of the obligations which the Government has theretofore issued in the exercise of the power to borrow money on the credit of the United States.

Omitting part of that paragraph, I quote further as follows:

The Government's contention thus raises a question of far greater importance than the particular claim of the plaintiff. On that reasoning, if the terms of the Government's bond as to the standard of payment can be repudiated, it inevitably follows that the obligation as to the amount to be paid may also be repudiated. The contention necessarily imports that the Congress can disregard the obligations of the Government at its discretion and that, when the Government borrows money, the credit of the United States is an illusory pledge.

We do not so read the Constitution. There is no clear distinction between the power of the Congress to control or interdict the contracts of private parties when they interfere with the exercise of its constitutional authority, and the power of the Congress to alter or repudiate the substance of its own engagements when it has borrowed money under the authority which the Constitution confers. In authorizing the Congress to borrow money, the Constitution empowers the Congress to fix the amount to be borrowed and the terms of payment. By virtue of the power to borrow money "on the credit of the United States", the Congress is authorized to pledge that credit as an assurance of payment as stipulated—as the highest assurance the Government can give, its plighted faith. To say that the Congress may withdraw or ignore that pledge is to assume that the Constitution contemplates a vain promise, a pledge having no other sanction than the pleasure and convenience of the pledgor. This Court has given no sanction to such a conception of the obligations of our Government.

The members of the Committee on Banking and Currency will recall when the distinguished Attorney General appeared before the committee in behalf of the pending resolution, he devoted most of his efforts to an attempt to show that the sovereign could immunize itself against suit. In the abstract, I think no member of the committee had any quarrel with that proposition. It is not because the United States would seek to immunize itself against suit that some of us found it necessary to place ourselves in opposition to the proposed legislation. It was because, as I have heretofore stated, the joint resolution goes beyond the mere matter of denying the right to sue or the mere withdrawal of the consent to sue. It goes beyond that, and gets back upon the border line, if it does not go beyond the border line, of repudiation, and finds itself in the same situation as the legislation which the Supreme Court heretofore has denounced.

When the Attorney General was making his effort to justify the proposed legislation, he called attention to the case of United States against Lynch. That is a very interesting decision, in which the Supreme Court, in an opinion handed down by Mr. Justice Brandeis, by the unanimous declaration of the Court, held that a certain portion of the so-called "Economy Act" of March 20, 1933, was unconstitutional. That act sought to deny the rights of those who held term insurance issued to them under the War Risk Insurance Act.

The Court, in the consideration of that legislation, made a distinction between the right to sue and the right upon which the suit is predicated, and holds that the Government may withdraw its consent to be sued, but that it cannot abrogate or repudiate the contract. Because that legislation did abrogate and deny that contract, the Court held it unconstitutional.

That is the case—and I desire Senators to pay particular attention to that point—upon which the Department of Justice relied in support of the constitutionality of this proposed legislation. But let us see exactly what it was that the Court said.

I read from the case of *Lynch* v. *United States* (292 U. S. 571, 582) as follows:

Mere withdrawal of consent to sue on policies for yearly renewable term insurance would not imply repudiation. When the United States creates rights in individuals against itself, it is under no obligation to provide a remedy through the courts. *United States* v. *Babcock* (250 U. S. 328, 331). It may limit the individual to administrative remedies. *Tuton* v. *United States* (270 U. S. 568, 576). And withdrawal of all remedy, administrative as well as legal would not necessarily imply repudiation. So long as the contractual obligation is recognized, Congress may direct its fulfillment without the interposition of either a court or an administrative tribunal.

Mr. President, I cannot imagine language which more clearly sets forth a legal proposition than the language to which I have just called attention. Obviously, in the Lynch case, the Court recognized and declared the right of the sovereign to withdraw the consent to be sued; but, just as emphatically, the Court denied the right of the sovereign to repudiate its contract.

The Court said although it might withdraw the right to sue, and it might suspend an administrative remedy, those acts would not necessarily imply repudiation. It seems to me, therefore, the test of constitutionality of legislation of this kind is the determination of whether in fact the legislation does imply repudiation.

It is obvious from what the Court has said as long as the Lynch case is the law of this land our Government may withdraw its consent to be sued, and it is equally obvious as long as this case is the law of the land we will not be permitted, either expressly or by implication, to repudiate contracts upon which a suit might proceed.

A little while ago I called attention to the exact language of the pending joint resolution, and I made the point then, which I wish to refer to now, namely, that the joint resolution is not merely a measure providing for withdrawal of the consent to be sued, but it is a joint resolution which provides no appropriation shall be made to meet these obligations except upon a dollar-for-dollar basis.

Does that mean upon a basis of equivalence or enhancement? Does that imply recognition of the gold-clause provisions of these undertakings, or does it mean that we will pay the present dollar value of these undertakings, and that we will pay no more?

Mr. President, by this measure we would not only imply repudiation but we would actually declare repudiation, with all the reproach that goes with conduct of that sort. After having seen the Supreme Court denounce one act of legislation which had for its object the repudiation of these contracts, we stand nakedly before the country with another, brazenly declaring that we repudiate the gold-clause provision of the contract, and on top of the repudiation we withdraw the consent to be sued. To my mind, this may not be done, and in my judgment it is unconstitutional.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. CONNALLY. Does the Senator from Oregon think that all of the gold-bond holders should be given $1.69 for each dollar of their bonds?

Mr. STEIWER. No; I have not even suggested that. I am merely contending that the citizen ought to have a right to go to court—that if he be damaged, he should have the right to prove his damage.

I will say to the Senator that it rather appears, from the decision in the Perry case, although I think it would not be correct to say that it is held in that case, that probably the holders of the gold clause contracts will not be able to prove damages. If that be true, of course they should recover no damages.

I am making no defense of the theory of enhancement, and making no defense of any particular kind of recovery. I merely make my protest against repudiation, which is in violation of the Constitution of our country, and, in my opinion, is both unjust and immoral.

Mr. CONNALLY. I have listened to the Senator with a great deal of interest and admiration for the fashion in which he presents his views, but when I hear Senators contending for certain objectives, I would rather find an objective now and then. Is it the Senator's idea that we should not pass this joint resolution and then allow any holder of a gold bond to come in and say, "I was damaged because I am entitled to 25 and a fraction grains of gold instead of 15 grains, and that 25 grains is worth $1.69"? That is the logical result of the attitude which the Senator takes, that every holder of a gold bond should get $1.69 instead of $1. Does the Senator believe that?

Mr. STEIWER. No; I think the Senator has not followed me as closely as he thought he had. I did not attempt to suggest anything of that kind.

Now let me say something to the Senator from Texas. I do not believe the hearings carried on before the Committee on Banking and Currency disclosed that one agent of the Department of Justice or one representative of the Treasury of the United States has any substantial belief that damages will be established by anyone. They did not make the contention before the Committee on Banking and Currency that there was real danger of anyone recovering the enhanced value of the bonds. They say they want to be relieved against multiplicity of suits, and against pestiferous suits. They

claim it is merely to save themselves from the necessity of defending a great number of law suits that they want this legislation passed.

Upon that score, in my judgment, they are wrong. It seems to me that even if the legislation were constitutional it would be better, in order to show the good faith with which we are proceeding, to defeat this legislation, and to say to the citizens of this country, "If you feel that you are aggrieved, if you feel that you ought to have a right of action, under the law, against your country, the courts of the United States are open to you. This Nation, in spite of the emergency, will repudiate nothing, deny nothing, and will resist nothing, but will put you to your proof as to your damages." That, I think, would strengthen the credit of the country.

Mr. CONNALLY. Mr. President, will the Senator indulge me just a moment?

Mr. STEIWER. I yield.

Mr. CONNALLY. If what I have already indicated is not the measure of damages, I am curious to know what the measure of damages would be. Of course, whenever any suitor brings a suit, he has to establish a measure of damages. A suitor comes into court and says, "Mr. United States, you promised to pay me a dollar, a dollar containing 25 and a fraction grains of gold, but you are trying to pay me with a dollar which contains only 15 grains of gold. I want you to pay me either with the 25 grains of gold, or pay me the difference, which is the measure of my damage." Unless that is the object of the suit, what other measure of damages is there?

The Senator says he is not in favor of paying the suitor 25 grains of gold, so the assumption is that if he sued and got a judgment, the Senator would not vote to appropriate the money to pay him. Therefore, how would the suitor be benefited?

He would have his judgment, but he could not get the money, because the Senator from Oregon would not allow him to have $1.69 instead of a dollar. So would not the Senator raise the hopes of the suitors and then blast them by the cold attitude of the Senator from Oregon when he refused to pay the judgments?

Mr. STEIWER. Mr. President, I would not presume to instruct my good friend the Senator from Texas, but I do commend to him a careful examination of the decision of the Supreme Court in the case of United States against Perry. There is an answer to his whole question and his whole proposition.

I rather think, without being able to state the fact dogmatically, that the Supreme Court has practically disposed of these suits by its reference to the calling in of gold, and the fact that if a man were paid gold he would not be permitted to keep it. It was held specifically that Mr. Perry had not, by his petition, disclosed a cause of action for actual damages, and it is quite likely, if it is not certain, that no damages would be established.

I would say, in further answer to what is suggested by the Senator from Texas, that there is little involved in this matter in terms of dollars and cents. I do not think the Treasury would be emptied, or anybody would be enriched. The thing here involved is not so much a question of money; the question is whether we are going to attempt to do something which the law says we cannot do, whether we shall attempt by unconstitutional processes not only to withdraw the consent to be sued, but attempt to repudiate the obligations of our Government. It is that attempt which will break down the faith of our people and injure the credit of our country, and it is that attempt against which I protest.

The PRESIDING OFFICER (Mr. ADAMS in the chair). The joint resolution is before the Senate and open to further amendment.

Mr. BULKLEY. I suggest the absence of a quorum.

Mr. ROBINSON. Mr. President, will the Senator from Ohio withdraw that suggestion?

Mr. BULKLEY. Yes; I withdraw the suggestion of the absence of a quorum.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. Is it desired to have a vote on the joint resolution at this time?

Mr. FLETCHER. Mr. President, I was about to ask unanimous consent that the Senate vote on the joint resolution not later than 2 o'clock tomorrow afternoon.

Mr. BULKLEY. I have no objection to that.

Mr. ROBINSON. Mr. President, at the instance of the Senator from Florida [Mr. FLETCHER], I submit the following unanimous-consent request:

That at not later than 2 o'clock tomorrow afternoon the Senate proceed to vote on the pending joint resolution, and on all amendments which may be pending or which may be offered to it.

Mr. McNARY. Mr. President, I think that will be acceptable, with the understanding that a yea-and-nay vote be had.

Mr. ROBINSON. Very well; I modify the unanimous-consent request as follows:

That at not later than 2 o'clock tomorrow——

Mr. McNARY. Why may we not have a limitation so that a vote shall be taken shortly after 1 o'clock?

Mr. ROBINSON. Mr. President, in order to avoid the necessity for the presence of a quorum, I submit the following unanimous-consent request:

That after the hour of 1 o'clock tomorrow debate shall be so limited that no Senator shall speak more than once or longer than 15 minutes on the joint resolution, or more than once or longer than 10 minutes on any amendment, and that there shall be a yea-and-nay vote on the final passage of the joint resolution.

The PRESIDING OFFICER. The Senator from Arkansas asks unanimous consent that after the hour of 1 o'clock tomorrow debate shall be so limited that no Senator shall speak more than once or longer than 15 minutes on the joint resolution, or more than once or longer than 10 minutes on any amendment, and that there shall be a yea-and-nay vote on the final passage of the joint resolution. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. COPELAND, from the Committee on Commerce, reported favorably the following nominations:

Ernest Gallaudet Draper, of New York, to be Assistant Secretary of Commerce, vice John Dickinson; and

Commander Lloyd T. Chalker to be a captain in the Coast Guard, to rank as such from June 1, 1935, in place of Capt. Eugene Blake, Jr., retired.

Mr. KING, from the Committee on Finance, reported favorably the nomination of Leo E. Trombly, of Altona, N. Y., to be collector of customs for customs collection district no. 7, with headquarters at Ogdensburg, N. Y., in place of John C. Tulloch.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the Committee on Appropriations, reported favorably the following nominations of regional directors of the Resettlement Administration:

T. Roy Reed, of Arkansas;
Buford M. Gile, of Arkansas;
A. W. Manchester, of Connecticut;
Mrs. Dorothy Beck, of Connecticut;
William A. Hartman, of Florida;
Philip Weltner, of Georgia;
Homer H. B. Mask, of North Carolina;
James M. Gray, of North Carolina;
R. C. Smith, of Ohio;
D. P. Trent, of Oklahoma;
C. P. Blackwell, of Oklahoma;
R. I. Nowell, of Wisconsin; and
Walter Duffy, of Wisconsin.

The PRESIDING OFFICER (Mr. ADAMS in the chair). The reports will be placed on the executive calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

That completes the calendar.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Thursday, August 8, 1935, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 7 (legislative day of July 29), 1935

POSTMASTERS

MASSACHUSETTS

James J. Dowd, Holyoke.
Edward Thomas Murphy, Hyannis.
John F. Finn, Stoughton.
James H. Anderson, Ware.
William L. Carrick, Whitinsville.

MICHIGAN

Jack W. Foster, Bellaire.
Ernie T. McGlothlin, Belleville.
Joseph L. Dobbek, Ontonagon.
John J. Corbett, Stambaugh.

TENNESSEE

Vance C. Pendleton, Bullsgap.
William H. Pritchett, Dresden.
Grace G. Shell, Elizabethton.
James R. Hobbs, Lebanon.
Otis K. Martin, McKenzie.
Joseph McDonald Ernest, Oliver Springs.

UTAH

Frank Gibson Eastman, Tooele.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 7, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Add Thy blessing, our Heavenly Father, to the labor of this day. Make Thy truth and wisdom to radiate at the heart of the Congress. Let us feel that the channels between Thee and us are not clogged. Keep us courageous that we may be patient under difficulty, strong under burdens, and sweet and faithful under clouds. O let not the flesh lust against the spirit and the spirit against the flesh. Arm us against this conflict and hold us to the higher forms of living. By the intelligent and generous law of the Golden Rule dominate every sphere of our conduct. Thus shall a beneficent influence be felt through all ranks of our fellow men. O Thou who canst regulate our force, measure our gifts, and fix the bounds of habitation, we simply and humbly revere and acknowledge Thy sovereignty. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendment to the bill (H. R. 5159) entitled "An act to authorize the Postmaster General to contract for air mail service in Alaska", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, and Mr. SCHALL to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928.

THE ELECTION IN RHODE ISLAND

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, is this to be a speech about Rhode Island politics?

Mr. SNELL. The gentleman will know when I get through.

Mr. BLANTON. I am not going to object, because the minority leader has a right to speak, but I am just wondering if it is Rhode Island that he has on his mind.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, I have asked for this time fearing that some of my Democratic colleagues would not fully appreciate the fact that a very important political event took place yesterday in Rhode Island. In the first district of that State a special election was held to elect a Member of the House of Representatives. The congressional district in which the election was held has been predominantly Democratic. Only a short 9 months ago it returned a Democratic Member of this House by a majority of from 20,000 to 21,000. Yesterday, notwithstanding all of the influence of the administration, with all of the promises of Federal funds and Federal jobs, together with a special telegram from Secretary Ickes, the people of that district triumphantly elected a Republican Member of this House by a majority of from 12,000 to 13,000.

This is the first time this year the people of any part of the country have had an opportunity to pass directly on the new deal and the reckless and extravagant expenditures of the present administration. They have passed on that now in a very decisive manner. The Democratic candidate stood 100 percent for President Roosevelt, his administration, and the new deal.

The Republican candidate, by direction of the convention that nominated, vigorously opposed the administration, the new deal, and the reckless and extravagant expenditure of money.

There was only one issue in this campaign, and as far as the people of this district are concerned, they have settled it, and this is only a forerunner of what will happen in other parts of this country when the people have an opportunity to express themselves.

Mr. Speaker, we have heard a good deal about the change of opinion and feeling throughout the whole country during the last few months—but, of course, that was more or less conjecture and surmise upon our part, although we wanted to believe it—but yesterday's election provided definite and positive proof that that change is taking place in this country, because the people up there answered the query with their votes, which is the surest way in which the average citizen can express his opinion.

Another very significant fact in the election is that most of the communities in that congressional district voted against extra bond issues to pay their part of these various extravagant public expenditures. That shows the people of the country are beginning to realize the situation and are

opposed to continual extravagance. This victory was not confined to any one part of that congressional district, but practically every community which had not voted Republican for years went overwhelmingly Republican at this election. The people are beginning to think. One thing I want to impress upon my Democratic friends is that the handwriting is on the wall. The people of this country are going to reject the reckless expenditures of the present administration. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, may I dare to caution the distinguished minority leader [Mr. SNELL] and his party not to be so cocky because of what happened in Rhode Island yesterday, or to sit back and go fishing, or to hold their breath until the election of November 1936?

It is well known that in the election of yesterday and for some time before there was an internal dispute within the party which nominated the Democratic candidate. I am reliably informed, for instance, that in that citadel of democracy, Pawtucket, where 35,000 voters are enrolled, only 2,200 votes were cast. This is accounted for by the attitude of the boss of that city, who was recently removed as budget director by the Democratic Governor. This all worked to the advantage of Mr. RISK, the Republican candidate; but if the Republicans want to risk their chances for the future on what happened in "little Rhodey", that famous State with two capitals up to recent years, I caution them against their overconfidence.

Rhode Island has always been an enigma politically. It has never been a place where you could test out the real sentiment of the country. I invite the gentleman from New York to cause me to be killed tomorrow and then have an election in my district and find out whether or not the new deal is endorsed. [Applause.]

The information has also come to me that the Democrats of Rhode Island, like those of my city and State, nurse a grievance as to the distribution of patronage. This caused them to stay away from the polls. They have seen Republicans getting most of the jobs under Republican appointees from Washington. I understand that Rhode Island is the only State in the Union which was not treated as an integral unit, but that the heads of the governmental agencies were placed in Connecticut, with only assistants in Rhode Island.

Of course, this was not pleasing to the loyal Democrats of that old State.

We expected that today the minority would gloat and show great jubilation over yesterday's ripple in Rhode Island, just as they did when the Supreme Court held the N. R. A. was no longer effective, to the great detriment of millions of our people. In the election in Rhode Island yesterday the voters were deciding between two men, rather than as to party policies.

The investigation I have made leads me to believe that opposition to the processing tax had no effect in the election. Over 90 percent of the people took no interest in it, or were not influenced by purely local selfish interests. Nor did the administration's attitude on the death sentence have any effect. The people of Rhode Island have been crushed for years by a utility monster and would naturally sympathize with the President's desire to destroy these vultures.

Nor did the tax bill influence the election. The claims of the Republicans that increased corporation taxes would injure Rhode Island industries fell on deaf ears.

The fact is that the most surprised man in Rhode Island last night was the Republican nominee, Mr. RISK.

He had campaigned chiefly upon the claim that he was a law partner of that distinguished gentleman who was a Member of this House, the Honorable Francis B. Condon, whom we all admired and loved. In fact he was not a partner, but an office associate. He did not emphasize the fact that he was a Republican. He did not go before his people as a standpat old-guard, rugged individual Republican. He repeatedly said, "I was a partner of your great Democrat, Frank Condon, who resigned from a distinguished career in Congress to become a judge of our highest court. I was his partner, do you hear? and if I was good enough for Frank I ought to be good enough for you Democrats who so loyally supported him for years." That was the kind of a campaign he carried on, I am informed, and it is about as significant of a change in sentiment of the people of our country toward the new deal as if Mr. Hoover's picture in the movies received a scattering applause. So, Messrs. and Mesdames Republicans, keep your feet on the ground and do not count the chickens. [Applause.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Reserving the right to object, I would like to say to the gentleman from Texas that if he mentions something about the Socialist President we have, that is what the people object to——

The SPEAKER. Permit the Chair to say to the gentleman from Pennsylvania that a reservation of the kind he has made does not entitle him to make a speech in reply to the speech that has just been made.

Is there objection to the request of the gentleman from Texas that he be allowed to proceed for 3 minutes?

There was no objection.

Mr. BLANTON. Mr. Speaker, when I first came to Congress I represented the Old Jumbo district which embraced 59 counties and ran 556 miles east and west from El Paso to Mineral Wells. The whole State of Rhode Island could have been put in one corner of it.

Rhode Island has always been a little place, insignificant in the politics of the Nation, and while there have been some big men on our side of the House from Rhode Island [laughter] there have been some very, very small things that have gone on in Rhode Island. Rhode Island, although the smallest State in this Union, during the depression has asked more of this Government, comparably, than almost any other State. It has wanted P. W. A. funds. It has wanted relief. It has wanted this and that.

Most of the fellows who have been on relief are mad at the Government because instead of getting just $30 a month they wanted sixty and seventy and a hundred dollars a month from the Government. They are expecting jobs from the Government as a matter of right. No man has a right to depend on his Government for everything. When I was a boy I was taught that it was my duty to support my Government, yet many think it is the duty of the Government to support them.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BLANTON. I regret that I cannot. I have not the time. I want to say that when the time comes a little later you will see a change in sentiment in Rhode Island. You wait until this Congress adjourns—and I hope it will adjourn next Saturday—you wait until it adjourns and let these 300 Democratic Congressmen get back home and mix with their constituents and let them know what has gone on here, and undo some of this rotten propaganda that the Republican press has been scattering over the United States and you will see everywhere a change in the sentiment that influenced little Rhode Island yesterday. [Applause.]

LEAVE OF ABSENCE

Mr. HAMLIN. Mr. Speaker, I ask unanimous consent that leave of absence be extended to my colleague the gentleman from Maine [Mr. MORAN], for 1 day, on account of illness.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SECOND DEFICIENCY APPROPRIATION BILL—1935–36

Mr. BUCHANAN. Mr. Speaker, I call up the conference report on the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to

provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes; and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8554) "making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 12, 18, 31, 34, 35, 38, 39, 42, 43, 47, 55, 66, 68, 71, 72, 75, 77, 84, 85, 87, and 88.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 6, 8, 9, 14, 16, 17, 19, 22, 23, 24, 25, 28, 30, 32, 33, 41, 45, 46, 50, 51, 52, 53, 54, 57, 58, 60, 61, 62, 63, 64, 67, 73, 74, 82, 86, 89, 90, 91, 92, 93, 94, 95, 96, 97, and 98, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$62,500, of which $36,000 shall be available for the fiscal year 1936 and no part of such sum of $36,000 shall be used to compensate any person at a rate in excess of $10,000 per annum, and"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment, strike out "$300,000" and insert in lieu thereof "$200,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In line 1 of the matter inserted by said amendment, before the syllable "con-" insert a comma and in line 9, strike out "$600,000" and insert in lieu thereof "$500,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Salaries: For an additional amount for personal services, fiscal year 1936, $45,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lines 6 and 7 of the matter inserted by said amendment strike out the following: "to remain available until expended,"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out "5927–91" and insert in lieu thereof "4927–91"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$70,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In line 1 of the matter inserted by said amendment strike out "$7,550,000" and insert in lieu thereof "$3,050,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment before the period insert ", or so much thereof as may be necessary"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In line 2 of the matter inserted by said amendment strike out "1301581" and insert in lieu thereof "0301581"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"SEC. 2. In all suits now pending in the Court of Claims by an Indian tribe or band which have not been tried or submitted, and in any suit hereafter filed in the Court of Claims by any such tribe or band, the Court of Claims is hereby directed to consider and to offset against any amount found due the said tribe or band all sums expended gratuitously by the United States for the benefit of the said tribe or band; and in all cases now pending or hereafter filed in the Court of Claims in which an Indian tribe or band is party plaintiff, wherein the duty of the court is merely to report its findings of fact and conclusions to Congress, the said Court of Claims is hereby directed to include in its report a statement of the amount of money which has been expended by the United States gratuitously for the benefit of the said tribe or band: *Provided*, That expenditures made prior to the date of the law, treaty, agreement, or Executive order under which the claims arise shall not be offset against the claims or claim asserted; and expenditures under the act of June 18, 1934 (48 Stat. L. 984), except expenditures under appropriations made pursuant to sec. 5 of such act, shall not be charged as offsets against any claim on behalf of an Indian tribe or tribes now pending in the Court of Claims or hereafter filed: *Provided further*, That funds appropriated and expended from tribal funds shall not be construed as gratuities; and this section shall not be deemed to amend or affect the various acts granting jurisdiction to the Court of Claims to hear and determine the claims listed on page 678 of the hearings before the subcommittee of the House Committee on Appropriations on the second deficiency appropriation bill for the fiscal year 1935: *Provided further*, That no expenditure under any emergency appropriation or allotment made subsequently to March 4, 1933, and generally applicable throughout the United States for relief in stricken agricultural areas, relief from distress caused by unemployment and conditions resulting therefrom, the prosecution of public works and public projects for the relief of unemployment or to increase employment, and for work relief (including the civil-works program) shall be considered in connection with the operation of this section."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In line 9 of the matter inserted by said amendment strike out the comma where it appears the first time and insert in lieu thereof "and"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$36,000,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: " : *Provided further*, That not to exceed $1,000,000 shall be expended on the dam on the Hiwassee River"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$21,250,000"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$60,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 13, 27, 29, 36, 37, 40, 48, 49, 59, and 65.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
JOHN N. SANDLIN,
JOHN TABER,
(Except as to T. V. A.),
ROBERT L. BACON,
Managers on the part of the House.

ALVA B. ADAMS,
CARTER GLASS,
KENNETH MCKELLAR,
FREDERICK HALE,
L. J. DICKINSON,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, namely:

On amendments nos. 1 to 5, inclusive, relating to the Senate: Appropriates $2,089.18 for furniture and $50,000 for miscellaneous items and reappropriates the unexpended balance of the 1935 appropriation for expenses of inquiries and investigations, all as proposed by the Senate; and strikes out the appropriation of $10,000, inserted by the Senate, for payment to the mother of the late Senator Cutting, of New Mexico.

On amendment no. 6: Makes the paragraph for salaries in the Speaker's office effective "on the date of the enactment of this act", as proposed by the Senate, instead of on "July 1, 1935", as proposed by the House.

On amendment no. 8: Appropriates $57,040 for equipment and improvements for the Senate Office Building, as proposed by the Senate.

On amendment no. 9: Appropriates $75,000, as proposed by the Senate, to enable the Library of Congress to provide books for the adult blind in accordance with a recent act.

On amendment no. 10: Appropriates $62,500, instead of $66,500 as proposed by the Senate and $26,500, as proposed by the House, for compensation and expenses in protection of interests of the United States in matters affecting oil lands in former naval reserves and makes $36,000, instead of $40,000 as proposed by the Senate, of the amount allowed available for the fiscal year 1936 and limits compensation to be paid therefrom to a rate per person not exceeding $10,000 a year.

On amendment no. 11: Appropriates $200,000 instead of $300,000 as proposed by the Senate for salaries and expenses of the Federal Trade Commission. The amount proposed by the Senate consisted of $100,000 for the textile investigations and $200,000 for milk investigations. The amount allowed provides $200,000 for both investigations.

On amendment no. 12: Strikes out the amendment, inserted by the Senate, reestablishing the George Rogers Clark Sesquicentennial Commission and appropriating $50,000 additional for the memorial.

On amendment no. 14: Appropriates $1,478,652 as proposed by the Senate for an additional amount for payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies in their relation to the United States dollar.

On amendment no. 15: Appropriates $500,000 for the Petroleum Administration, instead of $300,000, as proposed by the House, and $600,000, as proposed by the Senate.

On amendment no. 16: Provides for the necessary expenses to liquidate the affairs of the former Railroad Retirement Board as proposed by the Senate amendment instead of by the House language. The House appropriation of $35,000 is undisturbed. The effect of the Senate amendment is to clarify the House language as to authority to employ necessary personnel for liquidation purposes, to enable the President to dispose of the records and property of the Board upon completion of its work, to extend the life of the Board from August 15 to September 30, 1935, and to provide that no member of the Board or its staff should be personally liable for any action taken within the terms of the authority sought to be granted by the Railroad Retirement Act.

On amendment no. 17: Appropriates $3,000,000, as proposed by the Senate, for the Texas Centennial Exposition as authorized by act approved June 28, 1935.

On amendment no. 18: Strikes out the appropriation of $10,000, inserted by the Senate, for salaries and expenses of the Washington-Lincoln Memorial Gettysburg Boulevard Commission.

On amendments nos. 19 to 26, inclusive, relating to the District of Columbia: Increases by $617, as proposed by the Senate, the appropriation for the fiscal year 1935 for judicial expenses; appropriates $45,000, instead of $59,120, as proposed by the Senate, for salaries for the health department; appropriates $150,000, as proposed by the Senate, for pumping equipment and appurtenant features at the McMillan filter plant; increases the amount for settlement of certified claims by $2,541.05, and the amount for payment of judgments by $3,204.73, as proposed by the Senate; and inserts the appropriation of $1,316.40 for relief of Lyman C. Drake, as proposed by the Senate.

On amendment no. 28: Appropriates $25,000, as proposed by the Senate, for maintenance of mammal and bird reservations by the Bureau of Biological Survey, Department of Agriculture.

On amendment no. 30: Amends the House provision relating to "General expenses, Lighthouse Service", so that the appropriation shall be available during the fiscal year 1936, as proposed by the Senate, instead of the fiscal year 1935, as proposed by the House.

On amendment no. 31: Strikes out the appropriation of $60,000, inserted by the Senate, for a fish-cultural station in the State of Nevada.

On amendments nos. 32, 33, 34, 35, 38, 39, 41, 42, 43, 44, 45, and 46, relating to the Department of the Interior: Appropriates $10,000, as proposed by the Senate, instead of $5,000, as proposed by the House, for contingent expenses of the Department; appropriates $19,000, as proposed by the Senate, instead of $10,500, as proposed by the House, for administrative expenses of the War Minerals Relief Commission; strikes out the appropriation of $100,000, inserted by the Senate, for continuation of construction on the Mount Rushmore National Memorial; strikes out the authority, inserted by the Senate, for the use of $4,000 of tribal funds of the Klamath Indians for the employment of attorneys; strikes out the appropriation of $79,002.19, inserted by the Senate, for payment to the Sioux Indians; strikes out the appropriation of $223,162.62 for compensation to the Chippewa Indians of Minnesota; strikes out the appropriations, inserted by the Senate, of $10,000 each for the Big Bend National Park and the Everglades National Park; appropriates $70,000, instead of $100,000, as proposed by the Senate, for the Kennesaw Mountain Battlefield Park; appropriates $980,000, as proposed by the Senate, to enable payments to be made to land-grant colleges as authorized by the act approved June 29, 1935; and appropriates $3,050, as proposed by the Senate, for additional legislative expenses for the Territory of Alaska for the fiscal year 1935.

On amendment no. 47: Strikes out the paragraph, inserted by the Senate, to enable the Bureau of Investigation, Department of Justice, to expand its activities of detection and prosecution of crime to include crime prevention.

On amendment no. 50: Inserts the paragraph, proposed by the Senate, extending until June 30, 1935, the availability of $6,000 of an appropriation for the Naval Observatory for the fiscal year 1933 to complete payment of obligations heretofore incurred under such appropriation.

On amendments nos. 51 to 56, inclusive, relating to the Naval Establishment: Provides, as proposed by the Senate, that the appropriations in the Naval Appropriation Act for the fiscal year 1936 shall be available for the pay, subsistence, and transportation of 234 officers of the Dental Corps instead of 186 such officers, as heretofore provided under such appropriation; appropriates $10 for travel allowances, etc., Bureau of Navigation, fiscal year 1923, as proposed by the Senate; appropriates $2,000,000 for improvements at the Naval Air Station, Pensacola, Fla., and $1,050,000 for quarters for officers of the Marine Corps at Quantico, Va., as proposed by the Senate; and strikes out the appropriation of $4,500,000 inserted by the Senate for a dry dock at the navy yard, Puget Sound, Wash.

On amendments nos. 57, 58, 60, and 61, relating to the Department of State: Makes the appropriation for salaries of ambassadors and ministers for the fiscal years 1935 and 1936 available to pay the salary of an Ambassador to China at the rate of $17,500 per annum; appropriates $300,000, as proposed by the Senate, for a site and building at Helsingfors, Finland, for use of the Diplomatic and Consular Establishments of the United States; and appropriates $2,750 and $9,000, respectively, as proposed by the Senate, for payment of a year's salary to Germaine M. Finley and Lily M. Miller, widows of Foreign Service officers.

On amendments nos. 62, 63, 64, 66, and 67, relating to the Treasury Department: Appropriates $36,000,000, as proposed by the Senate, instead of $18,000,000, as proposed by the House, for payments to Federal land banks on account of reductions in interest rate on mortgages; strikes out the appropriation of $22,000 inserted by the Senate for the reestablishment of the assay office at Helena, Mont.; and inserts the appropriation proposed by the Senate of $482,032.92 for the payment of any indebtedness in connection with Pershing Hall and for the establishment of the Pershing Hall Memorial Fund.

On amendments nos. 68 to 75, inclusive, relating to the War Department: Strikes out the appropriation of $1,500,000, inserted by the Senate, for the acquisition of additional land in the vicinity of West Point, N. Y.; appropriates $122,422.43, as proposed by the Senate, for payment of the claim of the Public Service Coordinated Transport of Newark, N. J., as authorized by law; appropriates $812.91, as proposed by the Senate, for the payment of General Accounting Office settlement under the Ordnance Department; strikes out the items, inserted by the Senate, to appropriate $171,034.31 and $6,462,145.35, respectively, for payment of the claims of the city of Baltimore and the State of California; appropriates $750,000, as proposed by the Senate, for the construction of buildings for United States representatives in the Philippine Islands; appropriates $90,300, as proposed by the Senate, for purchase of headstones for national cemeteries; and strikes out the appropriation of $20,000, inserted by the Senate, for the establishment of a Custer Memorial Museum, Montana.

On amendment no. 76: The Senate struck out section 2 of the House bill relating to offsets, in cases in the Court of Claims by any Indian tribe or band, for sums expended gratuitously by the United States for the benefit of the tribe or band. A substitute has been inserted for the House language which differs therefrom as follows: The new section is not applicable to pending cases "tried or submitted"; expenditures made prior to the date of the law, treaty, agreement, or Executive order under which the claim or claims arise are not to be included in offsets; expenditures under the act of June 18, 1934 (48 Stat. 984), except expenditures under appropriations made pursuant to section 5 of such act (lands purchased by the United States for the benefit of Indians), are not to be charged as offsets; expenditures from tribal funds are not to be considered as gratuity expenditures; the section shall not be deemed to amend or affect the various acts granting jurisdiction to the Court of Claims to hear and determine the claims listed on page 678 of the hearings before the subcommittee of the House Committee on Appropriations on the second deficiency appropriation bill for the fiscal year 1935 (such jurisdictional acts already provide for offsets); and no expenditure under any emergency appropriation or allotment made subsequently to March 4, 1933, and generally applicable through the United States for relief in stricken agricultural areas, relief from distress caused by unemployment and conditions resulting therefrom, the prosecution of public works and public projects for the relief of unemployment or to increase employment, and for work relief (including the Civil Works program) is to be considered in connection with the operation of the section.

On amendment no. 77: Corrects a section number.

On amendments nos. 78, 79, and 80, relating to the Tennessee Valley Authority: Inserts the specification of projects, proposed by the Senate, modified so as to make clear that the specification of the Aurora Landing project and the Whites Creek project include only preliminary investigations as to each; appropriates $36,000,000 instead of $38,000,000, as proposed by the Senate, and $34,675,192, as proposed by the House; and limits expenditures on the Hiwassee Dam to $1,000,000 instead of to "$1,000,000 exclusive of the purchase of overflowed land", as proposed by the Senate.

On amendment no. 81: Appropriates $21,250,000 for hospital and domiciliary facilities under the Veterans' Administration instead of $20,000,000, as proposed by the House, and $22,000,000, as proposed by the Senate.

On amendment no. 82: Provides $325,000, as proposed by the Senate, for a legation residence at Ottawa, Canada, and for the improvement and furnishing thereof.

On amendment no. 83: Appropriates $60,000,000 for public buildings outside the District of Columbia under the Procurement Division, Treasury Department, instead of $58,000,000, as proposed by the House, and $70,000,000, as proposed by the Senate.

On amendment no. 84: Restores the House provision, stricken out by the Senate, to provide for the remodeling and extension of the old Pension Office Building for occupancy by the General Accounting Office at a total cost of $4,700,000, with an initial appropriation of $2,000,000.

On amendment no. 85: Strikes out the appropriation of $200,000, inserted by the Senate, for acquisition of the building designated as 1724 F Street NW., Washington, D. C.

On amendments nos. 86, 87, and 88: Eliminate the appropriation of $10,500,000, inserted by the Senate, for construction of buildings, utilities, and appurtenances at military posts, and makes a verbal correction in the text of the paragraph.

On amendments nos. 89 and 90: Appropriates $10,549.85 for the payment of claims for damages to or losses of privately owned property adjusted and determined under the act of December 28, 1922, and certified to Congress after the bill had passed the House.

On amendments nos. 91, 92, 93, 94, and 95: Appropriates $770,661.39 for payment of judgments of the Court of Claims certified to Congress after the bill had passed the House.

On amendment no. 96: Appropriates $3,158.93 for the payment of two judgments of the Court of Claims certified to the Seventy-second Congress which were allowed by the House but disallowed by the Senate at that time. The Senate, upon reconsideration of the two judgments at this session, included them in the bill.

On amendment no. 97: Appropriates $26,665.39, as proposed by the Senate, for the payment of claims allowed by the General Accounting Office in accordance with existing law and certified to Congress after the bill had passed the House.

On amendment no. 98: Appropriates $7,711.14, as proposed by the Senate, instead of $1,488.62, as proposed by the House, for payment of judgments against collectors of internal revenue and certified to Congress by the Comptroller General.

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 7: Appropriating $2,550,000 for air conditioning the Capitol Building and the Senate and House Office Buildings.

On amendment no. 13: Appropriating $800,000 to enable the National Capital Park and Planning Commission to acquire additional park, parkway, and playgrounds sites in the District of Columbia.

On amendment no. 27: Appropriating $36,000 toward eradication and control of the West Indian fruit fly and the black fly.

On amendment no. 29: Appropriating $9,000,000 for the Department of Agriculture in carrying out the act of June 29, 1935, for scientific research and cooperative agricultural extension work.

On amendment no. 36: Providing an appropriation for an audit of the tribal funds of the Menominee Indians.

On amendment no. 37: Reappropriating $375,000 for the Sioux Sanatorium and employees' quarters in South Dakota.

On amendment no. 40: Appropriating $831,000 toward construction of public-school buildings in California, Washington, South Dakota, and Montana in connection with the education of Indian children.

On amendment no. 48: Appropriating $300,000 for payment to special assistants to the Attorney General in the case of the United States versus the Pan American Petroleum Co.

On amendment no. 49: Providing that employees under the appropriation of $281,000 for Commissioners of Conciliation, Department of Labor, may be compensated and employed without regard to the civil-service laws and the Classification Act.

On amendment no. 59: Appropriating $12,500 for the Bureau of the Interparliamentary Union and expenses of the American group.

On amendment no. 65: Crediting the accounts of Treasury Department disbursing officers for certain expenditures made during the banking emergency, the total credit not to exceed $25,000.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
JOHN N. SANDLIN,
JOHN TABER,
(Except as to T. V. A.),
ROBERT L. BACON,
Managers on the part of the House.

Mr. BUCHANAN. Mr. Speaker, I am only going to give a few of the general results of our efforts in the conference following the amendment and passage of this bill by the Senate.

The bill, as passed by the House, contained a total sum of $224,477,561.80. The Senate added $83,472,369.17, a considerable addition to a measure of this size, making the bill as sent to conference $307,949,930.97. In view of the enormous increase which the Senate made in the bill it is only just to the Senate for me to state that approximately $40,000,000 of that increase was added by the Senate in response to new laws enacted by the Congress, and additional estimates under those new laws which were sent to the Senate.

That amount of $40,000,000, had those laws been in force at the time we passed the bill and had the estimates been sent to the House, would probably have been approved and passed in the House bill. Therefore, that left $43,472,369.17 which the Senate added to this bill that was not authorized, not estimated for, and, in my opinion, unjustified from every standpoint. Therefore, your conference managers, when they met in conference, had that question to consider. The main contention was how much of that $43,000,000 should be approved and how much rejected. As a result of the conference the Senate receded on over $35,000,000 of this latter sum and the House receded on only $8,000,000. Therefore, if the House approves this conference report and our other recommendations, the bill will carry $272,901,233.50. Comparing that with the estimates submitted to Congress and considered in connection with this bill, it shows the following result:

The total of Budget estimates on which this bill is based is $399,449,943.13. The total of this bill, if the conference report is accepted, is $272,901,233.50, or a reduction under the Budget estimate of $126,548,709.63, or nearly one-third reduction in the estimate.

This is the first step toward real economy and retrenchment in Government expenditures; and, if this House will back up the Committee on Appropriations, we will have an economical Government from now on. [Applause.]

The Senate added 98 amendments to the bill. I cannot discuss them all. They are contained in the conference report. There is one piece of legislation that I wish to mention briefly, which is carried as section 2 of title I of the House bill, relating to offsets in Indian claims pending or hereafter filed in the Court of Claims, and which was stricken out by the Senate. The conferees have restored that section in amended form. The immediate effect of this provision is to bring into consideration by the court in pending Indian cases some $125,000,000 or $130,000,000 of gratuity expenditures by the United States, which under existing legislation could not be considered as offsets.

Many jurisdictional acts have been passed by Congress authorizing Indian tribes to file suits against the United States in the Court of Claims, and a number of bills are now pending in Congress. The total amount involved in the Indian cases now pending in the Court of Claims is $2,900,000,000, including interest. Think of that enormous amount involved in litigation where Indian tribes are suing the Government under the special jurisdictional acts which Congress has passed. In one suit I recall the Indians sued for $6,130,000. Offsets by way of gratuity expenditures by the United States for the benefit of the Indians allowed in that case were $5,508,000; so the net judgment against the United States was $622,000; yet in many of these jurisdictional acts no offset is allowed for sums expended gratuitously by the Government for the benefit of the Indians.

While the immediate effect of this provision, as I have pointed out, is to bring in as offsets some $125,000,000 to $130,000,000 in pending cases, it has application to cases hereafter filed so that there may be many more millions of dollars in addition that will ultimately be saved to the United States. As amended in conference it is exceedingly fair to the Indian claimants and will not deprive them of any consideration to which they may be justly entitled in prosecuting any legitimate claims they may be authorized by law to present.

In connection with this section I desire to pay tribute to the gentleman from Missouri [Mr. COCHRAN], whom we all regret has been ill. With his customary industry and solicitude for the interest of the Government, he has been diligent in endeavoring to have legislation of this character enacted. I am grateful to him for his advice and assistance in this matter.

The public-buildings item as it passed the House carried $58,000,000. The Senate, without any hearings, without any justification whatever, so far as the record shows, without

any Budget estimate, increased this amount $12,000,000, making the total $70,000,000. The conference committee reduced this to $60,000,00, and by so doing cut $10,000,000 from the Senate increase. Time does not permit going into more detail. If any Member desires to ask about any item of the conference report I shall be glad to answer the question.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. CHRISTIANSON. I notice the conferees struck out an appropriation of $223,000 for compensation to the Chippewa Indians of Minnesota. Can the gentleman state what reason induced the conference committee to take this action?

Mr. BUCHANAN. Is that for land?

Mr. CHRISTIANSON. I presume it is in settlement of claims presented by these Indians against the United States Government.

Mr. BUCHANAN. If it was for land—and I think it was—it was with a view to ascertaining whether or not they had ever been paid for the land. I call the gentleman's attention to a bill that came before the House not long ago providing an authorization to pay Indians for land. The diligence of the gentleman from Missouri [Mr. COCHRAN], who dug into the records, disclosed that the Indians had already been paid for the land. The bill, of course, was not passed. None of these bills authorizing the expenditure of large amounts on Indian claims ought to be allowed without an opportunity being given the Appropriations Committee to investigate it and ascertain whether or not they have already been adjusted.

Mr. CHRISTIANSON. I assume the Government keeps records which would make it possible for the committee to discover whether these bills had been paid or not.

Mr. BUCHANAN. They make them, but the records cannot always be kept. They sometimes get lost.

Mr. BACON. Mr. Speaker, if the gentleman will yield, I think the gentleman will recall that this particular item came before our committee at the very last minute. We had no hearings; we had no testimony; we had no basis on which to form a judgment. It was not an emergency, and it was the decision of the conference committee to let it go over until the next regular Interior Department appropriation bill.

Mr. BUCHANAN. The gentleman is correct. This action was taken to give us an opportunity to investigate. If there is merit in the item, we will ultimately approve it, but we want to know when we do approve it that the money is due. [Applause.]

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. ROGERS of Oklahoma. Under the provisions of amendment 76, with reference to Indian claims, whose duty will it be to ascertain the set-offs?

Mr. BUCHANAN. There will be a chance to make an investigation of the records and to certify the gratuities to the Court of Claims.

Mr. ROGERS of Oklahoma. At what stage would the Appropriations Committee provide an appropriation to pay them?

Mr. BUCHANAN. Any appropriations by the Appropriations Committee in such a matter would be in response to a judgment of the Court of Claims.

Mr. ROGERS of Oklahoma. And it will use the offsets as recommended by the General Accounting Office?

Mr. BUCHANAN. The Court of Claims will recommend that they are authorized to make the offsets themselves.

Mr. ROGERS of Oklahoma. The Appropriations Committee, then, will not have the power to say what are offsets and what are not offsets?

Mr. BUCHANAN. No. The Court of Claims will determine that.

Mr. FIESINGER. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. FIESINGER. I notice that a good deal of saving has been made in the bill. The gentleman stated a moment ago that we are now going to have greater economy in Government. Can the gentleman give us any idea when the Budget is likely to be balanced?

Mr. BUCHANAN. If the gentleman asks my opinion, I firmly believe that with the $270,000,000 to be raised by the new tax bill just passed by the House, with the payments due on money heretofore loaned by various Government departments, with a reduction in the enormous working balance in the Treasury, we can pass through the next Congress without any additional taxation or without the issuance of any additional bonds, or increasing the national debt, except to cover appropriations heretofore made.

Mr. FIESINGER. Does the gentleman mean the Seventy-fifth Congress or the next session of the Seventy-fourth Congress?

Mr. BUCHANAN. I mean the next session of the Seventy-fourth Congress and future Congresses. [Applause.]

Mr. FIESINGER. I thank the gentleman.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to my colleague the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I went along with the conference report on all except one item, which was the T. V. A. I could not go along with an increase in an appropriation for this organization. To begin with, when we went into the situation with reference to the Tennessee Valley in the hearings, as a result of what Dr. Morgan told us the majority of the committee, and I was not one of the majority, brought in a report recommending the construction of a dam at Chickamauga because the hearings disclosed that perhaps this dam would do more toward flood control at Chattanooga than anything else. The bill went over to the Senate and it was confronted with a letter from Dr. Morgan in which he said something like this:

> In the case of the Guntersville and Chickamauga sites, the rough estimates of cost which I made in my testimony before the House committee were based on very preliminary surveys and on the assumption of reasonably good foundation conditions. It is probable, especially in the case of the Chickamuga Dam, that the cost will be substantially greater. That dam may cost as much as $25,000,000 to complete if foundation conditions are found to be troublesome.
>
> The Chickamauga Dam would reduce flood stages at Chattanooga in times of moderate flood, but in times of greatest flood would not benefit Chattanooga. The chief value of the Chickamauga Dam and the White's Creek Dam is to provide navigable depths above Chattanooga on the Tennessee River.

We were told by Dr. Morgan that the Chickamauga Dam would substantially help flood conditions at Chattanooga by from 3 to 4 feet, if I remember correctly.

Then Dr. Morgan adds this:

> We are strongly of the opinion that the Fowler's Bend Dam on the Hiwassee River should be included in the approval of the committee for the following reasons.

He goes on and tells us that that would help flood conditions more than the other.

When we in the House have this bill up for consideration we are told and the House is argued into a position of building the Chickamauga Dam, but when the bill gets over to the Senate we are told that the Chickamauga Dam is practically worthless and they want the Hiwassee Dam and in that way they get both. I cannot go along with that kind of an operation because I do not believe it is treating the Treasury of the United States right. This dam ought to wait until it has been demonstrated that there is some legitimate use for same.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. McREYNOLDS. The gentleman is speaking of the Hiwassee Dam?

Mr. TABER. Yes.

Mr. McREYNOLDS. And is not speaking of the Chickamauga Dam?

Mr. TABER. The gentleman is correct. I am opposed to the Hiwassee proposition being added on what seems to be a pulling-and-hauling proposition which ought not to be allowed.

Mr. McREYNOLDS. The Chickamauga and Guntersville Dams are not before the House?

Mr. TABER. They are not before the House at this time.

Mr. McREYNOLDS. They were put in the House bill?

Mr. TABER. The gentleman is correct. The Chickamauga Dam was put in in the House at the request of the gentleman from Tennessee [Mr. McREYNOLDS]. I think when we are told a thing they should stand by that statement and we should not be jerked and hauled all over the lot.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. ROGERS].

Mr. ROGERS of Oklahoma. Mr. Speaker, in the second deficiency appropriation bill as it passed the House section 2 of the bill contained a provision that gratuities from the Government to Indians should be considered as offset against any future claims that might be allowed to the Indians. The bill went to the Senate and the Senate struck section 2 from the bill. The measure then went to conference and the conferees reported back to the Senate and to the House a modification of section 2 of the original House bill, known as amendment no. 76.

Mr. Speaker, by amendment no. 76, reported by the conferees, section 2 of the deficiency appropriation bill has been modified so as to provide that the United States may offset against Indian tribal claims expenditures made under appropriations authorized by section 5 of the Indian Reorganization Act of 1934.

Section 5 authorizes appropriations for acquisition of lands to be held in trust for individual Indians and Indian tribes.

Section 15 of the Indian Reorganization Act provides that Federal expenditures made under said act shall not be deducted from any future judgment which any Indian tribe may secure against the United States on any claim. That was a declaration by Congress to the Indians that in giving them the opportunities of self-government, education, and conservation, development, and acquisition of land, the Government was not going to do anything to prejudice or in any manner affect the existing tribal claims of the Indians against the United States—claims which were ever uppermost in the minds of the Indians.

The amendment no. 76 is, therefore, a violation of the stated policy of Congress, but it is more than that. It will constitute the first declaration by Congress that its former promise, expressed only last year in section 15 of the Indian Reorganization Act, was meaningless. It is one more weapon in the hands of the Indians and their friends to support their charge that the Federal Government, in its dealings with the Indians, makes a promise only to break it.

This provision permitting offsets of expenditures authorized by the Indian Reorganization Act has no place in this appropriation bill, nor for that matter in any appropriation bill, and I am sorry it has been included in the pending proposal.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Capitol, Senate and House Office Buildings: For providing and installing complete air-conditioning systems, Capitol, Senate and House Office Buildings, including all necessary structural alterations required for such installations, $2,550,000, to remain available until June 30, 1937, and to be expended by the Architect of the Capitol, and the Architect of the Capitol is hereby authorized to enter into contracts in the open market, to make expenditures for material, supplies, equipment, accessories, advertising, travel expenses and subsistence therefor, and, without regard to section 35 of the Public Buildings Act, approved June 25, 1910, as amended, or the Classification Act of 1923, as amended, to employ all necessary personnel, including professional, architectural, engineering, and other assistants: *Provided*, That said air-conditioning systems shall be procured and installed after competitive bidding on the whole project in accordance with the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5).

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by such amendment insert the following:

"Air conditioning, Capitol, Senate and House Office Buildings: For providing and installing air-conditioning systems, Capitol, Senate and House Office Buildings, including all necessary structural alterations required for such installations, fiscal years 1936 and 1937, $2,550,000, to be expended by the Architect of the Capitol and to include expenditures for material, supplies, equipment, accessories, advertising, traveling expenses, and, without regard to section 35 of the Public Buildings Act, approved June 25, 1910, as amended, or the Classification Act of 1923, as amended, the employment of necessary personnel (including professional architectural, and engineering services)."

Mr. BUCHANAN. Mr. Speaker, this is an item put on the bill by the Senate to provide air conditioning for the Capitol, the Senate Office Building, and the two House Office Buildings.

I have offered an amendment to the Senate amendment so it will be more practicable and permit the work to be done in more than one contract. So far as I am individually concerned, I care nothing about air cooling, and I propose to vote against it; but this item relates to the comfort, the pleasure, and the work of every Member of the House, and whenever an amendment relates only to the Members of the House I believe they should pass on it directly and express their will. Therefore it is brought here for you to vote upon and determine.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment no. 13: Page 10, after line 3, insert:

"NATIONAL CAPITAL PARK AND PLANNING COMMISSION

"For the work of the National Capital Park and Planning Commission necessary toward carrying into effect the provisions of section 4 of the act approved May 29, 1930 (46 Stat. 482), providing for a comprehensive park, parkway, and playground system of the National Capital, etc.; personal services in the District of Columbia, including real-estate and other technical services, at rates of pay to be fixed by the Commission not exceeding those usual for similar services and without reference to civil-service rules and the Classification Act of 1923, as amended; travel expenses; survey, searching of titles, and all other costs incident to the acquisition of land; reimbursements to be made as prescribed in such act, as amended, fiscal year 1936, $800,000, to remain available until expended."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 13, and agree to the same with an amendment as follows: In line 15 of the matter inserted by said amendment strike out the following: ", to remain available until expended."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 27: On page 29, after line 14, insert:

"West Indian fruit fly and black fly: For determining and applying such methods of eradication and control of the West Indian fruit fly and black fly as in the judgment of the Secretary of Agriculture may be necessary to eradicate these pests from the State of Florida, fiscal year 1936, $36,000: *Provided*, That no expenditures shall be made for these purposes until there has been provided by the State of Florida funds and means which in the judgment of the Secretary of Agriculture are fully adequate to effectively cooperate in the accomplishment of these purposes: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees or other property destroyed."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 29: On page 30, after line 18, insert:

"MISCELLANEOUS

"To carry into effect the provisions of an act entitled 'An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges', approved June 29, 1935, as follows: For special research work by the Department of Agriculture, including the employment of persons and means in the District of Columbia and elsewhere, and for payment to the several States, Hawaii, Alaska, and Puerto Rico for research work, pursuant to the authorizations contained in title I of said act, $1,000,000; and for payments to the States and the Territory of Hawaii for cooperative agricultural extension work, pursuant to the authorizations contained in section 21 of title II of said act, $8,000,000; in all, fiscal year 1936, $9,000,000: *Provided*, That the Secretary of Agriculture is hereby authorized and directed to ascertain and certify to the Secretary of the Treasury, on or before September 1, 1935, as to Puerto Rico and each State and Territory, whether it has assented to the provisions of the act of June 29, 1935, and is entitled to receive its share of the appropriations herein provided: *Provided further*, That the allotments due July 1, 1935, shall be payable upon such certification by the Secretary of Agriculture to the Secretary of the Treasury (U. S. C., title 5, secs. 511, 512; act June 29, 1935)."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 36: On page 36, after line 7, insert:

"Menominee Indians: The appropriation of $20,000 from tribal funds of the Menominee Indians, Wisconsin, for the purpose of making an audit of such funds and for other purposes, contained in the Interior Department Appropriation Act, fiscal year 1936, approved May 9, 1935, is hereby made available for the expenses of such audit from and after February 1, 1935, and the contract or contracts for such audit may be made retroactive to February 1, 1935."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 37: On page 36, after line 15, insert:

"Conservation of health among Indians (Sioux Sanatorium and employees' quarters, Pierre, S. Dak.): The unexpended balance of the appropriation of $375,000 (including the amount impounded under section 320 of the act of June 30, 1932), contained in the Interior Department Appropriation Act, fiscal year 1932, and continued available by the acts of April 22, 1932, and February 17, 1933, for the construction of the Sioux Sanatorium and employees' quarters at Pierre, S. Dak., is hereby reappropriated and made available for the same purpose until June 30, 1937."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 37, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Conservation of health among Indians (Sioux Sanatorium and employees' quarters, South Dakota): The unexpended balance of the appropriation of $375,000 (including the amount impounded under section 320 of the act of June 30, 1932), contained in the Interior Department Appropriation Act, fiscal year 1932, and continued available by the acts of April 22, 1932, and February 17, 1933, for the construction of the Sioux Sanatorium and employees' quarters at Pierre, S. Dak., is hereby reappropriated and made available until June 30, 1937, for such a sanatorium and employees' quarters at such place in South Dakota as the Secretary of the Interior shall select."

The motion was agreed to.

The Clerk read the next amendment in disagreement, as follows:

Amendment no. 40, page 38:

"Construction, enlargement, or improvement of public-school buildings: For cooperation with public-school districts in the construction, enlargement, or improvement of local public elementary or high schools, including purchase of necessary equipment, as authorized by and in conformity with numerous acts of the Seventy-fourth Congress approved June 7, 1935, fiscal year 1936, $931,000, as follows: Queets, Wash., $10,000 (Public, No. 111); Glacier County, Mont., $100,000 (Public, No. 103); Wolf Point, Mont., $50,000 (Public, No. 104); Polson, Mont., $40,000 (Public, No. 105); Lake and Missoula Counties, Mont., $100,000 (Public, No. 106); Brockton, Mont., $40,000 (Public, No. 107); Poplar, Mont., $25,000 (Public, No. 108); Marysville, Wash., $38,000 (Public, No. 110); Frazer, Mont., $25,000 (Public, No. 109); White Swan, Wash., $50,000 (Public, No. 112); Covelo, Calif., $50,000 (Public, No. 113); Shannon County, S. Dak., $125,000 (Public, No. 114); Big Horn County, Mont. (district No. 27), $80,000 (Public, No. 119); Blaine County, Mont., $15,000 (Public, No. 120); Medicine Lake, Mont., $25,000 (Public, No. 127); Hardin and Crow Agency, Big Horn County, Mont. (district 17–H), $158,000 (Public, No. 126): *Provided*, That plans and specifications for construction, enlargement, or improvement of structures shall be furnished by local or State authorities, without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly, on vouchers properly certified by local officials of the Indian Service: *Provided further*, That any amount expended hereunder shall be reimbursed to the United States within a period of 30 years, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the districts involved, or by the acceptance of Indian pupils in such schools without cost to the United States."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 40 and agree to the same with an amendment as follows:

The Clerk read as follows:

In lieu of the matter inserted by the second proviso in such amendment insert the following: ": *Provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States; and in computing the amount of recoupment for each project, interest at 3 percent per annum shall be included on unrecouped balances."

The motion was agreed to.

The Clerk read the next amendment in disagreement, no. 48, page 45 of the bill, as follows:

Payment to special assistants to Attorney General: For compensation in full to special assistants to the Attorney General for services rendered by them in the case of the *United States* v. *Pan American Petroleum Co.* (B–115M, in equity), in the United States District Court for the Southern District of California, fiscal year 1936, $300,000.

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate, no. 48, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert "$176,767."

The motion was agreed to.

The Clerk read the next amendment in disagreement, no. 49, page 47 of the bill, as follows:

Provided, That officers and employees may be appointed and paid from the amount herein appropriated without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended.

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 49 and agree to the same, with an amendment, as follows:

In lieu of the matter inserted by said amendment insert the following: "*Provided*, That officers and employees may be appointed and paid from the amount herein appropriated without regard to the provisions of the civil-service laws requiring competitive examinations: *Provided further*, That said officers and employees (except commissioners of conciliation) shall be required to take nonassembled examinations."

The motion was agreed to.

The Clerk read the next amendment in disagreement, no. 59, page 57, as follows:

Bureau of Interparliamentary Union for Promotion of International Arbitration: For an additional amount for United States contributions to international commissions, congresses, and bureaus, including $2,500 for the contribution of the United States toward the maintenance of the Bureau of Interparliamentary Union for Promotion of International Arbitration in addition to the amount contained in the Department of State Appropiration Act, 1936; and $10,000 for the expenses of the American group of the Interparliamentary Union, including personal services in the Dis-

trict of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, stenographic reporting and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), such lump sum as may be determined by the president of the American group payable to each member and the permanent executive secretary of the group to cover all expenses of travel and subsistence, notwithstanding the provisions of any other act; purchase of necessary books, documents, newspapers, periodicals, and maps, stationery, official cards, printing and binding, entertainment, and other necessary expenses, to be disbursed on vouchers approved by the president and executive secretary of the American group; in all, fiscal year 1936, $12,500.

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 59 and agree to the same with an amendment.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "Bureau of Interparliamentary Union for Promotion of International Arbitration: For an additional amount for United States contributions to international commissions, congresses, and bureaus, including $2,500 for the contribution of the United States toward the maintenance of the Bureau of Interparliamentary Union for Promotion of International Arbitration in addition to the amount contained in the Department of State Appropriation Act, 1936; and $10,000 for the expenses of the American group of the Interparliamentary Union, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, stenographic reporting, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), traveling expenses, purchase of necessary books, documents, newspapers, periodicals and maps, stationery, official cards, printing and binding, entertainment, and other necessary expenses, to be disbursed on vouchers approved by the president and executive secretary of the American group; in all, fiscal year 1936, $12,500."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 65: Page 62, after line 8, insert:
"The Comptroller General of the United States is authorized and directed to allow credit in the accounts of Guy F. Allen, chief disbursing officer, Division of Disbursement, and J. L. Summers, disbursing clerk, Division of Disbursement, for disbursements made from the fund "Expenses, National Banking Emergency Act, March 9, 1933, Comptroller of Currency", during the period March 6, 1933, to July 1, 1934, in connection with the emergency arising out of the national banking crisis and disallowed by the Comptroller General of the United States: *Provided*, That such total credit shall not exceed the sum of $25,000."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur with an amendment which I send to the desk.

The Clerk read as follows:

In line 10 of the matter inserted by said amendment, after the word "states", insert the following: "for any reason except fraud."

The SPEAKER. The question is on the motion to recede and concur with an amendment.

The motion was agreed to.

A motion to reconsider the votes by which the foregoing motions were agreed to was laid on the table.

THOMAS JEFFERSON MEMORIAL COMMISSION

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of House Concurrent Resolution No. 33, which I sent to the desk and ask to have read.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of H. R. 8554, the second deficiency appropriation bill, fiscal year 1935, the Clerk of the House of Representatives is authorized and directed to strike out the word "year" in line 17, page 10, of the engrossed bill, and insert in lieu thereof the following: "years 1935 and."

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

AMERICAN RETAIL FEDERATION

Mr. FORD of Mississippi. Mr. Speaker, by direction of the Committee on Accounts I present for immediate consideration, a privileged resolution from that committee, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 284

Resolved, That House Resolution 226 is hereby amended by striking out "$2,500" and inserting in lieu thereof "$27,500."

Mr. SNELL. Mr. Speaker, will the gentleman state what this is?

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. If the gentleman has this considered as a privileged resolution, will we have an opportunity to comment?

The SPEAKER. The gentleman from Mississippi has an hour.

Mr. RICH. Will the gentleman yield me 10 minutes?

Mr. FORD of Mississippi. Yes.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. FORD of Mississippi. Mr. Speaker, recently the House unanimously passed a resolution authorizing an investigation of the American Retail Federation, supposed to be a lobbying organization engaged in lobbying for the passage of legislation beneficial to chain stores and chain organizations. After the passage of that resolution the House authorized an expenditure of $2,500, and the Speaker appointed a committee, which committee has been engaged in investigating the activities of that organization. Pretty soon after the investigation began the American Retail Federation broke up, and it became necessary for the committee to employ experts and go thoroughly into an investigation in order to ascertain the facts. Since that time the House has passed a resolution authorizing a wider investigation. The committee has been engaged in making this investigation and has expended most of the $2,500 which the House heretofore appropriated for that expenditure. The investigating committee now comes back to the Committee on Accounts and asks for an additional sum of $25,000. The Committee on Accounts has heard testimony and has had a few of those who are engaged in the investigation before it, and has reached the conclusion that an additional sum of $7,500 would be ample to conclude the investigation in order that they might report to the Congress and the Congress might take action in the passage of such legislation as is deemed wise.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. Yes. I yield to the gentleman from Kentucky.

Mr. MAY. How long has the committee been engaged in the investigation it has made, and has it had any investigation other than in the city of Washington?

Mr. FORD of Mississippi. I am not sure about that. I am going to yield some time to my colleague from Texas, Mr. PATMAN, the chairman of the investigating committee, and I am sure that he can explain the matter thoroughly to the House.

Mr. MAY. And they are asking now an additional sum of $25,000?

Mr. FORD of Mississippi. The committee has recommended $7,500 additional to the $2,500, which will make a total of $10,000.

Mr. KNUTSON. But the Clerk read the resolution and it provides for $25,000.

Mr. MICHENER. Do I understand the gentleman to say that the committee asked for $25,000?

Mr. FORD of Mississippi. The investigating committee asked for an additional $25,000.

Mr. MICHENER. And the Committee on Accounts has allowed them $7,500 additional?

Mr. FORD of Mississippi. Yes.

Mr. MICHENER. How much has been allowed for all?

Mr. FORD of Mississippi. That will make a total allowance, provided the House approves this resolution, in the sum of $10,000.

Mr. MICHENER. And the committee asked for how much?

Mr. FORD of Mississippi. Twenty-five thousand dollars additional was asked in this resolution. Two thousand five hundred dollars has heretofore been authorized. Therefore, a total sum of $27,500 was requested.

Mr. MICHENER. It seems to me that if the committee making the investigation has proceeded and now asks for $25,000 that the Committee on Accounts would not be doing them any good to give them only $7,500.

Mr. FORD of Mississippi. After due consideration, and after talking to the members of the investigating committee, the Committee on Accounts felt that with the $7,500 additional the investigating committee could make a thorough investigation and present such facts to the Congress as would enable the Congress to pass legislation it might desire.

Mr. SNELL. This is House Resolution 284?

Mr. FORD of Mississippi. Yes.

Mr. SNELL. A copy of the resolution which I have in my hand asks to strike out $2,500 and insert $27,500.

The SPEAKER. If the gentleman will yield, the Clerk will report the amendment.

The Clerk read as follows:

The Committee on Accounts, having given consideration to the above resolution, recommend that the same do pass with the following amendment:

"In line 1 strike out all after the word '*Resolved*' and insert the following in lieu thereof: 'That there shall be paid out of the contingent fund of the House on vouchers authorized by the special committee created under House Resolution 203, or by any subcommittee thereof conducting such investigation not to exceed an additional amount of $7,500, including expenditures for the employment of experts and clerical, stenographic, and other assistants, said vouchers to be signed by the chairman of the committee and approved by the Committee on Accounts.'"

Mr. FORD of Mississippi. I think the reading of the amendment answers the question of the gentleman from New York.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker——

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. TABER. Mr. Speaker, it seems to me that the proponents of this proposition should give some legitimate reason why this should be allowed before the opponents are given their time. What does the gentleman think about that?

Mr. RICH. Mr. Speaker, I think that is very good information for the House, and we would like to have it. We would like to know why they are going to ask for this money and what they are going to do with it.

Mr. TABER. Mr. Speaker, in view of that situation, I make the point of no quorum right now.

The SPEAKER. The Chair will count.

Mr. TABER. Mr. Speaker, I withdraw the point of no quorum. The gentleman from Pennsylvania is going to reserve his time, and the gentleman from Texas [Mr. PATMAN] will explain the bill.

Mr. RICH. Mr. Speaker, I reserve my time.

Mr. FORD of Mississippi. Mr. Speaker, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

INVESTIGATION OF CHAIN-STORE LOBBY

Mr. PATMAN. Mr. Speaker, about 3 months ago the Speaker of the House appointed a special committee of this House composed of the gentleman from New York, Mr. BLOOM; the gentleman from California, Mr. DOCKWEILER; the gentleman from Illinois, Mr. LUCAS; the gentleman from New Jersey, Mr. MCLEAN; the gentleman from New York, Mr. COLE; the gentleman from Wisconsin, Mr. BOILEAU; and myself to investigate the American Retail Federation. The committee was appointed by reason of the passage of a resolution in this House on April 24, 1935. The resolution was offered by the gentleman from Missouri [Mr. COCHRAN], who alleged that there was being established in Washington what is known as a "super lobby." The resolution names the different officials of different large organizations that were interesting themselves in this organization and were behind it. One of the objectives, as set forth in the resolution, is the following:

Whereas it is apparent that said American Retail Federation is organized for the purpose of increasing the profits of big business, through lobbying tactics, designed to prevent small businesses from securing competitive opportunities equal to those enjoyed by corporations representing vast aggregations of capital.

BIG BUSINESS AGAINST LITTLE BUSINESS

Therefore the objective was to find out if big business was organizing to squeeze out and destroy small business in this country. It is set forth in this resolution.

It says further:

Whereas the gigantic sum of $750,000 has already been pledged or contributed to this superlobby by the greatest aggregation of rich and powerful department stores and chain stores of America ever brought together for the purpose of directly or indirectly nullifying the effects of the N. R. A., the A. A. A., the Sherman Act, the Clayton Act, and other antitrust laws now on the statute books of this Nation, and by propaganda and other methods inimical to the public welfare, to attempt to control and influence the Congress of the United States in its legislative deliberations; and

Whereas it is further reported that this superlobby, the American Retail Federation, is now proceeding upon a plan designed to force the small independent retail merchants of America, engaged in the sale of the necessities of everyday life, to contribute an additional $2,000,000 annually to the funds available to this organization in its lobbying activities, and for the further purpose of permitting it to disseminate propaganda among the consumers and producers of the United States; and

Whereas it is inimical to the welfare of the citizens of the United States to permit the organization and functioning of such a superlobby, designed for the purpose of intimidating and influencing Members of Congress through direct and subversive lobbying activities, as well as through coercing hundreds of thousands of underpaid employees throughout the Nation to flood the respective Members of the United States Congress with letters, petitions, and propaganda designed to improperly and untruthfully represent the public sentiment of the respective constituencies of said Members of the Congress.

Whereas it is apparent that the achievement of any or all of the purposes of said American Retail Federation will react to the detriment of the farmer, the wage earner, and the consumer, on the one hand, and will serve to injure the employers of labor and the laboring man, on the other hand.

MANY ORGANIZATIONS INVOLVED

The resolution lists a number of different organizations that are advertised as being members of this superlobby to be set up here in Washington.

The resolution further states it is alleged that the sum of $750,000 has already been pledged or contributed to this superlobby by the greatest aggregation of rich and powerful department stores and chain stores of America, and so forth. Then it asks that a special committee of seven be appointed and directed to investigate the aforesaid American Retail Federation, its capitalization, its membership, its objectives, and the sources of its funds, and its financial connections, its officers or agents, and to investigate the record of stock dividends, officers' salaries, profits, interlocking directorates, and the banking affiliations of all corporations directly affiliated with or contributing to the said American Retail Federation.

LITTLE EXPENSE EXPECTED

The gentleman from Missouri [Mr. COCHRAN] was chairman of the first committee appointed. On account of illness he was unable to serve, and I was appointed in his place. Mr. COCHRAN did not expect to spend much money by reason of the passage of this resolution. He expected to use Federal Trade Commission representatives. After Mr. COCHRAN resigned and I was appointed, the Federal Trade Commission furnished us several representatives. Using those representatives, we started to make the investigation. By reason of additional duties imposed upon the Federal Trade Commission, the Federal Trade Commission was forced to withdraw those employees, and we could not use them any longer. Therefore we must have employees of the committee do this work if we are to carry out the mandate of this resolution which was passed by the House of Representatives.

ONLY $2,500 APPROPRIATION

In starting out with an appropriation of $2,500, of course, we did not know whether we would need any more or that much, but we have almost spent the $2,500 in the 3½ months' time we have been working. We have conducted hearings in Washington. Oftentimes we have been compelled to pay as much as $75 a day for services of reporters,

when we could not get the committee reporters. That is quite an expense. The reporters work on a statutory-fee basis. It was also necessary that we have a good clerk and a stenographer. My telephone calls average from 75 to 125 a day over two telephones, and at least 50 percent of these calls are about this investigation. Besides, the correspondence is very heavy. We have at least 35 personal callers a day at the office by reason of this investigation.

GREAT INTEREST MANIFESTED

As evidence of the interest that has been manifested in these hearings, permit me to invite your attention to the fact that the Government Printing Office has probably sold more copies of the hearings before this committee than the Government Printing Office has ever sold of hearings before any special committee. Just the other day we had printed the consolidated hearings up to July 31. When those hearings were printed, the committee could only get 1,000 copies. I am letting each Member of the House have one, and I am dividing the others among the members of the special committee, and we are keeping some in reserve in order that we may have completed sets when the hearings are concluded. The Government Printing Office is selling these books for 60 cents each.

COPIES SOLD BY GOVERNMENT PRINTING OFFICE

It costs the Government about 25 cents to print them, because thousands of them have been purchased for $250 a thousand when ordered in thousand lots. The Government, therefore, is making a profit on these publications, and I predict that the Government's profit will be a substantial sum of the amount that is appropriated to make this investigation. Anyone may purchase a copy of the first volume, containing 507 pages, from the Superintendent of Documents, Government Printing Office, Washington, D. C., for 60 cents.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McCORMACK. When this investigation started, it was for the purpose of investigating a lobby, as I understand, was it not?

Mr. PATMAN. Yes.

Mr. McCORMACK. Now you are investigating a business, are you not?

Mr. PATMAN. No; except what is authorized in the resolution and the amendment. It is part of the same thing. The resolution reads to the effect that the big concerns have organized for the purpose of squeezing out the small concerns.

Mr. McCORMACK. But the original resolution provided for the investigation of a lobby.

Mr. PATMAN. I am talking about the original resolution. I ask the gentleman to read it himself.

Mr. McCORMACK. But we were told on the floor about some association down here that was raising money and that this resolution was passed for the purpose of investigating that association.

Mr. PATMAN. We are investigating it.

QUESTIONNAIRES SENT OUT

Mr. McCORMACK. I understand that now the gentleman's committee has sent out questionnaires calling upon business men to make certain reports that the gentleman's committee has followed up by three different questionnaires, one asking what stock they own and what stock members of their families own. Is that correct?

Mr. PATMAN. We are carrying out the mandate of the House of Representatives. One question was asked about stock ownership. Several objected to answering this question as to small blocks of stock, and they were told it would be unnecessary to answer it as to a small ownership of stock. We have tried to be fair and considerate. Some of these officials do not like to give up the information we are seeking, and naturally they are hard to please.

Mr. McCORMACK. But we were told——

Mr. PATMAN. Let me answer the gentleman's question. He cannot ask a question and expect me to answer it while he asks another; let me answer the gentleman. Let me read a part of what the resolution says. It is 5 pages long. The resolution reads:

A special committee of seven, to be named by the Speaker, be created and is hereby authorized and directed to investigate the aforesaid American Retail Federation, its capitalization, its membership, its objectives, the source of its funds, its financial connections, and its officers and agents, and to investigate the record of stock dividends, officers' salaries, profits, interlocking directorates, and banking affiliations of all corporations directly affiliated with, or contributing to, said American Retail Federation.

The resolution further provides:

Resolved, That for the purpose of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places in the United States, whether or not the House is sitting, has recessed, or has adjourned, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books and documents, to administer such oaths, and take such testimony as it deems necessary and advisable.

No questionnaire has been sent out by this committee that does not comply with this resolution that was passed by the House of Representatives, I will say to the gentleman from Massachusetts.

Mr. McCORMACK. We were specifically informed, as I remember, that this was for the purpose of investigating some proposed lobby. I understand, however, that it is going into a complete investigation of the business which the Federal Trade Commission has recently completed, after 2 or 3 years' work, and the questionnaires have been sent out to legitimate business men asking what stock they own and what stock members of their families own.

Mr. PATMAN. I should much prefer the gentleman did not take up all my time.

Mr. McCORMACK. I am sure the gentleman can get more time. I think the investigation is pretty far-reaching.

Mr. PATMAN. I think if the gentleman will examine the resolution and will examine the questionnaires he will find that the questionnaires comply with the resolution passed by this House. If it does not comply with it, we will make it comply with it. If we have asked for information not authorized by the resolution, we shall certainly not insist on it.

QUESTIONNAIRES CAREFULLY PREPARED

The questions were prepared by the Federal Trade Commission representatives. We got those representatives who were connected with the chain-store investigation conducted by the Federal Trade Commission so they could better prepare the very questionnaire to which probably the gentleman refers. The questionnaires were prepared and sent out in compliance with this mandate. The resolution was passed by the House of Representatives, and we are still doing and expect to continue to do exactly what the House had in mind when this resolution was passed.

INVESTIGATION MISREPRESENTED

It is true there have been lots of reports put out about this investigation. The truth of it is, Mr. Speaker, we have gotten under the skin of some of these fellows; we are really getting pay dirt. We are investigating in a different way than any other special committee or the Federal Trade Commission has in respect to this matter. We are disclosing things that never have been disclosed, and that is the reason there is such an enormous demand for these hearings. Thousands and tens of thousands of copies are being sold. It is because of the interest in what we are doing and the disclosures that we are making. To get down to brass tacks, it is a fight between the big department stores joined with the big chain organizations and the independent merchants of this country.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. COLMER. As I understand the purpose of this investigation, it is to show that the small, independent merchant is being discriminated against by the chain stores; and that if this investigation discloses such a state of affairs, then remedial legislation will be offered to Congress to correct the situation.

Mr. PATMAN. That is exactly right; that is one of the purposes.

Mr. COLMER. To give the independent merchant an opportunity to exist.

Mr. PATMAN. The heads of these organizations got together for the purpose of trying to force their viewpoint upon the American people through the newspapers, over the radio, and in every way in which people are communicated with. That is what they did. The chain-store executives and department-store heads did that. One of the witnesses before our committee testified that he paid one newspaper in his town $300,000 a year advertising bill. Probably that would have no significance were it not for the fact that the other big department stores in all the other large cities in this country pay similar sums to their newspapers, get together for the purpose of getting their information in their way to the people of this country and force the chain-store theory upon the American people. That is what they are expecting to do. They are pooling their resources, power, and influence for the purpose of keeping the American people from getting the truth about the chain stores.

Mr. MAY. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. MAY. I am very much in sympathy with the gentleman's proposal, but may I inquire whether or not the gentleman and his committee already have sufficient information to enable the Congress to enact the necessary legislation to stop these evils without the expenditure of further funds in making an investigation?

Mr. PATMAN. If we had sufficient information we would not ask for additional funds. I told the committee frankly I did not think we would need $25,000. The committee suggested $25,000, but I told them frankly that I did not believe we would need $25,000; therefore they cut it down to $7,500.

We have not employed lawyers. We are our own lawyers. We are doing the work ourselves. The committee has met on Sundays; it has met at night and has worked overtime on this investigation, because we feel that it is in the public interest. We are not going to spend a penny more of this money than we have to spend in order to do the right kind of a job and do just exactly what the House told us to do when we were appointed members of the special committee.

Mr. MAY. I read a bill which the gentleman from Texas introduced, and I thought it covered the question very thoroughly. That was some 2 months ago. Have the gentleman and his committee discovered anything new since the date he drafted that bill?

Mr. PATMAN. Yes. We are making new discoveries every day in reference to discriminations in prices, and, may I say to the gentleman, that the Federal Trade Commission did not report what we are reporting. The Commission was not charged with such a duty. The Federal Trade Commission dealt in statistics largely, but not wholly. We are disclosing names and secret debates. For instance, we had one witness who appeared before our committee who disclosed more than 300 contracts that his large chain concern had with manufacturers, giving him secret rebates and secret discounts which independent merchants did not and could not get. The independent merchants of this country are forced to pay such a high price for their goods that the chain stores can sell the goods for the same price that the independent merchants must pay for their goods, and make enormous profits, pay enormous dividends, and high salaries.

CHAIN-STORE LOBBY TRIES TO STOP INVESTIGATION

The Committee on Accounts, that reported this resolution which authorizes the additional appropriation of $7,500 for this investigation, is composed of the following members:

Lindsay C. Warren (chairman), Mell G. Underwood, Joe Starnes, A. L. Ford, James Wolfenden, John J. Cochran, Charles Kramer, Nat Patton, Jared Y. Sanders, Jr., Leo E. Allen, and Donald H. McLean.

The chain-store lobby here in Washington, which has as its membership 160 chain-store organizations, has been bombarding the members of this committee with all kinds of false and misleading information, endeavoring to stop an appropriation for our committee, which would stop the investigation. They have showered the members of the committee with all kinds of letters and documents trying to discredit our committee, doing everything within their power to bring the nvestigation to a halt. This chain-store lobby has even gone so far as to protest to the Speaker of the House against the continuance of this investigation. They were absolutely unsuccessful. I appreciate the fact that this committee and the Speaker have not yielded to any extent or to any degree to this enormous pressure and influence. They are not the kind of men who will yield under such circumstances, where selfishness and greed is on one side and the public welfare is on the other side. It is gratifying to me, as chairman of the committee, to know that our committee is supported by the Speaker of the House, the Accounts Committee, and practically all the Members of the House.

The original resolution, House Resolution 203, was amended June 4, 1935, to read as follows:

And to investigate the trade practices of individuals, partnerships, and corporations engaged in big-scale buying and selling of articles at wholesale or retail and their associations.

NEWSPAPERS' SHORT-SIGHTED POLICY

Many managers of newspapers yield to the influence of large department stores and the chain-store organizations because of the tremendous amounts paid to them for advertising. Very little has been seen in many newspapers about our investigation, although startling and astounding facts have been disclosed for the first time. These newspaper managers are overlooking the fact that when the chain stores get control that they will quit advertising in the newspapers. They will do what many of the chain stores are doing today where they have control in a community. I have in my possession an advertisement of the J. P. Morgan & Co. Safeway Stores. It is the same size as a 4-page newspaper. It is prepared to be addressed and mailed to any box holder at a post office or on a rural route. This is the kind of advertising they will do when they get control in your community. The newspapers are wrong in permitting this valuable means of communication and vehicle of dissemination of knowledge and information to be influenced by the chain stores and department stores or big business generally. The people have an interest in newspapers. Newspapers exist partly by reason of Government bounty. A weekly newspaper does not have to pay postage on newspapers sent to subscribers in the county where the newspaper is published. This free franking privilege cost the Government $7,554,355.43 last year. The Government also lost more than $26,000,000 on the cost of carrying daily newspapers through the mails last year. The daily newspapers paid the Government $7,944,479.33 as postage last year, whereas it cost the Government $34,218,-224.20 to render the service. All other publications, including publications exempt from zone rates, such as the Safeway circular, caused the Government a loss of more than $35,000,000 last year. Parcel post, alone, cost the Government a loss of $19,057,955.07.

No newspaper should be influenced against the public interest. I do not claim that all of them are influenced against the public interest, but certainly with the enormous bounties and subsidies given to newspapers they should be fair in every way and give both sides of every question a fair amount of space, and not permit chain stores, department stores, or any other group to influence their actions or policies.

SEVERAL SPEECHES ON THIS SUBJECT

I have made several speeches in the House of Representatives on the subject of independent merchants and the destruction of independent business by chain stores. I have told the Members of the House much about what one trade journal has described as "the motive behind the world's greatest lobby organization."

FUTURE COURSE OF COMMITTEE

Our committee, if this appropriation is allowed, expects to make an investigation of the following: First, lobbying activities of the American Retail Federation, its members and those cooperating with it; second, discriminations in price that are beneficial to large chain-store concerns and detrimental and unfair to independent merchants.

I believe that our committee has much constructive work ahead of it; that we will make disclosures that will not only save the independent merchants of the country and expose a deceitful and treacherous lobby of chain- and department-store executives but will prevent a policy being continued that will eventually destroy our Nation. The people who built this country in time of peace and saved it in time of war are entitled to at least the same rights, privileges, benefits, and opportunities as the largest chain- and department-store concerns in America. They are not asking for more—they are asking for that much. No fair person should deny them equal benefits and equal rights, thereby establishing in this country a policy of equal rights to all and special privileges to none.

GOOD COMMITTEE

I feel indebted to the Speaker for appointing such a fine group of Members of the House to assist me in making this investigation. They are all good, hard-working, conscientious men. They have the interest of the people at heart. They desire to promote the general welfare. They have worked long hours, Sundays, holidays, and nights with me in making this investigation or doing work in connection with it. I am personally greatly indebted to them for their very valuable aid and assistance.

[Here the gavel fell.]

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Interstate and Foreign Commerce, which is conducting hearings on food and drug legislation, may be permitted to sit during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMERICAN RETAIL FEDERATION

Mr. FORD of Mississippi. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I want to say just a word along the line suggested by the gentleman from Massachusetts [Mr. McCORMACK]. I think I know as much about how this resolution originally started as anyone. I do not usually quote a man who is not present to defend himself, but I am so sure of my position now that I shall quote the gentleman from Missouri [Mr. COCHRAN], who, unfortunately, is ill at the present time.

He presented this resolution to me and asked me about it. I said I did not know much about the matter, but suggested that it go to the Rules Committee, allowing them to make an investigation to see what they wanted to do. He said:

> It is so simple I think the Rules Committee will agree to it without having a hearing. The only thing I intend to do is to investigate the lobbying of this organization that was set up here in Washington with General Sherrill at the head of it.

He said further:

> I can do the work with my own committee, and I doubt that there will be much expense. The work certainly will be done here in Washington, and that is the only intent and purpose of the resolution.

I think the gentleman from Missouri made practically the same statement on the floor of the House when the resolution was being considered. This resolution never would have gone through by unanimous consent, I can assure the Members, if it was intended to make an investigation of all kinds of business and duplicate the work being done by the Federal Trade Commission. I do not think that was the intention of this House when the investigation was started, and I can see no reason for doing that now.

Mr. Speaker, I think we have gone far enough and we should let the Federal Trade Commission, which has all of the facilities for making such investigation, proceed to make it. The trouble is if you make an investigation of this kind it is out of date tomorrow and another one will have to be made. The Federal Trade Commission is the instrumentality to do this work, and we ought to let them do it.

Mr. McCORMACK. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is my understanding that the Federal Trade Commission has recently made a very exhaustive investigation.

Mr. SNELL. They are continually making such investigations.

Mr. McCORMACK. And at a tremendous expenditure of money.

Mr. SNELL. We appropriate millions of dollars for them to do this work. This is a duplication of effort, and everybody knows it.

Mr. McCORMACK. Confirming the statement which the gentleman from New York made concerning the gentleman from Missouri, may I say that the gentleman from Missouri [Mr. COCHRAN], who is a friend of mine, spoke to me about this matter and specifically said that this was for the purpose of investigating a lobby of some kind, without mentioning any names, and that he had nothing else in mind.

Mr. SNELL. That is exactly what he stated to me.

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, the resolution now before us requests $7,500 for the continuation of an investigation. I read in the RECORD a few days ago some of the statements made by the gentleman from Texas [Mr. PATMAN], and I agree with him that a lot of information is given there which is vital to the welfare of this country when we speak of doing business with the little fellow. I think if and when great, large corporations are permitted to give secret rebates that are going to eventually affect little industries of this country, we are certainly doing harm to the small-business man. On the other hand, it seems to me that the committee in charge of this investigation, if they are permitted to work at a time when the clerks are not on vacation and when the Congress has adjourned, might be able to do a lot of this work without additional cost. It seems to me that we ought to be as economical as possible in trying to save the resources of this country. This is imperative.

Mr. Speaker, I appreciate that this investigation is going to entail a lot of work on the part of the members of this committee, but the Members of Congress, like other Government officials, are being paid for their time. When we give them an assignment of this kind it seems to me that they ought to utilize their own time in making the investigation without cost to the taxpayers. We have a lot of clerks that will soon be at the service of this committee and I have no doubt that various committees of the House have experienced men who can give additional information, also public stenographers can be used, and I should like to ask the gentleman from Texas if this amount could not be pared down so he can go into just the things that are vital with respect to the secret rebates being paid and then draft a bill prohibiting such practices. It seems to me if we would enforce the Sherman antitrust laws and enforce the laws prohibiting these great consolidations of business we would prohibit great injustices. It would not require this amount of money to do the work that the committee eventually will do after they have had exhaustive hearings and have gone into the details with respect to some large corporations.

Mr. PATMAN. Does the gentleman want me to answer the question?

Mr. RICH. I should like for the gentleman to answer it.

Mr. PATMAN. I do not think so. Of course, I cannot tell the gentleman all that we would like to do, because it would be like hunting ducks with a brass band, but I may assure the gentleman that we convinced the Committee on Accounts that certainly this amount of money is reasonable, and if it is not used it will be turned back. I was chairman of an investigating committee once before and I turned back about 50 percent of the amount appropriated for that purpose, and I can assure the gentleman that not one penny of this amount will be expended unless it is in the interest of the public welfare and spent pursuant to the resolution.

Mr. RICH. I may make one further observation with respect to a number of these investigations. Sometimes we have investigations that go into a lot of things that pertain

to private individuals and do not pertain to the question of whether the large corporations are injurying small business or not. It seems to me that a number of the investigations by Members of Congress have been more along the line of snooping. I do not think we should stoop so low as to indulge in this practice, which I am sure we will all agree is entirely wrong. In so doing we do more harm than good.

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, any man who understands business and who has sat behind a selling desk in this country where he sold goods to the chain stores, whether in the drug, hardware, clothing, or food business, if he has a streak of human kindness in him knows the need of this investigation. Why is there an attitude in this country today against big business. It is because of the way big business conducts itself, and this is the only reason. [Applause.] There is no reason for big business to conduct itself the way it does in this country. I favor big business. I want big business because through its agencies great service, low-unit costs, mass production of comforts for our people can come, and I do not know any other way we can secure these comforts. I have been around enough to know this, and, furthermore, there is no investigation that this Congress ever dreamed of that is more greatly needed today than is this investigation. It will show up some of the sins of bigness and thus help save big industries for the good of our people. It will assist in helping to protect big business from its own nefarious schemes which will otherwise most likely continue.

You cannot run this country without home-owned retail stores. You cannot run this country with mismanagement of big business, and as one who has been through the mill, as one who has been put in the sweatbox by the chain stores, as one who has suffered with the little merchants of this country, I know what is going on, and I know that the Federal Trade Commission reports do not show what this investigation is bringing out. If the Federal law and procedure permitted, I would prefer financing the investigation myself rather than see it die. This is how much I believe in it, and in doing so it would be in the interest of the retail merchants of the United States in the various lines of industry, and our total population.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. LUNDEEN. I should like to raise the amount from $7,500 to $25,000.

Mr. CRAWFORD. Before this committee can make the investigation which it should make, it will have to visit the larger industrial centers of this country and call before the committee the men who are giving these rebates. I can give you the names of scores of them and I can tell you what a lot of the rebates have been and I can show you how this is crucifying the little merchant in the small town, because I have made it an important part of my business in the last 20 years to pick up some of these facts and figures, and I just cannot believe this House will refuse this $7,500 for this purpose, if the committee needs it. If it does not need it, let it turn the money back, and I hope when we get to the end of the road, if it needs some additional money we will let it have it.

If there is any one thing that we should do now, it is to give further encouragement to the small home-owned retail merchandiser of this country, so he can stay in business and operate against the chain. He cannot do this if the men who sit at the selling desks, selling these different commodities, are to continue the crucifying, special, inside rebates. Why, they will take the buyer of a big chain store out on the golf course and bet him $100 a shot and lose the bet in order to get a cash rebate to him if they cannot get it to him in any other way. They will use the most ingenious devices to give these special rebates, and this is what is causing your big chains to grow so much more rapidly than they would otherwise.

Mr. PATMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAWFORD. I yield.

Mr. PATMAN. The gentleman probably knows that more pressure was brought to bear on the members of the Committee on Accounts against this resolution than probably any other resolution that has been presented. The chain-store organizations have filed one letter after another protesting against this investigation. They have even gone so far as to appeal to the Speaker of the House and file letters with him protesting against the continuance of the investigation.

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I want to say to the Membership of the House that I believe the chairman of this special committee is honestly and sincerely trying to conduct this investigation in order to get information to give to the House in the public welfare.

It is my opinion that the Federal Trade Commission has performed a very valuable service. I have always been an advocate of appropriating sufficient funds for the Federal Trade Commission because I believe that their investigations are of immeasurable benefit to the people of the country. I commend them for their report on the chain-store investigation. I think they have put into the record some very valuable information, but I say to the Membership of this House that if we ever expect to arouse public opinion in this country, if we ever expect to have the people of this country stand back of and support legislation in the interest of the independent merchants of our country, if we expect the people of this country to demand that the Congress of the United States enact legislation that will prohibit secret rebates and other advantages being given by the manufacturers to the chain stores, then we must do something in addition to what the Federal Trade Commission has done. We must bring this matter out into the open. We must let the people of the country know what chain stores are getting rebates, advertising allowances, and other advantages that wholesalers and independent merchants are not getting. We must bring this out from under cover.

I believe this investigation has thus far succeeded in familiarizing the country with some of the conditions that exist. We must continue this investigation so that we will get sufficient information to show the need of legislation to protect the small business man, the backbone of our country, to protect American individualism against continuing encroachment by the powerful few—to protect our people from the continuous encroachment of those who would do all the business and create further mergers, monopolies, and combinations and control not only the manufacturing but the distribution of the necessaries of life.

I say to the Membership of this House that as one member of this special investigating committee I shall support the chairman in making as thorough an investigation as this appropriation will provide. I shall do what I can in assisting him to bring this matter into the open, and I shall cooperate to the extent of my ability, as will the other members of the committee, in keeping the expenses down as low as possible and to get for the American people and for this Congress as much information as we can with the appropriation entrusted to this committee.

Mr. FORD of Mississippi. Mr. Speaker, I move the previous question.

The SPEAKER pro tempore (Mr. MCREYNOLDS). The gentleman from Mississippi moves the previous question.

The question was taken, and the previous question was ordered.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution as amended.

The resolution, as amended, was agreed to.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and twenty-five Members present, not a quorum.

Mr. MEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 157]

Adair	Ditter	Hennings	Pettengill
Andrew, Mass.	Dockweiler	Hess	Peyser
Andrews, N. Y.	Doutrich	Hildebrandt	Quinn
Arnold	Drewry	Hoffman	Ransley
Bankhead	Duffey, Ohio	Hook	Reece
Bell	Dunn, Miss.	Keller	Rogers, N. H.
Berlin	Eaton	Kennedy, Md.	Romjue
Bolton	Eicher	Kimball	Rudd
Brown, Mich.	Evans	Kniffin	Schaefer
Buckley, N. Y.	Fenerty	Lamneck	Seger
Bulwinkle	Ferguson	Lehlbach	Shannon
Cannon, Wis.	Fernandez	Lesinski	Stack
Cartwright	Fish	Lucas	Stewart
Cary	Fitzpatrick	McAndrews	Stubbs
Cavicchia	Frey	McGroarty	Sullivan
Chapman	Fulmer	McKeough	Sutphin
Claiborne	Gasque	McMillan	Sweeney
Cochran	Gifford	Martin, Mass.	Thomas
Cole, N. Y.	Gilchrist	Miller	Thurston
Connery	Goldsborough	Monaghan	Tinkham
Cooper, Ohio	Goodwin	Montague	Underwood
Corning	Gray, Pa.	Moran	Wadsworth
Cox	Greenway	Murdock	Walter
Culkin	Greenwood	Oliver	Weaver
Darden	Guyer	O'Malley	Whelchel
Darrow	Hancock, N. Y.	Owen	Wilson, Pa.
Dietrich	Hancock, N. C.	Parks	Wolfenden
Dirksen	Hartley	Perkins	Wolverton

The SPEAKER pro tempore. Three hundred and seventeen Members are present, a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

WAR IS COMING—WHAT CAN WE DO TO ESCAPE IT?

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a radio address I delivered last evening.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, in Europe, Africa, and the Far East the seeds of war are being sown. The danger of war is not visionary and far away—it is near and real. I believe the Congress of the United States owes a sacred duty to humanity, and especially to the fine young men of America who are potential cannon fodder, to do something to keep this country out of war. I believe the most effective way to accomplish this result is to adopt the resolution I have introduced which provides for a referendum on war and for taking over of war properties by the Government in case of war, so as to remove the profit incentive to war. If my resolution is adopted, America will not enter another war unless that action is approved by a majority of the men and women who comprise the American Nation. If my resolution is adopted, a small coterie of men and women comprising the Congress of the United States, subjected to the intense heat applied by special interests, pulled and hauled, cajoled and bullied by the factors demanding war, will not render the judgment as to whether there shall be war or peace, but that judgment will be rendered by those who, if war comes, will have to do the suffering and the dying and to pay the awful costs of war. Time is precious. Every day finds our State Department drawn closer to the web of international complications. In view of the world situation House Joint Resolution 167 (the war referendum resolution) has become a measure of the utmost importance which deserves and should receive the immediate attention of the Congress.

Mr. Speaker, the views expressed above were elaborated by me in an address over the American Broadcasting Co.'s network yesterday evening and by unanimous consent of the House that address is herewith presented in the CONGRESSIONAL RECORD with a request that all who are feeling concern over the trends and tendencies of the times will give it their serious attention. The address follows:

ADDRESS BY HON. LOUIS LUDLOW, OF INDIANA, ON THE SUBJECT "WAR IS COMING—WHAT CAN WE DO TO ESCAPE IT?" DELIVERED OVER THE AMERICAN BROADCASTING CO. NETWORK, TUESDAY, AUG. 6, 1935

In Italy, war lords are manufacturing chemicals to burn the feet off of Ethiopians. Eight-year old Italian children are being feverishly trained and regimented for use as future cannon fodder. In Ethiopia, meanwhile, defensive plans are going forward to turn loose ferocious lions and tsetse flies on invading Italians, the lions to tear them limb from limb and the tsetse flies to infect them with sleeping sickness. More terrible than bullets is the misery spread by that deadly insect whose victims, when spared the mercy of death, become raving maniacs or hopeless idiots. In that sunburned and parched land of the tropics, where the rays of the sun pour down like molten lava and where water is the only soothing and revivifying element, the wells in the pathway of the invading hordes are to be poisoned and agonized death awaits the Italian boys who drink from those polluted sources of water supply. In Italy, monster bombs are being manufactured to be dropped from airplanes on Ethiopian centers of population for the purpose of blowing black men, women, and children to bits.

While all of this damnable hellishness is taking shape in preparing for a war which seems certain to come, and the ultimate ramifications of which no living person can foresee, what are we doing to safeguard America from involvement in another world conflict? The answer, be it said to our everlasting disgrace, is that we are doing nothing worth while. We are drifting, drifting, drifting. There are sins of omission quite as monstrous as sins of commission and in this matter of protecting America from the next war, which invention and science and the modern refinements of cruelty will make the most terrible war of all time, we are sinning away our days of grace.

While we loll in the false security of the ostrich that sticks its head in the sand the ropes are tightening to drag us in. Our State Department is being caught on diplomatic barbs that will ultimately lead us to God knows where. Given a little more time and the munitions manufacturers will begin to say, "Here's our chance to make a cleaning!" As nation after nation is drawn into the maelstrom, the international financiers will begin to say, "Our investments in foreign countries are in peril. America must go to war to help our financial allies and to protect our holdings." Some Judas-minded citizens, posing behind the false masks of patriots, will say, "We are going through the worst depression in our history and something must be done about it. The way to solidify our Nation and to save our Government from collapse is to go to war."

These compose a mighty group of influences. Such influences have dragged countries into war in the past. Such influences will drag our country into war in the future unless the people of America arise in their might and in grim determination take the power of declaring war in their own hands.

It is to protect America from being inveigled into war by selfish, scheming, conniving influences that I have introduced in the Congress of the United States a resolution (H. J. Res. 167) which proposes to amend the Constitution by providing that except in the case of invasion the people shall have the right to say by a majority vote in a national referendum whether or not war shall be declared. With the people themselves is where the power to declare war should reside. That is where sovereignty abides. What could be more fundamentally right than that the people who have to do the suffering and the dying and to pay the awful costs of war should have something to say as to whether war shall be declared?

I venture tonight to state that, except possibly in a few rare instances where a resort to arms is justified, war with all of its hellishness would disappear from the earth if the people had a free, fair, and honest opportunity to express themselves on that issue. Wars are not made by the people. They are made by rulers and by heartless, greedy, conspiring selfish interests that wish to coin power and dirty dollars out of human blood. Does anyone imagine that innocent Italian boys—God bless them—want to go against the wild lions and the tsetse flies and to drink of the poisoned wells of Ethiopia? Does anyone imagine that the fathers and mothers of Italy, the peasants who have watched with tender solicitude over their sons from infancy until they arrived at the age of cannon fodder, want to see their flesh and blood sacrificed on such an ungodly altar? No; a thousand times no. War on Ethiopia is not being declared by the people of Italy. Held, as they are, in the mailed grip of a dictator to whom they must render lip service, they appear to be supporting the proposed war of aggression but it is Mussolini who is declaring war, and not the people of Italy, and if the unfortunate people of Italy had the same free and untrammeled right to declare themselves on the issue of war and peace that I propose for the people of America in my war referendum resolution there would be no war between Italy and Ethiopia. It must be tragically disappointing to all who pray for the progress of the human race to reflect that the Italian domination of Mussolini is not greatly different from Italy of the Caesars. Two thousand years ago trembling captives were thrown to wild beasts in the Coliseum at Rome and the dictator of today wantonly hurls his own subjects among the wild lions and the tsetse flies of Ethiopia. Truly, history repeats itself.

Congress, which now has the power to declare war, cannot and will not keep us out of future wars. Congress did not keep us out of the last World War. Congress will not keep us out of the next world war. When the stage is all set for war, when the drums are beating and the fanfare is on at full blast and all the potential influences are brought to bear to force a declaration of war Congress is unable to stand the pressure. Congress cracks under the strain and the war resolution is adopted. This was strikingly illustrated the last time war was declared. Many Members were pressed into voting for war against their inclination and their best judgment. I have been told by a good many Members of that Congress that their votes for war will be a lingering regret to haunt them as long as they live.

Remember, also, that the frailty of Congress as the agency for declaring war would be emphasized if unhappily we had a bloodthirsty dictator in the White House. Fortunately, we now have a peace-loving President who is striving to preserve America's neutrality and to keep us out of future conflicts, but who knows what type of President the next one will be, or the one after the next one? Suppose the next President should be a man of the opposite type—a tyrant with a longing for dictatorial powers? With the world in its present unsettled condition how long do you think it would be until a President of that headstrong type could maneuver us into war?

Some idea, I think, may be obtained from the way the Congress has abdicated its powers to the President in an economic emergency far less vital to the Nation than war would be. Say what we will, Congress during the economic depression through which we are now passing, has surrendered its authority to the President as completely as if it had adopted a formal resolution saying, "We hereby abdicate our powers in favor of the President, to be exercised as he deems best during the period of the emergency." Having done that in an economic situation, how much more certain is it that the Congress would yield—lock, stock, and barrel—to the President in a graver crisis, when the atmosphere of war has been created.

I repeat that 531 men and women, comprising the Congress of the United States, cannot stand up under the impact of the terrific pressure that will be brought to bear to force a declaration of war, and it is unfair to ask them or to expect them to do so. They are not the ones who should decide this question. The decision should be made not by the agents but by the principal, and in this case the principal is the 125,000,000 people who comprise the American Nation. The people to decide whether or not America shall go to war are the men and women who will have to support war, if war comes—the men who will have to die and the women who will have to do most of the suffering. They should decide this question in the secrecy of the ballot booth with only God as their witness. In the privacy of the booth, untrammeled and unafraid, they can register the dictates of their consciences, and the verdict of the referendum will then be the true thought and judgment of the people.

In a nation established on the bed-rock principle of Jefferson that "all men are created equal" there never has been any argument that amounts to anything against allowing the people to vote on a declaration of war, except one. The one and only argument related to the length of time required to hold a referendum which it was contended in an emergency and great crisis might cause a delay that would jeopardize national interests. That argument might have been good in the stage-coach days, but it is not good now. Modern invention has sponged it out of existence. The one and only true objection to a war referendum has been eliminated by the telephone and telegraph, by fast trains, air mail, and radio. The express train now roars its way across the continent in 100 hours, the airplane in less than one-fourth of that time. Sitting before the microphone at this moment I am speaking to listeners thousands of miles away. Communication in this modern age is not only rapid—it is instantaneous. If the President of the United States were to go on the radio and tell the people of the United States that the time had come to take a referendum on war and that circumstances required speedy action, how much time—or rather how little—do you think the process would require?

War, at this hour, broods over Europe, Africa, and the Orient. It is a time for action. Delay is criminal negligence. If my proposed referendum is adopted, the fathers and mothers of America will have the right to say in the ballot booth whether their sons shall be sacrificed to wild lions, tsetse flies, and poisoned wells in an alien land on the other side of the globe. They will have a right to say whether their sons shall be sent into the hell of a foreign war, to be slaughtered or to be returned home with broken bodies and shattered minds, and all of the light of life blotted out. A declaration of war is not an idle and inconsequential thing. It signs the death sentence of the fine young manhood of the United States, and certainly it is important enough a matter to entrust to the composite judgment and conscience of America.

How many of you who are listening in are with me in this fight? If you approve my efforts, if you wish to be among those earnestly striving to keep America out of war and thus trying—God helping you—to render a major service to humanity, write to the United States Representatives and Senators from your State, urging them to support House Joint Resolution 167—the war referendum resolution—and send me a copy of your letter. Swords are rattling and war drums are beating. Now is the time for action.

MAINTAINING OUR NEUTRALITY

Mr. KLOEB. Mr. Speaker, I ask unanimous consent to extend my remarks by including a radio address made by me last evening.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KLOEB. Mr. Speaker, under leave to extend my remarks in the RECORD I include a radio address delivered by me on invitation by the National Broadcasting Co. over a Nation-wide hook-up on August 6, 1935.

The radio address follows:

My Friends: When a man becomes a Member of Congress he is assigned to serve on a committee. He soon realizes that the scope of government is so large as to make it necessary for him to specialize in the problems that come before his committee. As a member of the House Committee on Foreign Affairs, I have directed my attention to the study of problems that deal with foreign affairs. These include the broad neutrality questions.

Seventeen years have passed since the close of the World War. What lessons were taught us by that war from which we might profit? What safeguards have we set up to avoid entrance into another war that may lie just ahead?

Since the inauguration of President Roosevelt the efforts of the President and the Congress have, of necessity, been directed primarily to domestic problems. Little time has been afforded for the consideration of the lessons that were taught us as a result of the World War.

Perhaps there were few Americans listening to the President's inaugural address on March 4, 1933, who gave any attention to one insignificant-looking statement, which I quote:

"In the field of world policy I would dedicate this Nation to the policy of the good neighbor—the neighbor who resolutely respects himself, and, because he does so, respects the rights of others."

That, my friend, was the doctrine of the good neighbor which has guided our foreign policy so successfully since the inception of the Roosevelt administration.

However, aside from this policy of respecting the rights of others and of avoiding foreign entanglements, we have not attempted to write into law any prohibition that would guard us against the mistakes that led us so inevitably into the World War.

Those of us who were engaged in the prosecution of that war may easily conjure up a picture of events that transpired prior thereto. The long road that America traveled in the years of her neutrality from August, 1914, to April, 1917, is an interesting and a fateful story. It may perhaps be the same road that America will travel again unless legislation is passed which will forever close the doors to the avenues that led us from our pre-war neutral position. During those years American commercial and financial interests piled up a huge structure of production, export, and debt that bound us by gold and steel to the war fortunes of those countries that later became our allies.

There was no prohibition then against the sale and shipment of munitions to countries engaged in armed conflict. As a consequence we shipped millions of dollars of war munitions to nations that later proved to be our allies and paid for those munitions by extending credit and loans to them. This immediately set up a favorable mental complex in the minds of those Americans who had extended loans and credits. When they saw the cause of their debtors hanging in the balance it became much to their interest to turn public opinion in favor of those debtor nations. Securities and debts to the extent of more than $2,000,000,000 were at stake.

As a result of the munitions investigation we learn that in August, 1914, immediately after the conflagration had broken in Europe, an American firm of international bankers sought the position of the Department of State on the question of making loans to the belligerent nations.

Secretary Bryan took the position that it would be an act that might eventually embroil us in war. A year later he was succeeded by Secretary Lansing, and thereafter the determined position of Secretary Bryan was not assumed by the Department. Huge credits were extended to finance our munitions sales. This was followed by the first big war loan—the $500,000,000 Anglo-French issue, which was floated by the Morgan syndicate. In the spring of 1917 Ambassador Page took the position that the only way in which our permanent trade relations could be maintained and a panic averted would be through our entry into the war.

When the *Lusitania* was torpedoed she carried several hundred American passengers, bound for England. Most of them lost their lives. No law then existed prohibiting the issuance of passports to American citizens for travel in countries engaged in war, and no law then existed requiring American citizens to travel on foreign vessels at their own risk. No such law is in existence today.

There appears now to be no question but that the *Lusitania* was carrying munitions of war in her hold for delivery to England. No law then existed prohibiting the sale and shipment of munitions to countries engaged in war. None is existent today.

No law was then in existence forbidding the making of loans and the extension of credit to warring nations. None is in existence today.

Had laws of this character been in existence prior to the World War, we might have avoided entrance into that conflict.

We were drawn into that war through the surge of economic demands that bound us to the fortunes of those nations that later became our allies. What propaganda, seeking to draw us into the conflict, was disseminated by the munitions merchants and the international bankers of this country who saw a possible loss ahead of them, we shall never know.

We do know that our position of neutrality was abandoned. Think of the chaos and the ruin that resulted from that decision. Picture the brave smiles, the bitter tears, the sad farewells. Fathers saying the last good-bys to toddling children, husbands to wives, boys to their mothers and sweethearts. One hundred thousand killed; 190,000 wounded, at a cost of $23,000,000,000; a post-war cost to this country estimated at $200,000,000,000; business confusion, depression, broken homes, interminable, suffering have been the harvest.

These are the lessons that were written us—written in letters of blood across the scroll of chaos.

Other than the doctrine of the good neighbor, we have not profited from these fateful experiences that led us into that war. We have not translated even one of those lessons into a law that would safeguard the helpless people of this country in event of a repetition of that war.

I have felt, from a study of these problems, that if a law were enacted forbidding the making of loans or the extension of credit to any nation engaged in armed conflict, we would be attacking the spearhead of our whole neutrality problem. Therefore, I introduced a bill, H. R. 7125, which seeks to write this thought into law.

It is believed that the enactment of this bill into law would serve a twofold purpose; first, it would safeguard the neutral position of the United States in that it would prohibit the extension of credit to nations engaged in war and would prevent the flotation of loans which might later prove to be an impelling force in leading this country into the conflict. Second, if the doors of the money markets of the United States are closed by law to warring nations, the leaders who would bring on such a conflict will be less likely to seek war.

President Roosevelt, in a speech before the Woodrow Wilson Foundation, said:

"The blame for the damage to world peace lies not in the world population but in the political leaders of that population."

The political leaders will be less likely to lead their people into another conflict if they know that that conflict cannot be financed through the United States or its citizens.

Further in his speech the President said:

"The definite policy of the United States from its foundation on is opposed to armed intervention."

Now there are two methods of intervention: Armed intervention and economic intervention.

The outcome of modern major wars is as much dependent upon the economic strength of the nations engaged as upon their armed strength. Economic intervention by way of extension of credit or the making of loans by a neutral nation to a nation engaged in war may prove just as potent in intervening upon the side of that nation as direct armed intervention. The complications that inevitably arise from such a method of economic intervention are sought to be forestalled by the proposed bill.

Our efforts toward the enactment of suitable and forehanded legislation that would help to preserve a neutral position that the United States would certainly take in event of another conflict have borne fruit. The President has announced that he favors enactment of neutrality legislation that is now being considered by the House and Senate committees. The bill prohibiting loans and credits is the only one that has been reported out favorably by either the House or the Senate committees.

The Under Secretaries of State—Mr. Phillips and Mr. Moore—met with the House Foreign Affairs Committee last week and offered suggestions as to the enactment of legislation involving embargoes on the shipment of arms, the issuance of passports to American citizens traveling to nations engaged in armed conflict, and the extension of loans and credits to such nations. They prefer that such legislation be permissive with the President rather than mandatory.

A subcommittee, of which I am a member, has been appointed to consider these matters from the standpoint of the study the State Department has given them. We expect to introduce a bill which will form the basis for the enactment of proper legislation.

We hope and pray for definite action at this session of the Congress. At least we know now that we have the blessing of the Department of State and the cooperation of our great President. I know of no problems more vital to the future safety and economic well-being of all the people of our country than the problems that are involved in these questions. It is far better that the munitions makers forego their profits and the international bankers forego their commissions than that this country again be confronted with the horrors of war.

ADDITIONAL COMPENSATION TO CERTAIN EMPLOYEES OF THE HOUSE OF REPRESENTATIVES

Mr. WARREN. Mr. Speaker, I offer a privileged resolution (H. Res. 313) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 313

Resolved, That the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, until otherwise authorized by law, additional compensation per annum, payable monthly, to certain employees of the House, as follows:

To the cashier in the Sergeant at Arms' office the sum of $1,080;

To the assistant cashier in the Sergeant at Arms' office the sum of $1,180;

To the Deputy Sergeant at Arms in charge of pairs the sum of $780;

To the minority pair clerk the sum of $780; and

To the Sergeant at Arms the additonal sum of $1,200 for stenographic services.

SEC. 2. The provisions of this resolution shall become effective on August 15, 1935.

Mr. SNELL. Mr. Speaker, I desire to make the point of order against the resolution, that it is not a privileged resolution.

I appreciate the fact that the Committee on Accounts of the House of Representatives has a right to bring in, as privileged resolutions at any time, resolutions making appropriations out of the contingent fund, which means, as I interpret it, for contingent expenses of the House, and a flat increase of salary is not a contingent expense. I call the attention of the Chair to the definite law on this subject, which I will read:

No payment shall be made from the contingent fund as additional salary or compensation to any officer or employee of the House of Representatives.

I think that is good reasoning, and entirely in accord with the philosophy of the rules. I know it was never intended to give the Committee on Accounts the right to raise salaries, and I will state why: As a matter of fact, what sense would there be in the House of Representatives going all through these laws and establishing salaries by law if the Committee on Accounts could bring in a resolution at any time changing that entire list of salaries, as this resolution specifically states is its purpose?

I claim that based on that definite law, regardless of any rules of practice of the House, this is not a privileged resolution if it has for its purpose the raising of salaries of employees of the House.

Mr. WARREN. Mr. Speaker, I call attention of the Chair to clause 45, section 11, which sets out the privilege status of several committees of the House. Among others, it provides that on all matters dealing with the contingent fund coming from the Committee on Accounts, such resolutions are privileged.

Mr. SNELL. Will the gentleman yield for a question?

Mr. WARREN. Certainly.

Mr. SNELL. Would the gentleman contend that the question of salaries of various employees of the House is a matter to be paid from the contingent fund?

Mr. WARREN. Not generally speaking, although we have several instances where additional salaries have been granted from the contingent fund, and some, as I recall, direct from the contingent fund.

Mr. SNELL. Was a point of order raised at that time against it?

Mr. WARREN. Not that I recall; but my position is this, that the House itself, regardless of any statute, has full control and authority of its contingent fund.

The SPEAKER pro tempore (Mr. MCREYNOLDS). The Chair is ready to rule. It is not a question of what the law may be in this case. It is a question of the proper interpretation of the rules of the House. The only question before the Chair for decision is whether or not this resolution is privileged. We have a precedent where Speaker Longworth passed on this same question. In the Sixty-ninth Congress a resolution was presented by the Committee on Accounts directing the Clerk of the House to pay out of the contingent fund additional compensation to certain employees of the House. Mr. Eugene Black, of Texas, made a point of order that the resolution was not privileged. Speaker Longworth ruled:

This form of resolution has been the practice for a number of years. The Chair would think that the Committee on Accounts would not undertake to add additional employees, but it certainly has been the practice for a great many years to increase salaries by resolution. The Chair overrules the point of order.

The Chair adopts the ruling of the previous Speaker, and the point of order is overruled.

Mr. WARREN. Mr. Speaker, this is the first resolution providing for an increase of salary to any employee of the House of Representatives that has come out of the Committee on Accounts since the Democratic Party assumed control of this House. I may say that it comes here today with a unanimous report from the committee, which is almost the usual thing that happens on every report that we bring here.

Not for one moment will I subscribe to the fact that salaries of House employees should be brought up to a par or a parity with those paid in the Senate, because personally I think many of them are too high, but in the present case we are confronted with this situation. This matter has been pending before the committee for the last 2 years. We told them to come back this session and we would try to adjust this particular office. This resolution provides for a total annual increase of $5,020 a year to be divided among five faithful, loyal, efficient employees of the House, two of whom are Democrats and two of whom are Republicans.

The cashier of the Senate has received for some time a salary of $7,000 a year.

The office of the Sergeant at Arms does a banking business of $12,000,000 annually, yet the cashier of this office receives a salary of only $4,920. It is proposed to bring this salary now up to $6,000. The assistant cashier of the Senate receives a salary of $4,200, while the same position in the House carries a salary of $2,820. It is proposed to bring this up to $4,000. The deputy sergeants at arms of the Senate in charge of pairs—and the Senate has several such—are paid salaries ranging from $4,200 to $5,300 annually, while in the House there are only two such posts, one on each side, and the salary carried by the position is only $2,820 annually. Under this resolution it is proposed to bring these salaries up to $3,600.

The Sergeant at Arms is the only high official in the legislative body who is not allowed a stenographer. Each year there is appropriated $600 for the use of his office for stenographic services. It is proposed to give him $1,800, or an addition of $1,200, in order that he may have a full-time stenographer. The evidence is that for the last 2 years the present Sergeant at Arms of the House of Representatives has had to pay out of his pocket $300 annually for necessary stenographic services in that office.

As I stated, this resolution comes from the committee with a unanimous vote. It is an act of simple justice to raise these salaries. It represented total increase of $5,020. I think, in view of the action of the committee, in view of the careful consideration it has been given in that committee for 2 years, we ought to welcome the opportunity to do justice to these four men.

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, while I do not happen entirely to agree with the distinguished Chairman of the Committee on Accounts today, I do feel that he has done a good service in that position. He has always tried to protect the Treasury of the United States in the matter of expenditures.

So far as the individuals who happen to occupy these positions at the present time are concerned, I do not know of any more faithful, efficient, or courteous employees in any part of the House of Representatives. They are personal friends of mine and I like them. My opposition at this time is based on my feeling that, taking into consideration the conditions that exist throughout the entire country, the number of men who are entirely unemployed, and the extraordinary expenses that are being piled up at the present time, we ought not to increase anybody's salary if he is receiving a reasonable one at the present time.

The gentleman has referred to Senate salaries. The Senate employees all draw much higher salaries than do similar House employees, yet I do not think they are any more efficient or worth any more. So, if we are going to use that as a standard, we ought to go through the list; but my real feeling is, as I have expressed it, and the only interest I have at this time and the only reason for my objection is that I am opposed to the principle of increasing salaries under present economic conditions in this country.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. SHORT. I am sure, however, our distinguished minority floor leader will agree that because of the increased governmental activities the duties and responsibilities of these various officers of the House have been greatly augmented.

Mr. SNELL. I do not think it affects them one iota.

Mr. SHORT. I am sorry to disagree with the gentleman.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, it seems to me that before we give consideration to increasing the salaries of Government employees we should think of the people back home who pay the expenses of Government. We should remember, too, that there are many people back home who would be glad to get positions in the Government. Furthermore, Government employees are probably the best-paid employees on the face of the earth at the present time.

I question whether we ought to increase the salary of any particular individuals at this particular time, for the platforms of both the Democratic and Republican Parties promised economy in Government and a balanced Budget. We must remember, too, that at this time we are $31,000,000,000 in the red.

Those Members of the House who vote to increase salaries will be called upon to answer to the folks back home. I sound a solemn warning that when you get back home you will have to give an accounting of your tenure of office in Washington. How can you explain to the people your votes for the enormous expenditure of public money? You will have to answer this question. You will have to increase taxation or spend less if this Nation will ever survive.

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. LUNDEEN].

Mr. LUNDEEN. Mr. Speaker, I have no objection to the increase proposed if it is a reasonable increase. But I would ask the Chairman of the Committee on Accounts, whom we greatly respect because of his handling of the duties of that office, that the next time we ask for sufficient help for our own congressional offices I hope that he will be with us. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, my friend from Pennsylvania is still painfully partisan.

Mr. RICH. I mentioned both the Republican and Democratic parties this time.

Mr. BLANTON. Mr. Speaker, I am one of those Members of the House who believe that the officers of the House who do service comparable with that done by the officers of the Senate ought to get exactly the same salary.

When Congress convenes again in January I hope there will be a proper meeting of the leaders of the two Houses and that they will see to it that House and Senate officers are paid exactly the same salaries for identical service.

If the Senate officers are paid too high let them be cut down. The Senate controls its own contingent fund and the House controls its contingent fund, but because that is the fact is no reason why officers on the other side of the Capitol, doing exactly the same service as officers on this side, should be paid twice as much salary.

You have some minority employees in this House who are faithful servants of the people, who do not receive one-half of what comparable officers in the Senate are paid. Take Bert Kennedy, for instance, who was our popular and efficient Doorkeeper of the House. He has been serving the people here in continuous service on this floor for the

past 47 years. Yet, the man who does comparable service on the other side of the Capitol to that which is done by Bert Kennedy gets twice as much salary as Bert Kennedy now receives. Take our good friend Collier, our old postmaster, the same thing applies to him. We must adjust these inequalities as soon as we meet in January.

Mr. Speaker, I am interested in seeing that all of these minority employees, who are faithful servants, and have friends on the Democratic side as well as on the Republican side, along with all our majority employees, alike get a square deal. Every Member is their friend. Why should they be discriminated against? As soon as we come back here next January we ought to see to it that proper steps are taken immediately to iron out these differences and see that the House and Senate salaries are put on the same basis.

Mr. RICH. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am not trying to discriminate against Government employees at this time. Does the gentleman think we ought to raise the salaries of all Government employees?

Mr. BLANTON. No; I do not.

Mr. RICH. The gentleman is an economist. Why are we spending all of this money and where are we going to get the money?

Mr. BLANTON. These men in the Sergeant at Arms' office are not paid adequate compensation now and never have been paid adequately, and that applies to all of our House employees, both majority and minority.

We have a pusillanimous, demagogic kind of way of doing things about our own House employees. We are afraid of our own shadow. We are afraid to pay our own House employees what they are entitled to, yet we allow the Senate to pay its comparable employees twice as much as our House employees receive. We must properly correct the situation.

Mr. WARREN. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 174, noes 2.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

RELIEF OF PUBLIC-SCHOOL DISTRICTS

Mr. DRIVER, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 320

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3123, a bill "To provide for the relief of public-school districts and other public-school authorities, and for other purposes, as amended. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXCISE TAXES

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article from the American Tariff Advocate.

Mr. RICH. Is that a newspaper?

Mr. THOMPSON. No; it is not.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. THOMPSON. Mr. Speaker, under leave to extend my remarks, I include herewith a reprint of an article which was published in the American Tariff Advocate on June 15, 1935, entitled "Products of the American Corn Industry Deserve a Greater Use and Consumption." I do this, Mr. Speaker, inasmuch as it is very pertinent to my bill, H. R. 6961, now pending before the Ways and Means Committee, and which proposes to amend the Revenue Act of 1932 by providing an excise tax of 2½ cents per pound on all importations of tapioca, sago, and cassava.

[From the American Tariff Advocate of June 15, 1935]

PRODUCTS OF THE AMERICAN CORN INDUSTRY DESERVE A GREATER USE AND CONSUMPTION—IMPORTS OF DUTY-FREE TAPIOCA AND SAGO PRODUCTS CONSTITUTE A MENACE

Heavy imports of duty-free foreign starchy materials continue to depress the domestic industry. The main bulk of foreign material is tapioca flour and sago flour, which compete with American cornstarch in the cotton mills, paper mills, in the manufacture of adhesive tape, of explosives, and in the production of yeast.

Importations of these foreign starches have more than doubled in the last 10 years and at the present time are coming into the United States at the greatest rate on record. While tapioca has some uses where it does not compete with cornstarch, the main bulk of the imports are directly competitive. No important country in the world, other than the United States, permits importation free of duty. It is also interesting to note that some of the most highly industrialized countries of the world, such as France and Germany, consume little sago and tapioca starches, indicating that they are not indispensable.

Under the obligation of American business to pay a fair price for raw material and labor and to cooperate with recovery policies, the starches made from American corn cannot compete on a price basis with the duty-free foreign starches. Unless American industry and agriculture are to be protected by tariff from competition from countries where lower labor standards prevail, then the whole program of economic reform, with which the administration has been courageously grappling, should be scrapped.

The peasants of Europe and the coolies of Asia will determine the buying power of American farmers and American workmen if we are to surrender our historic right to self-determination of the conditions under which competitive products may cross our frontiers. A program which seeks to remedy a condition resulting from an alleged surplus, by reducing the production of corn and wheat and paying for that reduction with public funds raised by a tax paid by every man, woman, and child, should be accompanied by a consistent policy to prevent the importation of commodities in direct competition with those we produce.

The administration has left the back door open so that tapioca and sago starch, which displace corn, can enter. This is a great injustice to the American farmer and workman, as great strides in the manufacture of corn products have been made by the 11 refining plants spread through the Midwest, which consume about 80,000 000 bushels or more of corn annually in the making of nearly a billion pounds of corn sugar a year, more than a billion pounds of corn sirup, and more than a hundred million pounds of dextrin.

In addition, more than 800,000,000 pounds of corn starch are normally sold to the textile industries, paper manufacturers, powder makers, and adhesive manufacturers. Dextrin is used as the gum on postage stamps. Corn products have broken into the glazing and parchment business and into the motion-picture industry as a waterproof emulsion.

It is the duty of our Government to act in a straightforward manner and put a stop to the increasing importation of foreign starchy materials; this should be done in behalf of hundreds of thousands of domestic farmers, the thousands of workmen engaged in the great corn products refining industry, the millions of dollars invested in plants, equipment, and great research laboratories, and for the good and future welfare of the American people as a whole.

IF "SELF-PRESERVATION" IS THE FIRST LAW, THE ENACTMENT OF S. 5, TO STRENGTHEN AND AMPLIFY EXISTING LEGISLATION ON FOOD AND DRUGS, IS IMPERATIVELY DEMANDED

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, in view of the fact that S. 5 is now being considered by a subcommittee of the Committee on Interstate and Foreign Commerce and because, in my opinion, this legislation should be enacted into law before adjournment, I am pleased to insert in the RECORD an analysis of this bill in order that the people may know the efforts now being made to protect their health, as well as their pocketbooks, through new-deal legislation. I have grouped my analysis in respect to the various sections of the bill so that any individual interested in any section may more easily understand the benefits which would accrue from the enactment of this highly meritorious measure.

In this connection it is well to recall that the two outstanding purposes of the famous Wiley Pure Food and Drug Law of 1906 were to protect the public health and to prevent deception. The legislative history of that measure, the administrative policies followed in its enactment, and innumerable court decisions interpreting its provisions give abundant

evidence of these purposes. The experience of more than a quarter of a century of enforcement has shown that there are many weaknesses of the Wiley law. S. 5 represents a carefully considered effort—based on actual experience, and not mere theory—to strengthen the existing legislation and bring about more nearly the original objectives.

FALSE ADVERTISING KILLS BUSINESS BY DESTROYING PUBLIC CONFIDENCE

One of the outstanding avenues of escape available to the unscrupulous has been the lack of effective control over false advertising. Cases without number have been brought under the present law against misrepresentations in labels. Too frequently this has resulted merely in the transfer of unwarranted statements from the labels to advertising.

For instance, Listerine has been advertised as a remedy for tuberculosis, pneumonia, and so forth, although the label failed to state these claims. Lydia Pinkham's Vegetable Compound has been widely sold under a label which merely says, "Recommended as a vegetable tonic in conditions for which this preparation is adapted", while it is advertised as beneficial in cases of female weakness, "pains in the side", run-down conditions, nerve troubles, and so forth. Incidentally the actual value of this product might be inferred from the fact that the law places no limitation to the extent to which truthful claims may appear on labels.

These two products are, however, by no means the only offenders. Many other concerns advertise their products falsely although their labels are true. Section 601 of S. 5 is designed to require observance of the same standards of truth in advertising that have through all these years been applicable to labeling.

There has been no disagreement as to the existence of grossly false advertising. Those who entertain the most enthusiastic belief in the beneficent part that advertising plays in our economic and social structure admit the existence of grievous evils. The most casual observer has seen repeated examples of gross exaggerations. The public is becoming more and more conscious that misrepresentation abounds. Increasing lack of confidence in advertising is adversely affecting the sale of meritorious goods as well as fakes. The public has no way of differentiating between the sales appeal that is genuine and that which is meritorious. I understand the great advertising industries in general approve of this bill. Certainly there should be no loss to any worthy commercial endeavor if all that is required in the preparation of advertising is to observe the truth. Once the public recognizes that the advertising of the commodities controlled by the bill is under effective regulation, then advertising will become a better sales medium than it has ever been. Both the public and those who engage in advertising will gain from this legislation. Only those who cheat and defraud will suffer.

ADVERTISING OF FOOD, DRUGS, DEVICES, AND COSMETICS SHOULD BE CONTROLLED BY THE DEPARTMENT OF AGRICULTURE

Amendments to S. 5 have been proposed to deny the Department of Agriculture the authority to regulate the advertising of food, drugs, cosmetics, and devices, but, rather, to allow all advertising to remain under the jurisdiction of the Federal Trade Commission, where it is today. With all due respect to the Commission, such amendments are wholly without merit.

Unfortunately, the Federal Trade Commission has power to control advertising only where unfair trade practices are involved. This limitation of authority would seriously interfere with prosecution of many cases of false advertising. Moreover, the procedural requirements under the Federal Trade Commission Act are very complicated, cases often being in the process of prosecution for 2 years or more, during which time the false advertiser was profiting from his bunco. Even upon conviction the only penalty given is a cease and desist order, which merely means that the advertiser must refrain from a certain type of advertising and think up a new racket. Moreover, the clever advertiser may delay the completion of the trial—keep the ball in the air—for years if the efforts are warranted by sales. One cannot blame the Federal Trade Commission for its laxity in the prosecution of its cases, but, rather, one should place the blame upon the limited statute under which the Commission operates.

It is quite evident to the casual reader of the Federal Trade Commission Act that the law is not a commodities misbranding law. If it had been intended as such it would have been cast in form more like the old food and drugs law or S. 5. It is apparent to anyone familiar with the labels of food and drug commodities generally that they are far more truthful than is the advertising for those same commodities.

The offenses of adulteration, misbranding, and false advertising are inextricably interwoven. Division of responsibility for their correction between independent government agencies would inevitably result in divergencies of administrative policies to the detriment of both the public and the regulated industries.

The Food and Drug Administration, with its scientific and technical staff, has successfully administered the adulteration and misbranding provisions of the present law. While the Federal Trade Commission has been acting against the advertising of foods and drugs, the Food and Drug Administration has furnished all of the scientific and technical information. There is no reason in logic or public policy why the Food and Drug Administration, with an adequate law to regulate advertising, should not be able to adapt itself readily to the administration of the false advertising provisions of S. 5. After all, advertising is no more nor less than an extension of the label. The purpose of this bill is to protect the public. That is the purpose of the present Food and Drugs Act. That law has been administered by the Department of Agriculture with that object in view. The purpose of the Federal Trade Commission Act is to regulate unfair commercial practices. Its whole history has been identified with that objective. It is, therefore, less fitted for the administration of this bill than is the Food and Drug Administration.

The Federal Trade Commission may rightly continue the control of advertising wherein unfair trade practices are concerned, but the control of all advertising relating to food, drugs, cosmetics, and devices should certainly be placed in the hands of the Department of Agriculture as is proposed by S. 5.

POISONOUS COSMETICS BANNED BY S. 5

The cosmetic industry was small when the act of 1906 was passed. No regulation of cosmetics was provided in that act. The industry has now become a major one. Serious abuse has arisen in it from time to time which the Government has been powerless to correct. S. 5, in sections 501 and 502, safeguards the public against dangerous and insanitary cosmetics and against their false representations. It provides against the addition of poisons, filth, or poisonous dyes to cosmetic preparations, and moreover makes the use of poisonous containers also a breach of the law.

Cosmetics have been sold which contain large amounts of deadly poisons. A depilatory, "Koremlu", contained a sufficient amount of thalium acetate—rat poison—to cause serious injury to the skin, glands, and nerves of the users. Fortunately an accumulation of damage suits forced the manufacturers of this product into bankruptcy.

However, by no means all of the dangerous cosmetics have been removed from the market. "Lash Lure", an eyelash dye manufactured in Los Angeles, has seriously injured the eyes of certain users, in instances causing total blindness. It is today being sold here in Washington, D. C. Under the present law officials are powerless to remove it from the market.

Many hair tonics, including Hess Hair Milk, Odell's Hair Color Restorer, and Weyth's Sage and Sulphur Compound, contain lead, which may cause local skin irritation and, because of accumulative properties, result in chronic lead poisoning with symptoms such as anemia, painful joints, sore gums, defective vision, and even convulsions and paralysis. Other hair tonics, including Scaprite and Mahdeen, contain arsenic, which upon accumulation results in a chronic poisoning with terrible effects, such as atrophy of the muscles, destruction of kidney and liver cells, and

paralysis. Many of these poisonous cosmetics are on the market today.

Many cosmetics, including O J's Beauty Lotion and Chernoff Whitening Cream, contain mercury, which upon accumulation through continued use gives rise to a chronic poisoning whereby the teeth fall out, the jawbone decays, and even death results. S. 5 will ban all of such cosmetics from the market.

REFORM IN FOOD REGULATION—POISONOUS FOODS UNLAWFUL

There is nothing in the present law which bans traffic in poisonous foods if the toxic ingredient is put there by nature. The law is operative only where the poison has been added. There is, therefore, nothing to prevent traffic in toadstools, poisonous mushrooms, and other naturally poisonous articles of food. It makes little difference to the victimized consumer whether the poison was added or natural. Paragraph 301 (a) of S. 5 overcomes this weakness of the law. The provision was drafted to operate against dangerous foods and will not disturb traffic in natural products like rhubarb, which naturally contains a small amount of the poison, oxalic acid, and may be mildly harmful to some people. It will, however, suppress the sale of ant food, which is dangerous because of a particularly toxic natural constituent.

As an example of the devastating effect of an uncontrolled poisonous food, let us consider the so-called "ginger jake" beverage, put out in great quantities by Boston and New York bootleggers. Genuine "ginger jake", which consisted of an alcoholic extract of the pure ginger root, became popular before the repeal of the eighteenth amendment as a substitute for genuine liquor, for it contained enough alcohol to produce intoxication. However, it had the disadvantage of being quite pungent and distasteful.

Upon experimentation, these bootleggers found that an artificial ginger drink could be made from alcohol plus a small amount of ginger extract plus a chemical known as "tricresyl phosphate", which drink proved to be smooth, bland, and palatable. However, the producers of this drink, the fake "ginger jake", did not bother themselves to determine the physiological effect of the drug tricresyl phosphate. They seemed content in having devised a drink which was intoxicating, tasted like a smooth ginger drink, and even responded to the chemical test for ginger. Unfortunately, the chemical, tricresyl phosphate, is a very powerful drug which acts upon certain nerves of the body and actually destroys them, thus resulting in permanent paralysis of its victims.

Cases against the bootleggers were developed under the present pure-food law. However, if these offenders had been convicted under that law, they would have been given only a maximum fine on each violative shipment of $200—a mere $200 fine for the ruination of thousands of lives and careers. It was only by prosecuting the case under a charge of conspiracy to violate a Federal law that sentences more nearly adequate to the crime were eventually meted out to the offenders.

Under S. 5 the penalties would be much more severe, and schemes of this kind would be more effectively deterred.

TOLERANCES ESTABLISHED FOR POISONS IN FOODS

The provision of the present law against added poisonous substances in foods in amounts which may render them injurious to health does not effectively guarantee the safety of our food supply, and is awkward, cumbersome, and uncertain of enforcement. There is no provision in the law which authorizes the fixing of tolerances. Even when identical issues are involved in different jurisdictions the Government must bring to each court trial the foremost toxicologists of the country to present their testimony, and that testimony must show that in the amounts the particular food is consumed it may, because of the added poison, be injurious to the health of the consumer, irrespective of the amount of poison the consumer may ingest from other foods. The courts and juries are not authorized to take into account the need for the use of the poison in the production of the food or the practicability of avoiding contamination with the poison in manufacturing operations.

In other words, courts and juries cannot consider the element of capriciousness where the manufacturer, through some whim or fancied advantage, deliberately and inexcusably adds a poison. The trial of cases under such legal rules and involving such complex scientific questions before lay courts and juries in different jurisdictions inevitably leads to divergent decisions confusing to trade interests and inadequately protective of consumer welfare.

The provisions of S. 5, in section 302 (a) (2) and section 304 (a), approach the problem of added poisons in foods from a much more rational standpoint as regards both producers and consumers. The addition of poisons is prohibited unless the poison is required in production, as in the case of the use of insecticidal sprays for fruits and vegetables, or unless the poison cannot be avoided by good manufacturing processes and contamination occurs in spite of practical precautionary measures. Where poisons are required, or cannot be avoided, this section then authorizes the establishment of tolerances. In determining tolerances for different articles of food there must be taken into account the extent to which the poison is required, or cannot be avoided, and, likewise, the other ways in which the consumer may be subjected to the same or other poisonous substances. This will permit relatively heavy tolerances for those foods where the poison is required, and minute tolerances where the addition of poison is not required but cannot be completely avoided, as in incidental contamination from necessary factory equipment. The end to be sought is that the consumer in his varied diet shall not receive a total amount of poisons beyond his natural body tolerance, and that he shall not have his health jeopardized by the capriciousness of irresponsible manufacturers who deliberately add unnecessary toxic substances.

The tolerances to be set up will be with the advice and consent of the Public Health Committee, composed of five members designated by the President, with a view to their distinguished scientific attainment and interest in the public health. The provisions of section 703 set forth the careful, methodical way in which tolerances will be formulated after a full public hearing. By these provisions it is insured that tolerances will be based upon all available scientific facts; that in their establishment there will be due deliberation; that they can be promptly altered with the discovery of new scientific facts; that the most liberal limits will be provided for those commodities where, at present, added poisons are unavoidable; and that the public health will be effectively protected.

FACTORY INSPECTION AND CONTROL TO CURB FILTHY AND POISONOUS FOODS

The present law prohibits the shipment of filthy foods, but it does not otherwise govern sanitary conditions surrounding manufacture. In such circumstances action can be taken only where filth actually is found in the food. The methods for detecting filth are notoriously inadequate. To strengthen this provision the bill prohibits the shipment of foods in interstate commerce if they have been prepared under insanitary conditions, whereby they might have been contaminated with filth or rendered injurious. Similar provisions are made for drugs and cosmetics.

Because of deficiencies in analytical methods it is impossible to apply the sanitary and other provisions of S. 5 without authority to inspect the condition of manufacture. This authority, while denied by the present law, is conferred by section 705 of S. 5. While, at the present time and without any legal requirement, more than 90 percent of the factories admit Government inspectors, there are a certain number of chiselers and evaders who have not permitted inspectors to enter their plants and who may thus evade the consequences of certain types of adulteration that cannot otherwise be detected.

It is to be noted in this connection that S. 5 provides adequate safeguards for industry against the unwarranted revelation of trade secrets by Government inspectors by prescribing a very heavy penalty therefor, namely, a maximum of $10,000 fine and 3 years' imprisonment.

Whenever a processed-food product becomes injurious to health by reason of bacterial contamination during processing, and the contamination cannot readily be detected,

S. 5 then authorizes the Government control of the processing for a limited time until the situation has been remedied under regulations governed by an emergency permit. For instance, not long ago, many people were fatally poisoned by canned olives. Under such a condition S. 5 would permit the canning of olives to proceed only under the provisions of a Federal emergency permit, which would be issued to all suspected canneries, and under which strict regulations would be enforced to remedy the situation until production was again satisfactory. This sort of a measure is essential to protect the public health and to save the industry from ruin.

In fact, the shrimp-packing industry, because of difficulties it has encountered in eliminating contamination from the cans, has invited permanent Government supervision of their factories, and the resultant stamp of approval of the Department of Agriculture, which has aided in maintaining and enlarging this industry.

ELIMINATION OF FOREIGN SUBSTANCES AND POISONOUS COLORS IN FOODS

There is no provision in the present law against the use of such indigestibles as painter's shellac on confectionery, or against metallic trinkets imbedded in confections, which have frequently menaced the health and lives of children. S. 5, in section 301 (d), contains provisions against such abuses.

One of the earlier difficulties in the enforcement of the present Food and Drugs Act lay in the inadequate control of artificial coal-tar dyes added to food products. Most coal-tar dyes are poisonous. Even those which are nontoxic are liable to be contaminated with poisonous impurities. Recognizing that the food and drugs law did not afford adequate control to insure the harmlessness of coal-tar dyes, the Department of Agriculture, shortly after the law became effective, established a voluntary certification service for coal-tar dyes. After extensive toxicological work had shown certain dyes to be harmless, the Department arranged for the certification of individual batches of these dyes found to be free from impurities. In this way an adequate supply of harmless coal-tar colors was provided. However, there was no prohibition in the law against the use of uncertified colors. Occasionally poisonous paint pigments have been used in food products. S. 5, in section 304 (B), is legislative confirmation of the Department's certification service. The bill provides in section 301 (c) the needed supplemental ban against the use in foods of any coal-tar dye other than one which has been certified. Similar provisions appear in the sections on drugs and cosmetics.

DECEPTIVE AND POISONOUS CONTAINERS BANNED BY S. 5

While deceptive labels are proscribed under the present law, there is nothing authorizing action against deceptive containers. In section 302 (d) of S. 5 authority is afforded to proceed against containers which are deceptive because of false bottoms, slack filling, and the like.

There is no provision in the present law against the use of poisonous containers such as those composed of lead, lead foil, or those having an excessive solder surface. Such a provision occurs in S. 5 for not only foods but for drugs and cosmetics.

PROVISION FOR STANDARD OF IDENTITY FOR FOODS

Several provisions of the present law, such as that declaring an article to be adulterated if any other substance has been substituted for it, imply the existence of definitions of identity. Until a product has been defined it is impossible to apply such provisions. However, no authority for establishing definitions of identity was prescribed in the law of 1906. This deficiency is corrected by S. 5 in section 302 (g) and section 303.

To maintain the integrity of our food supply by preventing adulteration and deception, definitions of identity are essential. This has been recognized by butter manufacturers who were confronted with an ever-increasing tendency by some of the less scrupulous to work more and more water into the product thus reducing the butter-fat content in some instances to below 70 percent. The condition thus produced resulted in an appeal to Congress for a legislative standard. This was enacted in 1923, namely, that the butter must contain at least 80 percent of butter fat. This is the only definition and standard of identity that exists today for the purpose of enforcing the Food and Drugs Act. The need today for definition and standards of identity in a number of industries is as great as it was with the dairy industry in 1923.

For instance, today there are on the market various ice creams containing from 30 to 60 percent of air, which has been worked into the cream and frozen. Good quality ice cream averages about the lower figure. Thus, in some instances, one pays for a quart of ice cream and receives only a little more than a pint of a product standard in quality. A standard of identity for ice cream is plainly needed wherein a certain maximum amount of air is tolerated. Similarly, oysters have been sold which have been artificially bloated by soaking them in fresh water. Oysters treated in this way swell up in size and hence occupy more space in the pint container than would a normal oyster; thus the public is cheated by receiving less oysters per pint. Today an apple butter is sold on the market which contains only 30 percent of pure apple butter and 70 percent of water; yet it bears the name of apple butter.

Sometime ago down in Louisiana, for want of a legal standard of identity, the Government lost a case against a company selling a so-called "tomato paste" branded "El Toro." A genuine tomato paste contains at least 22 percent of tomato solids, while El Toro contained only 12 percent. Thus the purchaser of a quart bottle of El Toro tomato paste is in reality receiving about 1 pint of the genuine product, plus a pint of water. Similarly, a case was lost against a product labeled "Staley's maple flavored sirup", which contained only 2 percent of maple sirup plus an artificial maple flavor.

The establishment of standards of identity for food products will eliminate much legal procedure wherein expert witnesses must be called before a court to testify as to the conventional methods of producing foods and the resultant average compositions of such products so that a standard might be derived. A legalized standard of identity would expedite and assure prosecution and conviction in cases of misbranding and adulteration and would protect both the consumer and the honest producer.

INFORMATIVE LABELING REQUIRED

There is very little in the present Food and Drugs Act that requires informative labeling. In order to prevent deception in the sale of food products it is necessary to do more than prohibit misrepresentations by labeling and advertising. By statements which are artfully drawn, but nevertheless truthful, a romantic atmosphere of value can be created about a common article of food or of food mixture, such as Chemm, Ovaltine, Figco, and Grape Nuts, if the label reveals nothing to identify the product.

Sometime ago a product known as "Bred Spred" appeared on the market. It purported to be a true strawberry jam, but in reality was a mixture of strawberry jam with a large quantity of sugared water jelled with pectin. Housewives seeking the article on the shelves noted its label, which states, "Strawberry flavor—guaranteed free from artificial flavor, color, or preservative", and also noted upon holding the jar up to the light that it was sprinkled with sure enough strawberry seeds. As it was slightly cheaper than regular strawberry preserves, housewives bought it, little realizing the fact that it was not a pure strawberry jam. Their resultant dissatisfaction worked hardships upon the legitimate jam and jelly industry.

Many other substandard products are sold under labels bearing a distinctive name with no indication as to their composition. Often these products contain only a few cents' worth of ingredients and sell for a dollar or more per unit. Such products, though legal under the present law, will be compelled under S. 5 to bear labels stating their approximate composition. This information not only is valuable to show that the foods may not be standard, but also to disclose the individual constituents of the foods, some of which may exercise a harmful effect upon certain people upon whom they may act as poisons.

Medical officials estimate that 30 percent of the people manifest allergic reactions upon exposure to certain common foods. For instance, some people are poisoned by wheat flour; others by cottonseed oil, tomatoes, eggs, and many others. It is a matter of fundamental right, I believe, that the consumer know the identity of the food and drugs the manufacturer asks him to use. With that information the consumer has an opportunity to protect himself against deception, to purchase intelligently for his needs, and to avoid those products which may not agree with him.

Under the provisions of S. 5, food disguised in appearance will be required to be so labeled. One food may not masquerade under the name of another; imitations must be labeled as such. S. 5 will not tolerate deception. The old admonition, "Caveat emptor"—"Let the buyer beware", will no longer be necessary in reference to food and drugs.

For example, artificially colored oranges will be required to be marked with the words "color added." This provision will prevent green, immature, or frozen oranges disguised by a coal-tar dye from being sold to the unsuspecting public as first-class oranges.

It was my special interest in the orange industry which prompted me to take such an active interest in S. 5. The California "Sunkist" and other oranges do not require artificial coloring of any sort, except, perhaps, for those oranges which are picked late in the season. Under the California procedure such fruit, when picked, is often subjected to the ethylene or sweat process, not for the purpose of coloring but merely to bring out the natural color of yellow in the orange. As no color is added, it is not required that oranges thus treated be labeled "color added." It is obvious, however, that oranges which are picked green, which are immature or frozen, should not be permitted to be colored by coal-tar dyes to compete in the market with properly seasoned, ripened, and naturally colored oranges. The consumer purchasing green, immature, or frozen oranges with a coal-tar yellow color will be deceived into believing that the oranges which he purchases are of first quality. As the proof of the quality of a product is in the eating, the consumer who has inferior fruits foisted upon him through deceptive coloring will sooner or later decline to purchase oranges, as he has no means of differentiation between the inferior and the high-grade product at the time of purchase unless the inferior and artificially colored orange bears a label, as today applies, "color added." Such a requirement enables the purchaser to know that fruits which do not bear this label are naturally colored, fully mature, and of high quality, since it was not necessary that they be "doctored" in order to appeal to the eye of the thrifty housewife.

It is to be expected that those foods for which definitions of identity have been provided will be standard commodities the composition of which is generally known. S. 5 will not require a listing of their ingredients upon the label except where optional ingredients are used. For instance, mayonnaise may be required to show which of several optional vegetable oils has been used, although the spices will not necessarily be listed upon the label. Food products which are not staples, which are not commonly made in the home and about which the consumer has no information will be required by section 302 (i) to be labeled to show the identity of all their ingredients, with the exception of spices, coloring, and flavors. The listing of ingredients will not operate unfairly against the manufacturers of the so-called "proprietary foods", because there is no requirement that the percentage of the different ingredients be stated on the label. Furthermore, real trade secrets in every instance lie in the spices and flavors used and in the method of their combination.

Under the present law canned foods which fall below a low standard of quality are required to be appropriately labeled to show that they are substandard. This provision is an amendment sponsored by the canning industry, with the intelligent recognition that it would be beneficial not only to consumers but to themselves. S. 5, section 302 (h) and section 303, extends the provisions of the present law by authorizing the establishment of a reasonable standard of quality for any food.

It is not always enough to state merely the ingredients of special dietary foods. Infant foods recommended for their vitamin and mineral content should be labeled with specific information to show the character and amount of vitamins and minerals present, as well as other essential dietary factors. Misleading labeling in this respect has even been known to cause physicians to prescribe inadequate diets for infants. Only by accurately labeling the vitamin and mineral content of special dietary foods can the product be intelligently used and effectively adapted to individual cases. Authorization for such informative labeling is afforded by section 302 (j) of S. 5. No such provision is found in the present law.

For the establishment of food standards, S. 5 provides for the formation of a committee of 7 members, nonpolitically appointed by the President for a term of 5 years, 3 from the public, 2 from food producers, and 2 from the Bureau of Food and Drugs. This committee will recommend proposed regulations which subsequently will be given appropriate hearings and promulgated only with a majority consent of the committee on food standards.

FAKE DEVICES CURBED

Under the law of 1906 no provision was made for the control of curative devices. The market has from time to time been flooded with fakes, such as magnetic belts, colored lamps, eye exercisers, strings of beads alleged to have marvelous curative properties, and so on. S. 5 sets up a special definition of devices and subjects their labeling and advertising to appropriate control.

Five thousand people die annually of rectal cancer. The only hope in treating this disease lies in early diagnosis and subsequent proper care. Temporizing with fake devices has often allowed the disease to progress to such a stage that the best medical attention proved ineffective and death resulted. Similarly cases of prostate gland disease, ruptures, and so forth, have progressed to incurable stages through the self-appliance of fake devices. The United States Postal Service and the Federal Trade Commission have aided in checking the sale of fake devices in the past; however, their jurisdiction is limited, respectively, to cases dealing with the illegal use of the mails and unfair trade competition. S. 5 will promote immediate action toward the elimination of these devices from the market.

FALSE AND FRAUDULENT DRUGS BANNED

The present law contains no provision dealing with articles represented to affect the structure or functions of the body. Slenderizers, height increasers, weight increasers, and the like are, therefore, not subject to regulation. Such products are included in the definition of "drug" in S. 5, and are subject to all the control prescribed for such commodities.

Claims for the curative or therapeutic effect of a drug are banned under the present law only if they are false and fraudulent. In other words, a willful intent to deceive is an element of the offense. Under this provision the most ignorant witch doctor may brew a worthless concoction for the cure of tuberculosis, cancer, and other serious diseases with little risk that the Government will be able to produce evidence to show that he knew his claims were false. His ignorance is his defense. Many worthless fakes have existed on the market for years, enjoying wide sales, claiming numberless victims before evidence of willful intent to deceive became available.

For instance, let us consider the case of an innocuous concoction known as "B & M." It originated as a horse liniment but later graduated to the more lucrative position as a treatment for human tuberculosis, pneumonia, and a long list of other ailments. The manufacturer boasted of many excellent testimonials concerning the marvelous curative powers of his so-called "medicine", although in reality it was plainly a fake concoction. As a matter of fact, many suffering from tuberculosis used it, believing they were being cured until their cases had developed to such a point that their diseases became incurable and death resulted. Had these sufferers relied upon expert medical advice in the early stages of the disease instead of using B & M many would have been spared an untimely death.

Though prosecution of the manufacturer of B & M was started in 1922, it was not until 10 years later that the

case was won in the Baltimore courts because of the ineffectiveness of the present law, namely, that conviction can be secured in such a case only in the event that it can be proven that the manufacturer knew his labeling was false; in other words, actual fraud must be proven.

In the B & M trial numerous death certificates were produced of those users of B & M who had written excellent testimonials, some of whom were known to have dictated testimonials for B & M on their deathbeds. Sixty-four death certificates were produced at the trial showing the death of B & M users from maladies for which the labeling promised cure. It is impossible to estimate the great number of victims of B & M. The gross sales of this fake totaled more than $100,000 annually for several years, reaching a peak of $367,000 in one year. Only by repeatedly showing bad faith on the part of the manufacturer could B & M finally be banned from the market. Numerous other examples of similar hoaxes might be stated, such as the famous cases of the Banbar and "Save the Baby" fake medicines, but time does not permit this discussion.

Too frequently, people suffering from serious diseases rely upon the fantastic claims of the manufacturer of a nostrum, postponing the application of rational methods of treatment until chances for recovery have passed. It makes little difference to such victims whether the false claims were made in good faith or not. S. 5 relieves the Government of the great handicap of proving fraud. It will permit proceedings on the sole basis of whether the claims are true or false. It provides against regulatory action in fields of controversy between competent practitioners by requiring merely that claims of the effects of drugs and devices shall be supported by demonstrable scientific facts or substantial medical or scientific opinion. It is not necessary that there be a general agreement of opinion among practitioners in support of a claim. The manufacturer is obliged to show merely that there is some substantial and reliable opinion among competent practitioners to support what he says. Perhaps in fields of opinion where the ultimate truth cannot now be known, this is as far as the provisions of the bill can go. Irrespective of prevailing medical opinion, any claim is valid if it is backed by demonstrable scientific facts. Certainly those who undertake a responsibility of prescribing drugs and devices for our ills should have at least the justification for their claims of effect required by this measure.

STRENGTH OF DRUGS AND DIRECTIONS FOR USE REGULATED

Under the present Food and Drugs Act there is no provision by which action can be inaugurated against potent drugs, where the directions for use are such as to endanger the health of the user. Repeated instances of loss of health and life have followed the consumption of potent drugs in accordance with the directions prescribed by the manufacturer. This weakness in the present law is corrected in section 402 (b) of S. 5, which affords authority for action against drugs and devices that are dangerous to health under the conditions of use prescribed in their labeling or advertising.

As examples of dangerous, potent drugs, let us consider for instance the weight reducers Marmola and dinitrophenol, both of which are today on the market. Marmola contains a thyroid gland extract which stimulates body activity and removes fat. Where fat is accumulated due to a deficiency in the secretion of the thyroid gland of the individual, Marmola may prove effective and harmless. However, where obesity is not caused by this deficiency—that is, the thyroid gland of the individual is normal in activity—the excess glandular secretion added in the form of Marmola may result in serious illness, fever, delirium, and even death. Such a drug should be prescribed by a physician after a careful diagnosis and should not be self-administered. Similarly, dinitrophenol, a very powerful drug, if used in quantities suggested by directions on the label, might cause serious illness to individuals not in sound health. It too should be prescribed by a physician after a thorough physical examination of the patient.

Drugs intended for self-medication obviously should bear adequate directions for use. Furthermore, where dangerous misuse of a drug is probable as in administration to children or in disease condition where the drug may be harmful, warning against misuse should appear on the label. There is no provision in the present act requiring either directions for use or warning against misuse. This highly important provision is incorporated in S. 5 as section 402 (g).

Eben M. Byers, a wealthy Pittsburgh manufacturer and former amateur golf champion, was sick. In his frantic search for health he was persuaded to dose himself with a medicine, Radithor Certified Radium Water. The medicine, a powerful radio active drug, killed him, although he followed directions in its use. He died a terrible death, the radium causing the bones of his head to disintegrate gradually. S. 5 will ban such powerful drugs if they are deemed dangerous when used according to directions.

Many other powerful drugs will be controlled by S. 5. For instance, the following will certainly be controlled: Those containing cinchophen, which atrophies the liver, causing yellow jaundice; headache powders containing acetanilide, a powerful heart depressant; sleeping powders containing barbituric acid, a powerful deadly drug; and hay fever remedies containing potassium iodide, which is extremely dangerous to those persons who have tuberculosis or goiter.

Some remedies consist of a solid material in liquid suspension which must be shaken before using. Often, if this precaution is not heeded, the solid portion accumulates in the bottom of the bottle and the last few doses from the bottle may be greatly in excess of the recommended dosage, because of an accumulation of the active solid material, and such doses may prove to be very harmful. Such medicines will be compelled to be labeled so as to display prominently the warning "shake before using."

The present law contains no effective provision to require manufacturers to adopt necessary precautions in the distribution of deteriorating drugs. Many of these drugs are extremely valuable, but their potency deteriorates rapidly unless special precautions in packaging are observed. Even then deterioration may only be delayed. In such circumstances there should be some warning against the use of the product after it becomes too old. Possibly some drugs should be dated like our films and coffee. Section 402 (i) provides authority to require appropriate packaging and labeling of deteriorating drugs to the extent that these precautions will safeguard the public health.

The present law requires the declaration of a few narcotic and habit-forming drugs on the label. It does not require such drugs to be labeled with a warning to show that they are habit-forming. Many persons have innocently acquired the narcotic habit through the consumption of drugs the labels of which bore no precaution. It is not merely enough that the name of the drug appear, because the lay public is unfamiliar with the habit-forming properties of many of them. Section 402 (e) of S. 5 requires habit-forming drugs to bear the words, "Warning—May be habit-forming."

NONSTANDARDIZED DRUGS MUST BE LABELED TO SHOW INGREDIENTS

I have referred to the provisions of S. 5 which require nonstandardized foods to be labeled to show their ingredients. Such labeling is even more important in the case of nonstandardized drugs; that is, drugs which are not recognized in the Pharmacopoeias or National Formulary. Certainly the person who undertakes to medicate himself, and thus to act in the role of physician to himself, has just as much right to know what he is administering as does the physician. No requirement for the informative labeling of nonofficial preparations exists in the present law. Section 402 (f) of S. 5 requires the disclosure of the active ingredients in nonofficial drugs. This is not a disclosure of the formula, because the proportions of the active ingredients are not required, nor is any information required concerning inactive ingredients. Such a provision would go a long way toward preventing the all-too-common practice of selling a common, ordinary drug or drug mixture under a fanciful name at a price several times its actual value.

ANTISEPTICS DEFINED

Under the present law it has been held by court decisions that anything can be sold as an antiseptic if it tends, even momentarily, to restrict the growth of micro-organisms.

The public has been generally educated by the advertisements of antiseptics to expect these articles to kill the microorganisms with which they come in contact. This omission in the present law is corrected by section 402 (k) of S. 5.

HEAVIER PENALTIES AND QUICKER ACTION AID IN ENFORCEMENT OF S. 5

The present Food and Drugs Act prescribes extremely small penalties for violation of its provisions. First offenses for the interstate shipment of adulterated or misbranded goods are punishable by a maximum fine of $200. A maximum of $300 is prescribed for a second offense, with a possible prison sentence not exceeding 1 year. Since prison sentences cannot be imposed upon corporations, some organizations have regarded their fines merely as license fees to continue an illegitimate business. The penalties prescribed by S. 5 greatly increase the manufacturers' liability and should serve as a greater deterrent. The maximum penalty for adulteration and misbranding under S. 5 is 1 year imprisonment and $1,000 fine for a first offense. This penalty is almost trebled for a second offense.

In connection with the penalties prescribed for false advertising, it should be noted that publishers and others who disseminate advertising are not amenable to prosecution if they supply information identifying the advertisers. A retailer falsely advertising an article commonly sold in interstate commerce is not amenable to prosecution provided his advertising copy is guaranteed by the manufacturers. The interstate carrier of illegal goods is not responsible for selling or transporting the goods in interstate commerce; the blame is rather placed upon the shipper of those goods.

S. 5 sets up a new remedy that is not contained in the present Food and Drugs Act by authorizing Federal courts to enjoin manufacturers from repetitious offenses. This should simplify procedure and facilitate prompt action.

S. 5 IS DEFINITELY NOT A BUREAUCRATIC MEASURE

Manufacturers and advertisers are protected by S. 5 in that they are authorized to bring injunction proceedings against the enforcement of the act where it can be shown that the regulation is unreasonable, arbitrary, capricious, or not in accordance with the facts or law and the petitioner may suffer substantial damage by reason of its enforcement. The manufacturer is further protected from hasty criminal procedure against him for minor offenses, in that provision is made for a suitable notice or warning to be sent to him before legal proceedings are begun. Thus he is given the opportunity to rectify his illegal activities before legal proceedings are begun. Moreover, prosecution is delayed until after the offender has had the opportunity to have a hearing, and, upon a satisfactory appeal, even a second hearing upon the first tentative decision. Furthermore, in seizure cases the trial is authorized to be held in the district of the offender's residence rather than in the district where seizure was made.

S. 5 provides for the appointment by the Secretary of Agriculture of advisory committees from each of the following groups: The food, drug, and cosmetic industries, advertising creators and disseminators, and the general public. The advice of these committees will be considered by the Secretary in the formation of general administration policies for the enforcement of the act, so that no administrative discriminations will result. Provision is made for the dissemination of information regarding food, drugs, cosmetics, and devices in cases involving imminent danger to health or gross deception, so that the public may be warned and properly protected.

The costs involved in the administration of S. 5 are insignificant compared with the economic protection it affords to the citizen and the safeguards it provides for his health and well-being. In my opinion, S. 5 is a decided progressive step forward in the interest of the general welfare and for that reason I hope the Congress will not adjourn without placing this measure on our statute books.

PERMISSION TO ADDRESS THE HOUSE

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MEAD. Mr. Speaker, reserving the right to object—and I shall not object—I would like to be able to eventually get to the business of today, namely, the call of the Post Office Committee.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, in the few years I have been in Congress I have heard more talk about the Constitution and learned less about it than during any other similar period in my life.

It is beginning to look like everyone, whether he comes from the field or the factory or the office or the bar, upon entering this sacred Chamber seems to think that he, by some miraculous endowment from on high, becomes a finished constitutional lawyer.

I am afraid that we talk more and know less about the true meaning, spirit, and intent of the Constitution than we realize. I am afraid that constitutional Congressmen, to the public, are becoming more or less a joke.

Ofttimes of late I am afraid some Members, when opposed to legislation before the House, either for political reasons or because they are not in sympathy with the social and economic programs the President is attempting to put through in the interest of the masses, and are afraid or unwilling to come out and frankly state their opposition, clothe themselves in the habiliments of the Constitution, arise in their seats with all the courage of a Jove when he defied the lightning and proceed to raise constitutional objections that registers upon the mind of no one save themselves. And I am afraid that the verbal constitutional warfare that has been going on now for some time has been largely occasioned by just such motives.

Now, while I do not lay claim to being a finished constitutional lawyer, I do lay claim to having a reasonable amount of common sense. For just a few minutes let us quit kidding ourselves, strip these controversies of all these pseudo-constitutional objections, and get at the real opposition.

The real objections, as I see them through the constitutional smoke screen that has been thrown up, are threefold:

First, I admit that there are those who honestly and sincerely think that the administration's program militates against the Constitution. These fellows, you know, are constitutionally minded and, argus-eyed, see the Constitution being trampled underfoot in practically every piece of legislation that comes up. The country has, you know, been afflicted with this group ever since the Constitution was adopted; and everyone knows that if we follow the leadership of this group the House will become, more or less, simply a constitutional debating society.

In the second place, I am afraid that there are those who by training, environment, or unconscious influences are against the program of the administration because they are more considerate of the pocketbooks of the few than they are of the hunger and distress and the unequal opportunities of the many. They, too, are using the constitutional stiletto. If we follow the leadership of these constitutionalists, those in distress will never be given relief and the social and economic inequalities and maladjustments that are rampant today will never be corrected.

And then—and do not overlook this fact—the Republicans and vested interests are making a desperate effort to discredit our great leader and his whole program. They are afraid to come out openly and oppose his program on its merits, and would have it appear that the only reason they are unable to go along with him is because he is riding rough-shod over the Constitution. Back of this attack, I am afraid, is not so much a sincere desire to protect and uphold the Constitution as there is a sincere desire, for political and selfish reasons, to discredit Franklin D. Roosevelt and tear down and disrupt his program. If we follow these pseudo-constitutionalists, God alone can save our country.

Why, this latter group is now going so far as to suggest that the President, by reason of his stand on the Guffey coal bill, is subject to impeachment.

Mr. Bainbridge Colby, one of the Liberty Leaguers, and, of course, speaking for vested interests, in an article appearing in the Washington Herald on Sunday, July 21, makes the suggestion, and in the same newspaper on the same date the great Republican leader, the gentleman from New York [Mr. SNELL], speaking of course for the Republican Party, voices the same sentiment. There seems to be a close affinity between the Liberty League and the Republican Party. They not only think and act alike but think and act in conjunction. They may not be one and the same organization operating under two names, but, to say the least, they seem to be in cahoot representing the same interests.

Now, what high crimes and misdemeanors do they charge the President with? Why, the impeachment crime consists in writing a letter to Chairman HILL, of the Ways and Means Subcommittee, before which the Guffey coal bill is pending, urging the enactment of the legislation.

Let us look into this letter. Reciting that this great natural-resource industry, from the standpoint of the operators and miners, has had many years of difficulty; that while the deposits are limited to a few States, the consumption is Nation-wide; that competition and overexpansion have brought destructive price reductions, which have inevitably reacted upon labor standards, with a resulting dislocation, restriction, and obstruction to interstate commerce, and a recurring danger to industrial strife; that admitting that mining coal, considered separately and apart from its distribution in the flow of interstate commerce, is an interstate transaction, the constitutionality of the provisions, based on the commerce clause of the Constitution, depends upon the final conclusion as to whether production conditions directly affect, promote, or obstruct interstate commerce in the commodity; that no one is in a position to give assurance that the proposed act will withstand constitutional tests, for the simple fact that you can get, not ten but a thousand differing legal opinions; that the situation is so urgent and the benefits of the legislation so evident that all doubts should be resolved in favor of the bill, leaving to the courts, in an orderly fashion, the ultimate question of constitutionality, he concludes that a decision of the Supreme Court relative to this measure would be helpful as indicating with increasing clarity the constitutional limits within which this Government must operate, and expresses the hope that your committee will not permit doubts as to the constitutionality, however reasonable, to block the suggested legislation.

Now, what were the facts surrounding the writing of the letter? Eminent constitutional lawyers had appeared before the subcommittee in support of the constitutionality of the legislation. Equally as eminent lawyers employed by those opposing the bill had appeared before the subcommittee in opposition to the legislation on constitutional grounds. The Department of Justice had been requested by the subcommittee for an opinion on the constitutionality of the legislation, and, through an assistant to the Attorney General, had reported that it could not give a positive opinion.

Now, what is the common-sense thing to do under such circumstances? Why, just what the President suggested in his letter, pass the legislation and leave to the courts, in an orderly fashion, the ultimate question of constitutionality.

When legislation is urgent and needful, but uncertain because of supposed constitutional prohibitions, is the President to be charged with violating his oath of office in urging the adoption of such legislation, and are we as Members of Congress to be charged with violating our oath of office in passing such legislation? In such a case is not the sensible thing to do to go ahead and pass the legislation and let the Supreme Court, the only institution under our system of government that can settle the question, construe the legislation in the light of the Constitution? If the President or the Congress should adopt any other policy, would not it be possible for vested interests to hire eminent lawyers to appear before every committee considering bills opposed by them and raise constitutional objections and thus defeat the legislation?

Have we reached the point where paid attorneys representing special interests, the Liberty Leaguers, and the Republican Party, can by simply raising constitutional objections silence the voice of the President, stay the hand of Congress, and thus put a stop to all legislation not approved by them? Sifted of the chaff, this is the doctrine that is now being preached. The answer is, the Constitution was designed to protect the rights and liberties of more people in this country than the Liberty Leaguers, special interests, the Republican Party, and Representative KNUTSON'S candidate for the Presidency, the constitutional alarmist, the Honorable HAMILTON FISH. It was designed to protect the rights and liberties of all the people. And when the farmers, workmen, and just common, everyday folk through their chosen representatives ask for laws that will promote their happiness and increase their opportunities the time is not now, and never will be as long as there are free men in America, when their representatives will be frightened, intimidated, or deterred by the pseudoconstitutional cries of the Tories.

Why, as far back as February 1793 the Second Congress passed an act directing the Secretary of War, in conjunction with the Attorney General, to take such action as was necessary to obtain an adjudication of the Supreme Court on the constitutionality of an act passed in 1792. Here Congress entertained doubts as to the constitutionality of the act of 1792, wanted to find out if the act was constitutional, and did the only sensible thing that it could do, directed the proper authorities to test the act before the Supreme Court and thus obtain an adjudication. This instance is cited by Chief Justice Marshall in the case of *Marbury* v. *Madison* (1 Cr. 171). This is all the President is doing. He does not know whether the Guffey coal bill is constitutional—no one does—and he is only asking that the legislation be passed so an adjudication can be obtained from the Supreme Court. It is only by legislative enactment and judicial interpretation that we can settle constitutional questions.

The administration's program, everyone realizes, is being viciously attacked by the different organizations of special interests from its holding company, the Republican Party, on down the line to its subsidiaries, like the Liberty League and the United States Chamber of Commerce. They are today spreading their false and misleading propaganda through a subsidized press, over the radio, over telegraph lines, and by pamphlets, in the same brazen, false, and unfair methods used by the utility companies when the holding company bill was before Congress. Their planned attack, it is now evident, is through the Constitution. They are trying to frighten the President, the Congress, and the people with the Constitution. They are trying to sell the people on the idea that Democrats have never had the proper regard for the Constitution; that everything the President and the Democratic Congress are doing is unconstitutional; that we are trying to wreck the Constitution; and that they, the anointed guardians and defenders of the Constitution, are trying to save the country from Mr. Roosevelt and his Constitution wreckers. Well, every thinking man and woman knows that this propaganda is pure bunk and unadulterated tommyrot. What special interest is really trying to do is to use the Constitution as a smoke screen to fight behind in their effort to wreck Mr. Roosevelt's program of social justice and economic security and freedom.

To be specific, let me state their line of attack in concrete form. Here is what they are preaching: That, true to form, a Democratic President is suggesting and recommending and a Democratic Congress is passing unconstitutional laws. Well, for passing unconstitutional laws, I will put the record of the Democratic Party up against the record of the Republican Party any day. Let the record speak. During our 146 years of national life the Supreme Court has declared 67 acts of Congress unconstitutional. How many of these acts were passed by Constitution-wrecking Democratic Congresses? Why, only 20; or around 29 percent of the acts that have been declared unconstitutional. On the other hand, Republican Congresses, whom we are now told are the guardians of the Constitution, passed 42 of the unconstitutional statutes, or around 63 percent. Four of the other unconstitutional statutes were passed by a Democratic House and a Republican Senate and 1 by the first Congress that assembled, which was a nonpartisan body.

Now, that is a pretty good record for the Democratic Party, especially when you take into consideration the fact that we have had—

Democratic Congresses	33
Republican Congresses	27
Whig Congress	1
Nonpartisan Congress	1
Congress: Senate Whig, House Democratic	1
Congress: House Democratic, Senate Whig	1
Congresses: Senate Republican, House Democratic	6
Congresses: Senate Democratic, House Republican	2
Total	74

Of the 60 strictly Democratic or Republican Congresses, 33 were Democratic Congresses and 27 Republican Congresses, and during these Congresses 62 unconstitutional acts were passed, the Democrats passing 20 and the Republicans 42 of the unconstitutional acts. Therefore, if we figure the percentage of unconstitutional acts passed by strictly Democratic and Republican Congresses, you will find that the Democrats only passed about 30 percent of the acts, while the Republicans passed about 70 percent.

Here is the record:

No.	Date of decision	Case	Citation	Date of passage of act held unconstitutional	Act passed by Democratic or Republican Congress
1	Feb. 24, 1803	Marbury v. Madison	1 Cranch 137	Sept. 24, 1789	Nonpartisan.
2	Mar. 6, 1857	Dred Scott v. Sandford	19 Howard 393	Mar. 6, 1820	Democratic.
3	Mar. 10, 1865	Gordon v. U. S	2 Wall. 561	Mar. 3, 1863	Republican.
4	Jan. 14, 1867	Ex parte Garland	4 Wall. 333	Jan. 24, 1865	Do.
5	Mar. 16, 1868	Reichart v. Felps	6 Wall. 160	Feb. 20, 1812	Democratic.
6	Jan. 25, 1869	The *Alicia*	7 Wall. 571	June 30, 1864	Republican.
7	Feb. 7, 1870	Hepburn v. Griswald	8 Wall. 603	Feb. 25, 1862	Do.
8	Feb. 21, 1870	U. S. v. DeWitt	9 Wall. 41	Mar. 2, 1867	Do.
9	Mar. 14, 1870	Justices v. Murray	9 Wall. 274	Mar. 3, 1863	Do.
10	Apr. 3, 1871	Collector v. Day	11 Wall. 113	June 30, 1864	Republican.
11	Jan. 29, 1872	U. S. v. Klein	13 Wall. 128	July 12, 1870	Do.
12	Apr. 3, 1873	U. S. v. Railroad Co	17 Wall. 322	June 30, 1864	Do.
13	Mar. 27, 1874	U. S. v. Reese	92 U. S. 241	May 31, 1870	Do.
14	Jan. 7, 1878	U. S. v. Fox	95 U. S. 670	Mar. 2, 1867	Do.
15	Nov. 17, 1879	Trademark cases	100 U. S. 82	Aug. 14, 1876	(D) House; (R) Senate.
16	Jan. 22, 1883	U. S. v. Harris	106 U. S. 629	Apr. 20, 1871	Republican.
17	Oct. 15, 1883	Civil rights cases	109 U. S. 3	Mar. 1, 1875	Do.
18	Feb. 1, 1886	Boyd v. U. S	116 U. S. 616	June 22, 1874	Do.
19	Mar. 7, 1887	Baldwin v. Franks	120 U. S. 678	Apr. 20, 1871	Do.
20	May 14, 1888	Callan v. Wilson	127 U. S. 540	Feb. 24, 1855	Democratic.
21	Mar. 27, 1893	Monongahela Nav. Co. v. U. S	148 U. S. 312	Aug. 11, 1888	(D) House; (R) Senate.
22	Apr. 8, 1895	Pollock v. Farmers Loan, etc	157 U. S. 429	Aug. 27, 1894	Democratic.
23	May 18, 1896	Wong Wing v. U. S	163 U. S. 228	May 5, 1892	(D) House; (R) Senate.
24	Apr. 11, 1899	Kirby v. U. S	174 U. S. 47	Mar. 3, 1875	Republican.
25	Oct. 30, 1899	Jones v. Meehan	175 U. S. 1	——, 1894	Democratic.
26	Apr. 16, 1901	Fairbank v. U. S	181 U. S. 283	June 13, 1898	Republican.
27	May 4, 1903	James v. Bowman	190 U. S. 127	May 31, 1870	Do.
28	Apr. 10, 1905	Matter of Heff	197 U. S. 488	Jan. 30, 1897	Do.
29	——do——	Rasmussen v. U. S	197 U. S. 516	June 6, 1900	Do.
30	May 28, 1906	Hodges v. U. S	203 U. S. 1	May 31, 1870	Do.
31	Jan. 6, 1908	Employers' liability cases	207 U. S. 463	June 11, 1906	Do.
32	Jan. 27, 1908	Adair v. U. S	208 U. S. 161	June 1, 1898	Do.
33	Apr. 5, 1909	Keller v. U. S	213 U. S. 138	Feb. 20, 1907	Do.
34	Apr. 19, 1909	U. S. v. Evans	213 U. S. 297	Mar. 3, 190.	Do.
35	Jan. 23, 1911	Muskrat v. U. S	219 U. S. 346	Mar. 1, 1907	Do.
36	May 29, 1911	Coyle v. Oklahoma	221 U. S. 559	June 16, 1906	Do.
37	May 13, 1912	Choate v. Trapp	224 U. S. 665	May 27, 1908	Do.
38	June 16, 1913	Butts v. Merchants & Miners, etc	233 U. S. 126	Mar. 1, 1875	Do.
39	Mar. 2, 1915	U. S. v. Hvoslef	237 U. S. 1	June 13, 1898	Do.
40	Apr. 5, 1915	Thames & Mersey Ins. Co. v. U. S	237 U. S. 19	——do——	Do.
41	June 3, 1918	Hammer v. Dagenhart	247 U. S. 251	Sept. 1, 1913	Democratic.
42	Mar. 8, 1920	Eisner v. Macomber	252 U. S. 189	Sept. 8, 1916	Do.
43	May 17, 1920	Nickerbocker Ice Co. v. Stuart	253 U. S. 149	Oct. 6, 1917	Do.
44	June 1, 1920	Evans v. Gore	253 U. S. 245	Feb. 24, 1919	Do.
45	Feb. 28, 1921	U. S. v. Cohen Grocery Co	255 U. S. 81	Oct. 22, 1919	Republican.
46	——do——	Weeds, Inc. v. U. S	255 U. S. 109	——do——	Do.
47	May 2, 1921	Newberry v. U. S	256 U. S. 232	June 25, 1910	Do.
48	Apr. 17, 1922	U. S. v. Moreland	258 U. S. 433	Mar. 23, 1906	Do.
49	May 15, 1922	Bailey v. Drexel Furniture Co	259 U. S. 20	Feb. 24, 1919	Democratic.
50	——do——	Hill v. Wallace	259 U. S. 44	Aug. 24, 1921	Republican.
51	Apr. 9, 1923	Keller v. Potomac Electric Power Co	261 U. S. 428	Mar. 4, 1913	Democratic.
52	——do——	Adkins v. Children's Hospital	261 U. S. 525	Sept. 9, 1918	Do.
53	Apr. 23, 1923	Spalding & Bros. v. Edwards	262 U. S. 66	Oct. 3, 1917	Do.
54	Feb. 25, 1924	Washington v. Dawson & Co	264 U. S. 219	June 10, 1922	Republican.
55	Jan. 11, 1926	Trusler v. Crooks	269 U. S. 475	Aug. 21, 1921	Do.
56	Oct. 25, 1926	Myers v. U. S	272 U. S. 52	July 12, 1876	(D) House; (R) Senate.
57	May 31, 1927	Nickels v. Coolidge	274 U. S. 531	Feb. 24, 1919	Democratic.
58	Apr. 9, 1928	Untermyer v. Anderson	276 U. S. 440	June 2, 1924	Republican.
59	June 4, 1928	National Live Ins. Co. v. U. S	277 U. S. 508	[1]	Do.
60	May 25, 1931	Indian Motocycle Co. v. U. S	283 U. S. 570	[2]	Do.
61	Mar. 21, 1932	Heiner v. Donnan	285 U. S. 312	[3]	Do.
62	Feb. 5, 1934	Booth v. U. S	291 U. S. 339	June 30, 1933	Democratic.
63	June 4, 1934	Lynch v. U. S	292 U. S. 571	Mar. 30, 1933	Do.
64	June 7, 1934	Panama Refining Co. v. Ryan	293 U. S. 388	June 16, 1933	Do.
65	May 6, 1935	R. R. Ret. Board v. Alton R. R. Co	U. S.	———	Do.
66	May 27, 1935	Schechter Poultry Corp. v. U. S	U. S.	June 16, 1933	Do.
67	——do——	Louisville J. S. Land Bank v. Radford	U. S.	June 28, 1934	Do.

[1] Revenue Act of 1921. [2] Revenue Act of 1924. [3] Revenue Act of 1926.

SUMMARY

	No.	Per cent
Number of acts declared unconstitutional	67	
Number of above acts passed by Democratic Congresses	20	29
Number of above acts passed by Republican Congresses	42	63
Number of above acts passed by Democratic House and Republican Senate	4	6
Number of above acts passed by a nonpartisan Congress (the first Congress)	1	2
Number of acts passed by strictly Democratic or Republican Congresses—		
By Democratic Congresses	20	32
By Republican Congresses	42	63

Oh, let us pursue a little further this glorious record the now self-proclaimed guardians of the Constitution have made. It is a glorious record of guardianship, and I would not keep back a single fact that would diminish its luster and brilliancy. Listen. Why, during the term of office of the greatest President the Republican Party ever had, the immortal Abraham Lincoln, when we had a Republican Senate and a Republican House, seven acts were passed that were later declared by the Supreme Court unconstitutional.

Oh, you Republicans point with pride to Theodore Roosevelt. It speaks well of you that you hold him in high regard, because he was not only a great man but a made-great President in spite of the fact that his constitutional record may frighten some of the present-day, self-appointed guardians of the Constitution. What is it? Why, six laws passed during

his term of office by a Republican Senate and a Republican House were later declared unconstitutional by a Republican Supreme Court.

Now, you self-appointed guardians of the Constitution prepare for a real shock. I have been trying to give you this medicine—although it is your own medicine—in broken doses so far. Well, here is a whole spoonful; and if you are sincere in your criticism of Mr. Roosevelt I know it is going to gag every one of you. How about the great war hero you elevated to the Presidency, General Grant? You claim that he was courageous and honest and a man who regarded his oath of office and I agree with you. But what is his record on the Constitution? Listen! Ten unconstitutional acts of Congress were passed during his term of office by a Republican Senate and a Republican House and two unconstitutional acts by a Republican Senate and a Democratic House, making 12 unconstitutional acts in all. Why, during his term of office alone a Republican Senate and a Republican House passed one-half as many unconstitutional acts as every Democratic Senate and Democratic House we have had since the birth of the Nation.

And yet in the face of such a record the Republican Party has the gall—the unmitigated gall—to lay claim to guardianship of the Constitution! Well, if the Republican Party is the only protection the Constitution has in this country, then as a lover and defender of the Constitution I exclaim: May God save the Constitution!

Now, with reference to the attitude of the Republican Party toward the Constitution, let us get at the truth of the matter. You know and I know that the Constitution would never have weathered the storms so far if its guardianship had been committed to the tender ministrations of the Republican Party. You know and I know, based upon past history, that the attitude of the Republican Party toward the constitutionality of legislation depends largely upon whom the legislation will affect.

Legislation passed in the interest of the few and powerful—in the interest of special interests—has always been looked upon with favor by the Republican Party, regardless of the Constitution. On the other hand, legislation passed in the interest of the masses, from the Republican standpoint, is usually branded unconstitutional. From the Republican point of view it is largely a question of whom you are legislating for. While illustrations could be multiplied to sustain the above statement, let me give you, for the sake of brevity, just one. The tariff laws were not passed to raise revenue, but to protect special interests—to protect industry—though the only warrant to pass such laws under the Constitution is under the taxing power of Congress to raise revenue.

Not being laws to raise revenue, but laws passed for the avowed purpose of protecting industry, there has always been a grave question as to whether Congress has the power under the Constitution to pass such laws. In spite of the constitutional uncertainty, however, you will find Republican presidents sending messages to Congress urging the passage of tariff laws, and you may search the record from A to Z and you will not find a single word uttered by a single Republican criticizing the Chief Executive for urging the passage of uncertain constitutional tariff laws or questioning the constitutionality of the tariff laws in any way.

And yet, when Mr. Roosevelt and a Democratic Congress invoke the same doctrine in behalf of the farmers and give them through the processing-tax feature of the Agriculture Adjustment Act a domestic tariff on certain basic farm products, thus extending to them the same rights and benefits special interests have been receiving all the while under the tariff laws, why the Republican Party, and those representing special interests in both parties, contend that the Agriculture Adjustment Act because it extends the benefits of the tariff to the farmers is unconstitutional. Well, if the taxing power under the Constitution can be invoked to protect industry, why cannot it be invoked to protect the farmer? If the Constitution permits industry to operate on a protected, restricted market, why does not the same instrument, which was drafted in the interest of all, permit the farmers to operate on a protected, restricted market?

All Mr. Roosevelt and the Democratic Congress in this particular are trying to do is to give the farmers of America the same protection industry enjoys. Yet we are being told that the President, because he thinks the Constitution extends to farmers and industry alike, should be impeached and the Members of Congress who vote for laws that will accomplish the purpose are guilty of violating their oaths of office. And again I say that such an argument is pure bunk and unadulterated tommyrot.

Should the Constitution be changed? The answer, as I see the situation, is, Yes and no. No; if the President's program can be carried out under the Constitution. Yes; if it cannot be, and a majority of our people believe as I do, that child labor should be abolished, that the sweatshop should be banished, that the farmers are entitled to the same protection accorded industry, that labor has the right to organize in its own self-defense, that provision should be made for the aged and helpless, that ruthless and unfair trade practices should be eliminated from business, and the blessings of government distributed along safe and sane lines in a fairer and more equitable manner. While I think that these things can be accomplished by a fair, just, and liberal construction of our Constitution in the light of our changed social and economic conditions, I do not hesitate to say that if the Constitution is so worded as to bar further social and economic progress that the time has, in my mind, arrived for a change. Only the Supreme Court can tell us where we stand. We should await with patience the decisions that will clear up the confusion that now exists; and then if we have to act, our actions should be taken in conformity with the Constitution.

To my fellow Virginians let me say that a few changes in the Constitution should not be such a great shock. Why the Federal Constitution has been changed 21 times, and many of the most important changes were suggested and advocated by that great Virginia political thinker and statesman, the immortal Jefferson. And to Virginians I also call attention to the fact that only recently one of our Governors in order to carry out his program to reform our State government not only changed but practically rewrote the Virginia Constitution.

These pseudoconstitutional arguments and charges that are now being made are as old as time itself. Why, I remember years ago the constitutionalists of that day, the Pharisees, like their kinsmen of today, afraid to come out and give vent to their true feelings, hid behind the constitution in making a vicious attack upon a handful of helpless men. You remember the instance. The disciples, hungry and tired on a Sabbath day, passed through a corn field and plucked some of the grain and ate it, and were charged by the Pharisees, the pseudoconstitutionalists of that day, with violating the Constitution. The Master saw through their hypocrisy, and when they laid the charges before Him effectively answered them by simply saying that an urgent need had arisen, the disciples were hungry, and that "the Sabbath was made for man and not man for the Sabbath."

And to these pseudoconstitutionalists of today who are attempting to hide behind the Constitution in their effort to destroy the humane and needful programs of Mr. Roosevelt let me answer by paraphrasing the words of the Master: "The Constitution was made for man, and not man for the Constitution." [Applause.]

Mr. LUNDEEN. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. LUNDEEN. The gentleman mentioned Abraham Lincoln the greatest President the Republicans ever had. I would like to call the gentleman's attention to the fact when he mentioned Abraham Lincoln that he was a follower of Thomas Jefferson.

Mr. FLANNAGAN. I think the gentleman is right. He was a great President, and he was a better Democrat than Republican.

CONFERENCE REPORT—AMENDMENT OF THE AIR MAIL LAWS

Mr. MEAD. Mr. Speaker, I call up the conference report on the bill (H. R. 6511) to amend the air mail laws, and to authorize the extension of the Air Mail Service, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6511) to amend the air-mail laws, and to authorize the extension of the Air Mail Service, having met, after full and free conference, have agreed to recommend and do recommend do their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That subsection (a) of section 3 of the act entitled 'An act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy', approved June 12, 1934, as amended (48 Stat. 933, 1243), is amended to read as follows:

"'SEC. 3. (a) The Postmaster General is authorized to award contracts for the transportation of air mail by airplane between such points as he may designate, and for initial periods of not exceeding three years, to the lowest responsible bidders tendering sufficient guaranty for faithful performance in accordance with the terms of the advertisement at fixed rates per airplane-mile: *Provided*, That where the Postmaster General holds that a low bidder is not responsible or qualified under this act, such bidder shall have the right to appeal to the Comptroller General, who shall speedily determine the issue, and his decision shall be final: *Provided further*, That the base rate of pay which may be bid and accepted in awarding such contracts shall in no case exceed 33⅓ cents per airplane-mile for transporting a mail load not exceeding three hundred pounds. Payment for transportation shall be at the base rate fixed in the contract for the first three hundred pounds of mail or fraction thereof plus one-tenth of such base rate for each additional one hundred pounds of mail or fraction thereof, computed at the end of each calendar month on the basis of the average mail load carried per mile over the route during such month, except that in no case shall payment exceed 40 cents per airplane-mile.'

"SEC. 2. Subsection (c) of section 3 of such act is amended to read as follows:

"'(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant extensions of any route: *Provided*, That the aggregate mileage of all such extensions on any route in effect at one time shall not exceed two hundred and fifty miles, and that the rate of pay for such extensions shall not be in excess of the rate per mile fixed for the service thus extended.'

"SEC. 3. The first sentence of subsection (d) of section 3 of such act is amended to read as follows:

"'The Postmaster General may designate certain routes as primary or as secondary routes. He shall designate as primary routes at least three transcontinental routes, with such termini as he may deem advisable, and, in addition thereto, such other routes as he may consider in the public interest, but no route less than seven hundred and fifty miles in length shall be designated as a primary route: *Provided*, That the present routes from Seattle to San Diego and from Newark (or New York, as the case may be) to Miami, Florida, may be held and regarded as other than primary routes: *Provided further*, That the southern transcontinental route from Boston via New York (or Newark, as the case may be) and Washington to Los Angeles, shall be designated as a primary route.'

"SEC. 4. Subsection (f) of section 3 of such act is amended to read as follows:

"'(f) The Postmaster General shall not award contracts for air-mail routes or extend such routes in excess of an aggregate of thirty-two thousand miles, and shall not pay for air-mail transportation on such routes and extensions in excess of an annual aggregate of forty-five million airplane-miles. Subject to the foregoing, the Postmaster General shall prescribe the number and frequency of schedules, intermediate regular stops, and time of departure of all planes carrying air mail, with due regard for the volume of mail carried over each route and for connecting schedules, and he may, under such regulations as he may prescribe, authorize and, notwithstanding any other provisions of this act, compensate for a special schedule or an extra or emergency trip in addition to any regular schedule over air-mail routes or portions thereof at the same mileage rate paid for regular schedules on the contract route or routes, or at a lesser rate if agreed to by the contractor and the Postmaster General, and he may utilize therefor any scheduled passenger or express flight of the contractor between the terminal points or over a portion of any route whenever the needs of the service may so require: *Provided*, That the Postmaster General may, upon application by an air-mail contractor authorize said contractor for his own convenience to transport air mail on any nonmail schedule or plane, with the understanding that the weights of mail so transported will be credited to regular mail schedules and no mileage compensation will be claimed therefor and the miles flown in such cases will not be computed in the annual aggregate of flown mileage authorized under this section.'

"SEC. 5. Subsection (a) of section 6 of such act is amended to read as follows:

"'SEC. 6. (a) The Interstate Commerce Commission is hereby empowered and directed, after notice and hearing, to fix and determine by order, as soon as practicable and from time to time, the fair and reasonable rates of compensation within the limitations of this act for the transportation of air mail by airplane and the service connected therewith over each air-mail route, and over each section thereof covered by a separate contract, prescribing the method or methods by weight or space, or both, or otherwise, for ascertaining such rates of compensation, and to publish the same, which shall continue in force until changed by the said Commission after due notice and hearing, and so much of subsection (g) of section 3 of this act as is in conflict with this section is hereby repealed.'

"SEC. 6. Subsection (e) of section 6 of such act is amended by adding at the end thereof the following:

"'In arriving at such determination the Commission shall disregard losses resulting, in the opinion of the Commission, from the unprofitable maintenance of nonmail schedules, in cases where the Commission may find that the gross receipts from such schedules fail to meet the additional operating expense occasioned thereby. In fixing and determining such rates, if it shall be contended or alleged by the holder of an air-mail contract that the rate of compensation in force for the service involved is insufficient, the burden of establishing such insufficiency and the extent thereof shall be assumed by him. In no case shall the rates fixed and determined by the said Commission hereunder exceed the limits prescribed in section 3 (a) of this act.

"'The Commission is hereby authorized and directed, after having made a full and complete examination and audit of the books, and after having examined and carefully scrutinized all expenditures and purported expenditures, of the holders of the contracts hereinafter referred to, for goods, lands, commodities, and services, in order to determine whether or not such expenditures were fair and just, and were not improper, excessive, or collusive, in the cases of the eight air-mail contracts which are allowed, by a previous report of the Commission, the rate of 33⅓ cents per mile, under the provisions of the act of June 12, 1934, on routes numbered 7, 12, 13, 14, 19, 25, 27, and 32, and the Commission shall make a report to the Congress, not later than January 15, 1936, whether or not, in its judgment, a fair and reasonable rate of compensation on each of said eight contracts, under the other provisions and conditions of said act, as herein amended, is in excess of 33⅓ cents per mile; together with full facts and reasons in detail why it recommends for or against any claim for increase.'

"SEC. 7. Subsection (b) of section 6 of such act is amended to read as follows:

"'(b) The Interstate Commerce Commission is hereby directed at least once in each calendar year from the date of the award of any contract to examine the books, accounts, contracts, and entire business records of the holder of each air-mail contract, and to review the rates of compensation being paid to such holder in order to be assured that no unreasonable profit is being derived or accruing therefrom, and in order to fix just rates. In determining what may constitute an unreasonable profit the said Commission shall take into consideration the income derived from the operation of airplanes over the routes affected, and in addition to the requirements of section 3 (f) of this act, shall take into consideration all forms of expenditures of said companies in order to ascertain whether or not the expenditures have been upon a fair and reasonable basis on the part of said company and whether or not the said company has paid more than a fair and reasonable market value for the purchase or rent of planes, engines, or any other types or kind, or class, or goods, or services, including spare parts of all kinds, and whether or not the air-mail contracting company has purchased or rented any kind of goods, commodities, or services from any individuals who own stock in or are connected with the said contracting companies or has purchased such goods and services from any company or corporations in which any of the individuals employed by or owning stock in the air-mail contracting company have any interest or from which such purchase or rents any of the employees or stockholders of air-mail contracting companies would be directly or indirectly benefited. Within thirty days after a decision has been reached upon such review by the Interstate Commerce Commission touching such profit a full report thereof shall be made to the Postmaster General, to the Secretary of the United States Senate, and to the Clerk of the House of Representatives.'

"SEC. 8. The first sentence of subsection (c) of section 6 of such act is amended to read as follows:

"'Any contract (1) let, extended, or assigned pursuant to the provisions of this act, and in full force and effect on March 1, 1935, or (2) which may be let subsequent to such date pursuant to the provisions of this act and shall have been satisfactorily performed by the contractor during its full initial period, shall, from and after such date, or from and after the termination of its initial period, as

the case may be, be continued in effect for an indefinite period, and compensation therefor, on and after March 1, 1935, during such period of indefinite continuance, shall be paid at the rate fixed by order of the Commission under this act, subject to such additional conditions and terms as the Commission may prescribe, upon recommendation of the Postmaster General, which shall be consistent with the requirements and limitations contained in section 1 of this act; but any contract so continued in effect may be terminated by the Commission upon sixty days' notice, upon such hearing and notice thereof to interested parties as the Commission may determine to be reasonable; and may also be terminated, in whole or in part, by mutual agreement of the Postmaster General and the contractor, or for cause by the contractor upon sixty days' notice.'

"SEC. 9. Subsection (d) of section 7 of such act is amended to read as follows:

"'(d) No person shall be qualified to enter upon the performance of, or thereafter to hold an air-mail contract (1) if, at or after the time specified for the commencement of mail transportation under such contract, such person is (or, if a partnership, association, or corporation, has a member, officer, or director, or an employee performing general managerial duties, that is) an individual who has theretofore entered into any unlawful combination to prevent the making of any bids for carrying the mails: *Provided*, That whenever required by the Postmaster General or Interstate Commerce Commission the bidder shall submit an affidavit executed by the bidder, or by such of its officers, directors, or general managerial employees as the Postmaster General or Interstate Commerce Commission may designate, sworn to before an officer authorized and empowered to administer oaths, stating in such affidavit that the affiant has not entered nor proposed to enter into any combination to prevent the making of any bid for carrying the mails, nor made any agreement, or given or performed, or promised to give or perform, any consideration whatever to induce any other person to bid or not to bid for any mail contract, or (2) if it pays any officer, director, or regular employee compensation in any form, whether as salary, bonus, commission, or otherwise, at a rate exceeding $17,500 per year for full time: *Provided further*, That it shall be unlawful for any such officer or regular employee to draw a salary of more than $17,500 per year from any air-mail contractor, or a salary from any other company if such salary from any company makes his total compensation more than $17,500 per year.'

"SEC. 10. Section 10 of such act is amended to read as follows:

"'SEC. 10. All persons holding air-mail contracts shall be required to keep their books, records, and accounts under such regulations as may be promulgated by the Postmaster General, and he is hereby authorized, if and when he deems it advisable to do so, to examine and audit the books, records, and accounts of such contractors, and to require such contractors to submit full financial reports in such form and under such regulations as he may prescribe.

"'Whenever an audit of the books, records, or accounts of any air-mail contractor is made by the auditors of the Interstate Commerce Commission, a full and complete report thereof shall be made to the Post Office Department within thirty days, and that report shall contain all instances in which the contractor has failed to comply with any of the provisions of the uniform system of accounts prescribed by the Post Office Department; and the Postmaster General shall, upon request, have at all times access to the records and reports of the Commission concerning air mail and air-mail contracts. There is authorized to be used from the appropriations for Contract Air Mail Service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air-mail contractors by the Post Office Department.'

"SEC. 11. Section 13 of such act is amended to read as follows:

"'SEC. 13. It shall be a condition upon the holding of any air-mail contract that the rate of compensation and the working conditions and relations for all pilots and other employees of the holder of such contract shall conform to decisions heretofore or hereafter made by the National Labor Board, or its successor in authority, notwithstanding any limitation as to the period of its effectiveness, included in any such decision heretofore rendered. This section shall not be construed as restricting the right of any such employees by collective bargaining to obtain higher rates of compensation or more favorable working conditions and relations.'

"SEC. 12. Section 15, as amended, of such act is amended to read as follows:

"'SEC. 15. After June 30, 1935, no person holding a contract or contracts for carrying air mail on a primary route shall be awarded or hold any contract for carrying air mail on any other primary route, nor on more than three additional routes other than primary routes. In case one person holds several contracts covering different sections of one air-mail route as designated by the Postmaster General, such several contracts shall be counted as one contract for the purpose of the preceding sentence. It shall be unlawful for air-mail contractors, competing in parallel routes, to merge or to enter into any agreement, express or implied, which may result in common control or ownership. After June 30, 1935, no air-mail contractor shall be allowed to maintain passenger or express service off the line of his air-mail route which in any way competes with passenger or express service available upon another air-mail route, except that off-line competitive service which has been regularly maintained on and prior to July 1, 1935, and such seasonal schedules as may have been regularly maintained during the year prior to July 1, 1935, may be continued if restricted to the number of schedules and to the stops scheduled and in effect during such period or season.

"'Upon application of the Postmaster General or of any interested air-mail contractor, setting forth that the general transport business or earnings upon an air-mail route are being adversely affected by any alleged unfair practice of another air-mail contractor, or by any competitive air-transport service supplied by an air-mail contractor other than that supplied by him on the line of his prescribed air-mail route, or by any service inaugurated by him after July 1, 1935, through the scheduling of competitive nonmail flights over an air-mail route, the Interstate Commerce Commission shall, after giving reasonable notice to the air-mail contractor complained of, inquire fully into the subject matter of the allegations; and if the Commission shall find such practice or competition or any part thereof to be unfair, or that such competitive service in whole or in part is not reasonably required in the interest of public convenience and necessity, and if the Commission shall further find that in either case the receipts or expenses of an air-mail contractor are so affected thereby as to tend to increase the cost of air-mail transportation, then it shall order such practice or competitive service, or both, as the case may be, discontinued or restricted in accordance with such findings, and the respondent air-mail contractor named in the order shall comply therewith within a reasonable time to be fixed in such order. If the Commission shall find after like application, notice, and hearing that the public convenience and necessity requires additional service or schedules and such service or schedules do not tend to increase the cost of air-mail transportation, it may permit the institution and maintenance of such schedules and prescribe the frequency thereof. The compensation of any air-mail contractor shall be withheld during any period that it continues to violate any order of the Commission or any provision of this act.'

"SEC. 13. Section 6 of such act is hereby amended by adding at the end thereof a new subsection to read as follows:

"'(f) Each holder of an air-mail contract shall file with the Interstate Commerce Commission, in such form as the Commission shall require, on July 1st and January 1st of each year, a full statement of all free transportation hereafter furnished during the preceding semiannual period to any persons, including in each case the regular tariff value thereof, the name and address of the donee, and a statement of the reason for furnishing such free transportation.'"

And the Senate agree to the same.

JAS. M. MEAD,
W. F. BRUNNER,
DONALD C. DOBBINS,
I. H. DOUTRICH,
Managers on the part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
THOMAS D. SCHALL,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 6511) to amend the air-mail laws and to authorize the extension of the Air Mail Service, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the substitute agreed upon by the conferees are noted in the following discussion, except for clerical amendments and incidental changes made necessary to harmonize various provisions affected by the agreements reached.

INITIAL CONTRACT PERIOD

The first section of the Senate amendment amends section 3 (a) of the Air Mail Act of 1934 (hereinafter referred to as the Air Mail Act) to make the initial period of contracts for carrying air mail 3 years instead of 1 year. The House bill contains no comparable provision. The conference agreement (sec. 1) retains the Senate provisions.

ROUTE EXTENSIONS

Section 1 of the House bill amends section 3 (c) of the Air Mail Act to allow route extensions of 150 miles on each route. Section 2 of the Senate amendment allows aggregate route extensions not exceeding 200 miles in effect on one route at one time. The conference agreement (sec. 2) fixes the limitation on aggregate route extensions at 250 miles.

PRIMARY AND SECONDARY ROUTES

Section 2 of the House bill amends section 3 (d) of the Air Mail Act to authorize three transcontinental routes instead of four, to repeal the requirement that the coastal routes be designated as primary routes, and to provide that no route of less than 500 miles be designated as a primary route. The Senate amendment contains similar provisions in section 3, with a minimum primary route limit of 1,000 miles, and with the additional proviso that the existing coastal routes may be regarded as other than primary routes and that the southern transcontinental route be designated as a primary route. The conference agreement (sec. 3) retains the House provisions as to designation of routes, but with a minimum length of 750 miles for primary routes, and with the added Senate provisos.

AGGREGATE MILEAGE

Section 3 of the House bill amends section 3 (f) of the Air Mail Act to fix a route mileage limit of 32,000 miles in lieu of the present limit of 29,000 miles, and an annual aggregate of 45,000,000 airplane-miles in lieu of the present maximum of 40,000,000, and authorizes the Postmaster General to prescribe schedules and to utilize passenger or express flights of the contractor. The same or similar provisions are contained in section 4 of the Senate amendment, which also permits the Postmaster General to pay for emergency trips or special schedules, and to allow the contractor to carry air mail on nonmail schedules, the weights of mail so carried to be credited to regular mail schedules, and the mileage so flown not to be computed in the annual aggregate. The conference agreement (sec. 4) adopts the Senate provisions.

FAIR AND REASONABLE RATES

Section 4 of the House bill amends section 6 (a) of the Air Mail Act to direct the Interstate Commerce Commission to determine fair and reasonable rates of compensation for carrying air mail, subject to the limitation that such rates shall not exceed those fixed in section 3 (a) of the act by more than 20 percent. Section 5 of the Senate amendment makes similar amendments but continues in effect the maximum rates of the Air Mail Act, and repeals so much of subsection (g) of section 3 of the Air Mail Act as is in conflict with section 6 (a), as amended. The conference agreement (sec. 5) retains the provisions of the Senate amendment. Section 4 of the House bill also places the burden of establishing the insufficiency of existing rates upon the contractor, and this provision is retained in the conference agreement (sec. 6).

EFFECTIVE DATE OF COMMISSION RATES

Section 5 of the House bill amends section 6 (c) of the Air Mail Act to provide that the rates fixed by the Interstate Commerce Commission under section 6 of such act shall be in force as of March 1, 1935, as to air-mail contracts then in force, and as to contracts executed after such date shall be in force after the expiration of the initial period (now 3 years). Section 8 of the Senate amendment has the same provisions as to effective dates of the Commission rates, but also amends section 6 (a) of the Air Mail Act to provide that the Commission may cancel a contract only for cause, and that contracts may not be voluntarily canceled except by agreement of the Postmaster General and the contractor. The conference agreement (sec. 8) retains the Senate provisions as to the effective date of the rates but eliminates the requirement of cause with respect to cancelation of contracts by the Commission and permits the contractor to terminate for cause upon 60 days' notice.

DETERMINATION OF RATES

Section 6 of the House bill amends section 6 (e) of the Air Mail Act to direct the Commission in determining rates of compensation to disregard any losses resulting from unprofitable operations of nonmail schedules of the contractor. Section 6 of the Senate amendment contains the same provision, together with the provision as to burden of proof contained in section 4 of the House bill, and provides that the rates fixed by the Commission shall not exceed the limits prescribed in section 3 (a) of the Air Mail Act. The conference agreement (sec. 6) retains the provisions of the Senate amendment with a provision that the Interstate Commerce Commission shall report to Congress not later than January 15, 1936, with respect to certain contracts, after making an audit and examination, whether fair and reasonable rates would be in excess of the limits referred to in section 3 (a) of the Air Mail Act.

EXAMINATION OF ACCOUNTS

Section 7 of the House bill amended section 10 of the Air Mail Act to permit the Postmaster General to examine and audit accounts of the air-mail contractors when he deemed it advisable to do so. There was no similar provision in the Senate amendment. The conference agreement (sec. 10) retains the provisions of the House bill with the provision that the Interstate Commerce Commission shall make available to the Postmaster General audits and reports, and also report to the Postmaster General any violations of the uniform system of accounts prescribed by the Postmaster General, and makes available funds to be used by the Postmaster General in making audits and examinations.

Section 7 of the Senate amendment amends section 6 (b) of the Air Mail Act to direct the Interstate Commerce Commission to examine the books and records of the contractors, to determine whether the rates being paid result in unreasonable profit to the contractors, and for the purpose of arriving at fair and reasonable rates. It also sets out specific points for examination, especially as to prices paid for goods and services purchased from companies directly or indirectly affiliated with the contractor. It further directs the Commission to make a report of its examination to the Postmaster General and to the Congress. There was no similar provision in the House bill. The conference agreement (sec. 7) retains the provisions of the Senate amendment.

LABOR CONDITIONS

Section 8 of the House bill amends section 13 of the Air Mail Act to continue in effect decisions of the National Labor Board notwithstanding the fact that such decisions by their own terms may have no force by reason of lapse of time. Section 10 of the Senate amendment contains substantially the same provision, and the conference agreement (sec. 11) adopts the Senate provision.

QUALIFICATIONS AND SALARIES OF OFFICERS OF AIR-MAIL CONTRACTORS

Section 9 of the Senate amendments amends sections 7 (d) of the Air Mail Act to permit the Interstate Commerce Commission to call for affidavits with respect to activities of officers in regard to bidding for contracts, in the same way as the Postmaster General may do, and adds a new proviso prohibiting any officer, director, or employee of a contractor drawing any salary whatever from any other company, if such salary makes his total compensation more than $17,500 per year. There are no corresponding provisions in the House bill, and the conference agreement (sec. 9) retains the Senate provisions except that the restriction on salary in case of the added proviso is limited to officers and employees of the contractor, and is not applied to a person who is a director of a contractor.

OFF-LINE OPERATIONS OF AIR-MAIL CONTRACTORS AND UNFAIR PRACTICES OF AIR-MAIL LINES

Section 9 of the House bill amends section 15 of the Air Mail Act, as amended, to provide that the limitations on the number of routes to be held by a contractor shall take effect July 1, 1935, in place of April 1, 1936, and to prohibit a contractor operating services not on its air-mail route, in competition with passenger or express service of another air-mail route, unless such operations were in force 4 months prior to July 1, 1935, and are limited to the operations and schedules then in effect. The Senate amendment (sec. 11) contains the same provision except that no specific period of operation prior to July 1, 1935, is required, and that the Interstate Commerce Commission may permit an increase in such operations, or may permit such operations even though competitive. The conference agreement (sec. 12) retains the House provisions on these points except that the specific requirement of 4 months' operation prior to July 1, 1935, is eliminated.

The House section also authorizes the Interstate Commerce Commission, on application of the Postmaster General or an air-mail contractor, to hold inquiries as to alleged unfair practices of air transportation operators or competitive off-line services by air-mail contractors started after March 1, 1935, and to order the discontinuance or the restriction of such practices or competitive operations, if the Commission finds that the alleged practice is unfair or the operations are not needed in the public convenience and necessity, and that the cost of air-mail transportation is affected thereby. The Senate amendment has similar provisions on these points, except that no finding as to an effect on the cost of air-mail transportation is required. The conference agreement (sec. 12) retains the provisions of the House section with modifications limiting the operation of the House language to air-mail transportation adopting the date of July 1, 1935, in lieu of March 1, 1935, and including the Senate provision with modifications, withholding pay of an air-mail contractor operating in violation of any order of the Commission or any provision of the Air Mail Act.

REBATES AND PASSES

Section 12 of the Senate amendment prohibits the granting of rebates or the issuance of passes by air-mail carriers except to officers of the Post Office Department traveling on official business, officials or employees of the carriers or their immediate families, officials or employees of other air-mail carriers, and officials and employees of the Bureau of Air Commerce traveling on official business. There is no corresponding provision in the House bill. The conference agreement (sec. 13) provides that each holder of an air-mail contract shall file with the Interstate Commerce Commission twice a year a statement of all free transportation furnished any persons during the preceding semiannual period, setting out the tariff value, name and address of the donee, and the reasons for furnishing the free transportation.

JAS. M. MEAD,
W. F. BRUNNER,
DONALD C. DOBBINS,
I. H. DOUTRICH,
Managers on the part of the House.

Mr. MEAD. Mr. Speaker, in view of the fact that the statement just read explains very thoroughly the details of the conference report on the air mail bill, and in view of the fact that the bill was explained to the House when it was passed, I am constrained, unless someone wants to ask a question, to move the previous question.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. Yes.

Mr. TABER. Will not the gentleman tell us something of what has been done to the bill since it left the House.

Mr. MEAD. The prime purpose of the bill is to amend existing law so as to enable the Interstate Commerce Commission to increase, as well as decrease, the rate of payment for the carriers of air mail. Under existing law the Interstate Commerce Commission may revise rates, but in no case in excess of the bid rate. Under this bill the Interstate Commerce Commission may revise rates in excess of the bid rates but not in excess of the basic rates contained in the law. The basic rates contained in the law permit a maximum rate of not to exceed 33⅓ cents per mile for loads not in excess of 300 pounds.

In practical application this will permit the Interstate Commerce Commission to disregard the bids submitted over a year ago by the contractors and give them a fair and reasonable rate, but not in excess of 33⅓ cents per mile. This was the prime reason for the legislation. After it left the House there was a demand that we liberalize certain features of the bill, particularly the features with respect to off-line flying, and the House conferees agreed to a liberalization of that feature of the bill so that off-line flying will now be permitted to such a degree as was in operation prior to June 30 last, and the Interstate Commerce Commission will not only have authority to pass on off-line flying such as was in existence prior to June 30 last, but they will also have authority to consider increasing off-line flying as well as restricting or eliminating it.

So the bill, as it comes back to the House, is more liberal from this standpoint than it was when it left the House. In a word, it permits the Interstate Commerce Commission to exercise more control over air mail, to increase rates within certain limitations, and to make such other adjustments and regulations as the bill provides.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield.

Mr. McFARLANE. What is the basis of the regulation by the Commission of these off-line flying connections of a transcontinental route?

Mr. MEAD. That they be in the public interest, that they do not interfere with air mail appropriations, and that they do not unduly diminish the revenues of a competing line.

Mr. McFARLANE. For instance, take the line from Oklahoma City to Wichita Falls; what chance would we have of establishing a feeder line through there under the amendment you have in your bill?

Mr. MEAD. If the contractor who established the feeder line held an air mail contract he would not be permitted to compete with an existing air mail line on any part of their operation. If he were not an air mail contractor he could establish a line any place without interference on the part of the Post Office Department or the Commission. This measure only regulates off-line flying where the operator of the off-line operation holds an air mail contract.

Mr. McFARLANE. I know that, but can the holder of one of these air mail contracts keep these off-line flyers from interfering, if it interferes with his subsidy?

Mr. MEAD. They can only accomplish that if the off-line flyer has an air mail contract, and they cannot interfere with off-line flying if the off-line operator has no air mail contract. In other words, we have no jurisdiction over an operating company unless that company holds an air mail contract.

Mr. McFARLANE. If the gentleman will yield further, how much is the subsidy at this time and how much under the proposed legislation and how much subsidy do you propose we will have in the next 2 or 3 years under this amendment, both domestic and foreign?

Mr. MEAD. The appropriation for the Air Mail Service for 1936 was $10,700,000. The revenues from air mail postage perhaps approximate $6,000,000 or $7,000,000. The subsidy cannot be determined exactly, but it probably is not in excess of $5,000,000 or $6,000,000.

Mr. McFARLANE. Is that domestic or foreign, or both?

Mr. MEAD. That is domestic.

Mr. McFARLANE. How much will it be on foreign?

Mr. MEAD. This measure only treats with domestic aviation and I have not the figures at the present time so far as foreign air mail is concerned. However, the appropriation for foreign air mail service is $7,000,000.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. I yield.

Mr. TABER. Why was it thought advisable to permit the Interstate Commerce Commission to increase the payments that might be made to contractors above their bid price? I do not understand that.

Mr. MEAD. The bid price cannot be increased or decreased during the life of the contract. The present contractors bid on contracts to run for 1 year. That year is up. Hereafter, instead of calling for new bids, we give control of the rates to the Interstate Commerce Commission, and they, after investigation, establish the rates, and those rates hold until changed by subsequent order of the Commission.

Of course, the contractor has to prove that he is entitled to a sum in excess of his contract price. The Interstate Commerce Commission has passed on 31 contracts, and in some cases they reduced the rate to a figure less than the original bid price, but in the majority of cases they increased the rates in excess of the original bids.

Under this bill bids on new services will be called for by the Post Office Department for 3-year periods. The operator desiring to bid will bid for the 3-year period, and the Interstate Commerce Commission will not be permitted to increase the contract rate until after the expiration of the 3 years. However, they may decrease the rate.

The Interstate Commerce Commission may, after hearings, set a fair and reasonable rate, either in excess of the bid price or less than the bid price, but only after the expiration of the original contract.

Mr. McFARLANE. Will the gentleman yield?

Mr. MEAD. I yield.

Mr. McFARLANE. What is the limit per mile permitted in this act?

Mr. MEAD. Thirty-three and one-third cents is the maximum beyond which the Interstate Commerce Commission cannot go. That is the top rate except for mail loads in excess of 300 pounds, in which case the rate is one-tenth the base rate but not in excess of 40 cents.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

THE PROMISE OF A NEW DAY

Mr. DELGADO. Mr. Speaker, I again ask unanimous consent to extend my remarks in the RECORD, to include therein an editorial by Carlos P. Romulo entitled "The Promise of a New Day", from the Philippine Year Book, published as an annual supplement of the Philippines Herald, on trade relations between the United States and the Philippines. I have the report of the Public Printer, and the matter will cover about two and a half pages of the RECORD.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, has the gentleman secured the cost of printing this matter?

Mr. DELGADO. Yes; the estimated total cost for two and a half pages is $113, and the cost of the one-half page excess is about $22.60.

The SPEAKER. Is there objection to the request of the gentleman from the Philippines?

There was no objection.

Mr. DELGADO. Mr. Speaker, I have before me copy of a signed editorial by Carlos P. Romulo, publisher of the D-M-H-M newspapers in Manila, which appeared in the 1934 Philippine Yearbook, an annual supplement of the Philippines Herald, on the future relations between the United States and the Philippine Islands. On the eve of the inauguration of the Philippine Commonwealth government, this editorial, coming as it does from the keenest journalistic mind in the Philippines, whose creed as a newspaperman has always been uncompromising loyalty to facts, is a valuable source of information for those who are interested in helping formulate the future policy of the United States on the Philippine Islands.

Mr. Romulo, in a most unbiased manner, discusses reciprocal-trade relations between the United States and the Philippines as a two-sided business proposition with benefits accruing to both countries. I have always endeavored to show the same thing since my assumption of office as Resident Commissioner from the Philippines, and for permanent record, I think the excellent presentation of Mr. Romulo in his editorial can hardly be improved upon. For this reason,

Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the said editorial which is as follows:

Thirty-five years ago, the Americans came to the Philippines as conquerors. In the law of war the taking of this country by the armed forces of the United States was the reward of victory. To the victor belongs the spoils, and the Philippines was the spoils.

It was America's first adventure in imperialism. Never before did she step out beyond her frontiers to interfere with anybody's business. Washington's "no entangling alliances" in his epoch-making farewell address to his countrymen, had been faithfully adhered to for more than a century.

President Monroe, at a later time, true to the spirit of that Washingtonian doctrine of live and let live, that declaration of purpose of a people risen to nobility from the odious tyrannies of the Old World, laid down the policy that America was to be for the Americans and for nobody else.

That policy set back the European game of diplomatic intrigues definitely insofar as the Western Hemisphere was concerned. True, there was an attempt, during the American Civil War, to introduce the monarchist tradition in Mexico, with France leading the intruders. But that was a short-lived misadventure, for as soon as the Americans had weathered the storm of disunion Mexico was restored to its rights as a nation fettered to no conquering power.

The great merit of the Monroe tradition was its sincerity of purpose. Its escutcheon was immaculate; the whole background of American history lent it force equaled only by the force of the great fundamental doctrines that have shaped the history of human freedom.

This was America's record when she came to this country to impose her rule on us. It was an entirely new experiment, it was clearly a departure from the doctrines of both Washington and Monroe. The Filipinos were then a weak people. In point of arms, their resistance was out of the question. Therefore, after 3 years of fighting, they were subdued.

No matter, then, what America's record was as a nation committed to the manumission of mankind from its fetters of subjugation, the fact remains that to the great mass of the Filipino people she did not merely come and see, but conquered. In other words, she was an imperialist. This idea persisted despite the declarations of her authorized representatives, among them President McKinley and President Taft. Nobody could help it. It was the natural reaction of a subdued people.

The Philippines Herald came into existence 14 years ago, in the midst of this profound doubt in the motives of the United States in this country. It was a time when the atmosphere was surcharged with grave misgivings as to the final fate of the Filipino nation. In everybody's mind in this country was the question, Will the Philippines be finally annexed?

The Herald came to counteract these misgivings, to show to the people that but one side of the American medal was being seen and that the other side was being totally ignored. On that other side was written the testimony of America's good faith.

We came into being to preach that good faith and to instill, on the other hand, faith in the Filipino people. We stood convinced of the loftiness of America's purpose, and the sincerity of her ideals. Filipinos educated in our public schools, some of them graduates of American universities, were out to prove that the Americanism which they had imbibed was no other than the American sense of justice, fair play, and unselfishness.

The Herald became the mouthpiece of the Filipinos brought up in the American pattern of education. It was inspired in confidence in the good motives of the United States. Fourteen years after, the Herald sees today its beliefs upheld and its principles reiterated. America's unselfishness has been demonstrated by the voluntary relinquishment of a conquered territory. The Filipino people will soon be an independent people; they are now about to step on the last stone to their full stature as a nation.

Is it altruism or is it selfishness that has made America take the last actual step to our complete independence? We believe it is altruism. The logic of accomplished facts proves this beyond a doubt.

Everything that America has done here in the last 35 years establishes her motives clearly. Every step she has taken, it may be said, has had the effect of setting a stone aright in the edifice of Filipino self-determination. First the Philippine Assembly, then the Jones Law creating an all-Filipino legislature of two chambers elected by the people, and now finally the Tydings-McDuffie Act instituting the Philippine Commonwealth as the regime immediately before complete independence.

Politically, America has pursued here a policy the inevitable culmination of which can be no other than our full independence. Every opportunity has been placed within our reach to develop our ability in government. High positions of public trust are now occupied by our own countrymen. The Filipinization of the public service is now almost complete.

In the other phases of human endeavor America's record will not be found wanting. Our public school system is a creature of American efficiency and deep practical sense and stands today as one of the monuments of achievement in the whole Orient. In health and sanitation the record of the Philippines under the American regime has no parallel in the Far East. Epidemics have been stamped out, the death rate has been greatly reduced. Physically the Filipinos are growing under the impetus of the American public-health system.

America has not done all this for her benefit but for the benefit of the Filipino people. There has been not the least vestige of self-seeking. She came here as a conqueror, but in the spirit of humanitarian sympathy. She gave our institutions permanence and added the strength of her own. She has made us fully prepared, politically and socially, at least, for the responsibilities of national existence. This is altruistic work, not selfish work.

So now the political future of the Philippines is a decided matter. No more doubt is left as to the final assumption by us of the direction of our own affairs. As a matter of fact, in a year from now we shall have installed at the Malacañang Palace the first Filipino Governor General and our government will have been entirely Filipino, subject only to the supervision of an American High Commissioner during the Commonwealth regime.

Our problem therefore has ceased to be political and we are entering now upon the economic phase of our national progress. Our first concern is the circumstances of our trade with the rest of the world. A casual glance at our trade tables will show that we have been losing heavily in our commerce with foreign nations, outside the United States, with the exception of Spain and France.

It is necessary that we protect ourselves as other nations are protecting themselves. It is imperative that we reconstruct our trade with those countries with which we have had consistent unfavorable balances. This is but a legitimate measure of safety for our interests. We can never foster our home industries unless we can sell our basic exports abroad, and it just happens that these countries with which we are trading at a disadvantage can offer us no market for our exports.

While our exports to Japan amount to less than ₱6,000,000 a year, Japan's exports to us amount to approximately ₱20,000,000. We export to China about ₱1,600,000 worth of goods and import from her more than ₱10,000,000. To Germany our exports are valued at about ₱1,800,000 whereas our imports are valued at about ₱5,500,000. To Australia we sell around ₱250,000 worth of products and buy approximately ₱3,300,000. From the British East Indies we import to the tune of nearly ₱3,800,000 whereas we export only less than ₱500,000.

On the other hand, take the case of Spain and France. We are exporting to Spain approximately ₱4,500,000 a year and import only about ₱1,000,000. France buys from us about ₱4,300,000 worth of goods and sells to us less than ₱1,200,000. And then, of course, the most important item is our favorable balance against the United States. In 1933 our exports to that country were valued at ₱182,626,053, whereas our imports were valued at only ₱87,080,813.

There is no reason for such discrepancies in our foreign trade. We cannot get along that way for a long time to come without being fools and inconsistent at the same time? To continue favoring nations that have refused to correspond our favor would be just one way of victimizing our own selves, and to continue refusing to do a good turn for those countries that have shown us their patronage would be an injustice on our part.

In reconstructing the circumstances of our trade we have no motive to guide us but a sense of fairness. We should not be interested in favoring any nation in particular, but all nations in particular that have favored us. And if we must be judicious and must look after our own welfare it should be our business to wipe off from our books the losses which unfavorable trade balances have brought us for all these many years.

The time to act in this direction is now, because America is still here to give us the moral backing of her Government. The day we are already an independent nation we shall find it extremely difficult to readjust our tariffs, because foreign nations will try to prevent us from doing so. Even now, let us observe as a good warning to us, there is already pressure being brought to bear from a foreign source against the proposed protective tariff for the Philippines.

Let us now consider our special relation to America in this matter of our trade. For three decades our main industries have flourished because they have been able to market their output free of duty in the United States. What has been the result of all this free trade? The raising of our standard of living through the increase of our purchasing power.

It is now generally admitted that our living standards are away up compared with those of other oriental countries. Here we have none of what is known the world over as "coolie" labor. Here our women don't have to work like the men. Here we don't see any of those forms of drudgery so common among the laborers of the Far East.

We have no mass production in the Philippines, the system which makes industry highly efficient and productive. In Japan, for instance, because of the mass production method, goods can be manufactured at great quantities and sold at incredibly low prices. This is possible because labor is paid comparatively low wages and millions of them are available for long hours, and more days than in any other country, of work. For the Philippines to produce at the rate the Japanese are producing their manufactured articles is at this time simply impossible. We have hardly entered the stage of our industrialization and it will require many, many more years before we can ever compete with Japan.

It is out of the question, therefore, that we can at this period of our national life approximate Japanese efficiency, and if we continue our policy of permitting the entry of cheap goods the result would be the ultimate extinction of our industrial initiative. Our masses will be satisfied to consume cheap goods; they will no longer look for the goods of our own stamping.

Our home industries are our own industries. We should protect them. The way to protect them, and the way to create new ones, would be to sell our main export products. We have already pointed out that there is no market in foreign lands for such products outside of the market of the United States. We have

also mentioned the great benefits which have accrued to the Philippines from that market of the United States.

As a matter of simple truth it would not be possible for us to desert the American market at this stage of our economic life without imperiling our stability, without reducing our standards of living to the level of the low-wage countries of the Orient. The advisable thing to do, therefore, is to establish some form of reciprocity with the United States.

Inasmuch as the American people consume about 90 percent of our total exports it is only fair that we consume more American goods than we are consuming at present. These goods are not cheap goods, but quality goods. In other words, they are not being manufactured by cheap labor to be dumped on our market and prevent the growth of new industries, but, on the contrary, afford our own men of capital the chance to use their initiative and produce the same goods. Thus we will be forced to produce good-quality articles rather than be satisfied with consuming inferior goods with which it would be impossible for us to compete.

Why should we favor American products? Because America has shown preference for our products, and it is only just that we should return that preference. It is true that the exportation of our basic commodities—sugar, copra, and coconut oil—have been limited, but this limitation is not confined to our country. American farmers likewise have to restrict their crops. It is a national policy which applies to all.

However, there are certain benefits accruing to us. There is the processing tax on sugar, the collections from which will be held in trust for us and disbursed for the stabilization of our sugar industry and the consequent diversification of our agriculture. And there is the 3-cent preferential of the excise tax on coconut oil, which practically assures the concentration of American coconut oil consumption on the Philippines. These are preferences unheard of in the trade policies of any other nation today.

We have not the least doubt as to the general sentiment in this country in favor of a reciprocal trade with the United States. The Filipinos, trained in the American way, cannot help it if their preferences are for American goods. This is something which the American people should bear in mind—this good will on the part of our people toward everything that bears the stamp of the United States.

America should consider the prestige that she has gained by her successful tutelage over the Filipino people. This is not a prestige confined to the Orient alone. Indeed, it transcends the frontiers of the Orient and reaches the farthest confines of the earth. Wherever Americans may go, they will be known for their record in the Philippines, and no embarrassment awaits them because if that record has been great in altruism so have the Filipinos been great in their advancement under American influence. The credit is mutual: Teacher and pupil alike can feel proud of the culmination of a joint experiment unparalleled in the annals of colonialism.

This is the great intangible of America's world prestige, the unpurchasable factor of her good name in the eyes of mankind. If the Filipinos had not been diligent pupils, if they had not been quick to learn and quick to appreciate the good motives of their teacher, if they had not stood faithfully and loyally by America and cooperated with her—the Philippine experiment would never have come to a happy ending and the record of America's work here would not be what it is today—the testimony of her prestige.

Certain other considerations stand out in the relationship between the United States and the Philippines which no American should forget. These considerations prove that the Philippines is not only a source of prestige for America but a source also of material benefits.

An analysis of importation statistics reveals that the United States is in virtual control of the Philippine import business. In 71 items of the 102 items of import into this country the United States ranks first of all other nations; she is second in 10 items, behind in 17 items, and commands a nominal share in 4 items.

This commanding position of America in the islands import business is due to the fact that American goods do not pay duty in entering this country. But if the Filipinos have been able to buy these goods it is because they have been able to export their main products, also free of duty, to the United States. The American market, therefore, is the source of Filipino purchasing power. the purchasing power which has given America her commanding position in the Philippine market.

One cannot forget the fact that the trend of world business is clearly toward the East. The day is to come when the trade of far eastern countries will be comparable to the trade activity of, say, the Atlantic coast of the United States. With America's present premier position in the Philippines, the country which is bound to figure strategically in the scheme of that coming bonanza, American business men can have an idea of the unbounded opportunity that awaits them here.

The Filipinos, therefore, are not seeking a one-sided arrangement in asking the United States Government to lighten the burden which recent tariff restrictions would impose on them. Americans and Filipinos are partners in Philippine business. Both of them will profit by an agreement which will represent, as Senator CARL HAYDEN said, an exchange of goods, the Philippines paying in goods what she gets in goods from the United States.

A reciprocal-trade arrangement is a mutual problem, and it can only be attained when Americans and Filipinos alike put their shoulders to the wheel, so to speak, and together work out their salvation. It is wrong to assume that the first move must come from the Filipinos alone. True, that the balance of trade between the United States and the Philippines is in favor of the Philippines, but we must also consider the fact that Philippine products entering the American market free of duty are comparatively less than American products entering the Philippines duty free.

The sensible attitude to take on this question is to consider ourselves, Americans as well as Filipinos, as being in the same boat, and that none of us can rock that boat without imperiling all our lives. In short, if that boat sinks, down we go, and that is all there is to it.

Americans and Filipinos should join hands in the move to seek from Congress relief for Philippine export business from onerous restrictions that have been decreed. The American who is in the Philippines cannot escape his obligation. His money is here, he has come here, lived here, not to stay separate from us but to unite with us in one common fate. If we prosper, he prospers; if we collapse, he will collapse with us.

We must emphasize this attitude of cooperation as the sine qua non of any success in the present movement to secure some form of equal trading between the United States and the Philippines. Without a common intelligence on the question of Philippine economic welfare we will never be able to advance the cause of our mutual stability.

Let us all concentrate our efforts upon the improvement of the trade provisions of the Tydings-McDuffie Act. As we have already said, the political aspect of this law is an accepted fact and nothing remains to do but make its economic terms less burdensome. President Roosevelt has promised to correct the inequalities and imperfections of the act and at his behest Congress is sending here a Commission for the purpose of looking into the ways of effecting that correction.

We are fully expected to do our very best to present the case of the Philippines to this Commission convincingly. It would be fatal if we allowed any division to prevail among us, if the Americans here did not see eye to eye with the Filipinos in the matter of seeking suitable amendments to the law.

Let there be, first of all, a forceful plea for the abolition of the proposed export tax against the Philippines. This is a tax which is unsound in the way it would be applied. Our export industries would groan under it at the very time when they are supposed to maintain themselves on their feet because the Government would need their financial help most.

The principle of taxation rests on the purpose of raising revenue. The export tax seeks to raise no revenue for the Government, but simply provides for the application of its proceeds to the sinking fund with which our Government would pay its bonded indebtedness to the United States. It is clear that the idea is to assure payment by us, something in the nature of the classic pound of flesh.

If America's purpose is to help us on our feet during the Commonwealth period, she can hardly justify penalizing our export business by a tax which would surely raise production costs and curtail seriously, if not altogether stop, our shipment of products to the United States.

The export tax will begin to be in force in the sixth year of the Commonwealth regime, when 5 percent of the full duty as fixed in the United States tariff laws will be collected on Philippine exports. The graduation will be as follows: For the seventh year, 10 percent; for the eighth year, 15 percent; for the ninth year, 20 percent; and for the tenth year, 25 percent.

In proportion as this tax is enforced Philippine industries will suffer more and more, with the possibility that before the end of the Commonwealth some of them will have found their profits so nil as to make continuance of business no longer worth the trouble.

The Tydings-McDuffie Act provides that within 1 year of the date fixed for the proclamation of independence a conference will be held between representatives of the United States and the Philippine Islands for the purpose of considering and submitting recommendations for future trade relations between the two countries.

It is to be hoped that the coming of the congressional commission in the near future will serve the purpose of this provision of the independence act. If possible, we should make it a point to reach a satisfactory agreement with the members of the commission, so that adjustments can be made over a long-range program of trade.

We should bear in mind that the imposition of the full American tariffs on Philippine goods would mean a loss to the Philippines of about 75 percent of her export trade. On the basis of recent figures it means that the total export trade would be reduced to only about ₱50,000,000, and the result of this would be a corresponding decline in Philippine imports from the United States to about ₱40,000,000. An abrupt fall in the present standards of living of the Filipinos should follow; in other words, the standards of living prevailing before the establishment of the free-trade arrangement would be restored. With the increase in population since that time, estimated at about 60 percent, it is easy to visualize the social disorganization which would occur here.

To return to our modes of living 30 years ago is out of the question, unless we choose to impose upon ourselves a national hunger strike. The disruption of our principal industries would simply mean a tremendous reduction in the income of our Government. With reduced income we would have no other course than to reduce also the cost of our Government. Men in the service will have to step out, bureaus will have to be abolished; in short, the entire machinery of the public service will be dislocated.

Let us be practical and meet the realities of the situation, and let us be frank and admit that Americans and Filipinos alike are affected by these realities. No economic disruption here, no

disorganization of our social institutions, can affect the Filipinos alone. The Americans who have invested money here will suffer as much as we will, and Americans in the United States selling their commodities to us will lose the most positive factor of their commercial advancement in the Orient.

The Philippines Herald pledges itself unconditionally to this mutual commercial benefit between America and the Philippines. It believes that while a great deal remains to be done by Americans and Filipinos alike, and each people must contribute their full share to the building of a lasting trade relationship, nothing will be impossible of accomplishment if the spirit of mutuality will prevail.

We face the future with reasonable optimism. We believe that the groundwork of success is not lacking—confidence. There is faith in our hearts which is unshaken. The logic of accomplished facts proves that this faith has been the best guaranty of our happiness.

The Herald, as we have already pointed out, was born when Filipino faith in America's motives was in peril of death. We came into being in the midst of doubts and misgivings, but our deep sense of confidence sustained us through difficulties, and today we have the testimony of American word of honor in the form of and independence law redeeming the pledge written into the preamble of the Jones Act.

This fulfillment of a national hope is the crowning glory of all our struggles of 3 centuries. We have gone through the crucible and have stood many a soul-shaking trial. The Spaniards did not take this country without shedding blood; they did not find here a people ready to sacrifice their rights to the fear of a foreign conqueror. If the Filipinos were finally subdued, it was because the circumstances were against them.

When the Americans came they found the Filipinos in virtual control of the country, with the exception of Manila, the fall of which was conceded to be imminent. For 3 years the Filipinos resisted their new invaders, but fate again was against them, as fate has always been against the weak in the history of nations. America's conquest, however, has been a benevolent conquest, and the Filipinos have known how to submit themselves to circumstances that were beyond their control. In this way the great experiment in partnership in the annals of colonialism began.

In this experiment the Filipinos have done their part with a deep sense of responsibility, and without doubt the experiment would not have been successful if they had not shown a natural ability and a genius for government. Indeed, their whole historic background reveals that they could not have failed to do their part.

Our people have had their crises, but they have never been known to waver in the struggle. They have faced crises of war and crises of peace, and in all cases they have stood by their principles and fought like Spartans. A people like ours are not the people to lose honor in defeat.

The Herald has faith in our people. It is fully convinced that this country is sound in conservatism and that its feet are firmly on the ground. Here there is no danger of exceeding the bounds of good government; here leaders and common men alike are fundamentally law-abiding, with the tendency to construct rather than destroy, to walk in the safe traditions of mankind rather than adventure into alluring grounds of dubious possibilities.

This is above all a tolerant Filipino people with whom the rest of the world will have to deal, a people that has no religious quarrels, no bigoted ideas of race, no sense of nationalistic arrogance. Trained in the ways of democracy, they will stand no dictatorship, no tyranny. Believing in divine laws, they will be righteous and true. It is hard not to envision for such a people a future of happiness—a reaching out for the stars of God.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

MOTOR-VEHICLE SERVICE, POST OFFICE

Mr. MEAD (when the Committee on the Post Office and Post Roads was called). Mr. Speaker, I call up the bill (H. R. 8790) to amend section 6 of the act of February 28, 1925.

I yield now to the gentleman from Texas [Mr. LANHAM], if it is in order.

LIMIT OF COST, EXTENSIBLE BUILDING, DEPARTMENT OF AGRICULTURE

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3192) to increase the limit of cost for the Department of Agriculture extensible building, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to modify the contract no. T1 SA-3167 for the construction of the Department of Agriculture extensible building in the District of Columbia, to reimburse the contractor for increased costs incurred as a result of the failure of the Government to deliver the site to the contractor in its entirety within the time specified, the amount of the adjustment determined upon to be subject to prior review by the Comptroller General of the United States.

SEC. 2. The limit of cost for the site and construction of such building as authorized in the Second Deficiency Act, fiscal year 1931 (46 Stat. 1604), is increased to $13,150,000 in lieu of $12,800,000, and there is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. LANHAM. Mr. Speaker, I made an explanation of this measure on Monday last. The gentleman who at that time objected has withdrawn his objection.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill was laid on the table.

MOTOR-VEHICLE SERVICE, POST OFFICE

Mr. MEAD. Mr. Speaker, I call up the bill H. R. 8790, to amend section 6 of the act of February 28, 1925, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from New York calls up the bill H. R. 8790 and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

Mr. RICH. Mr. Speaker, reserving the right to object, if the bill comes up in that way will we have an opportunity to say something to the House in reference to it?

The SPEAKER. It will be considered under the 5-minute rule. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 6 of the act of February 28, 1925 (43 Stat. 1060; 39 U. S. C. 116), be amended to read as follows:

"That employees in the motor-vehicle service shall be classified as follows: Superintendents, $2,400, $2,600, $2,800, $3,000, $3,400, $3,600, $3,800, and $4,000 per annum: *Provided*, That at offices where the receipts are $20,000,000 and up the salaries shall be $4,300 per annum; assistant superintendents, $2,500, $2,600, and $2,800 per annum; chiefs of records, $2,200, $2,300, $2,400, $2,500, $2,600, $2,800, and $3,000; chiefs of supplies $2,200, $2,300, and $2,400; chief dispatchers, $2,300 and $2,500; route supervisors, $2,400, $2,500, and $2,600; dispatchers, $2,100, $2,200, and $2,300; chief mechanics, $2,400, $2,500, $2,600, $2,800, and $3,000; mechanics in charge, $2,200, $2,300, and $2,400; and special mechanics, $2,100, $2,200, and $2,300: *Provided*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less than $3,000 per annum."

Mr. MEAD. Mr. Speaker, I cannot imagine that this bill will cause any controversy. At the present time we have one grade in the motor-vehicle service for which we pay $5,000 a year. That is just one salaried officer in one post office. We abolish that grade by this bill and institute in its place another grade, which will hereafter be the maximum grade, at $4,300 a year.

This is what will result from the passage of this bill: The former superintendent in charge of the motor-vehicle service in New York, who retired recently, received $5,000 a year. The man acting in his place will receive $4,300 a year, if the bill passes. The man in charge in Chicago, and it is a comparable position, is now receiving $4,000 per year. If the bill passes, he will receive $4,300 per year. In other words, instead of paying $5,000 a year in New York and $4,000 a year in Chicago, a total of $9,000, the Department will pay $4,300 in both places, or a total of $8,600, which will result in a saving to the Government of $400 a year. The purpose of the bill is to create a top grade for cities where the postal receipts are $20,000,000 and up, with pay at $4,300.

In each of these cities, New York and Chicago, the superintendent has charge of approximately 800 employees and is responsible for the maintenance and upkeep of 1,000 trucks assigned to his district. Both positions are fairly comparable in volume and responsibility. It is agreeable to the Post Office Department and to our committee that we create this maximum grade at $4,300 and abolish the $5,000 grade.

Mr. RICH. Mr. Speaker, I have listened many times to the changes in grades in various Government departments. No doubt there is a lot of merit about changing grades, in an effort to give men pay commensurate with the duties they perform. I do not object to that. I think there is merit

in it; but I say to the Membership of the House that I voted the other day for an iniquitous tax bill, and why? I voted for it because I wanted to try to assist in balancing the Budget. I thought that the Members of Congress had awakened to their responsibilities and the fact that it is necessary if we want to save this country to try to get a balance between our expenditures and our receipts. That is the reason I supported the bill, but the bill itself was only one-tenth of the amount we are spending over and above the amount necessary to balance the Budget annually. Where are we going? We are making changes in various departments, and every change we make here we are increasing Government expenditures. We must stop it. We are not only asking in this particular bill for greater expenditures, but I want to drive this fact home: That we as representatives of the American people have our responsibility to continue to operate this Government as economically as we can. That is the point I want to drive home. It is not the fact that we want to try to keep from advancing these particular employees at this time, or the employees we had under consideration a few moments ago in the office of Sergeant at Arms. Our responsibility does not end there when it comes to advancing salaries by changing the grades and expending the funds of this country at a time like this. We should stop, look, and listen. We are going to wreck this country just as sure as the sun shines tomorrow if we do not stop these expenditures; and how are we going to do it? You have got to do it by economizing; you have to do it by keeping the employees of the Federal Government at this time in the classifications they are at the present time. Do not increase these salaries. There are no employees in the world getting better salaries than the employees of the Federal Government; and if that is so, why go ahead and increase them?

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. RICH. Yes.

Mr. MEAD. The gentleman is in favor of a bill that will effect a saving for the Government?

Mr. RICH. Yes; but I understand you are going to cut down 1 position and you are increasing 8 or 10 more.

Mr. MEAD. No. The gentleman is not correct. Let the RECORD indicate that I made this statement: This only affects Chicago and New York. It reduces the salary in New York $700 and increases the salary in Chicago $300, and that results in a saving of $400.

Mr. RICH. Very well. Let me ask the gentleman this question. There is a salary of $2,400, and down below you are increasing that position to $2,500?

Mr. MEAD. No. The gentleman is reading the existing law. We only make one change. We eliminate a $5,000 grade in one case and create a $4,300 grade.

Mr. RICH. Very well. If I am mistaken on that point, then I want to drive this home: that every time you bring up a bill to increase salaries, to increase the Government expenses, to increase the cost of operation of this Government, I want to have an opportunity to take the floor, so that some time we may drive it home to the Members of Congress that we ought to stop the ruthless expenditure of funds or you will wreck the country.

Mr. MEAD. I hope the gentleman will approve of our efforts when we are attempting to make a saving.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

WHY DENMARK REDUCES PURCHASES IN UNITED STATES

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a short letter ably discussing trade relations between this country and Denmark by my fellow townsman, Georg Strandvold, of Decorah, Iowa.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BIERMANN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter written by Georg Strandvold, of Decorah, Iowa, to the Des Moines Register:

DENMARK CUTS AUTO IMPORTS FROM UNITED STATES

[Reprinted from the Des Moines Tribune of Aug. 3]

COPENHAGEN, DENMARK.—The Danish Government announced Saturday no import licenses for American automobiles would be granted during the period from September to December.

Its order means imports from the United States will be reduced 10,000,000 kroner (about $2,213,000) with corresponding increases in imports from Great Britain and Germany.

In the editorial columns of the Des Moines Register of July 25 an executive of a large type machine corporation is quoted as having said:

"Every nation wants world trade. * * * The difficulties arise from the fact that most of us want foreign trade to be one-way tariffic. * * *"

A splendid illustration of the truth of this assertion may be found in the trade relations between the United States and Denmark, and it so happens that the subject is one of peculiarly timely interest in view of the fact that Denmark was one of the countries singled out by President Roosevelt a few weeks ago as having discriminated against the United States in the matter of trade. For that reason, steps were to be taken to ascertain whether the trade accord between the two countries ought to be abrogated.

STATISTICS

It was specifically charged that Denmark had purchased the goods and products of other countries in preference to those of the United States.

In refutation of this charge one need but look at the trade statistics covering various scattered years—statistics compiled and published in the United States—and the following table is sufficiently illuminating:

	United States exports to Denmark	United States imports from Denmark
1895	$3,475,000	$325,000
1900	18,488,000	920,000
1904	14,053,000	694,000
1911	13,197,000	1,713,000
1913	18,688,000	2,975,000
1915	79,824,000	3,161,000
1920	85,074,000	20,575,000
1929	51,442,000	4,561,000
1933	11,611,000	1,785,000
1934	20,000,000	2,250,000

Five months of the present year the United States exported to Denmark $7,150,000 worth of goods and imported from Denmark $990,000 worth.

Talk about one-way traffic in American foreign trade.

FUNDAMENTAL POLICY

A fundamental policy in the foreign trade of Denmark, as well as of several other countries, demands that the heaviest purchases be made from the nation which is the largest buyer of Danish products. In this case it is Great Britain. The English people buy Danish butter, cheese, eggs, bacon, etc., to such an extent that this single export trade has become the backbone of Danish commerce. In return, Denmark, naturally, imports from Great Britain all it possibly can.

Now, Denmark has made numerous attempts to sell more of its products in America than are actually sold. Time and again efforts have been made to correct the unfavorable trade balance—and time and again the flow of Danish trade into the United States was stopped by the tariff walls.

If, as it happened once in a while, a small opening in these walls was detected, it was promptly plugged. Thus, gradually it dawned upon Denmark that America was not interested in establishing equitable trade relations.

ILL WILL

Under these circumstances, much ill will has been aroused in Denmark, and public opinion becomes increasingly critical of the attitude of the United States.

Typical is the following excerpt from an article in the largest provincial daily newspaper in Denmark, the Jyllandsposten, which editorially characterizes the Roosevelt charges as "silly threats from America"; then it says:

"Roosevelt blandly ignores the fact that Great Britain imports most of our agricultural products and until about a couple of years ago did so without restrictions of any kind. But America brutally slams the door shut as soon as we try to send a cargo of butter over there. We owe America no consideration. And the arrogance, the impudence of which the President's charge is an expression, must needs result in a thorough revision of our American trade policy. For it is ridiculously senseless that we buy in the United States about 10 times as much as we are permitted to sell there."

OTHER SOURCES

The Jyllandsposten then goes on to say:

"Of the approximately $20,000,000 we invested in American products in 1934, about eight millions represented automobile purchases. We can, of course, buy our cars from other countries—countries which more willingly accept the principle of fair trade exchange. We can get them, for instance, from Germany and Great Britain, and no doubt will buy more cars from those countries unless the United States becomes more reasonable.

"Also, we imported from the United States in 1934 about $5,000,000 worth of grain and feed. It will be easy for us to transfer these purchases to other countries. In fact, we can get along excellently without most of the articles we now import from the United States. We simply do not have to buy American goods; let us increasingly favor those countries which are fair enough to buy from us."

NOT AT EXPOSITION

It is no secret that Denmark's refusal to participate officially in the Century of Progress Exposition in Chicago was determined solely by the unequal trade status between that country and the United States, for, it was argued, a world's fair is first of all an advertising forum, and why should Denmark advertise in the United States when it cannot export its products to that country—that is, not to an extent commensurate with that of American exports to Denmark?

But this year at Brussels, Denmark has an elaborate pavilion at the world's fair.

It may be said that to a country as vast as is the United States the attitude of a tiny nation like Denmark is a matter of no great concern. That may, of course, be said. On the other hand, it should be remembered that the size of a country really has nothing to do with its importance, and that no nation, large or small, in the long run can afford to lose the good will of others. It is with nations as with individuals.

So, to revert to the quotation from the Des Moines Register, "It is very necessary that the people in the United States come to realize that only by making possible greater imports from abroad can we hope to sell our goods to other countries. * * *"

RATES OF POSTAGE ON READING MATTER AND SOUND-REPRODUCTION RECORDS FOR THE BLIND

Mr. MEAD. Mr. Speaker, I call up the bill (H. R. 8730) to provide special rates of postage on reading matter and sound-reproduction records for the blind, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That books, pamphlets, and other reading matter published either in raised characters, whether prepared by hand or printed, or in the form of sound-reproduction records for the use of the blind, in packages not exceeding 12 pounds in weight, and containing no advertising or other matter whatever, unsealed, and when sent by public institutions for the blind, or by any public libraries, as a loan to blind readers, or when returned by the latter to such institutions or public libraries, shall be transmitted in the United States mails free of postage and under such regulations as the Postmaster General may prescribe. Magazines, periodicals, and other regularly issued publications in such raised characters, whether prepared by hand or printed, or on sound-reproduction records (for the use of the blind), which contain no advertisements, (a) when no subscription fee is charged, shall be transmitted in the United States mails free of postage, under such regulations as the Postmaster General may prescribe; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person, at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe.

SEC. 2. Volumes of the Holy Scriptures, or any part thereof, published either in raised characters, whether prepared by hand or printed, or in the form of sound-reproduction records for the use of the blind, which do not contain advertisements, (a) when furnished by an organization, institution, or association not conducted for private profit, to a blind person without charge, shall be transmitted in the United States mails free of postage; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe.

SEC. 3. All letters written in point print or raised characters or on sound-reproduction records used by the blind, when unsealed, shall be transmitted through the mails as third-class matter.

SEC. 4. The act entitled "An act to promote the circulation of reading matter among the blind", approved April 27, 1904 (33 Stat. 313), the supplemental provision in section 1 of the Post Office Appropriation Act for 1913, approved August 24, 1912 (37 Stat. 551), the joint resolution entitled "Joint resolution to provide for the free transmission through the mails of certain publications for the blind", approved June 7, 1924 (43 Stat. 668; U. S. C., title 39, ch. 8, sec. 331), and the act entitled "An act to amend the act entitled 'An act to promote the circulation of reading matter among the blind', approved April 27, 1904, and acts supplemental thereto", approved May 9, 1934 (48 Stat. 678), are hereby repealed.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That magazines, periodicals, and other regularly issued publications in raised characters, whether prepared by hand or printed, or on sound-reproduction records (for the use of the blind), which contain no advertisements, when furnished by an organization, institution, or association not conducted for private profit, to a blind person, at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe."

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill to provide special rates of postage on matter for the blind."

LABORERS IN RAILWAY MAIL SERVICE

Mr. MEAD. Mr. Speaker, I call up the bill (H. R. 8369) relating to laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MEAD]?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That when laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service have been or may be surplused and transferred to another branch of the Postal Service they shall not be reduced in rank or pay pending the retransfer to the positions of laborers in the Railway Mail Service or post-office or motor-vehicle service, as the case may be. Such surplused employees shall have preference for regular assignment as laborers or motor-vehicle employees in the district or office from which surplused over any other employees transferred to or appointed in said district or office.

Mr. TABER. I wonder if someone will not explain this bill.

Mr. MAAS. Will the gentleman yield to me to explain the matter?

Mr. MEAD. I will be glad to yield.

Mr. MAAS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this bill is to take care of postal laborers and drivers when they are transferred temporarily into a lower grade. It does not affect the pay where it is a permanent transfer to a lower grade; but we sometimes have a situation such as where we put up a new Federal building, and have to surplus a few of the employees temporarily. The custom has been to get them jobs in the custodial service at lower pay. This bill provides that they may draw the same pay during the period of their temporary transfer. It is not compulsory that those men be picked for such jobs. It simply gives an opportunity to them to carry on while they are awaiting that service. If this is not done, in the end it will cost the Government more money, because these men are trained for this work. If they cannot hold that same pay while on temporary other duty due to no fault of their own, they are going to get out of the service, and we will have to take in new men and train them, with a loss of efficiency during that time. In any event, it would not cost much at the time, and it is a matter of efficiency in the service and actual economy in the long run. After all, it is a matter of fair play and justice to faithful Government employees.

Mr. TABER. Will the gentleman yield?

Mr. MAAS. I yield.

Mr. TABER. The Department offered something like this as to the final sentence of the bill, "which would give surplus

laborers preference for regular assignment in their own district, the legislation is entirely unnecessary, the regulations of the Department now requiring that such preference shall be given to surplus laborers." Then up above with reference to another provision it says, "The provision would therefore seem to be inadvisable as well as unnecessary." Then it says further that "Wherever possible, transfers without change in pay are arranged."

Mr. MAAS. In the public hearings the fact was brought out that while that is the custom, it is not mandatory at all, and there are instances in which it might not be done. The Department interposed no objection to it. They merely thought it was redundant, but we find cases where this language may be very essential. The Department has no opposition to it. How can they have if they say it is what they do anyway? This makes it certain that they will keep on doing it.

Mr. TABER. This statement is contained in the report:

By the first sentence in the proposed measure a particular group of employees in the Postal Service would be singled out for special consideration. No other group has such protection. The provision would therefore seem to be inadvisable as well as unnecessary.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MEAD. The Department said there was no other group which was given this preference, but this is the law with regard to railway postal clerks whom these laborers serve:

When railway postal clerks are transferred from one assignment to another because of changes in the service, their salaries shall not be reduced by reason of such change.

The railway postal clerks are protected by law in case of a change in service or headquarters; the law says they shall not be reduced by reason of such change.

Mr. TABER. Is that a regulation?

Mr. MAAS. That is the present law.

Mr. MEAD. That is the law at the present time.

We are just giving these Railway Mail Service laborers the same protection which the law now gives the railway mail clerks. I would also call the gentleman's attention to the fact that the passage of this bill will not add any material cost to the service. It will, on the other hand, prevent postmasters from transferring laborers from this particular service, where they are qualified and experienced, to the custodial sevice at a reduction in pay, such transfers in many cases not being necessary because of the presence of substitutes in that particular service; and it will result in better order and keep the laborers in the class to which they are entitled.

Mr. MAAS. Mr. Speaker, I yield back the balance of my time.

Mr. MEAD. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVATE EXPRESS

Mr. MEAD. Mr. Speaker, I call up the bill (H. R. 8869) to amend sections 181 and 186 of the Criminal Code.

The Clerk read the title of the bill.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That sections 181 and 186 of the Criminal Code (secs. 304 and 309, title 18, U. S. C.) be, and they are hereby, amended to read as follows:

"SEC. 181. Whoever shall establish any private express for the conveyance of letters or packets or in any manner cause or provide for the conveyance of the same over any post route which is or may be established by law, or from any city, town, or place, to any other city, town, or place, between which the mail is regularly carried, or whoever shall aid or assist therein shall be fined not more than $500 or imprisoned not more than 6 months, or both. Nothing contained in this section shall be construed as prohibiting any person from receiving and delivering to the nearest post office, postal car, or other authorized depository for mail matter any mail matter properly stamped."

"SEC. 186. Nothing in this chapter shall be construed to prohibit the conveyance or transmission of letters or packets by private hands without compensation, or the conveyance for one sender, in any one day, of not more than 25 letters by special messenger employed for the particular occasion: *Provided*, That whenever more than 25 such letters are conveyed or transmitted by such special messenger for one sender in any 1 day, the requirements of section 3993 of the Revised Statutes (U. S. C., title 39, sec. 500) shall be observed as to each piece."

With the following committee amendments:

Page 1, strike out lines 3, 4, and 5, and insert in lieu thereof the following: "That section 181 of the Criminal Code (U. S. C., title 18, sec. 304) be amended to read as follows."

Page 2, after line 6, insert the following:

"SEC. 2. Section 186 of the Criminal Code, as amended (48 Stat. 1207), is amended to read as follows."

Page 2, in lines 11 and 13, after the word "letters", insert "or packets."

The committee amendments were agreed to.

Mr. RICH. Mr. Speaker, I move to strike out the last word to ask the chairman of the committee a question. If this particular bill prohibits anyone from carrying packages or mail and delivering them where mail is now distributed by carrier, it will interfere with several long-established business customs. For instance, take the situation where a manufacturer wants to deliver statements to his customers by his own messenger; under this bill he would be subject to a fine of $500, as I understand it.

Mr. MEAD. No; not if the messenger was one of his employees; but if he gave the contract for the delivery of mail to an outside agency, then the outside agency would be interfering with the postal monopoly. Electric light companies, for instance, may still deliver letters and bills by using their own employees, but they are prohibited from contracting for that service with an outside agency.

Mr. RICH. One of our principles of government is opposition to monopoly; and we should be trying to enforce the Sherman antitrust law. Is it now possible that the Government itself is now going to establish a monopoly whereby a business man cannot employ whom he sees fit under such arrangements as he sees fit to deliver his packages and statements? Forbid such procedure.

Consider, furthermore, that we have express companies today which are transporting packages over this country; is the Government going to prohibit express companies from delivering packages? Is the Government going to establish a monopoly in the delivery of parcel post? Were we to do that it would be contrary to good, sound business principles. In other words, we would be establishing the Government in the business of delivering packages contrary to good, common-sense reasoning, in my judgment. Placing the Government in monopoly of express and parcel post. It is wrong. The Government is monopolizing the field of transportation.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. MEAD. From my observation of the gentleman's philosophy I am sure he is anxious to return to the principles enunciated by the founders of this Government.

Mr. RICH. It is my hope that I may do something to that end. The new deal is a failure, let us get back to some sound fundamentals.

Mr. MEAD. The founders of our Government in 1792 created the postal monopoly. We are trying to perpetuate and protect the postal monopoly.

Mr. RICH. If my good friend will permit, the postal monopoly applies only to letters. If a person drops a letter in the post office he expects the Government to deliver it to its destination. We are going to protect that letter in every way possible. That is what the forefathers wanted to do. When the forefathers established the postal monopoly they did not intend that the Government should interfere with private individuals delivering merchandise over the country, nor did they intend that the Government should monopolize transportation in any sense such as we are trying to do by this bill and such as we have been trying to do since we

established the parcel post. I may say to the gentleman, who is Chairman of the Committee on the Post Office and Post Roads that if there is one agency in this country that is trying to wreck private business it is the parcel-post branch of the Postal Service in its effect on the express companies of the country. The gentleman must admit that.

Mr. MEAD. Oh, no; we are not going to destroy the express business of the country. We may be competing with them on parcel post, but I may say to the gentleman that business generally has come to approve the activities of the Post Office Department insofar as the parcel post is concerned. We find that business men use the Parcel Post Service provided it is more reasonable in cost. Where it is not they use the express service.

The express companies are taking some of the second-class business away from the Post Office Department. We find the express companies carrying our mail over a number of zones and dumping it in the post office for handling and distribution in the last zone, where it is done at a loss to the Government. The express companies are getting the profit; the Department is suffering a loss; and the publishers are making a saving.

Mr. RICH. The Post Office reports show the cost of handling by parcel post a package weighing 10 pounds or over a deficit on existing rates, and the Post Office is in the red for the handling of every such package. How is the gentleman going to account to the American taxpayers for that, and he knows it is a fact? Why deliver any mail at a loss? Why put the citizens of this country out of business by the Government? Why socialize America? That is what we are doing, and the gentleman knows it.

Mr. MEAD. No; I do not.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I should like to ask the Chairman of the Committee on the Post Office and Post Roads a question: Is it not a fact that the language in sections 181 and 186 would result in something like this: Take a small town, like the one in which I live, where there is situated a certain retail grocer who hires a boy for the special purpose of delivering his groceries to perhaps three or four hundred families that the grocer serves. That delivery boy is delivering more than 25 packages in a day. Would it not bring him under this bill?

Mr. MEAD. Not at all.

Mr. TABER. Would it not prevent an ordinary groceryman from delivering his groceries without violating the law? I cannot read this language any other way.

Mr. MEAD. I may say to the gentleman from New York that this act has been in operation now for a year. It in no wise prevents the grocer whom the gentleman has in mind from using his own employees for the purpose of delivering as many bills or notices as he may see fit. It will, however, affect the telephone or telegraph company, or any other company, from employing an outside agency for the delivery of their mail.

Mr. TABER. Can they hire an express company to deliver anything under this bill?

Mr. MEAD. They can deliver their own mail, but they cannot go out and deliver the mail of any other company.

Mr. TABER. Can an express company, under this bill, continue to deliver packages, as they have in the past? For instance, the Railway Express Co.?

Mr. MEAD. This has no effect upon packages. Where we use the word "packet" in this bill, we borrow the word from the existing law which has come down to us since the creation of the Post Office Department. The word "packet" means four or more sheets of paper, and comes down to us from the time before envelops were used, the sheets being folded in order to eliminate the need of an envelop.

Mr. TABER. The Attorney General says in his letter under date of July 9, that it is proposed that the words "by regular trips or at stated periods" be eliminated, thus making it an offense to carry letters and packages by private express in any manner or at any time.

Mr. MEAD. The original law was intended to bar private messenger companies from contracting to carry mail for some other business enterprise. The offending companies contended that, as they were not delivering the mail by regular trips and at stated periods, they were outside of the law, and when the Post Office Department instituted proceedings against them they said: "Well, we are delivering more than 25 letters, but we are not delivering them by regular trips or at stated periods." The Attorney General informed the Department it was difficult to enforce the law as it was written and it would be helpful if they would eliminate the language "by regular trips and at stated periods." This bill in no way interferes with the intent of the law passed a year ago.

[Here the gavel fell.]

Mr. MEAD. Mr. Speaker, I move the previous question on the passage of the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. TABER) there were yeas 97 and noes 2.

Mr. RICH. Mr. Speaker, I object to the vote on the ground that there is not a quorum present.

The SPEAKER. The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the motion.

So the bill was passed.

A motion to reconsider was laid on the table.

SECOND-CLASS MAIL MATTER

Mr. MEAD. Mr. Speaker, I call up the bill S. 1439, amending the postal laws to include as second-class matter religious periodicals publishing local information, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

Mr. DICKSTEIN. Mr. Speaker, reserving the right to object, I would like to know from the chairman whether I can get some time.

Mr. MEAD. The gentleman can get 5 minutes by moving to strike out the last word.

Mr. DICKSTEIN. I should like to have 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MEAD].

Mr. DICKSTEIN. I object, Mr. Speaker.

The SPEAKER. This bill is on the Union Calendar.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1439, with Mr. BOYLAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MEAD. Mr. Chairman, the purpose of this bill is to extend the second-class mailing privilege to religious publications of the kind issued by a parish, a publication that informs the parishioner, for example, of the events, religious and social, that are taking place in his community. The present law reads as follows:

It must be originated and published for the dissemination of information of a public character.

This is a qualification that prevents in most cases the little parish publication from being given the second-class mailing privilege, and, therefore, we add to that qualification this language: "Or for the dissemination of local information by religious organizations." Under the language added by the bill, they will not have to qualify by proving to the Post Office Department that at least half of the information contained in the publication is of a public or general character.

I hardly believe that a further explanation of the bill is necessary, and unless there is objection I shall ask that the bill be read for amendment.

Mr. DICKSTEIN. Mr. Chairman, I would like to have some time on this bill. There seems to be no one else here in opposition to it.

Mr. MEAD. Mr. Chairman, I yield the gentleman from New York 5 minutes.

Mr. DICKSTEIN. Mr. Chairman, I am always suspicious of any bill that seeks to amend the law so as to permit certain groups of people to second-class mail matter for the purpose of disseminating certain information.

In the investigation made by the Committee on Un-American Activities we found a group of people who called themselves local leaders, so-called "religious persons", who were disseminating through the mail literature that is almost vicious to read. If you will read it, you will find it seeks really to overthrow the Government of the United States under the guise of sending it from one friendly person to another friendly person in one State or another. It became so obnoxious that we could not even attempt to read all the stuff that goes through the mail even without having the second-class privilege. If this bill proposes, as I understand it does propose, to put the information of this particular group in the category of second-class mail matter and give this group this privilege, I should like to offer an amendment at the proper time.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. When I finish my statement I will yield.

Mr. DOBBINS. Will the gentleman yield just as a matter of enlightenment?

Mr. DICKSTEIN. Yes.

Mr. DOBBINS. The present law allows what the gentleman has just suggested to be done. The only change this bill makes in the present law is that while the present law as to second-class matter admits these religious publications to the second-class privilege, as construed by the Department they must include in them at least 50 percent of public or general information. This public or general information may be the very communistic thought to which the gentleman from New York refers, while the amendment permits them to have the second-class privilege if they are publications with only local information, and what sort of local information can constitute communistic propaganda?

Mr. DICKSTEIN. I understand that, and that is not what I am after. I am after the group that under the guise of being a religious group sends from abroad a bunch of printed matter to Mr. A in this country, and Mr. A, who is supposed to be of the same religious group, sends throughout this country this propaganda which creates racial disturbances within the United States. This committee at least should have no objection to the amendment which I shall offer.

Mr. DOBBINS. The purpose of the bill is to get rid of that general matter and confine the publications to local matter.

Mr. DICKSTEIN. I grant that, and I am trying to show you how they get around the law and make it local matter. We can trace these various writings and booklets and pamphlets and show that they not only seek to undermine the Government of the United States but also seek to bring about racial and religious intolerance in the United States both from within and without.

Now, what objection could this committee have to accepting an amendment which I will offer, which provides:

After line 9, on page 1, add two new sections, as follows:

"SEC. 2. That subsection (4) of section 14 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes", approved March 3, 1879, is further amended by adding at the end of the subsection the following proviso:

"*Provided further, however*, That nothing herein contained shall be so construed as to admit to the second-class rate any publication, printed either in the United States or abroad, which, regularly or periodically, tends to create or foster or extend any racial or religious intolerance of whatever character, or which, periodically or regularly, advocates forceful and violent overthrow of the Government of the United States by means not authorized by the Constitution, or which contains subversive propaganda instigated from foreign sources against the form of government enjoyed in the United States.

"SEC. 3. That publications denied admission to the second-class postal rate under section 2 of this act shall hereafter be deemed unmailable matter and shall be excluded from the mails for transmission to points within the territory of the United States or Territories thereof."

What objection could the Committee have to inserting in the bill something of that kind to protect our people who do not subscribe to the belief in communism, who do not subscribe to the belief in Hitlerism or any other ism except Americanism? What objection can the Committee have to accepting an amendment which will safeguard our people from the agents of foreign governments who bring in tons of literature of foreign governments that is designed to upset our form of government. They are bringing into this country literally thousands of tons of such literature.

Mr. BIERMANN. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. BIERMANN. Does not the gentleman think that it might exclude Republican newspapers?

Mr. DICKSTEIN. I do not think the gentleman should make a gesture about this or joke about it.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. DUNN of Pennsylvania. When you make the statement that these people are trying to undermine the Government, I do not think it is possible for them to undermine this Government if we see to it that the unemployed get a living wage.

Mr. DICKSTEIN. I am willing to subscribe to that philosophy. What I object to is that these papers and magazines come in by the hundreds of thousands, brought into this country and distributed as religious literature of some church, which, if read, would create the most intense hatred against our Government that you can imagine.

Mr. RICH. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. RICH. I want to call the gentleman's attention to the letter of Mr. Howes, Acting Postmaster General, in which he says:

While the meritorious character of the organizations which the bill seeks to favor is recognized and appreciated, the cost of handling and transporting second-class matter in the mails is so greatly in excess of the revenue derived therefrom that the Department strongly feels that there should be no extension of the second-class mailing privilege.

Mr. BOILEAU. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. BOILEAU. I abhor religious intolerance as much as the gentleman, but does not he think it is dangerous to leave the Department determine what is religious intolerance?

Mr. DICKSTEIN. That would be determined by decision after proper hearings.

Mr. BOILEAU. The Post Office Department will determine whether or not each publication is guilty of religious intolerance?

Mr. DICKSTEIN. Certainly. If the spirit of this whole movement is found to be intolerance among our different races, then the Department would take that privilege away from the group disseminating that information.

Mr. BOILEAU. I am in deep sympathy with the objectives of the gentleman, but I am afraid it would be dangerous to leave in the hands of any governmental agency, bureau, or individual the right to determine what is religious intolerance, so far as the freedom of the press is concerned.

Mr. DICKSTEIN. But in lines 8 and 9 you are creating a new group, which would be permitted to have the privilege of the second-class mail rates to disseminate subversive information under the guise of religion. What objection could any religious organization have to inserting something in there to the effect that it must not be the kind of religion that advocates undermining the Government of the United States?

Mr. BOILEAU. But that is not the entire purport of the gentleman's amendment, as I understand it. I understood the gentleman's amendment would prohibit the second-class mail privilege to a publication that advocates religious intolerance. I am not discussing the question of advocating the overthrow of the Government. I am directing my attention to that part of the gentleman's amendment which would restrict the use of the mails to a periodical or paper

that advocates religious intolerance. I for one do not want to leave in the hands of any one individual the right to determine what is and what is not religious intolerance, because, after all, the basic principles of our Government are freedom of religion and freedom of the press.

Mr. DICKSTEIN. That is right.

Mr. BOILEAU. I want to guarantee to the gentleman and to every other gentleman the same right that I demand for myself.

Mr. DICKSTEIN. I agree with the gentleman.

Mr. BOILEAU. But you are going to give to the Post Office Department the right to say what is religious intolerance.

Mr. DICKSTEIN. I am trying to answer the gentleman, but he is now continuing his argument. This bill creates a new section; a new law that would permit certain people to disseminate local information. In what way? As a religious organization. If this were enacted into law, they would have the right and privilege to send all of that stuff through the mails with the second-class mail privileges.

Mr. DOBBINS. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. DOBBINS. The bill does not propose any such thing at all. That law is already on the statute books.

Mr. DICKSTEIN. I appreciate that.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. MEAD. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. DICKSTEIN. This bill proposes to amend by inserting, after the words "public character", the words "or for the dissemination of local information by religious organizations." My amendment would simply prevent any group of people, under the guise of religion, from using the second-class mail privileges to disseminate the information if it is found, upon investigation, that the group poses as a religious group for the purpose of disseminating subversive information. I say that right should be taken away from them upon the ground that what they are seeking to do is to undermine our Government.

Mr. BOILEAU. And in addition to that, religious intolerance.

Mr. DICKSTEIN. You have to put the responsibility some place. You are placing it in the Department of the Post Office, and where else would you put it?

Mr. BOILEAU. Do I understand that the gentleman's amendment provides that they may be deprived of the use of the mail if they advocate the overthrow of the Government and also if they indulge in religious intolerance?

Mr. DICKSTEIN. That is right.

Mr. KELLER. Let us have the amendment read.

Mr. TABER. Mr. Chairman, the amendment has not been offered and the bill has not been read.

Mr. DICKSTEIN. I ask unanimous consent to proceed for 1 minute so that the Clerk may read the amendment in my time.

Mr. TABER. I shall object to that. I think it is time enough to read it after the bill has been read.

Mr. MEAD. Mr. Chairman, I ask that the bill be read for amendment.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That subsection "Fourth" of section 14 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes", approved March 3, 1879, is amended by inserting after the words "public character", the words "or for the dissemination of local information by religious organizations."

Mr. DICKSTEIN. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. DICKSTEIN: After line 9, on page 1, add two new sections, as follows:

"SEC. 2. That subsection (4) of section 4 of the act entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes', approved March 3, 1879, is further amended by adding at the end of the subsection the following proviso:

"*Provided further, however*, That nothing herein contained shall be so construed as to admit to the second-class rate any publication, printed either in the United States or abroad, which regularly or periodically tends to create or foster or extend any racial or religious intolerances of whatever character, or which, periodically or regularly, advocates forceful and violent overthrow of the Government of the United States by means not authorized by the Constitution, or which contains subversive propaganda instigated from foreign sources against the form of government enjoyed in the United States.

"SEC. 3. That publications denied admission to the second-class postal rate under section 2 of this act shall hereafter be deemed unmailable matter and shall be excluded from the mails for transmission to points within the territory of the United States or territories thereof."

Mr. DOBBINS. Mr. Chairman, I make a point of order against section 3 of the proposed amendment as not germane. The bill deals only with what shall be admitted as second-class mail and creates no criminal offense. It does not purport to declare what is mailable or unmailable matter. This amendment goes beyond the range of the original bill and declares certain matter to be unmailable.

Mr. DICKSTEIN. I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from New York.

Mr. DICKSTEIN. Mr. Chairman, section 3 simply relates to section 2. Section 3 simply provides that publications denied admission to the second-class postal rate under section 2 of this bill shall hereafter be deemed unmailable matter and shall be excluded from the mails for transportation to points within the United States. It simply follows out and carries into effect the intent of section 2 of this bill. I respectfully submit it is germane to the subject matter now under discussion.

The CHAIRMAN. Does the gentleman from Illinois [Mr. DOBBINS] desire to be heard?

Mr. DOBBINS. The bill has to do only with what might be admitted to be a favored class—the second class of mail matter—thereby obtaining a preferential postage rate which is given second-class matter. It has nothing to say about whether matter of this kind or any other kind may be admitted to the first or third or fourth class of mail matter, nor does it prohibit it from coming in as second-class matter if it complies with the requirements of what second-class matter may be. Section 3 of the amendment proposed by the gentleman from New York [Mr. DICKSTEIN] would prohibit a citizen from sending matter of this kind through the mails in any form whatever, and declares it to be unmailable. The bill itself has nothing to do with what may be mailable or may not be mailable but simply admits certain mail to a particular favored class of mail, whereby a favored rate is obtained.

The CHAIRMAN (Mr. BOYLAN). In the opinion of the Chair the bill, S. 1439, proposes to amend the act of March 3, 1879, by inserting after the words "public character" the words "or for dissemination of local information by religious organizations."

According to the amendment offered by the gentleman from New York [Mr. DICKSTEIN] various other extraneous matters are proposed. The amendment proposes "that nothing herein contained shall be so construed as to admit to the second-class rate any publication, printed either in the United States or abroad, which regularly or periodically tends to create or foster or extend any racial or religious intolerances of whatever character, or which, periodically or regularly, advocates forceful and violent overthrow of the Government of the United States by means not authorized by the Constitution, or which contains subversive propaganda instigated from foreign sources against the form of government enjoyed in the United States", and so forth.

In the opinion of the present occupant of the chair those are various extraneous matters that are not germane to the bill.

The Chair therefore sustains the point of order.

Mr. DICKSTEIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DICKSTEIN. I understand the gentleman from Illinois only addressed his point of order to section 3. There has been no point of order raised against section 2, and, as I pointed out, section 3 simply relates to section 2. From what I gather, the Chair has sustained a point of order to the entire amendment.

The CHAIRMAN. The Chair took the amendment as a whole and passed on it in its entirety instead of segregating it into different sections.

Mr. MEAD. As I understand, the Chair has sustained the point of order made by the gentleman from Illinois, and the amendment is not to be considered?

The CHAIRMAN. The Chair has ruled that the amendment is not germane.

Mr. MEAD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the same do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOYLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill S. 1439, and directed him to report the same back to the House with the recommendation that it do pass.

Mr. MEAD. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were ayes 78 and noes 2.

Mr. RICH. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the point of no quorum.

So the bill was passed.

A motion to reconsider was laid on the table.

Mr. MEAD. I may say to the Members that I have but one more bill.

PNEUMATIC MAIL-TUBE SYSTEMS

Mr. Speaker, I call up the bill (H. R. 4450) to provide for the purchase of the pneumatic mail-tube systems in New York and Boston.

The Clerk read the title of the bill.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Without objection, the Clerk will report the committee amendment.

The Clerk read the committee amendment, as follows:

Strike out everything after the enacting clause and insert in lieu thereof the following:

"That the Postmaster General is authorized and directed to provide for an appraisal by competent engineers of the properties comprising the pneumatic mail-tube systems in New York and Boston and the franchises enjoyed and patent rights utilized in connection therewith.

"SEC. 2. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum as may be necessary to carry out this act, but not to exceed $25,000."

Mr. MEAD. Mr. Speaker, this bill was introduced early in the session by the gentleman from Massachusetts [Mr. MCCORMACK]. It called for the purchase of the pneumatic tube systems at New York and Boston. The Committee on the Post Office and Post Roads held hearings and decided that in view of the fact that the appraisal of these systems, which was conducted by the Interstate Commerce Commission, was not up to date, the bill should be amended; and it was amended, eliminating all idea of purchasing the tubes at this time. It now calls for an up-to-date, independent appraisement of the properties involved in this transaction.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield.

Mr. RICH. Will the appraisal that is provided for in the pending bill take into consideration the appraisal which was made so that that part of the cost can be saved and not duplicate something which was done a year or two ago?

Mr. MEAD. The independent engineers who will make this appraisal will have turned over to them by the Post Office Department the appraisal which was heretofore made; but I may say to the gentleman from Pennsylvania that the appraisal which was made before, which was given to our committee, and which is available to the gentleman from Pennsylvania, is not as up-to-date as the committee would like to have it before it passes on a question of this kind.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I shall be pleased to yield.

Mr. McCORMACK. I may also say that in the Post Office Department there is a committee of postmasters and post-office inspectors appointed by the Postmaster General to which matters relating to this subject are referred for study. They have made complete investigations. They have made a most thorough investigation and have traveled all over the country. They made this favorable recommendation.

The Interstate Commerce Commission made an appraisal a few years ago. The purpose of this bill is to bring that appraisal up to date.

I introduced a bill authorizing the purchase of these tubes for a sum not exceeding $2,250,000. The Interstate Commerce Commission appraised these properties as worth $1,750,000, but their appraisal eliminated certain factors such as goodwill. The Department itself recommended this extra appraisal. So instead of there being an authorization to purchase, we are just seeking to put through at this time an authorization for the appraisal. So the matter will have to come back to the Congress again.

Mr. RICH. The gentleman says he introduced a bill authorizing the purchase of these tubes for $2,250,000 and that the Interstate Commerce Commission had made an appraisal of $1,750,000. Suppose the new appraisal should show a value of $3,000,000; would the gentleman introduce a bill for their purchase at that figure?

Mr. McCORMACK. No. The bill I introduced was introduced after a profound investigation, looking into the Department's records to find evidence warranting, in my mind, and justifying the introduction of the bill. The records made out a prima facie case; $2,250,000 is an outside figure. The appraisal of $1,750,000 disregarded goodwill and certain other factors. That appraisal, however, is about a year or two old, and the Department itself recommended this appraisal, and the committee reported out the bill confining it to the appraisal. I think it is a very good thing, and I am in harmony with the change made.

Mr. RICH. Is there any effort on the part of the people who own these tubes to try to sell them to the Government? Is that the purpose of the bill, to recommend purchase by the Government after the appraisal is made?

Mr. McCORMACK. This committee of the Post Office Department has recommended such purchase, for the Department can save money so far as these two particular cities are concerned.

The purpose of this appraisal, frankly, is to determine whether or not the Government should make the purchase, and whether or not it is to the interest of the Government and the taxpayers that such purchase should be made.

Mr. RICH. Even if the Department should make such a recommendation, where are we going to get the money?

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. I yield.

Mr. SNELL. I notice this bill applies only to New York and Boston. What has become of the tubes in these other cities where we used them; what is the situation now?

Mr. MEAD. I do not know of any other tubes in operation.

Mr. SNELL. What became of the tubes in Philadelphia?

Mr. MEAD. I believe there was a tube system there, but that is not involved in this proposal.

Mr. SNELL. They are not even leasing them at the present time?

Mr. McCORMACK. As I understand it, answering the question of the gentleman from New York [Mr. SNELL], if the gentleman from New York [Mr. MEAD] will yield, the Post Office Department has two classifications of large cities, the centralized system and the decentralized system. This committee of the Post Office Department felt that the purchase of the pneumatic tubes which related to the decentralized distribution system, as I understand it, would be for the best interests of the Department and of the Government. The others are to remain in status quo. That was their recommendation. So this bill is confined to the authorization for this appraisal by independent engineers, confined to that portion of the Post Office Committee's recommendation which was of a favorable character, and the others will continue in their present status.

Mr. MEAD. If the gentleman will permit, I will ask the chairman of the subcommittee that considered the bill to answer the question with reference to the tube systems.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HAINES. Mr. Speaker, the original tubes were constructed during the administration of John Wanamaker as Postmaster General and were first erected in the city of Philadelphia. They have since been abandoned in Philadelphia and Chicago because it has been discovered that they are not a sound economic policy so far as the Post Office Department is concerned.

The committee held extensive hearings on this proposition and learned that it is costing the Government more than a half million dollars a year right now to maintain these systems in New York and Boston. It is believed that if the Government can acquire these systems for $1,750,000 they will save a little money, but if they have to pay more than that amount they will not save any money at all.

Mr. SNELL. This question has been before the Congress ever since I can remember. We have always leased these tubes. Personally, while I have no interest in these tubes and do not know who owns them, I believe if it is necessary for the efficient operation of the Post Office Department that it is much better for the Federal Government to own them than to continue to lease them. That is my honest opinion, although I know very little about it, except from the business standpoint.

Mr. HAINES. I think the gentleman is correct.

Mr. SNELL. The probabilities are these tubes could be purchased at a fairly reasonable figure?

Mr. HAINES. Yes.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. MEAD. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read: "A bill to provide for the appraisal of the pneumatic mail tube systems in New York and Boston."

REPRESENTATIVE C. D. SULLIVAN

Mr. MEAD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, I want to call the attention of the House, and particularly those Members of the House who have risen to the high and estimable military rank that was conferred upon our minority leader by the Governor of Kentucky a few weeks ago, to the fact that the Democratic delegation from the State of New York has a man who has been similarly honored and is now in the charmed circle with our minority leader and others who have been so honored by the Governor of Kentucky. I want to announce to the House and for the RECORD that by reason of his devotion to his duty and to the industry that made Kentucky famous, the development of thoroughbreds, the Honorable CHRISTY SULLIVAN, of the New York delegation, is now a Kentucky colonel. This honor was conferred on him before the Democrats from the State of New York at a luncheon yesterday, and I want the world and the House to know it. He richly deserved the honor. [Applause.]

USE OF THE WATERS OF THE RIO GRANDE

Mr. McREYNOLDS submitted a conference report and statement on the bill (H. R. 6453) providing amendments to the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico", as amended by the public resolution of March 3, 1927, and for other purposes.

DEPOSIT OF SEWAGE INTO NAVIGABLE WATERS OF THE UNITED STATES

Mr. DINGELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 296.

The Clerk read the resolution, as follows:

Resolved, That the President is hereby respectfully requested to inform the House of Representatives of the number and distribution of Federal institutions and establishments of every kind and character which are depositing or causing to be deposited raw untreated sewage into navigable or nonnavigable waters of the United States, and to transmit to the House of Representatives such recommendations with respect thereto as he deems advisable and in the public interest.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. SNELL. Mr. Speaker, reserving the right to object, the gentleman has consulted me in regard to this resolution. I think the resolution or one similar to it was called up for consideration sometime ago. I did not think it was the proper thing to pass at that time. But the gentleman informs me that under the resolution in its present form there is positively no expense involved and that the Rivers and Harbors Committee is in favor of the same. The gentleman informs me that it is right and proper to pass and for the benefit of the whole country. He feels that this information should be presented to the House of Representatives, and, so far as I am concerned, I have no objection.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman how he is going to get all this information without cost?

Mr. DINGELL. I may say to the gentleman that the various departments have such information available and it is only a question of asking them to submit same. Moreover, I may say to the gentleman that the Rivers and Harbors Committee welcomes the purport and purpose of this resolution because it will aid them in bringing out such legislation as is necessary to correct some of the insanitary conditions which affect wildlife and the pollution of waters which usually are used in human consumption.

Mr. RICH. Under the explanation of the gentleman I have no objection, but I should like to make the comment that you are going to spend seven and one-half million dollars for a new survey of industries in this country. I thought probably the President would send out another expeditionary force to gather this information and that it might come in next year when it would be a good political movement.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DINGELL]?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

A NOTABLE MILITARY CAREER—THE SERVICE OF BRIG. GEN. WILLIAM MITCHELL

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks upon the subject of the military career of Gen. William Mitchell.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I feel the splendid record of service of Gen. William Mitchell deserves mention in the RECORD of the Congress, of which his father was long a most useful and influential Member.

His father, John L. Mitchell, was a Member of the House of Representatives and a member of the Committee on Military Affairs, and was later a Member of the United States Senate. He was also an able and distinguished soldier in the Army of the United States during the War between the States. General Mitchell's forbears have had a leading part in the building up of the great Northwest as pioneers in railroading, in industry, and in finance. It was inevitable that a man with such a background should himself be a leader, and no man disputes the fact that Gen. William Mitchell has been and is a leader of men in thought and in action.

The career of Brig. Gen. William Mitchell is one of the most remarkable in the military history of the United States. No man can gainsay the loyalty of General Mitchell to our Nation nor his sincere zeal for the cause of national defense. There may be honest differences of opinion upon the wisdom of his course in emphasizing the backward condition of air power in the United States Army and of the necessity for building up an adequate modern national defense system to insure our Nation against invasion—first by air forces and next by sea forces, and finally by land forces.

Whatever difference of opinion may prevail as to the propriety and the expediency of the methods employed by General Mitchell to bring these facts home to the attention of the American people, all frank and candid persons must admit that General Mitchell had the vision to forecast the development of aviation, and to foretell its great power as a factor in national defense, and to discern that our organization, equipment, and training of air-defense forces were utterly inadequate. Conceding the necessity for rigid discipline in the Army and for scrupulous subordination to higher command, it must also be admitted that circumstances alter cases, and that conditions oftentimes arise when regulations are more honored in the breach than in the observance. Such I believe to be the case of General Mitchell. No man outside of the Army had his intimate knowledge of aviation conditions. It was, therefore, impossible for any man outside of the Army to have spoken with the telling emphasis that the knowledge of General Mitchell made possible. Undoubtedly the revelations of General Mitchell aroused the attention and stimulated the resolution of the American people to keep pace with the progress of the world in the matter of air defense. If it appeared to General Mitchell it should be necessary for him to be a martyr in order to arouse the country and arrest deplorable conditions then existing, he is to be commended for having the courage and for making the sacrifice.

I am not raising any issue with the court martial before which General Mitchell was tried. I am conceding that from the Army point of view the judgment of the court martial was justified. After his conviction I can understand how General Mitchell felt that he could best continue to serve the Nation by resigning from the Army and setting himself free from its necessary restraints, and thus opening wide the door of opportunity to speak freely to the American people at all times upon all phases of national defense and especially defense by air power. It is my personal belief that in these matters General Mitchell has rendered an enduring service of inestimable value to the Nation. For these reasons I am writing into the records of the Congress the events of his marvelous military career. Time has already justified his course of conduct, and I believe that with the passage of more time history will acclaim General Mitchell as one of our Nation's true heroes, willing to sacrifice all for his country, not only during the enthusiasm and delirium of war, but also, and perhaps more important, during the prosaic piping times of peace.

As I understand it—and I feel sure that I am right, because I was present during much of the court-martial proceedings and read the charges—General Mitchell was convicted only of conduct prejudicial to good order and to military discipline. The specifications under this general charge were that the writings and speeches of General Mitchell calling attention to the deplorable condition in our Air Service, especially the obsolete and unsafe planes which were almost daily sending our brave and skillful pilots to their death, were contrary to such good order and discipline. There was nothing dishonorable about it all, as every true soldier knows. He simply put his country's welfare above his Army career. Subsequent developments have justified every word he said and wrote. Therefore his court martial is a badge of honor, as was the trial of Martin Luther at the Diet of Worms.

THE RECORD OF WILLIAM MITCHELL IN THE MILITARY SERVICE OF THE UNITED STATES

William Mitchell was educated in private schools at Milwaukee, Wis., and at Racine College, Racine, Wis. During this period he traveled considerably in the United States and Europe. At the time of the outbreak of the Spanish War he was a junior in Columbian College, Washington, D. C. He listened to the declaration of war by the Senate of the United States, of which his father was a Member, then immediately went to his home town, Milwaukee, and enlisted as a private in the same company with which his father had gone to the Civil War.

He proceeded with his regiment to Jacksonville, Fla., where he was commissioned as a second lieutenant in the Signal Corps at 18 years of age. This commission he refused to accept at first, as he wanted to stay with his comrades and go to Habana. He was assigned to the Second Company, Signal Corps, Washington Barracks, D. C. His first duty was in charge of recruit instruction, both in the school of the soldier and the school of the trooper. He had been at Washington Barracks only a few days when two companies of the Sixty-ninth New York left their train while going through Washington, occupied the American House Hotel, threw the policemen out, and took charge of the bar. Mitchell was sent there with a detachment of 14 men, arrested the two companies, and marched them to Washington Barracks without injuring a single man. He was publicly commended for this by the commanding officer.

A few days after this the Second Company, South Carolina, was sent to the Seventh Army Corps at Jacksonville, Fla. There they organized field telegraph trains for that corps. Mitchell's horses at that time won the corps races. The Seventh Army Corps proceeded to Savannah, Ga., from where the signal company embarked for Habana, Cuba. Mitchell took over the first detachment with the transportation, mules and horses, and established the first camp at Camp Columbia, Marianao, Cuba. Shortly after this Mitchell was placed on the staff of Gen. Fitzhugh Lee, where he acted as his aide. In this way he came in contact with a great many distinguished ex-Confederate officers, which, combined with his acquaintance with ex-Union generals, was unique for so young an officer.

When it became necessary to rebuild the telegraph system in Cuba, Mitchell was sent with a detachment on the Spanish steamship *Mortera* to Gibara in Santiago Province. The Spanish captain and crew in command of the ship attempted to unload the animals and detachments in a dangerous manner, but Mitchell seized the ship and took charge of it, put the captain and crew under guard, unloaded all the animals and Government property without loss in a heavy swell, then turned the ship back to the captain. The telegraph lines were completed through the interior of Santiago Province, radiating out from Victoria to Las Tunas as a center. All this area had been swept over by insurgent and Spanish armies and destroyed. In the city of Tunas scarcely a house stood; the few wretched inhabitants still remaining lived in corners of old walls or wickiups. The wells were full of skeletons and bodies of the Spanish volunteers whom the Negro insurgents had killed.

Just after the lines were completed in the spring of 1899, the insurrection in the Philippine Islands under General Aguinaldo broke out. Mitchell immediately applied for service in the Philippines. After some delay, the request was

granted in Washington. Mitchell proceeded to Washington, D. C., via Puerto Rico and New York, running through a tropical hurricane on the way, and took a detachment from Fort Myer, Va., to San Francisco, Calif., from whence he shipped on the old steamship *Zelandia* and landed in Manila during the last days of September 1899. The American troops were outnumbered about three to one by the insurgents and held a comparatively small area around the city of Manila, their base.

General Otis, in command of the Eighth Army Corps, had decided to push the campaign through the rainy season. Three columns were organized, under commands of General Wheaton, to maneuver behind the insurgents; General Lawton, to attack their left flank; and General McArthur, with the Second Division, to attack them in front. Mitchell was sent with McArthur's column. McArthur had been the adjutant of Mitchell's father's regiment during the Civil War.

Mitchell participated in all the operations of the Second Division, Eighth Corps, north of Angeles, and with Captain Carr of the Signal Corps, kept wire and visual communication with the main body of troops as they went ahead. This was extremely perilous service as large escorts could not be taken with the small Signal Corps detachments as they went across the country. They had to rely on their own alertness and hardihood and their knowledge of the topography to save themselves.

When Bautista was reached, General Lawton's column was completely out of communication and had not been heard from in several days. Mitchell was selected by General McArthur to attempt to reach him. Telegraph supplies were extremely short, so Mitchell was forced to improvise equipment. He used barbed wire, and unwound wire-wound guns, used dry bamboo as insulators, and found some old Spanish electric batteries into which he put salt solution as a fluid. The current that went along it was so weak that it had to be received on a man's tongue, while he held his hand in moist ground or a pool of water. Sending was done by touching the ends of the wires together. After working continuously for 24 hours, with a running fight going on practically all the time, Mitchell reached Lawton's headquarters with the telegraph wire, which worked. Natives along the line of march had been told that their houses would be burned and they would be killed if they harmed the wire. Mitchell was mentioned in reports and publicly commended for this accomplishment.

When the insurgent forces were pushed back in the northern part of Luzon, Mitchell was allowed to organize, in connection with his Signal Corps detachments, a party of native scouts. At times detachments of Cavalry or Infantry were assigned to him also. These scouts would work in plain clothes, mingle with the insurgents, find out where their deposits of arms and ammunition were, and report these things. By night marches and quick surprises, Mitchell captured a great many stands of arms, ammunition, and some of the insurgent treasure.

North of Vigan he captured General Tinio's adjutant general, Colonel Mendoza, with all his papers, returns, and muster rolls, showing where all the insurgents in the north were. The insurgents at that time were attempting to run a government parallel with that of the United States in towns, to collect taxes, and gain recruits. If citizens failed to comply with their orders they were killed. Mitchell found out who these people were, and they were taken into custody.

After working up the west coast Mitchell was given the task of running the first telegraph wire from the Carvallo Pass into northern Luzon. This is the wildest country in that island. The shade from the tremendous forests keeps the ground constantly damp, and it is so thickly covered with leeches that they wave in the trails. They get in one's shoes and through the leggings and leave bad sores. The country was infested with wild tribes and head-hunters. After one of the men had been killed and decapitated by the head-hunters, Mitchell, with a few men, followed one of the tribes into their village on top of the mountains, took all their weapons away from them, and told them what would happen if there were any further disturbance, then got out of their country without losing another man.

Mitchell then returned to San Isidro, in northern Luzon, and accompanied Funston on the expedition to Baler, keeping the telegraph wire up with the columns as they advanced. There was no transportation to be had. Mitchell took the native carabao, or water buffalo, made pack saddles of rattan and banana leaves, which carried all the equipment necessary.

A little later, in the fall of 1900, Mitchell was in Pantabangan, Lieutenant Taylor being post commander. Mitchell's scouts reported that letters were coming through that town from the north from General Aguinaldo, whose whereabouts at that time was not known. Mitchell asked Taylor for permission to question the mayor of the town under pressure. This was granted and the mayor told that communications were coming through and promised that any that came in the future would be turned over to Lieutenant Taylor. The mayor kept his word and this led to the capture of Aguinaldo by General Funston. Mitchell tried to be allowed to go with a few men and capture Aguinaldo but General McArthur considered it too hazardous an undertaking.

The main army of the insurgents had then been broken up and all detachments of any size hunted into the mountains and deep forests. The prospect was merely for garrison duty in the Philippines and Mitchell applied to his old friend and commander, General McArthur, then Governor General of the Philippines, for leave of absence to go around the world and it was granted. Mitchell went to Japan, China, the Straits Settlements, India, and Arabia, looking into all the military conditions as far as possible. He was met by his father in Egypt and proceeded to France, where his family was then residing temporarily, with the children in school. Mitchell returned to the United States at the age of 21 and was commissioned in the Regular Army.

There were no wars or expeditions in prospect, the only project that promised action and adventure being the building of the telegraph lines in Alaska. Mitchell applied to General Greely to be sent up there. It was quite a transition from the Tropics to the Arctic. Mitchell was put in charge of the telegraph line work out of Eagle City, Alaska, across to the Pacific coast at Valdez, and down the Tanana and Yukon Rivers to Fort Gibbon. The telegraph work had not been successful before, but Mitchell pushed it through to completion by 1903, working winter and summer uninterruptedly over places where it had formerly been thought impossible to go. Mitchell himself made the final connection.

Upon his return from Alaska, he was assigned to General Baldwin's staff at Denver, Colo., where the terrible miners' strikes had almost assumed the proportions of a civil war. After serving there a few months, he applied for leave of absence, and went to Yucatan and Mexico, thoroughly reconnoitering the country in order to familiarize himself with conditions in case military operations were undertaken there.

In the fall of 1903, Mitchell participated in the first large Army maneuvers since the Civil War, at West Point, Ky. In 1904 he participated in maneuvers at Manassas, Va., which had the greatest number of troops ever handled in this country up to that time, and I believe up to the present. Mitchell had the first military automobile in these maneuvers.

At Fort Myer, Va., Mitchell organized the first field company of the Signal Corps and took it to Fort Leavenworth, Kans., where it became a model of efficiency, not only in ordinary Signal Corps duties but also in shooting and horsemanship. It is believed this company used the first miniature targets for winter practice, of .22-caliber rifles, before proceeding to range shooting. Mitchell himself provided the targets, the small rifles, and the ammunition.

Wireless telegraphy was just beginning to be used. Mitchell built kites which carried wire up into the air for a couples of miles and took the longest message recorded in the world at that time, 1,900 miles, from Fort Leavenworth, Kans., to the steamer *Navarisk* just going into harbor at San Juan, Puerto Rico.

Mitchell was made an instructor in the Infantry and Cavalry School and the Staff College. Mitchell joined the Field Artillery Board in 1905 at Fort Riley, Kans., and dem-

onstrated the necessity for telephonic communications for artillery and its firing control. They were immediately adopted. Wireless pack sets were used for the first time, and many other improvements made in Signal Corps equipment and photography. A photographic wagon accompanied moving columns and took photographs from hills and kites and developed them, putting them in the hands of the troops within an hour.

In 1906 Mitchell, with his company, was sent to San Francisco, at the time of the earthquake. He helped wire up the city and restore communications out of that torn-up area. He was put in charge of the first relief district, the largest in the city, to look after the inhabitants, supply, clothe, and feed them.

Shortly after this, intervention in Cuba was decided upon and General Bell was given command of the expedition. Mitchell was made chief signal officer of it, at the age of 26. He and three other officers were the first to land, to make arrangements for the coming of the Army. After serving there and completing an entirely new Cuban telegraph system all over the island and erecting the first high-power wireless stations in this country, which had been purchased in Europe, he organized the Cuban civil telegraph service. A letter from Gen. A. W. Greely, his commanding officer at that time, shows how Mitchell's service was regarded:

* * * I here state your services as a commissioned officer of the Signal Corps under my command thereof.

In Cuba you distinguished yourself both during the Spanish-American War and later efficiently aided in the reorganization of its civil bureaus.

In Alaska you constructed one of the most difficult sections of the Signal Corps telegraph line, which connected Seattle, Wash., with Nome.

In the Philippines you built a field flying Signal Corps line, which contributed largely to the military campaigns of McArthur and Lawton.

In short, you were one of the energetic and efficient Americans who won for the Signal Corps the special commendation of the investigating Spanish War Commission for its unequaled success.

You invariably won praise from the commanding general under whom you served.

Mitchell applied to go to the Infantry and Cavalry School at Fort Leavenworth, where he was sent in 1907. In 1908 he was made a distinguished graduate of that institution, standing first in the actual handling of troops, and in the summer after the historical ride through Virginia, went to Fort Myer, where the Wrights were demonstrating their airplane, and learned from them all that he could. In 1908–9 Mitchell attended the Army Staff College, then was sent to the Philippines, where he organized a field signal company, the first over there, and took it to Fort McKinley. This company became a model of its kind. During the great eruption of Taal Volcano in 1910, Mitchell, without orders, took his full company there immediately. The communication they installed by wire and wireless brought about much quicker relief than could have been obtained in any other way. He was commended for this by his commanding officer, General Potts.

Mitchell was sent by the commanding general of the Philippine Division on a confidential mission to all the northern islands north of Luzon, which he completely mapped to Botel Tobago, the Japanese island, the southern coast of Formosa, then back to Manila via Pratas Reef midway between Manila and Hong Kong. During this time he took no one with him except the ship's crew of the *Mindanao*. They went through three typhoons during the expedition. Complete information was obtained of what was desired.

At the expiration of Mitchell's service in the Philippines he applied for leave, went to Japan, then to Korea and Manchuria and carefully studied the operations of the Russo-Japanese War on the ground, from Port Arthur to Mukden and on up all the way to Harbin. He also observed the organization, training, and maneuvers of the Japanese Army. When he returned to the United States, he made his report of conditions in the Far East and the Japanese military service in particular. He was recommended for the General Staff by General Wood, then Chief of Staff. While waiting for a vacancy on the General Staff, Mitchell was assigned to duty at Fort Russell, Wyo., where he took command of the signal company and conducted under the department commander the Army maneuvers in the summer of 1912, in which service ammunition, both for small arms and artillery, was used in time of peace for the first time. The results were extremely gratifying.

Upon the outbreak of trouble on the Mexican border, Mitchell took his company to El Paso, Tex., and established communication wherever necessary all along the frontier from Marfa, Tex., to Douglas, Ariz.

A vacancy in the General Staff having occurred in 1912, Mitchell joined it in Washington, at the age of 32, being the youngest officer at that time ever assigned to the General Staff. Mitchell handled the military information coming in from Europe and attempted strenuously to have measures taken to put our military forces in condition, both in organization and equipment, so they could be expanded rapidly in case we had to enter the conflict which seemed inevitable at that time. The conservatism of the Army opposed it. Mitchell proposed the organization of a continental army, which was called the "continental army plan." Secretary of War Garrison espoused this strongly, and its not being approved was one thing that led to his resignation. Mitchell attempted in every way to get an aeronautical organization at that time, but was stopped at every turn.

Mitchell consistently advocated an industrial survey of the United States with a view to finding out the sources of supply in case we needed them. It was to Mitchell that Howard Coffin was sent, when he came to Washington to work on this problem, and Mitchell outlined to him the method by which it should be done.

When the war in Europe broke out Mitchell was assigned to keep up the war maps at the White House, the War Department, the Senate, and the House of Representatives. At this time he was learning how to fly. He could not get official permission to do it, but would leave on the steamer for Fortress Monroe on Saturday night, go to the Curtiss Air School at Newport News, fly all day Sunday, and come back and report for duty early Monday morning. He learned to fly without many people knowing of it.

In 1915, after one of the perennial mix-ups in the Signal Corps Air Service, Mitchell was put in charge, and immediately reequipped the squadron on duty with General Pershing's expedition with new airplanes, the best they had ever had. Every effort was made to establish an air service against the opposition of the War Department. However, in 1916 the first considerable appropriation for aviation was obtained by Mitchell, helped by Captain Gibbs, of $13,000,000. Chairman Hay, of the House Military Committee, greatly assisted this.

As it became increasingly apparent that the United States would have to enter the war, and as very little was being done here to prepare for it, Mitchell applied for duty as an observer in Europe and was sent there in March 1917. He went first to Spain to look over their military establishment and see what they could do in case they went in on the side of the Germans, which seemed possible at that time. While there, war was declared by the United States against Germany. Mitchell immediately proceeded to Paris and reported to Ambassador Sharp for duty. He was assigned with the military observers, Majors Logan and Churchill, who had drawn up an excellent, comprehensive, and thoroughly sound plan for the participation of American troops in France. This plan was followed later.

Nothing had been done about aviation. Mitchell could get no replies to his telegrams to the United States, so he organized an office staff with his own money and contributions from patriotic Americans in France, formulated a plan for training and equipping Americans in Europe, which, if followed, would have enabled us to have excellent air squadrons on the front by August or September 1917. Mitchell's recommendations, which are a matter of record, were sent in April to the United States, as to what equipment should be used by our air forces in Europe. These recommendations were not followed. Incompetent individuals were put in charge of aircraft production, who adopted the entirely unsuitable DH–4 British airplane as the standard American

ship, and the Liberty engine, which had never been proved in war and was worthless for that purpose.

The scandalous method of handling this proposition has been thoroughly gone into by competent committees. The $1,500,000,000 appropriated by Congress was practically wasted because his recommendations were not followed. The airplanes that Mitchell recommended to be built by the United States had to be obtained in Europe anyway, and when he saw what was going on in the United States he personally made arrangements with Daniel Vincent, in charge of aviation procurement in France, to go ahead and build a surplus anyhow, without authority, otherwise we would have had no airplanes for our men on the front.

In the middle of April Mitchell joined General Petain at Chalons sur Marne and participated in the terrific attacks with huge losses which the French Army suffered at that time. He had numerous conferences with General Petain about the participation of the Americans in Europe. The French, seeing how seriously Mitchell was working on the problem, began assigning officers to him and assisting him with his work in every way possible. Mitchell also participated in an infantry attack with the Sixteenth Reserve French Division, for which he was decorated with the Croix de Guerre, being the first American soldier so decorated. He was also the first regular American soldier to enter into battle against the Germans in this war.

Mitchell flew over the enemy lines on every part of the western front. He became thoroughly familiar with the English organization and system as well as the French, and laid out a complete system and organization for the creation of our air forces. Just as this was coming along well, a complete new group of men was sent out from the United States, without any instruction in the air, with limited knowledge of conditions in Europe, and with no knowledge of war, especially in the air. One learns quickly when on the front against an enemy, and in a few months of actual war service one can pick up more than in a lifetime of theoretical study. This new group placed in command made a terrible mess of all our aeronautical matters in Europe and put us back at least 6 months. Mitchell, however, was kept constantly in command of troops actually serving against the enemy on the front. At Chateau Thierry, American air forces distinguished themselves.

Mitchell was the first man to discover the German bridges at Dormans, on the morning of July 15, 1918, where the Germans crossed the Marne River in their attack. This he reported to General Liggett at First Army Corps headquarters, then flew to Bombom and reported it to General Foch. Mitchell made a reconnaissance alone in a single-seated pursuit ship across the Marne salient from Chateau Thierry to Soissons, and came to the conclusion that there were few German troops opposite Soissons, and so reported to General Foch. As a result, General Foch ordered the First and Second Divisions, United States Army, and the Moroccan Division, French Army, to Soissons, where they attacked the Germans at the shoulder of the salient, causing the withdrawal of their whole army.

Mitchell was then given command of the air forces of the First Army and commanded the greatest concentration of air forces in history at St. Mihiel, 1,496 ships. The operation of this force was perfectly carried out; the plan of operations, plan of employment, and tactics served as models for subsequent attacks. In addition to the American air units, Mitchell had under him the whole French air division, three Italian squadrons, and the independent British air force under General Trenchard. At the conclusion of the Battle of St. Mihiel, General Pershing wrote General Mitchell the following letter, which was published to his command:

Please accept my sincere congratulations on the successful and very important part taken by the air forces under your command in the first offensive of the First American Army. The organization and control of the tremendous concentration of air forces, including American, French, British, and Italian units, which has enabled the Air Service of the First Army to carry out so successfully its dangerous and important mission, is as fine a tribute to you personally as is the courage and nerve shown by your officers a signal proof of the high morale which permeates the service under your command.

Please convey to your command my heartfelt appreciation of their work. I am proud of you all.

Sincerely yours,

JOHN J. PERSHING.

Later operations followed in the Argonne battles. When the Second Army was organized Mitchell was given command of the Air Service, group of armies.

The American Air Service was then beginning to form a great force of long-distance bombers designed to attack the center of Germany—Essen and Berlin—in the spring of 1919. Mitchell also proposed and was given permission by General Pershing to draw up plans for carrying a complete division of troops equipped with parachutes, rifles, and machine guns and dropping them behind the enemy lines from airplanes, while attack aviation covered roads in their vicinity until they could form and get together. This would have been carried into effect a short time after November if the armistice had not been effected.

Mitchell participated in the following battles:

American: Cambrai, Somme defensive, Champagne-Marne, Aisne-Marne, Oise-Aisne, St. Mihiel, Meuse-Argonne, defensive sector.

French: Mont Sans Nomme, Mont Cornouillet, Mort Homme, Champagne offensive, Bois de la Grille, Verdun, Malmaison, Noyon.

British: Ypres, Bullecourt.

He took part in the French and British engagements without being ordered or required to do so, in order to become acquainted with the details connected with military operations, both aerial and ground. Mitchell participated in more battles than any officer in the American service during the World War. He now holds the following decorations:

Distinguished Service Cross: Awarded "for repeated acts of extraordinary heroism in action at Noyon, France, March 26, 1918, near the Marne River, France, during July 1918, and in the St. Mihiel salient, France, September 12 to 16, 1918. For displaying bravery far beyond that required by his position as Chief of Air Service, First Army, American Expeditionary Forces, setting a personal example to the United States aviation by piloting his airplane over the battle lines since the entry of the United States into the war. Some instances being a flight in a monoplane over the Battle of Noyon on March 26, 1918, and the back areas, seeing and reporting upon the action of both air and ground troops, which led to a change in our aviation tactics; a flight in a monoplane over the bridges which the Germans had laid across the Marne during July 1918, which led to the first definite reports of the location of these bridges and the subsequent attack upon the German troops by our air forces. Daily reconnaissances over the lines during the battle of St. Mihiel salient, September 12 to 16, securing valuable information of the enemy troops in the air and on the ground which led to the excellent combined action by the allied air services and ground troops, particularly in this battle."

Distinguished Service Medal: Awarded "for exceptionally meritorious and distinguished services. As Air Service commander, first of the Zone of Advance and later of the First Corps, by his tireless energy and keen perception he performed duties of great importance with marked ability. Subsequently, as commander, Air Service, of the First Army, and, in addition, after formation of Second Army, as commander of Air Service of both armies, by his able direction of these vitally important services he proved to be a potent factor in the successes achieved during the operation of the American Armies."

The following are his foreign decorations:

French: Croix de Guerre, with five palms, for exceptional bravery; Commander of the Legion of Honor.

British: Companion of the Order of St. Michael and St. George.

Italian: Commander of S. S. Maurizio e Lazzaro; Italian Cross for Merit in War; Grand Officer, Order of the Crown of Italy.

Very little was known by the ground troops about aerial operations. These were entrusted by General Pershing to General Mitchell's judgment and discretion. The question of command for the spring of 1919 was discussed and it was practically agreed that Admiral Beatty should command all the sea forces, General Foch all land forces, and General Mitchell all the air forces. This probably would have been done had the war lasted. It is believed that General Mitchell was recommended for promotion to a major general slightly before the Armistice was signed. After the Armistice, Mitchell took the air forces of the Army of Occupation into Germany and established headquarters

at Coblentz. There he was visited by the Prince of Wales and others.

General Mitchell was ordered back to the United States to become Director of Military Aviation, in January 1919. He returned by way of Chaumont, where he was one of the seven officers decorated by General Petain with the commander grade of the Legion of Honor and an additional Croix de Guerre.

Before returning to the United States Mitchell with his staff went over the whole front of the American, French, and British Armies, studying it carefully, then into Belgium where they studied the defensive organization of the Germans, both along the coast and inland, their aeronautical organization, the effect of the British air bombardment against the German submarine base at Zeebrugge and how that was organized for defense. Then he proceeded to England, where his old friend, Marshal Trenchard, was in command of the British Independent Air Force. General Mitchell and his staff probably gained more knowledge of all the different parts of aeronautical duty than could the French, Germans, or English, because they were confined largely to their own organizations and did not visit the others so frequently.

Upon returning to the United States General Mitchell was placed on the initial General Staff list. He found aeronautical affairs very much disorganized. The officers who had remained here knew very little about the application of air power beyond that used in primary training schools for pilots. There was great jealousy against anyone who had come back from Europe, and there was intense jealousy on the part of the line of the Army against the rising prestige and power of the air force. This had occurred also in the English, French, and German forces, but hard necessity had taught them what to do. Mitchell immediately reorganized the Service, both tactically and technically.

A great program was laid out looking forward for many years. Technically the immediate construction of airplanes, engines, instruments, and accessories was begun, and a nucleus of technical officers was started. If this program had been carried out, it would have given us airplanes at the present time with a range of 8,000 miles, carrying 4 tons of bombs, with a ceiling of 35,000 feet and speeds up to 500 miles an hour, with instruments and equipment that would have taken ships through any kind of weather and allowed them to land safely in fogs and storms.

In 1919 Mitchell organized the transcontinental airplane race which showed that aircraft could fly from New York to San Francisco in 24 hours' flying time. The air mail, under Otto Praeger, immediately took advantage of what had been learned and an efficient Air Mail Service was laid out, including aids to navigation and accessories. The first airway was organized by Mitchell from Washington, D. C., to Dayton, Ohio.

While all these activities were going on, General Mitchell found time to attend Columbian College of George Washington University, from which he had gone as a junior to take part in the Spanish War in 1899, and had never obtained his degree. By regular attendance at the classes, Mitchell obtained his B. A. degree and was graduated in 1920 as of the class of 1899. General Wood presented the diplomas.

In 1920 Mitchell sent a flight of airplanes under Captain Streett from New York to Nome, Alaska, and back, one of the greatest flights ever made. It was hoped at that time that it would lead to the establishment of air bases in Alaska and that air lines would be extended to that territory. This has not been done up to the present time.

Upon General Mitchell's return from Europe in 1919, preparations were immediately made, on account of what he had observed there, for the attack of battleships from the air. In this he was ably assisted by General Williams, then Chief of Ordnance, who set to with a will to develop the bombs, fuzes, and methods of producing them. Colonel Guidoni, the Italian air attaché at that time, and one of the world's most able mathematicians, also rendered great assistance in estimating the trajectories, time of flight, and penetration in the water when a bomb passed from a rarer to a denser medium. Guidoni later became head of the Italian Air Force and was killed in an accident. It is after him that Guidonia, the new air city of Italy, has been named.

The air units practiced actively in bombing. Targets representing ships were set up on land. Objects were bombed in the water, both stationary and towed at high speed by motor boats. A camera obscura was fixed up in a motor truck which was run at high speed along the roads, and the bombing was done against that, both going straight and turning. Nothing was overlooked that could be done with the equipment available. Mitchell attempted in every way to get target vessels from the Army and Navy without success.

Giving his testimony before Congress, Mitchell stated positively that he could sink any ship afloat with aircraft. The Army and Navy ridiculed this, but Congress passed an act authorizing the President to set aside certain vessels that had been surrendered from the German Fleet to be used for the purpose of bombing. The Navy then attempted to take charge of things. A written agreement was drawn up as to the procedure. The Navy made it just as difficult as possible, putting the vessels so far off the coast that they were almost outside the limits of the cruising ability of the aircraft. However, every class of ship was sunk—submarines, destroyers, cruisers, and two battleships. One of the battleships was the *Ostfriesland*, the strongest ship built up to that time, and probably as strong as any built since. The bomb that sunk the *Ostfriesland* was heard around the world and marked a new epoch in national defense.

The Board observing the bombing tests, under the chairmanship of General Pershing, reached the following conclusion:

> Aircraft carrying high-capacity high-explosive bombs of sufficient size have adequate offensive power to sink or seriously damage any naval vessel at present constructed, provided such projectiles can be placed in the water close alongside the vessel. Furthermore, it will be difficult, if not impossible, to build any type of vessel of sufficient strength to withstand the destructive force that can be obtained with the largest bombs that airplanes may be able to carry from shore bases or sheltered harbors.

At the conclusion of these exercises, there was tremendous agitation on the part of the Navy particularly, to keep the air force down. Mitchell's appearances before Congress had resulted in the absolute truth being told them, without any reservation or evasion. Attempts were made to suppress aviation as much as possible. The profiteers who had been run to cover after their disgraceful exhibition during the war took an active part in this because they saw another chance to obtain active control.

After the bombardment exercises, Mitchell and his personal staff visited England, France, Italy, and Germany, going over everything that was thought important in connection with air matters. In Germany the war operations were checked up carefully, to see where the reports of operations, engagements, and battles differed. A remarkable similarity in reports was discovered, even down to individual battles of pilots.

Upon his return from Europe, General Mitchell determined to gain all the airplane records in the world. Steps had already been taken in that direction. During 1922, the world's speed record was made in the United States by General Mitchell, and practically all other records taken, for distance, altitude, carrying capacity, and so on.

Mitchell always tried out every new ship himself before turning it over to the pilots under him, which is unique in the history of any air service.

In spite of the law that provided that air units should be commanded by flying officers, nonflyers were constantly being put over General Mitchell. To evade this law, a nonflyer was taken up in the air by another pilot, flown around and then made a pilot, one of the most flagrant violations of law that ever occurred. Seeing the course that matters were taking, Mitchell desired to be relieved from his duties in charge of aviation, but Mayhew Wainwright, then Assistant Secretary of War, who had flown a great deal with Mitchell, persuaded him to stay in.

In the autumn of 1923, Mitchell was sent on an inspection trip to our Pacific possessions and the other Asiatic countries which border on that ocean. In the Hawaiian Archipelago, all the inhabited islands were visited and a complete plan of air defense for the whole group worked out which showed the importance particularly of Midway, Wake, and Guam Islands, the Aleutian Islands, and Alaska. Mitchell reported the existing plan of defense to be entirely inadequate to protect the islands. There was no cooperation between the Army and Navy; the commanding general and the admiral commanding the navy yard would not speak to each other or attend the same social functions. There was no adequate plan for the use of air forces. Mitchell's report of the deplorable conditions there caused bitterness on the part of the commanding general but also a betterment of the plan of defense.

Mitchell then proceeded to the Philippines and went over their problem in a similar manner. While there he took General Aguinaldo up in the air, over the same battlefields where they had fought each other 24 years before.

From the Philippines he went to Java, looking over the Dutch air forces and military establishment, then to the Straits Settlements, Burma, and India, where he observed their military arrangements. From India he went to Siam, inspected their air forces and recommended that they send officers to the United States for instruction, which was done; then up to China, inspecting air forces and ground troops. After this he went to Manchuria, where his old friend, Marshal Chang Tso Lin was acting as dictator. He was assembling a group of airplanes and building large arsenals near Mukden. At these places General Mitchell flew the airplanes of the different air forces. At Harbin he learned a good deal about the Russians and the Amur River country up to Lake Baikal. He returned to the United States via Korea and Japan, reaching this country in the early summer of 1924, where he rendered a report on military conditions in the Far East and the defense of our possessions. The recommendations are just beginning to be put into effect, 11 years later.

In 1923–24, the round-the-world flight took place that Mitchell had projected. This was the end of our great peacetime flying endeavors. A flight had been planned for the following year from North America to South America, then over the Antarctic continent, where the flight was to split into equal parts, one half turning right and flying across the South Pacific to Australia, and the other half across the South Atlantic to Africa. This has never been done. It was also projected to fly over the Pole with an airship. Mitchell tried strenuously to obtain an airship to make into an airplane carrier. Arrangements were made with the Zeppelin Co. to finish a ship and turn it over to the Army Air Service. It was approved by General March, then Chief of Staff, and all the arrangements made. An officer, Major Hensley, was sent to Germany to command it. Even the gasoline had been ordered for the trip to America. Suddenly everything was stopped, largely at the behest of the Navy. Two or three years elapsed before an airship was obtained from Germany, which is now called the *Los Angeles*. No suitable airship airplane carriers have ever been made by the Navy, and they have made a terrible fiasco with their whole lighter-than-air development. A single airship properly equipped as an airplane carrier, with 20 or 30 airplanes aboard, can easily be constructed at comparatively small expense, and can sink a whole fleet of surface vessels, or fly around the world on one charge of fuel and attack vital centers in Asia, Europe, or anywhere.

The Air Service was going ahead so fast under Mitchell's direction that repressive measures were increased constantly by the War and Navy Departments. Increasing incompetence was manifest in the personnel put in charge of various activities. Instead of making specialization a part of our national policy in aviation, Army officers with very slight aviation training and no war experience whatever were constantly put in charge of important projects. The wonderful experimental program developed after years of hard work was scrapped and the activities and development turned over to mediocre civilian profiteers or service politicians. The best pilots in this country, men who can never be replaced, were killed because the War Department would not sanction the procurement of entirely new equipment which Mitchell advocated. This condition grew intolerable. Congress was told very frankly by General Mitchell about what was happening. Every statement made to Congress by Mitchell from the time he first appeared before it can be substantiated in every respect.

Mitchell was now the ranking flying officer in the United States Air Service, in either Army or Navy, and had seen more of war than anybody in the Service, had commanded the greatest air forces in the world, and had pushed technical development up to the point where the United States led the world with its aircraft. In spite of these things and because of the desire of the Army and Navy to keep aviation subservient to them—whereas it had been made coequal with them in every other country in the world—Mitchell was relieved from his position as general officer, made a colonel and sent to an unimportant command in Texas, with greatly curtailed duties. The nonflyers then began to have a Roman holiday, which ended up in terrible accidents, with the Navy attempting to send seaplanes from California to Hawaii without sufficient gas to get there, sending the airship *Shenandoah* across the mountains with no adequate ground organization or weather system to look after her and over the protest of her able commander, Commander Lansdowne.

General Mitchell had had quite a bad crash in a poorly constructed airplane a few days before the loss of the *Shenandoah*. Asked by reporters of leading journals of the country to make a statement as to the cause of these accidents, he did so in San Antonio, Tex., in the fall of 1925. Every word he said was true and proven so. However, as this was considered contrary to good order and military discipline, Mitchell was tried by court martial. Testimony before the court showed that every statement he made was true. Such a condition never should have been allowed to exist in the United States service. As there was nobody of Mitchell's rank in the flying services, he was tried by nonflying officers and convicted and sentenced to 5 years' suspension from rank and all pay and allowances. This sentence was probably illegal, and it was commuted to half pay during that period.

Word was sent in a roundabout way from the President to Mitchell that if he kept quiet for 6 months, the sentence would be remitted and he would be put back to his old position, if he would do everything he was told. Mitchell considered this one of the most disgraceful messages ever sent from a man in authority to another. On February 1, 1926, Mitchell resigned from the service after nearly 28 years with the colors. In 2 years more he would have been eligible for retirement.

In 1927 Mitchell went to Europe and visited England, France, Italy, and Germany, studying their military systems and air forces, noting the changes they had made since the war. He flew from Germany into Russia and saw their troops and air forces. His acquaintance with officers of all these countries, formed during and just after the war, stood him in good stead.

Since his resignation, Mitchell has lived on his farm at Middleburg, Va., where the treatment of the soil, the crops, the raising of cattle, hogs, and horses are carefully carried on. He has kept up his studies of national defense all over the world and aeronautics in particular, has travelled extensively and written a great deal on these subjects. He has never made any money out of aviation where pickings were easy and millions could have been made in a quasi-dishonest manner on the stock exchange. Mitchell has continued to assist those in the services to better aviation, and has given his testimony, advice, and counsel freely to Congress, both in the House of Representatives and the Senate. On account of his service in the Army, his organization, development, and handling of aviation from the beginning, and his study of naval operations and the attack of naval vessels, he is as conversant with the three branches of the service as anyone in the world. He has considered it his duty to the Nation to give his knowledge gained all over the world on these subjects.

RETRENCHMENT, RETROGRESSION, AND RUIN—THE THREE R'S OF ECONOMIZED EDUCATION

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes on the subject of Federal aid to education.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LUNDEEN. Mr. Speaker, the economy ax is cutting away the foundations of the American school system. This is the eve of the 1935–36 school year. How many bells will fail to ring this fall? How many doors will never open? How many thousands of American children will be denied the bare essentials of education and be handicapped for years to come?

Last year the joy of vacation vanished from the hearts of thousands of children. They waited day after day for the little school bell to ring and learned at last that it was to remain silent. Over 3,000,000 American children in 25 States either had no school at all or had their school terms shortened from 1 to 8 months, and this is only a partial survey of a situation that exists in every part of the country. What little education these children receive is through missionary work of unpaid teachers. (Circular 138, March 1935, United States Office of Education.)

TWO HUNDRED THOUSAND TEACHERS UNEMPLOYED—SALARIES OF OTHERS NOT PAID

Fourteen thousand more schools in 21 States would have been forced to close during the 1934–35 school term if teachers' salaries were required to be paid in cash. (National Education Association, Current Data on Closed Schools, Apr. 30, 1935.) For months the teachers of Chicago carried on heroically with no salary at all, until a loan from the R. F. C. at Washington paid them around $22,300,000. There are today 200,000 certified teachers unemployed. Yet the size of each class per teacher is increased, education curtailed, and qualified teachers thrown in the bread line.

SCHOOL BUILDINGS OF CIVIL WAR PERIOD STILL IN USE

Over 5,000 condemned school buildings are in use in 18 States. Thousands more should be condemned. Over a million three hundred thousand children are housed several months of the year in unsafe or unsanitary school buildings. About 600,000 pupils are attending school part time because of inadequate housing facilities. A total of approximately 2,700,000 pupils are improperly housed during their school hours. Eight percent of our school buildings date back to the Civil War period, and 34 percent were built between 1870 and 1899. (The Nation's School Building Needs, N. E. A., January 1935.)

ANTIQUATED BUILDINGS AND OBSOLETE STUDIES

In these antiquated buildings the citizens of tomorrow are being taught courses equally as antiquated. Some of the most valuable courses have been removed from the curricula. Physical and mental health of the Nation's youth have been placed in jeopardy. Adult education and kindergarten work have been greatly reduced or eliminated. There has been a woeful lack of funds for the purchase of new texts, and a large percentage of our 30,000,000 children today are being taught old platitudes and axioms out of keeping with the modern world. Educators have done the best they could to cope with a deplorable condition brought about by lack of funds.

SPARE THE DOLLAR AND SPOIL THE SCHOOL

This is the situation facing America's most cherished institution, the school. What is the solution to be? What are great civic and patriotic organizations doing to save our schools? Is the powerful press arousing the country to action? I know of no great mass meetings called by chambers of commerce to halt retrenchment in our schools. If there have been such meetings, their sponsors are to be commended. I see no national organized campaign of the public press to obtain Federal aid for schools, while billions are appropriated for armies and navies and battleships to meddle and muddle on continents across the sea.

ORGANIZED RETRENCHMENT CAMPAIGN

Captains of industry and finance have refused to join in a Nation-wide patriotic appeal to save the American school. Instead they have conducted a vicious, organized campaign of destruction. With banners bearing the slogan "Economy" they march forth to battle against teachers, education, and the Nation's youth. They are the rich, and they do not want to pay.

Often the sponsors and even the motives of their campaigns cannot be traced. They masquerade behind a patriotic guise of economy in government. Question them as to the meaning of their plea for retrenchment, and they deny having made such a plea. They pass the responsibility to some unknown source. The insidious campaign of destruction goes on relentlessly. A short-sighted, un-American so-called "solution" is advocated; the three R's of economized education—retrenchment, retrogression, and that means ruin.

Either certain suggestions for retrenchment were actually recommended by the United States Chamber of Commerce or that organization merely disseminated the ideas furnished by someone else. The effect is the same. The suggestions were made by someone and broadcast Nation-wide through the medium of the United States Chamber of Commerce. Many different methods of retrenchment were advocated.

ELEVEN CRIMES AGAINST THE NATION'S YOUTH

First. Shorten the school day an hour.
Second. Increase the size of classes.
Third. Increase teaching hours.
Fourth. Suspend all increases of salary.
Fifth. Reduce salaries.
Sixth. Shorten the school year.
Seventh. Discontinue evening classes.
Eighth. Discontinue kindergartens.
Ninth. Reduce elementary school by 1 year.
Tenth. Reduce the high school from 4 to 3 years.
Eleventh. Charge tuition for high-school students.
(Jerome Davis, Capitalism and Its Culture, 1935.)

These 11 crimes against the schools indicate a woeful lack of social vision on the part of powerful minority interests. It is difficult to determine which is the worst crime against education and the schools. The so-called "frills and fads" of education which these interests wish to subject to the economy guillotine include music, art, home economics, foreign languages, physical education, health, agriculture, commercial courses, and industrial arts.

The organized campaign for retrenchment has been a success from the point of view of its sponsors.

HEROIC SACRIFICES MADE BY TEACHERS

Teachers themselves were sought out as the first victims of the economy ax. They have met the onslaught of privileged interests with heroic self-denial and courage. Month after month they toiled under the most severe economic conditions, giving their best energies to the youth of this Nation without pay and with no thought of reward. They have been patriots in the highest and finest sense, fighting with a solid front against the only enemy of America not yet defeated: entrenched wealth. Teachers need take no oath of loyalty to prove their patriotism. By their own examples they have furnished object lessons in loyalty the Nation over. I take off my hat to the teachers of America, and if I have anything to say about it they will have their reward. No finer, no more self-sacrificing corps of citizens can be found in any other phase of our national life.

TEACHERS' SALARIES CUT

The average of salaries paid to teachers, principals, and supervisors in the public schools has decreased steadily since 1931, until this year, when there was a small increase. Today the average salary is scarcely $100 per month, and this average includes principals and superintendents. (See appendix A for chart.)

The average salary is $1,226 a year. This means that approximately half of our teachers receive less than that amount. Reports from 27 States indicate that nearly 1 teacher in every 3 receives less than $750; 1 in 16 receives less than $450 per year. About 250,000 teachers, teaching

7,000,000 children, receive salaries less than the minimum wage for factory hands under the blanket N. R. A. code. This estimate does not include the cases where salaries are not paid because of lack of funds or where teachers are paid in heavily discounted warrants. It is in addition to these. (Major Trends in Public Education, Joint Commission on the Emergency in Education, Washington, D. C., October 1934.)

TEACHERS MAKE UP 3 PERCENT OF NATION'S WORKERS

This condition reflects directly upon the Government of the United States. Education accounts for over one-third of all public employees and more than 3 percent of all the Nation's workers. There are more teachers than there are carpenters, miners, machinists, bookkeepers, physicians, or lawyers. (Willard E. Givens, secretary N. E. A.; statement to President's Committee on Economic Security, Feb. 16, 1935.)

Why not make the teaching career attractive to men and women of highest caliber? The future progress of the Nation rests largely in their hands. (See appendix A for tables of salaries.)

At one time a total of about $57,000,000 was owing to teachers for back salaries. The huge debt owed to teachers of Chicago at the time a loan was obtained from the R. F. C. for payment of teachers' salaries is a matter of history. The latest information I have received indicates that about 14,455 more schools in 21 States would have been forced to close last winter if teachers' salaries were required to be paid in cash. (See appendix B.)

This information is the result of telegrams sent by the National Education Association on March 25 and April 25, 1935, to State superintendents of public instruction.

WHY UNEMPLOYMENT AMONG TEACHERS

Two hundred thousand certified teachers are unemployed, according to the United States Office of Education. Yet there is no overproduction in the field. There is no lack of students who wish to be educated. Then, why is there unemployment among teachers? Retrenchments have caused an artificial decrease in the number of students in summer school and extension study. The organized effort to increase the number of pupils per teacher has been detrimental to both pupils and teachers. Certainly, any plan of economic security should include the teaching profession.

SHORTENING OF SCHOOL TERM

The effects of other forms of economy have been more serious to pupils than to teachers. The school term has been shortened. The deficiency in the number of months for school terms ranges all the way from no school at all in 467 districts in 8 States, to 8 months or less in 31,672 districts in 24 States. In 25 States a total of 57,090 pupils were affected by the closing of schools in the 1934–35 term, and a total of 3,372,830 by closed schools and terms shortened all the way from 1 to 8 months. Emergencies also exist in other States which have not reported to the United States Office of Education. (See appendixes C, D, and E.)

INCREASE IN SIZE OF CLASSES

The average yearly increase in the number of pupils per year in elementary and high-school enrollment is 200,000. The increase comes largely in the high schools. With no corresponding increase in the number of teachers, the average size of the class is increased. (See appendix F.) While the average ratio is 30.96 pupils per teacher, classes of 45 are common in city schools. The average appears to be lower than it really is for the reason that principals and supervisors are included in the term "teacher." In classes of this size much attention must be paid to discipline; in fact, some educators say that the matter of discipline completely overshadows the subjects taught in classes of this size.

OUTWORN SCHOOL EQUIPMENT

A school building, like a home, cannot fulfill its obligation to the child unless it is clean and safe. The beauty and artistic appeal of a school will impart a sense of these qualities to the pupil. The stopping of school-building construction since 1930 has played its part in making the building trades the hardest hit of all branches of labor. School expenditures for capital outlay were relatively small in 1918 and 1920, amounting in 1920 to around $150,000,000. From 1924 to 1930 they ranged from $375,000,000 to $400,000,000 per year. Since 1930 building activity has been abruptly checked, and the capital outlay for 1934 is estimated at $101,468,000, which is less than the expenditure for 1918. At the same time the number of pupils continued to increase at the rate of 200,000 per year. (The Nation's School Buildings Needs, N. E. A., January 1935.)

CONDEMNED SCHOOL BUILDINGS STILL IN USE

The need for school-building construction is obvious. There are 5,045 school buildings in 18 States which have been condemned by duly constituted authorities and still are in use. This is 5 percent of the school buildings now in use in that area. The number of buildings not condemned but which should be condemned cannot be estimated. These structures are certainly a menace to health and safety. It is estimated that 687,611 children are attending school in unsafe or unsanitary buildings in 17 States and 95 cities in other States. (See appendixes G and H.)

PART-TIME ATTENDANCE BECAUSE OF INADEQUATE HOUSING

In 20 States, and 108 cities in other States, 391,748 pupils are attending school part time because of inadequate housing facilities. The estimate is that 288,287 pupils in cities over 100,000 and 53,308 pupils in cities from 30,000 to 100,000 can attend school only part time because of insufficient school housing. (See appendix I.)

TEMPORARY BUILDINGS

The large number of pupils housed in portable, rented, and other temporary structures furnishes further evidence of a need for school-building construction. It is estimated that 618,068 pupils in 23 States, and 82 cities in other States, are housed in temporary buildings of this kind. (See appendix J.)

Adding together the number of pupils housed in condemned buildings, attending part time because of inadequate facilities, and housed in temporary structures, we have a total of 1,697,427 pupils in less than half the States plus about half of the cities over 30,000 in population in States otherwise omitted. On this average nearly 2,700,000 pupils in this country are improperly housed.

ANCIENT BUILDINGS STILL IN USE

A survey based on reports from nine States and the District of Columbia shows that about 8 percent of the school buildings in these States date back to the Civil War period; 34 percent were built between 1870 and 1899; only 5 percent were built since 1930. (See appendix K for details.) Expenditures for school and library buildings in 1933 were only 5.5 percent of the total expenditures for nonresidential building. (United States Department of Labor, Bureau of Labor Statistics, Building Permits in the Principal Cities of the United States, annual summaries 1921 to 1933.) Certainly there is a definite need for school-building construction.

ELIMINATION OF COURSES AND OTHER SCHOOL SERVICES

As a result of the campaign to eliminate "frills and fads" of education, some of the most valuable courses and other important school services have been removed from the schools. Deep resentment and a realization on the part of the American people that such subjects as health, Americanization, physical education, and many others are necessary, played a part in bringing about a partial restoration of these courses. (See appendix L for details.)

SCHOOL EXPENDITURES DECREASED PER CHILD

Enrollments in the public schools have increased about 200,000 children per year. Yet there has been for the past 4 years a steady decline in the total school expenditures. We have apparently reached bottom, and the cost per child enrolled for 1934 is estimated at $68.47 over $67.33 for 1933. At this rate it will take 25 years for our schools to climb back to the position they held 5 years ago. There was a slight increase of about 2 percent per year from 1926 to 1930 in

school expenditures, accompanied by a steady increase of 200,000 pupils per year. The cost per enrolled child was $90.22 in 1930 compared with $68.47 in 1934.

The greatest enrollment increases are in high schools, the most expensive part of the public-school system. This complicates the situation. The cost per child of an adequate education must increase with increased enrollments in high school. (See Appendix M for comparison of expenditures with total enrollment.)

FEDERAL GOVERNMENT ECONOMIZES ON EDUCATION

Along with supporters of the plan for retrenchment in the schools, the Federal Government also is guilty in some ways of economizing on education.

On March 20, 1933, the President signed the act to maintain the credit of the United States Government. Ostensibly it was for the purpose of eliminating wasteful expenditures, but actually it resulted in the crippling of valuable Government services as well as great hardship among veterans and Federal employees. You cannot cut off millions of dollars from the regular, useful appropriations of research and educational agencies of the Government without curtailing valuable services, denying the people the benefits of these services. I knew this, and I voted against the vicious Economy Act. Since that time many instances of the crippling of valuable Government educational projects have come to my attention.

EDUCATIONAL SERVICES OF COMMERCE DEPARTMENT CRIPPLED

In the Department of Commerce reductions in scientific research and experimentation activities were made in many fields. There was a curtailment of funds for conducting health investigations and other research work which tends to promote the health of miners. There were curtailments in the Bureau of Standards for testing and research work, in the aeronautics branch for engine testing, studies on radiobeacon, and other research work, in the Bureau of Fisheries for studies on the preservation of fish.

DISMISSAL OF OUTSTANDING RESEARCH STUDENTS

In the Department of the Interior the full-time staff of the Bureau of Geologic Survey was reduced by the retirement of three outstanding geologists and a scientific aid, and two clerks were separated from the service. The force of field assistants was greatly reduced, and funds for fundamental research were completely eliminated. Secretary of the Interior Harold L. Ickes made an official statement that the undertaking of new investigations or research projects virtually ceased, and the number of geologic field parties was reduced from 55 in the fiscal year 1932 to 25 in the fiscal year 1933. He also states that much work contributory to the discovery and development of Alaskan mineral resources has been discontinued.

OFFICE OF EDUCATION HARD HIT

In the Office of Education itself—Department of the Interior—seven persons were eliminated, including specialists who were conducting research in four different fields of education—home economics, physical education, elementary curriculum construction, and education of physically handicapped children. Many other activities of a service character were included in the curtailments; library reference work, scientific illustrating for publications, and translation of foreign education materials. In order to keep within the Budget for the next year it is necessary to make still further curtailments.

Many research agencies of the Department of Agriculture were also curtailed. The Agricultural Experiment Stations, the Weather Bureau, the Forest Service, Bureau of Biological Survey, and other valuable research agencies were forced to bow to the economy ax.

Full details concerning the curtailment of these may educational services of the Government may be found in Senate Document No. 77, Seventy-third Congress, first session—Department of Commerce curtailment—and Senate Documents 102—Department of the Interior curtailment—and 105—Department of Agriculture curtailment—Seventy-third Congress, second session.

THE INTELLIGENT POINT OF VIEW

These are examples of the short-sighted solution advocated by false economy experts and champions of big business. The inevitable end of the path they have laid out for us appears on the horizon. Let us keep before us these words of warning: Retrenchment, retrogression, ruin. Ruin is the inevitable end, and ruin of our educational system is social suicide. False economy in education results either from a shallow analysis of the whole problem or a selfish intent to destroy. What does the intelligent, public-spirited citizen see in this campaign against education?

NO PROGRESS WITHOUT RESEARCH

Industrial and financial leaders who led the campaign for the cruel Economy Act in 1933 and crippled valuable governmental research and educational agencies are well aware of the value of research. Private industry well realizes its value. In private industry bounties are offered for new discoveries and funds invested in research are considered the means of true, lasting economy. For 30 years industrial research laboratories have made steady progress until today they are indispensable to any large manufacturing organization. W. D. Coolidge, director of the research laboratory of General Electric, said:

> Our civilization is an engineering civilization which could endure scarcely a day if all the products of engineering were suddenly swept away, and it is science which serves as the basis of engineering * * * the cloistered scientist, however remote from the marts of trade and however innocent of the least thought tinged with utilitarianism, is perhaps all unknown to him preparing the way for some new appliance perhaps that will bring new industries into being.

Oh, yes, big business recognizes the value of research for profit, but it fights for a law that denies the benefits of Government research to the people. How does the intelligent person analyze this method of reasoning? It occurs to the intelligent person that the laboratories of great industries belong to the captains of industry and operate for their benefit. The secrets they uncover can be utilized if they create profit or kept hidden if they do not. Research by the National Government, on the other hand, is conducted for all the people. Research is the very foundation of intelligent education and planning in any field, and big business well knows that intelligent national planning may place its huge selfish profits in jeopardy.

We permit these valuable services of the Government to be discontinued; we display a woeful lack of social vision that is comparable to the short-sightedness of privileged interests who denounce the teaching of health, physical education, and home economics as unnecessary frills and fads.

THE IMPORTANCE OF EDUCATION

The intelligent person realizes the importance of education, and the dangers of its neglect. Soon we shall have played our part in the history of this Nation. We shall have debated, legislated, and passed on. The present is for us to determine, and we are none too well equipped for the task. The future lies in the hands of those who are to follow us. In our zeal for improving present conditions, we must not overlook the importance of equipping those who are to succeed us with the information necessary to solve problems even more bewildering than those before us today. Funds for the building of a battleship or the construction of a road can be furnished this year or next; but for the education of a child it is now or never. Education is not something that can be dropped out of the national program temporarily and continued a few years later; denied today, it is forever lost.

Permit one school to close its doors and you run the risk of permanently handicapping thousands of children in generations to come. Upon the education of this generation depends much of the knowledge of the next, and the course of history may be radically changed by neglecting education in one generation. Education is our strongest ally in this struggle between progress and decay. Vacation no longer attracts the 57,000 children who were affected by closing of schools in 25 States last year. They know that without elementary schooling they can never enter high school or the university.

When a school is closed, each pupil's road to progress is blocked, and the cultural life of a community becomes stagnant.

RESULTS OF RETRENCHMENT—"HALF TRUTHS FOR 30,000,000"

The sponsors of the retrenchment program have not publicized the results of their program. "Half Truths for 30,000,000" is the startling title of an article by Cedric Fowler in the New Outlook for November 1933. This article shows the tragedy of retrenchment. Education in keeping with modern times cannot be taught successfully by just any teacher at any salary. History today is more than a glorification of war heroes and a series of dates. Geography is more than capitals and States.

The imaginary heroes of the arithmetic problems invariably save from one-half to one-third of their income—which is a direct defiance of the "buy now" program. Their hours of work are a flagrant violation of the most conservative industrial code. Children * * * are asked to "play" at investing $10,000 in stocks and bonds, which pay interest at the rate of 6, 7, and 8 percent. An arithmetic investment, it appears, never passes its dividend. One nationally used textbook goes so far as to give financial advice to the prospective bondholder, remarking that a city bond is the safest form of investment.

The philosophy of the elementary speller is even more quaint. Word and sentence examples preach a doctrine in the outworn tone of Poor Richard. "Some temptations come to the industrious, all temptations come to the idle" is a statement that puts unemployment in the category of a sin. "If you want to succeed, save" is a doctrine that is rapidly becoming antisocial, but our spellers repeat it ad nauseam. "There is always room at the top" is surely an exploded notion, but children are required solemnly to copy it from teacher's dictation. Unremitting toil and self-denial are the basic notes. Recreation, our latest national need, is frowned upon. The child who is incautious enough to take his speller's message seriously will find himself lamentably out of place in the modern world.

The theory that Germany was solely responsible for the World War is still taught, false and untrue though it is. Labor problems and labor legislation are sadly neglected.

New truths must be substituted for the half-truths which still persist in many schools today. Instead, the privileged interests who sponsor education-economy programs wish to substitute for these new truths the fourth R, retrenchment, the deadly enemy of learning and progress.

EDUCATION AND CRIME

Indications are that the average education of criminals in prisons is lower than for the average general population. For an average of 67.5 percent of the prisoners, compared with 61.1 percent of the general population, the elementary school was the last school attended. For 15.4 percent of the prisoners, compared with 25.1 percent of the general population, high school was the last school attended. For 3.4 percent of the prisoners, compared with 6.7 percent of the general population, college was the last school attended. (N. E. A. Research Division, September 1932, Crime Prevention Through Education, based on table 11 in The Prisoners' Antecedents.)

The significance of education as a method of crime prevention cannot be fully realized by comparing statistics of the past. A broader education than the three R's is necessary to prevent crime, and this broader education can be put into effect with the assistance of a central Government research and planning agency which can determine the minimum qualifications of a modern school. Children must be taught not only to read but to read the right books. They must not only learn to write, they must learn what to write. These more important phases of education will never be given proper consideration in a program of retrenchment. Expansion and improvement in the entire educational system, from the kindergarten through graduate college courses should be our aim for the immediate future.

THE COST OF EDUCATION AND CRIME

Can we afford such an expansion? It is less expensive than our war on crime. The per capita expenditure for maintaining a delinquent in a public institution is $400 per year; it costs $300 per year for each adult prisoner and something less than $100 for each public-school pupil. If the school does not make a good citizen of a pupil with $100 per year, we will have to pay three or four times as much later to correct the mistakes and omissions of a school operating on a retrenchment policy. (See Appendix N for detailed table on expenditures for crime and education.)

Education is of invaluable assistance in bringing about an orderly transition into changing economic and social patterns of life.

THE HIGH COST OF IGNORANCE

Ignorance will cost us more than the most visionary program of broadened education. A retrenched program of education, where only the three R's and cultures and histories of the past are taught, can serve the child only as an escape from a modern world that he does not understand.

We cannot declare a temporary moratorium on education pending business recovery. To do that would set us back from 25 to 50 years, and many educators warn that the continuation of the retrenchment policy will eventually destroy our Government altogether. If education is to serve a constructive purpose for the future, and not as an escape from the present, it must deal intelligently with modern problems. The cost of ignorance to democracy is destruction.

These are the dangers of economizing on education. We cannot afford the high cost of ignorance.

JEFFERSON ON EDUCATION

Contrast the short-sighted retrenchment policy with the views of Thomas Jefferson on education. In 1816 Thomas Jefferson wrote:

If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be. (Thomas Jefferson to Col. Charles Yancey, vol. X, p. 41, Writings of Thomas Jefferson, Paul Leicester Ford, 1899.)

Today a citizen of this Nation can be well versed in the three R's and still be ignorant. Unless we halt the policy of retrenchment and expand, millions of children who are today being taught half truths will be ignorant in the modern world when they play their part in government affairs.

Thomas Jefferson asked the question "Whether peace is best preserved by giving energy to the Government or information to the people?" and added that—

This last is the most certain and the most legitimate engine of government. Educate and inform the mass of the people. Enable them to see that it is to their interest to preserve peace and order, and they will preserve them. * * * They are the only sure reliance for the preservation of our liberty. (Thomas Jefferson to James Madison, Dec. 20, 1787, p. 392, vol. VI, memorial edition, Writings of Thomas Jefferson.)

A broad, modern education for all will do more to preserve this Nation than the billions we have already spent on the last war and wars to come.

EDUCATION A VITAL NECESSITY TO THE LIFE OF A DEMOCRACY

Aristotle, writing of the necessary functions of a democracy, said:

No one will doubt that the legislator should direct his attention, above all, to the education of youth, for the neglect of education does harm to the constitution. For each government has a peculiar character which originally formed and which continues to preserve it. The character of democracy creates democracy. The character of oligarchy creates oligarchy. And always the better character, the better government. * * * Education should be one and the same for all. The training in things which are of common interest should be the same for all (Aristotle, Essays on Politics, Book VIII).

This is another way of saying that to neglect education is to endanger the preservation of democracy. "The peculiar character" which originally formed our Government is found in the American ideal of true democracy and equality of opportunity. If we cannot have education one and the same for all, we must have at least minimum standards for all if our democracy is to survive.

VIEWS OF EDUCATORS

At my request, Dean E. P. Lyon, of the University of Minnesota, has sent me his ideas regarding educational aid to students of superior ability. There is no room in a retrenchment program for the encouragement of special ability. Genius is a national asset.

UNIVERSITY OF MINNESOTA,
THE MEDICAL SCHOOL,
Minneapolis, May 11, 1935.

Hon. ERNEST LUNDEEN,
Congress of the United States,
House of Representatives, Washington, D. C.

DEAR MR. LUNDEEN: I thank you for the privilege of presenting my ideas regarding educational aid to be granted students of superior ability who otherwise would not be able to secure higher education. It is to be noted that this is quite distinct from the plan of your bill to aid all pupils in primary and secondary schools, which fills a worthy but different need.

I may say that I have been much impressed of the need in this direction by such facts as these: (1) Several students of superior ability who were selected for this medical school this year were unable to accept on account of lack of finances. Their places were filled by markedly inferior men who met the minimum requirements and happened to be able to meet the bills for tuition and maintenance. This must mean, through the years, a poorer average standard of medical men than would be available if a strict ability basis could be used in filling our student body. (2) In other countries scholarships available on a competitive basis have been the means of education of some of their leading men, who have thus been able to rise from the lower walks of life. I have in mind such distinguished scholars as Professor Barker, of Oxford University. (3) In Copenhagen I was told that Thorwaldsen, the great sculptor, was enabled to overcome the handicap of poverty-stricken origin by means of such state aid or "prize."

My plan, then, envisages a vigorous search for highly gifted individuals and the granting by competitive examination of substantial aid toward the development of such gifts, of whatever character they may be and wherever they may be found.

The standard high school is so generally available in this country that I do not think such scholarship aid need go beneath the college line. Perhaps those in charge should have discriminatory power in the case of the occasional gifted and isolated youngster who cannot attend high school. In general, however, I have in mind scholarships for college and professional study. I would include the arts quite as much as so-called "scholarly pursuits."

It is evident that any such plan would be ruined by favoritism, bureaucracy, or politics.

It seems to me that these evils could be avoided by setting up in each State of an unpaid committee composed of leading educators and functioning somewhat as the Rhodes scholarship district committees and the National Research Council now do. Such commissions should be empowered to hold examinations, both written and oral, to make decisions as to grants on the basis of financial need, to decide in conference with candidates in what institutions * * * the scholarships should be used, to decide what sums should be devoted to the education of particular individuals and how long such aid should be continued. In other words, such commission should have full authority over the expenditure of sums allotted to their several States, subject only to a restriction of report to appropriate Federal authority, say, the Department of Education.

I would propose that such aids to education be designated "national scholarships" and the recipients be designated as "national scholars." I should think the grants might be to the several States on the basis of population or on the basis of population of college age.

As to the sum of money which might be devoted to such a program, I should say distinctly that for the purpose of finding and developing talent which otherwise would be lost, this country could afford at least as much as is used at Annapolis and West Point in the training of youth for war.

I have held your letter of April 19 until I could talk the matter over with colleagues and get any data they might have. A helpful letter from Dean Johnston is enclosed.

Very sincerely yours,

E. P. LYON, *Dean.*

Dean J. B. Johnston, of the University of Minnesota, is another leading educator in our State. He has more to say with reference to the development of special talents.

UNIVERSITY OF MINNESOTA,
COLLEGE OF SCIENCE, LITERATURE, AND THE ARTS,
Minneapolis, May 7, 1935.

Dean E. P. LYON,
136 Medical Science Building.

MY DEAR DEAN LYON: On the subject discussed in your letter to Mr. LUNDEEN, I think of the following suggestions:

1. Some inquiries that I made a few years ago showed that a very considerable number of high-school graduates of the very highest standing did not go to college anywhere. Of those who failed to go to college, five-sixths were prevented by lack of money. Rough estimates based on my returns seem to show that these pupils of the very highest rank who could not go to college may number 300 or more in this State each year.

2. I had a talk last week with Chancelor Lindley, of the University of Kansas, who has acted as an unofficial spokesman for the State universities in conferences with the Federal authorities on the use of F. E. R. A. funds for the support of college students who had no other form of financial support. Chancelor Lindley spoke with great emphasis and enthusiasm of the great returns to society to follow from the education of the "choice young people to be found in this group." I got the distinct impression that Chancelor Lindley's ideas regarding the use of F. E. R. A. funds as he presented them to Mr. Harry Hopkins would be quite in keeping with the suggestions you have made to Mr. LUNDEEN.

3. In connection with the last sentence of your letter it occurs to me that it might be well to point out that the services to society secured through the development of the talent of the students in question would go far to offset the cost to society of the feeble-minded and delinquent classes on account of whom it is estimated that the State of Minnesota spends $50,000,000 a year for care, crime, courts, and penal institutions.

Sincerely yours,

J. B. JOHNSTON, *Dean.*

THE FUTURE OF EDUCATION IN AMERICA

The views of Dean Lyon and Dean Johnston are similar to the views held by Thomas Jefferson in his day:

By that part of our plan which prescribes the selection of youths of genius from among the classes of the poor, we hope to avail the state of those talents which nature has sown as liberally among the poor as the rich, but which perish without use if not sought for and cultivated. (Memorial Edition, Writings of Thomas Jefferson, vol. II, p. 206, Notes on Virginia.)

There are unlimited possibilities of education and a cultured life in America resulting from a program of research and future planning. The menace to society arising from improper care of handicapped children can be greatly reduced. The superior or industrious child can be searched out, according to the policy of Thomas Jefferson, and given additional opportunities for study.

LABOR'S CONTRIBUTION TO THE SCHOOLS

Organized labor has always viewed the problem of education from a long-range intelligent perspective.

From the early days of American history the establishment and maintenance of free public schools has been an integral part of the labor movement. This is natural, since labor constitutes the great mass of American people who receive the benefits of free public education. Thomas Jefferson's early struggle for a public-school system was carried on for the benefit of labor. The minority of the population, not included in the labor group, could afford private schools and tutors. Jefferson knew that the education of those who work is the very foundation of lasting democracy, and labor unions from the first have recognized this truth.

The Mechanics' Union of Trade Associations, which arose out of a strike of Philadelphia carpenters for a 10-hour day, sent out a circular to candidates for office in Andrew Jackson's time, asking whether the candidate believed—

That an open school and competent teachers for every child from the lowest branch of an infant school to the lecture rooms of practical science, should be established, and those who superintend them to be chosen by the people. (Readings in the History of Education, no. 315, New York Free Enquirer, Oct. 7, 1829, quoted in Columbia University Teachers College Contributions to Education, no. 201, p. 10.)

In New York the labor movement paper, The Workingman's Advocate, in 1829 included in its prospectus the statement:

All children are entitled to equal education; all adults to equal property; all mankind to equal privileges. (Readings, p. 16.)

A workingmen's convention in Boston in 1833 appointed an education committee which recommended facilities for public education, lectures to adults on political economy, and a general system of education to be free to all and financed by the State.

LABOR CAMPAIGNED FOR FREE PUBLIC EDUCATION A HUNDRED YEARS AGO

In 1834 a national trades union covering the territory from Boston to Cincinnati included in its constitution provisions advocating the education of union members, the formation of committees to agitate for education, and an attempt to democratize the public-school systems.

From then on organized labor has advocated a broad general public education system; its efforts have by no means been confined to vocational education. During the first half of the nineteenth century labor organizations played a leading part in the campaign for free public schools, and it is a fact which cannot be denied that where illiteracy prevails among workers in some sections of America a lack of militant labor organization also exists. The workers in these sections have not been able to form economic organizations, and it follows that they have not been able to make a strong

demand for public education. The hope of labor for better opportunities in the future lies in the education of all the people.

HISTORY OF AMERICAN FEDERATION OF LABOR EDUCATION ACTIVITIES

The American Federation of Labor has compiled an official record of its struggle to bring knowledge to the masses—Education for All, 1929, A. F. of L., Washington, D. C. The record indicates that the A. F. of L. has from the date of its first convention in 1881 declared for legislation in the interest of improving and expanding free public education. The federation's declaration in first convention assembled stated:

We are in favor of the passage of such legislative enactments as will enforce, by compulsion, the education of children; that if the State has the right to exact certain compliance with its demands, then it is also the right of the State to educate its people to the proper understanding of such demands.

In 1894 the convention adopted a declaration stating:

Education should be the watchword of the labor movement, in order that the masses may fully realize the importance of unity of action, regardless of color, creed, or country. Compulsory education laws should be strictly enforced in every State in the Union, and where there is no such law efforts should be made to secure their enactment.

In every convention of the American Federation of Labor from 1918 through 1921 a plank was adopted stating:

Better enforcement of compulsory education laws and the universal establishment of a minimum school-leaving age of 16 years.

In 1917 the American Federation of Labor convention declared:

We believe the national crisis requires increased emphasis on the value of our schools and should lead to a coordinated, genuinely national and democratic system of education. Child-labor and school-attendance provisions should not be suspended.

LABOR ASKS PROTECTION OF YOUTH AGAINST WAR

In that same convention the federation expressed its disapproval of sending students to war.

Conditions also in higher education are not reassuring. Those on the point of graduation, the country may perhaps use now. But it is reported that in some colleges 80 percent of the students have been permitted to enlist. This enthusiasm is admirable, but in many lines of work an additional 2 years of training would double or treble a student's value to the Nation, even from a purely military point of view. May we not hope that this short-sighted waste of human ability will be checked? * * * We declare for this principle: Educated manhood and womanhood is the Nation's greatest asset in both peace and war. And we must not sacrifice, even to an emergency, the increased national efficiency which can be attained only through organized educational training.

FREE TEXTBOOKS ADVOCATED

As early as 1911 the Federation of Labor recommended free textbooks in public schools, to be furnished at the expense of the State; and as early as 1903 the federation recommended that socially archaic textbooks be replaced with books which teach the dignity of manual labor, and "that will not teach the harmful doctrine that the wageworkers should be content with their lot, because of the opportunity that may be afforded a few of their number rising out of their class, instead of teaching that the wage earners should base their hopes upon the elevation of the conditions of the working people."

Reduction in the size of classes, adequate teachers' salaries, security of teachers' tenure, democracy in education, citizenship training, physical education, improvement in school buildings, night schools, continuation schools, industrial education, labor colleges—all have been advocated by the American Federation of Labor in convention assembled. The reiteration of these demands year after year played an effective part in the progress which has been made along these lines.

THE AMERICAN FEDERATION OF TEACHERS

The American Federation of Teachers, affiliated with the American Federation of Labor, is a militant, progressive body to which friends of education everywhere owe a debt of gratitude for its unceasing efforts on behalf of education.

This great organization is today cooperating to the fullest extent with friends of education in Washington who are working for national legislation of benefit to education and the schools.

SAVING THE SCHOOLS A NATIONAL PROBLEM

Education is indispensable to the life of a democracy. This alone makes the matter a national concern. There are many reasons why the National Government must accept its responsibility of saving the schools in this crisis. The dangers of an economized education are national. The mobility of population makes them particularly so. Moreover, it has been clearly demonstrated that the States cannot carry the burden of education. The estimates of funds needed fall far short of funds available for State taxation. State tax law limitations help to make it impossible for States to carry the burden. There is a great inequality among States in their ability to support an adequate educational system.

INEQUALITIES AMONG STATES

Wealth per child varied from $23,581.44 in Nevada to $3,008.37 in Mississippi. Income per child varied from $2,063.61 in the District of Columbia to $622.25 in Mississippi. (See appendixes O and P.) Generally speaking, the States which are least able to support their own school systems have the greatest percentage of children to the total population. School expenditures per child vary from $188.17 in the District of Columbia to $33.43 in South Carolina. (See appendix Q.) These comparisons are for the year 1932; practically the same variance between States exists today.

MOBILITY OF POPULATION

The United States Census Bureau has discovered that one person in every three resides in a different State from the one in which he was born and probably educated. Great shifting of population has come about with improvements in methods of transportation. One study indicates that in Dillon, Mont., 4 out of every 5 children enrolled in the first seven grades had moved away from Dillon within 20 years. Nearly 40 percent of these children were known to be living outside of Montana. Another study revealed that nearly two-thirds of the parents of Memphis, Tenn., school children were born outside of the State of Tennessee. (W. G. Carr, Federal Assistance in Equalizing Educational Opportunity, N. E. A., reprinted from the 1934–35 Debate Handbook.)

An indefinite number of similar studies lead to the same conclusion—that many half-educated children from South Carolina, Mississippi, and Alabama will have become citizens of Minnesota by the time they are old enough to vote. Retarded education in some States is a real menace to all. This has come about with the advent of shrinking space and time.

STATES CANNOT FINANCE SCHOOL SYSTEMS ALONE

Our public-school system depends for its support on local property taxes. This source of funds was far from adequate before the panic struck. When the crash came it emphasized the inability of the States to finance their schools from the property tax. The revenue from this source decreased for several reasons: Delinquent or unpaid taxes, decrease in taxable valuation resulting in lower returns from general property taxation, drought conditions, State and local property tax limitation laws, reduced valuations due to acquisition of property by the United States Government, limitations on the maximum current or bonded indebtedness. (See appendix R showing reasons for lack of funds.)

In some cases the United States Government is directly responsible for reduced property valuations. Property valuations have in many cases been reduced by acquisition of property by the United States Government. This occurs when the National Government becomes the owner of property formerly subject to State and local taxation.

SCHOOL INDEBTEDNESS MOUNTS

Let us analyze the cause of shrinking funds from local property tax. (See appendixes R and S.) The independent and city school districts of 12 States reported a total of $4,330,998.73 current indebtedness on September 1, 1933. One year later, on September 1, 1934, the amount of current indebtedness had increased to $4,738,894.77, or 9.4 percent. Districts in Alabama reported a 63.9-percent increase in current indebtedness; Virginia districts reported an increase of 60.1 percent from September 1933 to September 1934.

LOSS OF SCHOOL RECEIPTS

From data furnished by independent and city school districts of 12 States reporting current debts and estimates of receipts for 1934–35, on September 1, 1934, the Office of Education determined that the current debt was 23.3 percent of the expected revenue. In one State—Tennessee—the current debt exceeded expected revenue. In these 12 States the districts involved not only had no funds on hand to pay for the rest of the school year, but also were in debt for current expenses already incurred. This means that teachers must be paid with paper having depreciated market value.

When there is a decrease in assessed valuations upon which local school-tax levies are made, decreased revenue results. Decreases ranged from 1 to 13 percent in those school districts without funds to pay for a normal school term. Faced with shrinking revenues from the local property tax, the States have tried to meet their responsibility by creating new sources of revenue for the schools and diverting existing taxes into school channels. Income taxes, sales taxes, and taxes on stocks and bonds have been inaugurated by many States, and some of the revenue from these sources has been turned over to the schools.

SCHOOL FINANCING IN MINNESOTA

Minnesota has a permanent school fund which has grown from $242,000 in 1862 to over $69,000,000 in 1933. This fund accounted for more than one-fourth of all State revenues for schools in 1933. The local governments bear 75.3 percent of the school burden in Minnesota, the State 24.3 percent, and the Federal Government 0.4 percent. The earmarked taxes in Minnesota are different from earmarked school taxes in many other States. Instead of a sales tax, paid by the poor, Minnesota has endeavored to place the burden on wealth. The earmarked taxes are taxes on incomes, chain stores, and the severance of iron ore. There is also a general property tax which has been in effect since 1860. (See appendix T for additional information on Minnesota's financing system, and the systems of other States.)

DEFICITS AGAIN EXPECTED

In spite of everything the States have tried to do for education, deficits are again expected. In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that had to close short of a normal school term. Many States not shown in the table which I am placing in the appendix (appendix U) are facing similar emergencies in school finance, but have not sent specific reports to the United States Office of Education.

The tax-limitation laws passed during the last 3 years make it more difficult than ever for funds to be raised from State and local sources. The States of California, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, Rhode Island, Washington, and West Virginia have tax-limitation laws.

The revenue estimated for 1934–35 by superintendents in 44 States indicates that in 18 States less revenue was available for the 1934–35 term than was available the year before. In 11 States the revenue was expected to be the same, and in only 3 States was an increase expected. In the remaining 12 States a comparison was not made. (See Appendix V for actual amounts.)

AMERICAN PRINCIPLE OF UNIVERSAL EDUCATION IS NATIONAL

The American school is a national institution. Whether the school is really our most cherished institution or whether that is only a fair-weather phrase depends upon what action the National Government takes to preserve the institution in this crisis and to insure its continued existence and expansion in the future. We need more than emergency measures. The States were unable to finance their educational systems even before the crisis came.

A number of permanent Federal-aid measures have been introduced in the House of Representatives during this session, the first session of the Seventy-fourth Congress. The Lundeen bill (H. R. 6360) for Federal aid to education on the basis of $25 per pupil is a permanent measure.

THE LUNDEEN FEDERAL AID TO EDUCATION BILL, H. R. 6360

A bill to provide for the operation and maintenance of adequate public-school facilities throughout the country

Be it enacted, etc., That for the purpose of aiding in the operation and maintenance of adequate public-school facilities in each State, there is hereby authorized to be appropriated for each fiscal year, commencing with the fiscal year ending June 30, 1935, such sum as is necessary to carry out the provisions of this act. The sums made available under this section shall be used for making annual payments as hereinafter provided to public elementary and high schools in each State, in accordance with the attendance at such schools. Such payments shall be used by the schools only to pay expenses of operation and maintenance, including the payment of salaries of teachers and employees.

SEC. 2. The payment to each such school shall be computed as follows:

(a) If the aggregate number of days of attendance for all pupils enrolled in such school during the school year next preceding the year for which payment is to be made is the equivalent of 160 or more days of attendance for each enrolled pupil, then the payment shall be a sum equal to $25 for each enrolled pupil; or

(b) If the aggregate number of days of attendance for all pupils enrolled in such school is less than the equivalent of 160 days of attendance for each enrolled pupil, the payment shall be an amount for each enrolled pupil bearing the same proportion to $25 as the actual aggregate number of days of attendance during the school year for such school bears to the aggregate number of days of attendance computed on an assumed basis of 160 days of attendance for each enrolled pupil during the school year.

SEC. 3. The Secretary of the Treasury shall make payments under this act at the times and in the amounts certified to him by the Commissioner of Education in the Department of the Interior. The Commissioner shall compute the amounts of such payments on the basis of reports on attendance from the State boards of education and the schools entitled to benefits under this act. The computation made by such Commissioner shall be final and not subject to review by any other officer or agency of any State or of the United States.

SEC. 4. The Commissioner of Education is authorized and directed, subject to the approval of the Secretary of the Interior, to prescribe rules and regulations necessary and proper to carry out the provisions of this act. Nothing in this act shall be construed to authorize any agency of the Federal Government to participate in the selection of teachers or other employees of the schools, the making of curriculums, the publishing of texts, or in any way interfere with the administration of school affairs.

OTHER EDUCATIONAL MEASURES BEFORE SEVENTY-FOURTH CONGRESS

There are many other educational measures before the Seventy-fourth Congress. I do not claim that my list is complete, and information regarding other measures will be welcome.

THE LEE BILLS

Representative LEE, of Oklahoma, introduced a bill—H. R. 5923, referred to the Committee on Education—calling for the use of $30,000,000 from any funds made available for Federal emergency relief purposes, to be used for keeping schools open for the remainder of this year. This bill would merely continue the restricted school-relief program which the Relief Administration has been carrying on this year in certain States. The sponsor of this bill realizes that $30,000,000 is inadequate for meeting school needs for the remainder of the year, but he feels that there can be little justification for failure to make available this modest sum for school-relief purposes.

Representative LEE has introduced also a bill—H. R. 5719, referred to the Committee on Education—which would make available $100,000,000 annually for the purpose of equalizing educational opportunities in the several States. Under this bill the United States Commissioner of Education is authorized to apportion this sum to the several States and Territories on the basis of their ability to support education and their educational needs. The bill provides that—

In determining ability to support education and educational needs, said Commissioner shall take into account the financial ability, ratio of children to adults, sparsity of population, and other appropriate standards for measuring ability to support education and educational needs of the several States and Territories.

THE FORD BILL

Representative FORD, of Mississippi, introduced a bill—H. R. 6370, referred to the Committee on Education—for the purpose of establishing "a permanent policy of financial cooperation by the Federal Government with the several States and Territories in promotion of the benefits of public education, and for other purposes." Under this bill the United States Commissioner of Education would distribute

$2 per annum for each person 6 to 17 years of age, inclusive, as shown by the most recent Federal census, and would apply the remainder of the appropriation of $100,000,000 to equalizing educational opportunities after taking into consideration the following factors: (1) The educational needs of the respective States as shown by sparsity of population, and by the application of appropriate standards for the maintenance and further improvement of the systems of public education in the respective States, and (2) the economic ability of the respective States as indicated by the ratio of adults to children and by appropriate measures of the financial resources of the respective States.

THE DOXEY BILL

Representative DOXEY, of Mississippi, introduced a bill—H. R. 5697, referred to the Committee on Agriculture—which provides that the Emergency Farm Mortgage Act of 1933 be amended so that the Reconstruction Finance Corporation may make loans to school districts in an aggregate amount not to exceed $100,000,000. These loans would be made for the purpose of refinancing outstanding indebtedness.

THE BURNHAM BILL

Representative FORD, of Mississippi, and Representative BURNHAM, of California, have introduced bills —H. R. 6227 and H. R. 5694, referred to the Committee on Banking and Currency—which provide for the refinancing of indebtedness of taxing units, including school districts, through the use of funds of the R. F. C.

THE WALSH BILL

Senator WALSH, of Massachusetts, introduced a bill (S. 1834, referred to the Senate Committee on Banking and Currency) under which the R. F. C. would be authorized to make loans to publicly and privately controlled colleges, universities, and other institutions of higher learning. This bill is substantially the same as the Guyer bill (H. R. 4990).

THE SAUTHOFF BILL

School-building construction: Representative SAUTHOFF, of Wisconsin, introduced a bill—H. R. 6201, referred to the Committee on Education—which would authorize appropriations for "(1) the sum of $400,000,000 for allotment and expenditure under the direction of the Federal Emergency Administrator of Public Works in the construction, establishment, and furnishing of public-school buildings, and the procurement of supplies for public schools, in cases where the economic emergency has made it impossible to provide adequate school-building facilities, and (2) the sum of $100,000,000 for allotment and expenditure under the direction of the Federal Emergency Relief Administrator for the payment of arrears of public-school teachers' salaries in cases where such arrears have arisen before the passage of this act, and where the economic emergency has brought about financial inability to pay such salaries in full."

THE BANKHEAD BILL

Senator BANKHEAD, of Alabama, has introduced a bill—S. 2022, referred to the Senate Committee on Agriculture and Forestry—which provides for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges. The same bill has been introduced in the House by Representative JONES, of Texas—H. R. 6123, referred to the Committee on Agriculture.

THE TERRY-ROBINSON BILL

Senator ROBINSON and Representative TERRY sponsored a measure—S. 3223—to permit the R. F. C. to loan $10,000,000 to school districts.

OTHER MEASURES PROPOSED

Representative KENNEY, of New Jersey, introduced a bill—H. R. 6094, referred to the Committee on Education—which is designed to establish an Aviation Bureau in the office of the Commissioner of Education in the Department of the Interior.

Representative FORD, of California, introduced a bill—H. R. 5359, referred to the Committee on Education—which is designed to establish a national academy for training in public service.

Representative ROBSION of Kentucky has introduced a bill—H. R. 6959— for Federal aid to schools by calling for an allotment of $200,000,000 out of the $4,480,000,000 public works and relief appropriation already passed.

Representative DEEN, of Georgia, has introduced a bill—H. R. 6955—to provide for cooperation of the Federal Government with States and the District of Columbia by an allotment of $25,000,000 out of F. E. R. A. funds for educational purposes.

AMERICAN SCHOOLS HARDER HIT THAN FOREIGN

The United States Office of Education, Bulletin No. 14, 1933, indicates that schools in foreign countries have not suffered as American schools have in the depression. In many countries the status of education has been advanced; this was the tendency in the United States in former depressions, but not in the present crisis.

Mexico reports renewed activity and plans for more rapid development. Thousands of new Mexican rural schools have been established in the last 10 years.

In Australia there has been no curtailment in the standards of instruction.

In England and Wales adult education continued to expand; more beautiful and better school buildings were erected.

In the Irish Free State the situation continued to improve.

In New Zealand no public and only a few private schools closed.

E. G. Malherbe, director of education in South Africa, states:

> Though we have in South Africa been hit by the depression just as much as the United States, we have to a large extent spared our educational system the shock of the blow.

Belgium, Bulgaria, Albania, Denmark, France, Greece, Italy, Latvia, Luxemburg, and Switzerland are among the European countries which have maintained their school systems in spite of depression and panic.

THE RACE BETWEEN CIVILIZATION AND CATASTROPHE

No one can set the boundaries to the future of education in America. The future of America will be largely determined by the progress of education. When a long perspective is considered, there is no more important function of the National Government than to provide education. The very life of democracy depends upon it. What use is to be made of ever-lengthening leisure hours will be determined by it. There is no such thing as overproduction in these nonmaterial things of life which education produces. The field of art, science, and music has no bounds. It is the field of the future. We can make it possible for the masses of our people to benefit from the discovery that "education is life." Our culture will rest on the sturdy shoulders of modern mechanical invention as Greek culture rested upon the backs of human slaves.

This is the future which lies before us if we will modernize and expand our systems of education, both for children and for adults. The enemies of education must be dethroned. Retrenchment must be halted. The race between civilization and catastrophe must be won. To entrenched wealth and the selfish Money Trust we say you shall not crucify the youth of America upon your cross of greed and gold. We defy them and we will win. [Applause.]

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. LUNDEEN. I yield.

Mr. O'CONNOR. Is the gentleman aware of the fact we have reported a rule authorizing the R. F. C. to lend to school districts, which is pending and is expected to be called up in a few days?

Mr. LUNDEEN. I may say to the gentleman that the administration has done considerable work along this line, and I am only urging further action.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. LUNDEEN. Yes; certainly.

Mr. CHRISTIANSON. Have the administration forces in the House given the gentleman a hearing on the bill he introduced in the first part of the session?

Mr. LUNDEEN. There has been some consideration, but I have not succeeded in getting my bill to the floor.

Mr. CHRISTIANSON. Has the gentleman had a hearing before the Committee on Education?

Mr. LUNDEEN. No.

Mr. CHRISTIANSON. Does not the gentleman think that is the first step that will have to be taken before any remedial legislation can be considered and adopted by the House?

Mr. LUNDEEN. I think there should be a full hearing on these educational bills. Something has been done, but more should be done.

[Here the gavel fell.]

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein certain information, statistics, and data supporting the statements I have made.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

APPENDIX A

Trends in teachers' salaries, 1926–35

Years ending June 30—	Average salary of teachers, principals, and supervisors	Index of average salary of teachers, principals, and supervisors (1930=100)
(1)	(2)	(3)
1926	$1,277	90
1927	1,320	93
1928	1,364	96
1929	1,392	98
1930	1,420	100
1931	1,440	101
1932	1,417	100
1933	1,316	93
1934	1,222	86
1935	1,226	86

Sources of data: See table 1. The figure on salaries for 1934, however, was not included in the estimates from State departments of education. It was interpolated between 1933 and 1935 in accordance with the trend in total expenditures per teacher.

Source: Major trends in Public Education, Joint Commission on the Emergency in Education, National Education Association, and Department of Superintendence, October 1934.

Average salaries of teachers in rural school districts in 1933–34 and 1934–35 for 25 States and in independent and city school districts in 1934–35 for 15 States

State	Monthly salary per teacher in—				
	Rural school districts				Independent and city school districts 1934–35
	1933–34		1934–35		
	Elementary	Secondary	Elementary	Secondary	
(1)	(2)	(3)	(4)	(5)	(6)
Alabama	$68.00	$91.00	$70.00	$92.00	$92.77
Arizona	120.00	152.00	118.00	163.00	204.28
Arkansas	64.00	64.00	66.00	75.00	
Colorado	80.00	95.00	81.00	92.50	201.75
Florida	$63.00	$95.00	$68.00	$100.00	$111.16
Idaho	75.00	100.00	75.00	100.00	140.76
Iowa [1]	65.00		65.00		
Louisiana	75.00	109.00	75.00	109.00	
Minnesota [1]	65.00		65.00	100.00	170.59
Mississippi	41.00	54.00	49.00	62.00	95.67
Nebraska	53.00	91.00	58.00	89.00	121.89
New Mexico	75.00	110.00	75.00	110.00	
North Dakota	56.00	99.00	55.00	87.00	129.74
Ohio [2]	105.00	125.00	106.00	138.00	
Oklahoma	72.00	110.00	84.00	121.50	75.06
Oregon	80.00	106.00	80.00	106.00	
South Dakota	62.50	100.00	62.50	100.00	117.18
Tennessee	60.00	98.00	62.50	98.00	217.92
Texas	79.00	84.00	82.00	96.00	117.60
Utah			[3] 139.40		
Virginia	61.50	82.00	64.00	90.00	115.63
Washington	83.00	111.00	90.00	107.00	
West Virginia	88.79	115.06	103.59	134.24	
Wisconsin	90.00	122.00	94.00	125.00	
Wyoming	62.00	84.00	61.00	83.00	303.94

[1] Estimated.

[2] In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that will have to close short of a normal school term according to their financial status as of Oct. 28, 1934. In these districts the current deficits amounted to more than $27,000,000. At the time of the publication of this report it appears that a recent session of the Ohio Legislature has done much to relieve the financial distress of the schools.

[3] Elementary and secondary combined.

Source: U. S. Office of Education, Circular No. 138, March 1935.

APPENDIX B

Schools which would be forced to close if teachers' salaries were required to be paid in cash

Arizona (districts)	184
Arkansas	150
Georgia (operating solely on prospect of Federal aid)	2,000
Idaho (registered warrant basis; "without cash")	210
Illinois (in critical need)	17
Iowa (one school of 16 teachers and many rural districts).	
Kansas	500
Maine	1,200
Minnesota (must close, or in great need)	105
Mississippi (on Mar. 25; "80 percent of all schools")	4,800
Missouri (Mar. 25)	1,100
Montana (Mar. 25)	650
Nevada (Mar. 25)	33
New Mexico	996
Oklahoma	500
Oregon (districts, Mar. 25)	104
Tennessee (42 cities and 65 counties).	
Texas	1,000
Washington	46
Wisconsin (districts)	800
Wyoming	60
Total, counting only 1 school per district and not including Iowa and Tennessee	14,455

Source: National Education Association, Apr. 30, 1935.

APPENDIX C

Number of schools in 8 States with no funds for 1934–35, number of pupils, number of teachers, and the amount of funds required for salaries for 8 months in such schools

State	Number of schools			Number of districts	Number of pupils			Number of teachers			Funds required		
	Elementary	Secondary	Total		Elementary	Secondary	Total	Elementary	Secondary	Total	Elementary	Secondary	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Arkansas	149	121	270	149	37,586	11,072	48,658	893	412	1,305	$471,504	$247,200	$718,704
Colorado	3	1	4	4	25	6	31	3	1	4	1,944	740	2,684
North Dakota	160	21	181	162	1,601	368	1,969	141	21	162	62,491	14,658	77,149
South Dakota	110	20	130	120	5,000	250	5,250	200	25	225	100,000	20,000	120,000
Tennessee	1		1	1	532		532	14		14	6,989		6,989
Texas	1	1	2	2	27	9	36	2	1	3	1,318	766	2,084
Virginia	28		28	28	605		605	31		31	15,810		15,810
Washington	1		1	1	9		9	1		1	720		720
Total	453	164	617	467	45,385	11,705	57,090	1,285	460	1,745	660,776	283,364	944,140

Source: U. S. Office of Education, Circular No. 138, March 1935.

APPENDIX D

Curtailed school terms, number of schools, and number of pupils affected in rural areas in 25 States, 1934–35

State	Number of schools			Number of districts	Number of pupils		
	Elementary	Secondary	Total		Elementary	Secondary	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama	5,070	1,599	6,669	5,028	385,182	90,324	475,506
Arizona	83	28	111	100	26,447	5,406	31,853
Arkansas	541	284	825	541	121,049	50,605	171,654
Colorado	249	62	311	257	8,625	2,847	11,472
Florida	916	204	1,120	960	98,618	37,941	136,559
Idaho	125	10	135	135	3,000	780	3,780
Iowa	62		62	62	681		681
Louisiana	234	34	268	234	21,560	4,284	25,844
Minnesota	157	10	167	157	5,924	712	6,636
Mississippi	4,993	727	5,720	5,019	327,645	28,482	356,127
Nebraska	132	19	151	137	2,291	616	2,907
New Mexico	850	80	930	880	10,000	1,500	11,500
North Dakota	1,774	225	1,999	1,782	37,939	10,615	48,554
Ohio	1,773	1,773	3,546	1,773	276,640	166,755	443,395
Oklahoma	2,296	379	2,675	2,296	195,822	23,100	218,922
Oregon	112	30	142	125	4,700	2,050	6,750
South Dakota	600	200	800	700	5,000	1,000	6,000
Tennessee	2,330	213	2,543	2,440	131,849	20,661	152,510
Texas	1,669	1,018	2,687	1,729	83,311	26,207	109,518
Utah				20	29,026	20,175	49,201
Virginia	2,351	560	2,911	2,412	193,785	32,340	226,125
Washington	37	3	40	37	1,939	87	2,026
West Virginia	2,980	169	3,149	3,149	132,997	26,550	159,547
Wisconsin	382	75	457	437	17,650	9,600	27,250
Wyoming	86	9	95	87	788	75	863
Total [1]	29,802	7,711	37,513	30,497	2,122,468	562,712	2,685,180

[1] There are other States in which there is an emergency in school finance, but specific reports for districts have not been made to the Office of Education.

Source: U. S. Office of Education Circular 138, March 1935.

APPENDIX E

Number of school districts with curtailed schools in rural and urban territory in 1934–35 and number of pupils affected in 25 States (total of tables 2 and 3)

State	Number of districts	Number of pupils affected		
		Elementary	Secondary	Total
(1)	(2)	(3)	(4)	(5)
Alabama [1]	5,060	414,127	105,018	519,145
Arizona	103	38,146	5,908	44,054
Arkansas	541	121,049	50,605	171,654
Colorado	275	13,641	5,369	19,010
Florida	965	118,034	46,197	164,231
Idaho	146	5,207	2,395	7,602
Iowa	62	681		681
Louisiana	234	21,560	4,284	25,844
Minnesota	180	9,944	3,630	13,574
Mississippi	5,134	431,777	50,908	482,685
Nebraska	192	10,793	6,033	16,826
New Mexico	880	10,000	1,500	11,500
North Dakota	1,815	57,216	19,666	76,882
Ohio [1]	1,773	276,640	166,755	443,395
Oklahoma	2,523	283,882	56,927	340,809
Oregon	125	4,700	2,050	6,750
South Dakota	900	53,000	29,500	82,500
Tennessee	2,475	147,829	24,068	171,897
Texas	2,131	223,937	76,647	300,584
Utah	20	29,026	20,175	49,201
Virginia	2,414	195,879	33,534	229,413
Washington	37	1,939	87	2,026
West Virginia	3,149	132,997	26,550	159,547
Wisconsin	437	17,650	9,600	27,250
Wyoming	101	3,979	1,791	5,770
Total [2]	31,672	2,623,633	749,197	3,372,830

[1] In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that will have to close short of a normal school term according to their financial status as of Oct. 28, 1934. In these districts the current deficits amounted to more than $27,000,000. At the time of the publication of this report it appears that a recent session of the Ohio Legislature has done much to relieve the financial distress of the schools.

[2] There are other States in which there is an emergency in school finance but specific reports for districts have not been made to the Office of Education.

Source: U. S. Office of Education, Circular No. 138, March 1935.

APPENDIX F

Pupils enrolled per teacher, 1926–35

Years ending June 30—	Total enrollment	Number of teachers, principals, and supervisors	Pupils enrolled per teacher	Index of number of pupils enrolled per teacher 1930=100
(1)	(2)	(3)	(4)	(5)
1926	24,741,468	831,078	29.77	102
1927	24,960,582	842,654	29.62	102
1928	25,179,696	854,230	29.47	101
1929	25,428,856	867,297	29.31	101
1930	25,678,015	880,365	29.16	100
1931	26,011,586	892,466	29.14	100
1932	26,275,441	892,945	29.42	101
1933	26,556,000	883,000	30.07	103
1934	26,722,000	850,000	31.43	108
1935	26,909,000	869,000	30.96	106

Sources of data: The number of teachers, principals, and supervisors for 1934 is calculated as follows: The U. S. Office of Education estimated that the number of city school teachers had decreased 18,000 between 1930 and 1934. Assuming that practically no decrease could occur in teachers in 1- or 2-room schools and that the remaining rural teachers decreased in the same proportion as city school teachers, it is estimated that there were 12,400 fewer rural school teachers in 1934 than in 1930. The total number of teachers for 1934, then, amounts to 30,400 less than the 1930 total, or 850,000.

Taken from: Major Trends in Public Education, Joint Commission on the Emergency in Education, National Education Association, and Department of Superintendence, October 1934.

APPENDIX G

Number of condemned buildings still in use in 18 States and 163 cities

Areas represented	Buildings located in areas represented		Condemned buildings	
	Number	Percent of all buildings in comparable areas [1]	Number	Percent
(1)	(2)	(3)	(4)	(5)
18 States [2]	100,512	40.9	5,045	5.0
94 cities in other States	4,313	34.0	76	1.8
49 cities over 100,000	4,487	53.8	[3] 20	.4
114 cities 30,000–100,000	2,210	50.9	[3] 77	3.5
163 cities	6,697	52.8	[3] 97	1.4
Total number reported (excluding duplicates)			5,121	

[1] Since, according to Statistics of State School Systems, 1931–32 (U. S. Dept. of the Interior, Office of Education. Biennial Survey of Education in the United States: 1930–32. Bulletin, 1933, no. 2, ch. I; advance pages. p. 70), there are 245,941 school buildings in continental United States, the 100,512 buildings in the 18 States reporting constitute 40.9 percent of the total number. Similarly, there are 12,679 buildings in all cities in the population groups covered by this inquiry: 8,334 in cities over 100,000 in population and 4,345 in cities 30,000 to 100,000 in population as reported in "Statistics of City School Systems for the year 1931–32" (U. S. Dept. of the Interior, Office of Education, Biennial Survey of Education in the United States: 1930–32. Bulletin, 1933, no. 2, ch. II; advance pages, p. 25). Based on these totals, the reports from 94 cities represent 34 percent of all buildings in comparable cities; those for 49 cities, 114 cities, and 163 cities represent 53.8, 50.9, and 52.8 percent, respectively.

[2] The States represented are Colorado, Connecticut, Delaware, District of Columbia, Florida, Indiana, Kentucky, Maryland, Michigan, Missouri, Nebraska, New York, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, and Wisconsin. It should be noted that California, where large numbers of school buildings have been condemned recently because of earthquake hazards, is not among the States reporting.

[3] These figures are excluded from the total (5,121) because some of the cities may have been covered by the State reports.

Source: The Nation's School Building Needs, National Education Association, January 1935.

APPENDIX H

Number of children attending school in buildings condemned as unsafe or unsanitary in 17 States and 163 cities

Areas represented	Pupils in the areas represented		Pupils attending school in condemned buildings	
	Number	Percent of all pupils in comparable areas [1]	Number	Percent
(1)	(2)	(3)	(4)	(5)
17 States [2]	12,256,945	46.6	645,034	5.3
95 cities in other States	2,529,095	29.8	42,577	1.7
49 cities over 100,000	3,079,031	49.1	[3] 10,952	.4
114 cities, 30,000–100,000	1,116,791	50.3	[3] 36,824	3.3
163 cities	4,195,822	49.4	[3] 47,776	1.1
Total number reported (excluding duplicates)			687,611	

[1] Computed from totals appearing in: U. S. Department of the Interior, Office of Education. Biennial Survey of Education: 1930–32. Bulletin, 1933, no. 2. Washington, D. C.: Government Printing Office, 1933 (chs. I and II; advance pages). For the method used see footnote 1 in table 1.
[2] These States are listed in footnote 5, p. 10.
[3] Excluded from the total because of possible duplication.

Source: The Nation's School Building Needs, National Education Association, January, 1935.

APPENDIX I

Number of pupils in 20 States and 163 cities who can attend school only part time because of inadequate housing facilities

Areas represented	Pupils in the areas represented		Pupils attending school part time	
	Number	Percent of all pupils in comparable areas [1]	Number	Percent
(1)	(2)	(3)	(4)	(5)
20 States [2]	10,604,934	40.4	246,086	2.3
108 cities in other States	2,803,443	33.0	145,662	5.2
49 cities over 100,000	3,079,031	49.1	[3] 142,926	4.6
114 cities 30,000 to 100,000	1,116,791	50.3	[3] 26,324	2.4
163 cities	4,195,822	49.4	[3] 169,250	4.0
Total number reported (excluding duplicates)			391,748	

[1] Computed from totals appearing in U. S. Department of the Interior, Office of Education. Biennial Survey of Education in the United States: 1930–32. Bulletin, 1933, no. 2. Washington, D. C.: Government Printing Office, 1933 (chs. I and II: advance pages). For the method used see footnote 1 in table 1.
[2] The States represented are: Arizona, Colorado, Connecticut, Delaware, District of Columbia, Florida, Indiana, Kentucky, Maryland, Michigan, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, Tennessee, Utah, Washington, and Wisconsin.
[3] Excluded from the total because of possible duplication.

Source: The Nation's School Building Needs, National Education Association, January 1935.

APPENDIX J

Number of pupils housed in portable, rented, and other temporary structures in 23 States and 163 cities

Areas represented	Pupils in the areas represented		Pupils housed in temporary structures	
	Number	Percent of all pupils in comparable areas [1]	Number	Percent
(1)	(2)	(3)	(4)	(5)
23 States [2]	12,305,065	46.8	494,563	4.0
82 cities in other States	2,343,864	27.6	123,500	5.3
49 cities over 100,000	3,079,031	49.1	[3] 122,801	4.0
114 cities 30,000 to 100,000	1,116,791	50.3	[3] 28,941	2.6
163 cities	4,195,822	49.4	[3] 151,742	3.6
Total number reported (excluding duplicates)			618,068	

[1] Computed from totals appearing in U. S. Department of the Interior, Office of Education. Biennial Survey of Education in the United States: 1930–32. Bulletin, 1933, no. 2, Washington, D. C.: Government Printing Office, 1933 (chs. I and II; advance pages). For the method used see footnote 1 in table 1.
[2] The States represented are Arizona, Colorado, Connecticut, Delaware, District of Columbia, Florida, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Mississippi, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, Utah, Washington, West Virginia, and Wisconsin.
[3] Excluded from the total because of possible duplication.

Source: The Nation's School Building Needs, National Education Association, January 1935.

APPENDIX K

Approximate age of school buildings in 10 States

Date of construction	1-room buildings		All other		Buildings of all types	
	Number	Percent	Number	Percent	Number	Percent
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Before 1870	2,082	8.1	1,122	6.8	3,204	7.6
1870–99	10,615	41.2	3,973	24.0	14,588	34.4
1900–29	12,296	47.7	10,304	62.2	22,600	53.4
Since 1930	779	3.0	1,157	7.0	1,936	4.6
Total	25,772	100.0	16,556	100.0	42,328	100.0

Based on reports from Colorado, Connecticut, District of Columbia, Kentucky, Maryland, Michigan, Mississippi, South Carolina, South Dakota, and West Virginia.
Source: The Nation's School Building Needs, National Education Association, January 1935.

APPENDIX L

City school services, 1931–35

Schools or classes	Estimated percent of cities eliminating by 1933	Estimated percent of cities restoring by 1935
(1)	(2)	(3)
	Percent	*Percent*
Home-making	3	2
Postgraduates	3	1
Music	4	2
Physical education	4	1
Art	6	(1)
Physically handicapped	7	1
Mentally handicapped	8	(1)
Kindergartens	12	3
Continuation work	21	4
Americanization	23	3
Night, adult classes	28	9
Summer schools	28	3

[1] Less than 1 percent.

Read table: 3 percent of cities having home-making classes eliminated them by 1933. By 1935, 1 percent restored them. (Source: U. S. Office of Education and National Education Association.)
Source: Major Trends in Public Education, Joint Commission on the Emergency in Education, National Education Association, and Department of Superintendence, October 1934.

APPENDIX M

Cost per child enrolled, 1926–35

Years ending June 30	Total enrollment	Total expenditures	Cost per child enrolled	Index number cost per child enrolled, 1930=100
(1)	(2)	(3)	(4)	(5)
1926	24,741,468	$2,026,308,190	$81.90	91
1927	24,960,582	2,105,322,414	84.35	93
1928	25,179,696	2,184,336,638	86.75	96
1929	25,428,856	2,250,563,511	88.50	98
1930	25,678,015	2,316,790,384	90.22	100
1931	26,011,586	2,316,613,523	89.06	99
1932	26,275,441	2,174,650,555	82.76	92
1933	26,556,000	1,880,659,000	71.16	79
1934	26,722,000	1,799,306,000	67.33	75
1935	26,909,000	1,842,531,000	68.47	76

Source: Major Trends in Public Education. Joint Commission on the Emergency in Education, National Education Association, and department of superintendence, October 1934.

APPENDIX N

Per capita expenditures for delinquents in industrial schools, prisoners in penal institutions, and students in public schools

States	Juvenile delinquents in industrial schools [1]		Adult prisoners in State penal institutions [2]		Students in public elementary and secondary schools [3]	
	Average enrollment 1926–27	Per capita expenditure for current expenses 1926–27	Average daily population 1928	Average per capita cost for operating expenses 1928	Average daily attendance 1927–28	Per pupil cost for current expenses 1927–28
(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States	38,113	$425	100,410	$319.75	20,608,353	$87.22
Alabama	409	245	1,022	262.85	465,355	34.53
Arizona	105	573	535	272.45	68,572	115.53
Arkansas	175	545	1,184	206.79	348,981	34.35
California	1,339	501	6,547	188.86	847,836	130.97
Colorado	389	481	1,229	373.06	187,109	122.31

[See footnotes at end of table]

Per capita expenditures for delinquents in industrial schools, prisoners in penal institutions, and students in public schools—Con.

States	Juvenile delinquents in industrial schools		Adult prisoners in State penal institutions		Students in public elementary and secondary schools	
	Average enrollment 1926–27	Per capita expenditure for current expenses 1926–27	Average daily population 1928	Average per capita cost for operating expenses 1928	Average daily attendance 1927–28	Per pupil cost for current expenses 1927–28
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Connecticut	490	$456	1,030	$529.84	262,392	$104.22
Delaware	245	400			35,903	84.74
District of Columbia	577	366			63,908	128.02
Florida	411	282	1,667	274.82	275,442	85.14
Georgia	112	313	409	181.48	535,196	30.38
Idaho	296	345	403	282.66	95,740	97.57
Illinois	2,967	518	6,684	302.15	1,175,978	99.62
Indiana	828	625	3,866	219.70	694,392	96.67
Iowa	710	425	2,229	379.17	461,861	101.25
Kansas	1,279	406	2,820	350.09	357,029	107.23
Kentucky	1,071	345	2,571	219.17	427,786	43.81
Louisiana	195	451	1,855	243.54	324,400	54.02
Maine	421	324	374	775.93	134,928	74.49
Maryland	985	340	2,189	288.62	225,669	80.13
Massachusetts	1,320	493	1,961	455.97	655,827	107.73
Michigan	1,603	567	6,642	382.45	770,362	117.76
Minnesota	706	553	2,150	447.51	453,303	99.00
Mississippi	300	318	1,598	312.89	427,789	37.02
Missouri	845	436	3,795	310.30	583,308	68.11
Montana	216	477	476	329.65	101,268	113.58
Nebraska	313	357	1,023	418.19	267,311	91.39
Nevada			231	361.39	14,875	133.34
New Hampshire			123	677.95	63,781	96.32
New Jersey	2,079	539	2,615	463.74	632,021	129.03
New Mexico	44	455	410	368.52	59,962	82.09
New York	5,570	488	7,752	401.04	1,768,364	137.95
North Carolina	415	321	1,922	287.88	640,651	46.63
North Dakota	185	490	305	591.60	137,405	102.98
Ohio	3,954	220	8,062	225.78	1,085,262	103.89
Oklahoma	671	550	3,410	239.84	457,983	60.12
Oregon	223	606	689	268.72	164,088	100.08
Pennsylvania	1,875	490	4,835	494.23	1,599,351	89.19
Rhode Island	177	644	986	554.26	97,729	97.59
South Carolina	190	147	551	275.97	348,394	40.65
South Dakota			418	403.37	135,754	101.09
Tennessee	785	257	2,000	401.47	476,692	39.37
Texas	1,051	290	4,138	329.65	1,026,074	52.14
Utah			229	482.11	119,017	76.92
Vermont			366	486.80	56,094	81.31
Virginia	543	223	2,298	77.15	437,861	44.35
Washington	868	356	1,605	276.07	273,542	102.64
West Virginia	547	259	1,900	103.31	332,169	67.90
Wisconsin	599	425	1,629	382.42	485,625	84.36
Wyoming	81	630	302	357.53	38,914	144.56

[1] Figures from Department of the Interior, Office of Education, Bulletin, 1928, No. 10, Industrial Schools for Delinquents, 1926–27, table 8, columns 7 and 9, p. 11.

[2] Figures from National Commission on Law Observance and Enforcement, Report on the Cost of Crime, June 24, 1931, table 3, column 2, pp. 220–221, also table 4, column 5, pp. 222–223.

[3] Figures from Department of the Interior, Office of Education, Bulletin, 1930, No. 16, Biennial Survey of Education, 1926–28, table 7, column 8, p. 460, also table 28, column 8, p. 487.

Source: Crime Prevention Through Education, National Education Association, September 1932.

APPENDIX O

Wealth per child of school age, by States, 1932

States	Value of tangible wealth	Population ages 6 to 17 years	Wealth child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
United States	$247,300,000,000	29,534,012	$8,373.40	
Alabama	2,349,350,000	760,615	3,088.75	48
Arizona	1,046,079,000	109,760	9,530.60	26
Arkansas	2,035,279,000	517,346	3,734.08	44
California	11,825,886,000	1,097,222	10,778.02	15
Colorado	2,517,514,000	242,904	10,364.23	18
Connecticut	4,186,789,000	379,415	11,034.35	11
Delaware	494,600,000	53,784	9,196.04	28
District of Columbia	1,325,528,000	81,986	16,167.74	2
Florida	1,941,305,000	362,747	5,351.68	38
Georgia	3,068,993,000	825,567	3,717.44	46
Idaho	1,221,662,000	117,963	10,356.32	19
Illinois	17,360,460,000	1,664,682	10,428.69	17
Indiana	6,931,819,000	727,705	9,525.59	27
Iowa	8,188,103,000	568,931	14,392.08	4
Kansas	4,879,229,000	441,870	11,042.23	10
Kentucky	2,806,855,000	695,113	4,037.98	43
Louisiana	2,685,678,000	566,784	4,738.45	42
Maine	1,585,193,000	180,385	8,787.83	30
Maryland	3,140,710,000	375,231	8,370.07	32
Massachusetts	10,260,477,000	932,879	10,998.72	12

Wealth per child of school age, by States, 1932—Continued

States	Value of tangible wealth	Population ages 6 to 17 years	Wealth child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
Michigan	$9,026,450,000	1,128,151	$8,001.10	34
Minnesota	6,696,884,000	611,611	10,949.58	14
Mississippi	1,713,789,000	569,673	3,008.37	49
Missouri	7,849,302,000	798,105	9,834.92	23
Montana	1,755,830,000	[1] 131,042	13,398.99	5
Nebraska	4,152,167,000	332,148	12,500.95	8
Nevada	420,410,000	17,828	23,581.44	1
New Hampshire	1,685,647,000	101,041	16,744.62	16
New Jersey	9,308,372,000	935,789	9,947.08	21
New Mexico	670,183,000	118,051	5,677.06	37
New York	28,939,046,000	2,634,660	10,983.98	13
North Carolina	3,615,526,000	964,441	3,748.83	45
North Dakota	1,909,156,000	189,882	10,054.43	20
Ohio	14,610,484,000	1,495,790	9,767.74	23
Oklahoma	3,101,142,000	650,260	4,769.08	41
Oregon	2,685,678,000	202,884	13,237.51	6
Pennsylvania	22,992,348,000	2,377,778	9,543.47	25
Rhode Island	1,518,422,000	158,795	9,562.15	24
South Carolina	1,896,791,000	546,185	3,472.80	47
South Dakota	2,317,201,000	182,140	12,722.09	7
Tennessee	3,350,915,000	698,805	4,795.21	40
Texas	7,713,287,000	1,531,555	5,036.25	39
Utah	1,211,770,000	143,170	8,463.85	31
Vermont	660,391,000	80,748	8,177.18	33
Virginia	3,867,772,000	661,833	5,844.03	36
Washington	4,016,152,000	336,338	11,940.82	9
West Virginia	3,602,189,000	484,099	7,626.93	35
Wisconsin	6,194,865,000	694,598	8,918.63	29
Wyoming	776,522,000	53,723	14,454.18	3

[1] Population Apr. 1, 1930; decreased 1920 to 1930; no estimate made.

Sources: The figure on national wealth is that of the National Industrial Conference Board, published in the Conference Board Bulletin, May 20, 1933, p. 34. This national total is distributed among the States on the basis of the percent of 1930 national wealth allotted to each State in table 4, p. 496, of the Conference Board Bulletin, Feb. 20, 1932. Figures of column 3 are estimates obtained by multiplying a Census Bureau estimate of the total population as of July 1, 1932, by the percents that children 6 to 17 years were of the total population in each State as published in the decennial census of 1930.

Taken from Federal Assistance in Equalizing Educational Opportunity, Wm. G. Carr, reprinted from the 1934-35 Debate Handbook.

APPENDIX P

Income per child of school age, by States, 1932

States	Estimated income	Population ages 6 to 17 years	Income per child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
United States	$48,894,000,000	29,534,012	$1,655.52	
Alabama	517,787,460	760,615	680.75	47
Arizona	163,794,900	109,760	1,492.30	31
Arkansas	405,331,260	517,346	783.48	45
California	2,403,629,040	1,097,222	2,190.65	8
Colorado	479,650,140	242,904	1,974.65	14
Connecticut	761,279,580	379,415	2,006.46	13
Delaware	110,989,380	53,784	2,063.61	10
District of Columbia	349,592,100	81,986	4,264.05	1
Florida	298,253,400	362,747	822.21	44
Georgia	706,518,300	825,567	855.80	42
Idaho	180,907,800	117,963	1,533.60	29
Illinois	3,768,260,580	1,664,682	2,263.65	6
Indiana	1,194,480,420	727,705	1,641.43	25
Iowa	951,966,180	568,931	1,673.25	23
Kansas	729,009,540	441,870	1,649.83	24
Kentucky	680,604,480	695,113	979.13	40
Louisiana	538,811,880	566,784	950.65	41
Maine	330,034,500	180,385	1,829.61	20
Maryland	736,343,640	375,231	1,962.37	15
Massachusetts	2,442,744,340	932,879	2,618.50	4
Michigan	1,838,903,340	1,128,151	1,630.02	26
Minnesota	960,278,160	611,611	1,570.08	28
Mississippi	354,481,800	569,673	622.25	49
Missouri	1,393,479,000	798,105	1,745.98	22
Montana	241,536,360	[1] 131,042	1,843.20	19
Nebraska	505,563,960	332,148	1,522.10	30
Nevada	50,849,760	17,828	2,852.24	2
New Hampshire	204,376,920	101,041	2,022.71	11
New Jersey	1,795,387,680	935,789	1,918.58	18
New Mexico	121,257,120	118,051	1,027.16	39
New York	7,460,246,520	2,634,660	2,831.58	3
North Carolina	638,066,700	964,441	661.58	48
North Dakota	207,799,500	189,882	1,094.36	36
Ohio	2,841,290,340	1,495,790	1,899.48	18
Oklahoma	716,786,040	650,260	1,102.31	35
Oregon	408,753,840	202,884	2,014.72	12
Pennsylvania	4,545,186,240	2,377,778	1,911.53	17
Rhode Island	358,881,960	158,795	2,260.03	7
South Carolina	396,530,340	546,185	726.00	46
South Dakota	239,580,600	182,140	1,315.37	32
Tennessee	595,039,980	698,805	851.51	43
Texas	1,763,117,640	1,531,555	1,151.19	34
Utah	175,529,460	143,170	1,226.12	33

[1] Population Apr. 1, 1930; decreased 1920 to 1930; no estimate made.

Income per child of school age, by States, 1932—Continued

States	Estimated income	Population ages 6 to 17 years	Income per child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
Vermont	$144, 237, 300	80, 748	$1, 786. 26	21
Virginia	681, 582, 360	661, 833	1, 029. 84	38
Washington	734, 387, 880	336, 338	2, 183. 48	9
West Virginia	527, 566, 260	484, 099	1, 089. 79	37
Wisconsin	1, 120, 161, 540	694, 598	1, 612. 68	27
Wyoming	123, 212, 880	53, 723	2, 293. 48	5

Sources: The figure on national income is an estimate published in a report to the U. S. Senate on National Income, 1929–32, S. Doc., No. 124, p. 10. This report was compiled by the Federal Bureau of Foreign and Domestic Commerce with the cooperation of the National Bureau of Economic Research. This national total is distributed among the States on the basis of an average of the percents of national income in each State in 1919, 1929, and 1921 as estimated by the National Bureau of Economic Research. Figures of column 3 are estimates obtained by multiplying a Census Bureau estimate of the total population as of July 1, 1932, by the percents that children 6 to 17 years were of the total population in each State as published in the decennial census of 1930.

Taken from Federal Assistance in Equalizing Educational Opportunity, Wm. G. Carr, reprinted from the 1934–35 Debate Handbook.

APPENDIX Q

Expenditures per child in average daily attendance, by States, 1932

States	Expenditures per child in average daily attendance in public elementary and secondary schools	Rank in column 2
(1)	(2)	(3)
United States	$97. 15	
Alabama	35. 74	46
Arizona	113. 76	14
Arkansas	34. 39	47
California	154. 80	5
Colorado	119. 01	10
Connecticut	116. 97	11
Delaware	163. 37	3
District of Columbia	188. 17	1
Florida	58. 14	39
Georgia	33. 48	48
Idaho	84. 59	30

Expenditures per child in average daily attendance, by States, 1932—Continued

States	Expenditures per child in average daily attendance in public elementary and secondary schools	Rank in column 2
(1)	(2)	(3)
Illinois	$114. 13	13
Indiana	89. 29	26
Iowa	93. 26	24
Kansas	86. 97	29
Kentucky	46. 94	41
Louisiana	55. 73	40
Maine	71. 63	35
Maryland	103. 46	21
Massachusetts	123. 37	8
Michigan	115. 60	12
Minnesota	104. 46	17
Mississippi	41. 98	44
Missouri	83. 12	31
Montana	109. 57	15
Nebraska	87. 93	27
Nevada	148. 75	6
New Hampshire	103. 99	19
New Jersey	157. 89	4
New Mexico	80. 95	32
New York	176. 20	2
North Carolina	41. 33	45
North Dakota	92. 87	25
Ohio	104. 23	18
Oklahoma	53. 35	38
Oregon	86. 99	28
Pennsylvania	102. 93	23
Rhode Island	133. 35	7
South Carolina	33. 43	49
South Dakota	103. 12	22
Tennessee	43. 77	43
Texas	74. 48	34
Utah	72. 83	35
Vermont	80. 28	33
Virginia	45. 96	42
Washington	106. 65	16
West Virginia	69. 45	37
Wisconsin	103. 82	20
Wyoming	121. 82	9

Source: Figures o column 2 are official figures of the Department of the Interior. Office of Education.

Taken from Federal Assistance in Equalizing Educational Opportunity, Wm. G. Carr, reprinted from the 1934–35 Debate Handbook.

APPENDIX R

Reasons reported by school officials in 18 States for lack of funds for the operation of schools, 1934–35

State	Drought	Reduced valuations which decrease proceeds of general property taxes	Delinquent taxes	Carrying maximum indebtedness	Insufficient State aid	Unusual increase in population	Destructive storms or fires	Small, weak school districts	State salary schedule increased	Nonpayment of taxes by large holding corporations	Assessed valuations reduced due to Government acquisition of property	Maximum tax limitation too low
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Alabama		x	x	x	x	x			x		x	x
Arizona			x			x						
Arkansas	x	x	x	x		x						
Colorado	x	x	x					x				x
Florida		x	x	x	x	x	x		x	x	x	x
Idaho	x	x	x	x		x	x			x		
Iowa			x				x	x				x
Louisiana	x	x									x	
Nebraska	x	x	x	x	x			x				
North Dakota	x	x	x	x							x	
Ohio	x	x	x	x								x
Oklahoma	x	x	x		x	x			x		x	x
Tennessee	x	x	x	x	x	x	x		x	x	x	
Texas	x	x	x	x	x	x	x	x				
Virginia [1]		x	x		x	x	x				x	
Washington		x	x	x				x				
West Virginia		x	x	x	x							x
Wyoming	x	x	x		x							x
Total	11	16	17	11	9	9	6	5	4	3	7	8

[1] 1 school district in Virginia reports that there are now insufficient funds to keep schools open because the cost of an uncompleted Federal school building project falls on the district.

Source: U. S. Office of Education, Circular No. 138, March 1935.

APPENDIX S

Current indebtedness of independent and city school districts in 13 States in 1933 and 1934, expected revenues for 1934–35, and the relationship debts bear to receipts in 1934–35

State	Current indebtedness				Expected receipts	
	Sept. 1, 1933	Sept. 1, 1934	Increase or decrease from Sept. 1, 1933, to Sept. 1, 1934 (+ or −)	Percent column 4 is of column 2 (+ or −)	For 1934–35	Percent column 3 is of column 6
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alabama	$86,044.08	$141,050.85	+$55,006.77	+63.9	$941,458.00	14.9
Colorado	201,421.39	203,592.36	+2,170.97	+1.0	578,179.18	35.2
Florida	503,024.28	472,586.02	−30,438.26	−6.0	1,239,976.78	38.1
Idaho	110,608.52	71,974.86	−38,633.66	−34.9	198,451.53	36.2
Minnesota	29,523.49	23,810.78	−5,712.71	−19.3	506,724.94	46.9
Nebraska	192,783.99	216,137.01	+23,356.02	+12.1	661,953.00	32.6
North Dakota	238,702.81	292,659.15	+53,956.34	+22.6	1,299,452.27	22.5
South Dakota	1,603,663.03	2,000,000.00	+396,334.00	+24.7	5,750,000.00	34.7
Tennessee	382,052.37	370,943.55	−11,108.82	−2.9	356,016.70	104.0
Texas	856,840.03	825,331.03	−31,509.00	−3.6	7,949,525.03	10.4
Virginia	8,234.03	13,189.30	+4,955.30	+60.1	140,425.09	9.3
Wyoming	118,103.80	107,619.89	−10,480.91	−8.8	677,477.15	15.8
Total	4,330,993.73	4,738,894.77	+407,896.04	+9.4	20,300,242.55	23.3

Source: U. S. Office of Education, Circular No. 138, March 1935.

APPENDIX T

Sources of State school revenue, 1933

MINNESOTA

Source	Amount	Percent
1. Allocated taxes: [1] (a) State 1-mill tax	$1,600,000	16
2. Legislative appropriations: (a) Special State aid	5,600,000	56
3. Income from permanent school fund	2,800,000	28
Total	10,000,000	100

[1] Proceeds from income and sales taxes, enacted in 1933, did not become available until 1934.

Source: School Finance Systems, National Education Association, 1934.

Sources of State school revenue, 1933–34

INDIANA

Source	Amount	Percen
1. Allocated taxes:		
(a) 7/10 mill property tax	$2,500,000.00	16.50
(b) Intangibles tax	750,533.00	4.95
(c) Excise taxes on malt and vinous beverages	1,762,587.76	11.63
(d) Poll tax	270,000.00	1.78
2. Fines, fees, etc. (placed in common-school fund).		
3. Legislative appropriations:		
(a) From State general fund not to exceed $600 per unit	8,095,217.44	53.41
(b) From State general fund for special class reimbursement	25,000.00	.17
4. Income from permanent funds:		
(a) Common-school fund	1,627,858.39	10.74
(b) Congressional township fund	125,000.00	.82
Total	15,156,196.59	100.00

Source: School Finance Systems, Research Division, National Education Association, Dec. 10, 1934.

Sources of State school revenue, 1932–33

LOUISIANA

Sources	Amount	Percent
1. Allocated taxes:		
(a) 2½-mill tax	[1] $3,359,207.82	49.6
(b) Severance taxes	[1] 1,272,720.99	18.8
(c) Malt tax [2]	23,860.71	.3
(d) ½-cent gasoline tax	872,138.51	12.9
(e) Beer tax	[3]	
2. Legislative appropriations:		
(a) State general fund	1,081,584.50	16.0
(b) State bond and interest tax fund	[4]	
3. Income from free school (permanent) fund	151,690.30	2.2
4. Minor sources	11,292.79	.2
Total	6,772,495.62	100.0

[1] 1933 figures. The amounts for the year 1932–33 are not available as the State treasurer keeps his records on the calendar year basis only.
[2] Rescinded in 1934.
[3] Included with appropriation from State General Fund.
[4] Included with income from Free School Fund.
Source: School Finance Systems, National Education Association, 1934.

APPENDIX U

Deficits expected for the year 1934–35 in rural and city school districts reported by 25 States

State	Amount of deficits		
	In rural districts	In independent districts	Total
(1)	(2)	(3)	(4)
Alabama	$3,277,639.00	$337,262.00	$3,614,901.00
Arizona	548,039.92	79,138.00	627,177.92
Arkansas	2,500,000.00		2,500,000.00
Colorado	233,861.00	134,748.00	368,609.00
Florida	608,252.00	251,083.00	859,335.00
Idaho	47,527.00	55,998.00	103,525.00
Iowa	12,725.00		12,725.00
Louisiana	267,653.00		267,653.00
Minnesota	103,577.00	105,330.00	208,907.00
Mississippi	2,508,707.67	200,000.00	2,708,707.67
Nebraska	51,334.00	215,784.00	267,118.00
New Mexico	180,000.00		180,000.00
North Dakota	1,014,639.30	385,978.00	1,400,615.30
Ohio [1]	9,000,000.00		9,000,000.00
Oklahoma	1,424,412.00	1,160,777.00	2,585,189.00
Oregon	181,275.00		181,275.00
South Dakota	1,000,000.00	200,000.00	1,200,000.00
Tennessee	746,663.58	385,976.00	1,132,639.58
Texas	666,120.15	1,573,763.00	2,239,883.15
Utah	424,058.00		424,058.00
Virginia	935,342.00	16,479.00	951,821.00
Washington	25,366.00		25,366.00
West Virginia	605,761.00		605,761.00
Wisconsin	200,000.00		200,000.00
Wyoming	17,200.00	133,543.00	150,743.00
Total [2]	26,580,152.62	[3] 5,235,857.00	31,816,009.62

[1] In Ohio there are approximately 735,000 pupils and 26,000 teachers in 100 city school districts that will have to close short of a normal school term according to their financial status as of Oct. 28, 1934. In these districts the current deficits amounted to more than $27,000,000. At the time of the publication of this report it appears that a recent session of the Ohio Legislature has done much to relieve the financial distress of the schools.
[2] There are other States in which there is an emergency in school finance, but specific reports for districts have not been made to the Office of Education.
[3] Report on actual deficits incomplete. Probably $500,000.
Source: U. S. Office of Education Circular No. 138, March 1935.

APPENDIX V

Estimated revenue for 1934–35 in 21 States, compared with total revenue receipts in 1932

State	Revenue receipts, 1931–32	Estimated revenue, 1934–35	Revenue for 1934–35 compared with that for 1933–34
Alabama	$18,212,751	$7,000,000	Less.
Arizona	9,713,801	1,340,000	Same.
Arkansas	12,632,452	9,000,000	Do.
Connecticut	32,704,630	30,000,000	Do.
Delaware	4,382,246	3,488,000	Do.
Florida	18,349,010	10,000,000	Less.
Illinois	118,227,050	95,000,000	Do.
Indiana	59,549,332	50,000,000	
Iowa	46,268,614	26,000,000	Less (by 20 percent).
Kentucky	21,844,437	13,000,000	Less.
Louisiana	18,659,586	13,250,000	Do.
Massachusetts	82,629,016	67,000,000	Same.
Minnesota	46,988,488	40,000,000	
Mississippi	18,499,101	9,500,000	Less.
Nebraska	23,587,682	16,000,000	Less (by $2,300,000).
Nevada	2,397,111	2,521,700	Less.
New Mexico	6,645,421	4,200,000	Do.
Oklahoma	26,425,108	19,000,000	
Oregon	15,434,271	11,500,000	Do.
Utah	9,350,598	8,500,000	
Vermont	4,885,132	4,320,000	Same.
Total	597,385,837	440,619,700	

Amount of decrease between 1931–32 and 1934–35 ..... $156,766,137
Percent of decrease between 1931–32 and 1934–35 ..... 26.2

Sources: Revenue receipts for 1932 are advance figures supplied by the U. S. Office of Education. Estimated revenues for 1934–35 and the comparisons between those sums and current revenues come from telegrams from State departments of education to the National Committee for Federal Emergency Aid for Education. See the published report of the hearings before the Education Committee of the House of Representatives (Washington, D. C.: Government Printing Office, 1934.)
Taken from Emergency Federal Aid for Education, Research Division, National Education Association, April 1934.

APPENDIX W

Governmental expenditures, 1932

(1)	Federal (2)	State (3)	Local (4)	Total (5)
1. Schools	$15,500,000	$639,273,000	$2,062,314,000	$2,701,587,000
2. Highways	219,900,000	948,802,000	920,272,000	1,869,074,000
3. General government	874,309,000	142,822,000	420,251,000	563,073,000

Governmental expenditures, 1932—Continued

(1)	Federal (2)	State (3)	Local (4)	Total (5)
4. Protection	$1,791,300,000	$91,204,000	$447,080,000	$538,384,000
5. Economic development	181,900,000	81,824,000	16,292,000	98,116,000
6. Social welfare	111,800,000	416,571,000	974,101,000	1,390,672,000
7. Miscellaneous		59,565,000	736,056,000	795,631,000
8. Public utilities		13,416,000	748,794,000	762,210,000
9. Interest	890,300,000	12,258,000	731,610,000	843,868,000
Total	3,793,900,000	2,805,835,000	7,056,780,000	13,356,500,000

Source of data:
Column 2. Based on data from the following report: U. S. Treasury Department. Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1932. Washington, D. C.; Government Printing Office, 1932. 490 p. 50 cents. (Division of expenditures in column 2 made by the Research Division of the National Education Association. Follows classification used by the U. S. Census Bureau.)
Columns 3 and 4. Based on data from the following report: U. S. Department of Commerce, Bureau of the Census. Financial Statistics of State and Local Governments: 1932 (U. S. Summary). Washington, D. C.; Government Printing Office, 1934. 69 p. 10 cents.
Column 5. Sum of figures in columns 2, 3, and 4.
(Table furnished by National Education Association.)

APPENDIX Y

Functional distribution of Federal Government expenditures, fiscal years 1926–30

Purpose of disbursement (1)	1926 percent of net total [1] (2)	1927 percent of net total (3)	1928 percent of net total (4)	1929 percent of net total (5)	1930 percent of net total (6)	Actual expenditures 1929 (7)
General government	15.9	15.6	15.3	16.9	15.2	$437,500,000
Protection	61.1	60.6	60.5	60.7	59.1	1,567,600,000
Education	.7	.7	.7	.6	.6	15,800,000
Highways	4.6	4.4	4.0	3.8	3.2	97,400,000
Economic development	6.8	7.4	7.6	7.5	8.4	194,300,000
Social welfare	3.2	2.6	2.5	3.4	3.2	87,400,000
Miscellaneous	.1	.1	.1	.7	5.5	18,700,000
Public utilities	7.6	2.6	3.3	6.3	4.8	162,700,000
Net total	100.0	100.0	100.0	100.0	100.0	2,581,400,000

[1] Includes all expenditures other than those for debt, redemption and interest.

Source: Annual Reports of the Secretary of the Treasury. Computed by National Industrial Conference Board.

HARRY T. HERRING

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1426) providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade, and consider the same.

The Clerk read the title of the bill.

Mr. TABER. Mr. Speaker, reserving the right to object, what does this bill do? This is a private bill and was it not on the Private Calendar?

Mr. DEMPSEY. Yes; and the two objectors withdrew their objections today after they learned the situation, and the gentleman on your side was favorably inclined to the bill.

Mr. TABER. Does it place this man on the retired list at a salary?

Mr. DEMPSEY. No.

Mr. TABER. It just gives him this rank.

Mr. RICH. Is it going to cost the Government any money?

Mr. DEMPSEY. Not at this time; no.

There being no objection, the Clerk read the bill, as follows:

Whereas Harry T. Herring graduated from the United States Military Academy, West Point, N. Y., in the class of 1905, at which time he was denied commission in the United States Army because of an alleged heart ailment; and

Whereas he continued to follow the profession for which he was trained, being successively commandant of St. John's (Military) School, Manlius, N. Y., 1906–8; in the New York National Guard, 1908–10; and adjutant general of New Mexico, 1913–17; serving with the New Mexico Guard on the Mexican border during 1917, and resigning from the Guard to enter the Army of the United States as a captain of ordnance, from which rank he was successively promoted to lieutenant colonel, which was his rank on leaving the service; and

Whereas while technically an emergency officer he actually performed the duties of a regular, being assigned a most important and difficult detail, involving the establishment of schools for the technical training of both officers and men for the mobile shops of the Ordnance Department to accompany combat organizations in the field, in which assignment his work was so outstanding as to result in his being recommended for the Distinguished Service Medal; and

Whereas in 1920 he was recommended by the Chief of Ordnance for retention in the Regular Army, but was denied a commission of a disability incurred in service; and

Whereas he is now disabled to an extent that the constant work required in earning a livelihood is a menace to his life: Therefore

Be it enacted, etc., That the President is authorized to appoint Harry T. Herring, formerly a lieutenant colonel, Ordnance Department, United States Army, a lieutenant colonel, United States Army, and to retire him and place him on the retired list of the Army as a lieutenant colonel, with the retired pay and allowance of that grade.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

ORDER OF BUSINESS

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that on tomorrow, immediately after the reading of the Journal and the disposition of matters on the Speaker's table, I may address the House for 15 minutes.

Mr. SNELL. Mr. Speaker, I reserve the right to object, not that I intend to object, but I should like to ask what the intended program is for tomorrow and if there is anything very important that is expected to be brought before the House.

Mr. O'CONNOR. Mr. Speaker, I may answer the gentleman by saying that we have some rules to bring up tomorrow. There are two bills with respect to Government leave and there is a rule with respect to reorganization of railroads in bankruptcy and there is a rule for the consideration of a resolution from the Foreign Affairs Committee with respect to a power conference that is to be held here next year sometime, as well as a number of other rules, and we will probably reach them tomorrow.

Mr. SNELL. Is there anything special after that for the balance of the week?

Mr. TAYLOR of Colorado. Mr. Speaker, I may say to the gentleman that if I can obtain the consent of the House I am going to request that we take up the Private Calendar again on Friday. There are a great many Members who want to get their bills considered, and I should like to give them this opportunity, if possible, this week, so that they may possibly get them through the Senate at this session.

Mr. KVALE. Mr. Speaker, among the rules to be brought up is there included a rule for the so-called "McCormack military-disaffection bill"?

Mr. O'CONNOR. I have never heard of it.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, some suggestion has been made that we will take up the Private Calendar on Friday, provided we are in session. Is there any disposition to have the House recess over the week-end, or are we going to continue to do business as rapidly as we can, so we may finish our business at the earliest possible date?

In other words, I am going to object to a recess from Friday to Monday if there is any work that we can do. Adjourning over the week-end is very nice for Members who live in nearby States, but for those of us who live in the West and the Middle West, it is only prolonging the agony, because we do not have time to go back and forth over the week-end.

Mr. O'CONNOR. Let me say to the gentleman that I have not been able to take a week-end vacation since December. But here is the situation. We have business to do, and we are going to have time to do it. During the consideration of the tax bill by the Senate there will be ample opportunity to dispose of all the business here. Adjournment from Friday to Monday I do not think will interfere with our business.

Mr. BOILEAU. I want to make my position clear. It is impossible for us to go home over the week-end. If we stay here and transact business we may be able to get away for a week or 10 days or 2 weeks and then come back to consider conference reports.

Mr. O'CONNOR. I do not believe you will get away a day earlier by not adjourning from Friday to Monday.

Mr. TAYLOR of Colorado. Mr. Speaker, I want to say that I will object to any adjournment over Friday. I hope I may obtain unanimous consent to take up the Private Calendar on Friday. It is not fair to the Membership to adjourn over Friday and Saturday at this stage of the session, with 400 bills on the Consent and Private Calendars.

Mr. RICH. I want to call attention to the fact that every day you take up the Private Calendar it costs the Government millions of dollars.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, I hope the gentleman from Oklahoma will make his request to speak following the disposition of the leave bill. We have been waiting 2 weeks to take that up.

Mr. MASSINGALE. How long will the the leave bill take?

Mr. RAMSPECK. It may take 2 hours or more. There is a great demand for it and we want to dispose of it.

Mr. MASSINGALE. Mr. Speaker, I will modify my request to that extent.

Mr. BIERMANN. I should like to ask the gentleman from Tennessee if he would not feel free to include in his request the consideration of the omnibus private bills? They have been passed over on three different occasions.

Mr. TAYLOR of Colorado. There are a great many bills on the Private Calendar that have not yet been reached and we want to dispose of them first.

Mr. BIERMANN. I shall not object, but we have passed over those omnibus bills on three different occasions.

Mr. MASSINGALE. Mr. Speaker, I modify my request and ask that I may speak after the disposition of the leave bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. TAYLOR of Colorado. Now, Mr. Speaker, I renew my request that it may be in order on Friday next to call individual bills on the Private Calendar.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MORAN, indefinitely, on account of illness.

To Mr. DOCKWEILER, for 10 days, on account of illness in his family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1793. An act to amend the act entitled "An act authorizing the Attorney General of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602); Committee on Indian Affairs.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 351. An act for the relief of Jane B. Smith and Dora D. Smith;

H. R. 2125. An act for the relief of George William Henning;

H. R. 3230. An act for the relief of Rufus Hunter Blackwell, Jr.;

H. R. 3641. An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department;

H. R. 3642. An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the police department;

H. R. 3979. An act to safeguard the estates of veterans derived from payments of pension, compensation, emergency officers' retirement pay, and insurance, and for other purposes;

H. R. 4507. An act to amend sections 1, 2, and 3 of the act entitled "An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.", approved June 18, 1930, and to establish the Appomattox Court House National Historical Monument, and for other purposes; and

H. R. 7447. An act to amend an act to provide for a Union Railroad Station in the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1227. An act to authorize the issuance and sale to the United States of certain bonds of municipal governments in Puerto Rico, and for other purposes;

S. 1629. An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes;

S. 1726. An act to authorize the Secretary of War to grant a right-of-way for street purposes upon and across the San Antonio Arsenal, in the State of Texas;

S. 2193. An act to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah;

S. 2545. An act to provide funds for acquisition of the property of the Haskell Students Activities Association on behalf of the Indian School known as "Haskell Institute", Lawrence, Kans.;

S. 3289. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1935 reunion at Amarillo, Tex.;

S. 3329. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the Fort Knox Military Reservation, Ky., for the construction thereon of certain public buildings, and for other purposes;

S. J. Res. 96. Joint resolution to carry out the intention of Congress, with reference to the claims of the Crow Tribe of Indians of Montana, and any band thereof against the United States;

S. J. Res. 117. Joint resolution to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution;

S. J. Res. 139. Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939; and

S. J. Res. 145. Joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the period August 16, 1935, to August 31, 1935, both inclusive.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that the committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 351. An act for the relief of Jane B. Smith and Dora D. Smith;

H. R. 2125. An act for the relief of George William Henning;

H. R. 3090. An act for the relief of Mayme Hughes;

H. R. 3230. An act for the relief of Rufus Hunter Blackwell, Jr.;

H. R. 3641. An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department;

H. R. 3642. An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the police department;

H. R. 3979. An act to safeguard the estates of veterans derived from payments of pension, compensation, emergency officers' retirement pay, and insurance, and for other purposes;

H. R. 4507. An act to amend sections 1, 2, and 3 of the act entitled "An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.", approved June 18, 1930, and to establish the Appomattox Court House Historical Monument, and for other purposes; and

H. R. 7447. An act to amend an act to provide for a Union Railroad Station in the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until tomorrow, Thursday, August 8, 1935, at 12 o'clock noon.

EXECUTIVE NOMINATIONS, ETC.

444. Under clause 2 of rule XXIV, a letter from the Secretary of the Treasury, transmitting a proposed bill amending section 3 of the act of August 7, 1912 (37 Stat. 312; 38 U. S. C., sec. 50), was taken from the Speaker's table and referred to the Committee on the Post Office and Post Roads.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SUMNERS of Texas: Committee on the Judiciary. S. 2421. An act to amend the act entitled "An act forbidding the transportation of any person in interstate or foreign commerce kidnaped or otherwise unlawfully detained, and making such act a felony", as amended; without amendment (Rept. No. 1719). Referred to the House Calendar.

Mr. RAMSAY: Committee on the Judiciary. S. 3120. An Act to authorize and direct the Secretary of the Treasury to transfer certain moneys to "Funds of Federal prisoners"; without amendment (Rept. No. 1720). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSAY: Committee on the Judiciary. S. 3328. An act to provide an official seal for the United States Veterans' Administration, and for other purposes; with amendment (Rept. No. 1721). Referred to the Committee of the Whole House on the state of the Union.

Mr. LLOYD: Committee on the Judiciary. Senate Joint Resolution 23. Joint resolution giving consent of the Congress of the United States to the States of Washington, Oregon, and Idaho, or any two of said States, to agree upon the jurisdiction to be exercised by said States over boundary waters between any two or more of said States; with amendment (Rept. No. 1722). Referred to the House Calendar.

Mr. DUFFY of New York: Committee on the Judiciary. Senate Joint Resolution 122. Joint resolution granting the consent of Congress to the States of New York and Vermont to enter into an agreement amending the agreement between such States consented to by Congress in Public Resolution No. 9, Seventieth Congress, relating to the creation of the Lake Champlain Bridge Commission; without amendment (Rept. No. 1723). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. House Joint Resolution 349. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the Interstate Sanitation District and the establishment of the Interstate Sanitation Commission; without amendment (Rept. No. 1724). Referred to the House Calendar.

Mr. McREYNOLDS: Committee on Foreign Affairs. Senate Joint Resolution 168. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 16 to May 23, 1936, inclusive; without amendment (Rept. No. 1725). Referred to the Committee of the Whole House on the state of the Union.

Mr. KEE: Committee on Foreign Affairs. S. 2891. An act to provide for the adjustment and settlement of personal injury and death cases arising in certain foreign countries; without amendment (Rept. No. 1726). Referred to the Committee of the Whole House on the state of the Union.

Mr. FORD of Mississippi: Committee on Accounts. House Resolution 284. Resolution to amend House Resolution 226; with amendment (Rept. No. 1728). Referred to the House Calendar.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8748. A bill authorizing a preliminary examination of Weldon River in Mercer County, Mo., with a view to the controlling of floods; without amendment (Rept. No. 1729). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8751. A bill to provide a preliminary examination of the Fox River and its tributaries in Wisconsin and Illinois; without amendment (Rept. No. 1730). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8797. A bill to provide a preliminary examination of Onondaga Creek in Onondaga County, State of New York, with a view to the control of its floods; without amendment (Rept. No. 1731). Referred to the Committee of the Whole House on the state of the Union.

Mr. DRIVER: Committee on Rules. House Resolution 320. Resolution providing for the consideration of S. 3123; without amendment (Rept. No. 1732). Referred to the House Calendar.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 8372. A bill to authorize the acquisition of lands in the vicinity of Miami, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon; with amendment (Rept. No. 1733). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. S. 2521. An act amending section 5 of Public Law No. 264, Seventy-third Congress, approved May 29, 1934, relative to the appointment of Naval Academy graduates as ensigns in the Navy; without amendment (Rept. No. 1734). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. H. R. 9033. A bill for the relief of Helen Gallagher Dominian; without amendment (Rept. No. 1727). Referred to the Committee of the Whole House.

Mr. MAAS: Committee on Naval Affairs. H. R. 8883. A bill for the relief of Lt. Robert A. J. English, United States Navy; without amendment (Rept. No. 1735). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 9060) to provide funds for cooperation with the public-school district at Hays, Mont., for construction and improvement of public-school buildings to be available for Indian children; to the Committee on Indian Affairs.

Also, a bill (H. R. 9061) to credit the tribal funds of the Indians of the Fort Belknap Indian Reservation in Montana with certain sums expended therefrom for the purchase and maintenance of a tribal herd, and for the purchase of horses destroyed during a dourine epidemic; to the Committee on Indian Affairs.

By Mr. GOODWIN: A bill (H. R. 9062) authorizing a preliminary examination and survey of the Esopus Creek and its tributaries of Birch, Bushnelville, Woodland, Warner, Bushkill, and Beaverkill Creeks; Sawkill, Rondout, and Neversink Creeks, Ulster County; Schoharie and Catskill Creeks, Greene County; Neversink, Beaverkill, East Branch of Delaware, Willowemoc, and Lackawack Rivers, Sullivan

County; Schoharie Creek and its tributaries, Schoharie County, all located in the State of New York, with a view to the controlling of floods; to the Committee on Flood Control.

By Mr. SABATH: A bill (H. R. 9063) to amend section 7, paragraph 28, subparagraph (d) of an act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 1903, and for other purposes", approved July 1, 1902; to the Committee on the District of Columbia.

By Mr. WILSON of Louisiana: A bill (H. R. 9064) to amend an act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928; to the Committee on Flood Control.

By Mr. BLOOM: Resolution (H. Res. 319) providing for the appointment of a special committee to investigate the use of public alleys in the District of Columbia; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOXEY: A bill (H. R. 9065) for the relief of Henry Thornton Meriwether; to the Committee on Naval Affairs.

By Mr. FLETCHER: A bill (H. R. 9066) granting a pension to Rachel A. Updegraft; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 9067) for the relief of Sadie N. Pike and Edward W. Pike; to the Committee on Claims.

By Mr. SHANNON: A bill (H. R. 9068) for the relief of Helen Marie Lewis; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9287. By the SPEAKER: Resolution of the Chudnover K. U. V., of Newark, N. J., protesting against anti-Jewish activities in Germany; to the Committee on Foreign Affairs.

9288. By Mr. HIGGINS of Massachusetts: Resolution of the Massachusetts State Building Trades Council, to be recorded in opposition to the appointment of social workers and other persons who have no labor-relations experience to positions that have a direct contact and influence upon the workers employed on W. P. A. and P. W. A. projects, and we petition for representation in the Works Progress Administration through the appointment of representatives of labor who, by training, experience, and qualification, are competent to carry out the duties relating to problems that come under the heading of labor relations, grievances, and working conditions; to the Committee on Labor.

SENATE

THURSDAY, AUGUST 8, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, August 7, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Capper	Costigan
Ashurst	Brown	Caraway	Davis
Austin	Bulkley	Carey	Dieterich
Bachman	Bulow	Chavez	Duffy
Bankhead	Burke	Clark	Fletcher
Barkley	Byrd	Connally	Frazier
Bone	Byrnes	Copeland	George
Gerry	Lonergan	Norris	Steiwer
Gibson	McAdoo	Nye	Thomas, Okla.
Glass	McGill	O'Mahoney	Thomas, Utah
Gore	McKellar	Pittman	Townsend
Guffey	McNary	Pope	Trammell
Hale	Maloney	Reynolds	Vandenberg
Harrison	Metcalf	Robinson	Van Nuys
Hatch	Minton	Russell	Wagner
Johnson	Moore	Schall	Walsh
King	Murphy	Schwellenbach	Wheeler
La Follette	Murray	Sheppard	White
Lewis	Neely	Shipstead	
Logan	Norbeck	Smith	

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Alabama [Mr. BLACK], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. MCCARRAN], the junior Senator from Maryland [Mr. RADCLIFFE], the Senator from Missouri [Mr. TRUMAN], and the senior Senator from Maryland [Mr. TYDINGS] are necessarily detained from the Senate.

I also announce that the Senator from West Virginia [Mr. HOLT] is absent because of illness.

I ask that this announcement may stand in the RECORD for the day.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], the Senator from Delaware [Mr. HASTINGS], and the Senator from New Hampshire [Mr. KEYES] are necessarily absent.

Mr. VANDENBERG. My colleague the senior Senator from Michigan [Mr. COUZENS], as announced heretofore by me, is absent from the Senate because of illness.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by the annual meeting of the American Bar Association at Los Angeles, Calif., favoring the enactment of the joint resolution (H. J. Res. 237) for the establishment of a trust fund to be known as the "Oliver Wendell Holmes Memorial Fund", which was ordered to lie on the table.

Mr. BACHMAN presented the following joint resolution of the Legislature of the State of Tennessee, which was referred to the Committee on Claims:

Senate Joint Resolution 3

Whereas our State borders on the east of the Mississippi River, along which lie the fertile counties of Obion, Lake, Dyer, Lauderdale, Tipton, and Shelby; and

Whereas thousands of acres of very fertile land bordering upon the great Father of Waters, the Mississippi River, are affected by the said river, these lands being known as the delta lands of Tennessee; and

Whereas these lands are much more seriously affected by the said Mississippi River because of the maintenance of the levee by the General Government on the opposite side of the said river, the maintenance of the said levee being for the protection of the vast territory of fertile lands in our sister States of Missouri and Arkansas; and

Whereas the maintenance of the said levee causes the river to overflow the delta and fertile lands of Tennessee and do great injury and damage to the property, including the lands and crops and other property, to the owners of said lands, and inhabitants of the said territory; and

Whereas the maintenance of the said levee for the protection of our sister States is the prime cause of much property damage and destruction in our State and to the extent that many have been made homeless and have been deprived of their property rights that they have enjoyed and would enjoy if it were not for the maintenance of the said levee; and

Whereas the maintenance of the levee amounts to the taking and appropriation of the property rights of our citizens without due process of law and without compensation; and

Whereas we recognize that our citizens have a right to be compensated for the damage done to them and the taking of their property, and we are of the opinion that it is the duty of the General Government to give just compensation upon some feasible plan to our citizens for the property taken and the damage done: Therefore be it

Resolved, First, that the Governor and the secretary of our State be, and they are hereby, requested and directed to certify this resolution to our General Government and that it be certified to the President and to the Congress, and that a copy be forwarded to each Member of Congress and of the Senate representing our State, and that the Governor and secretary of state over the seal of our great State make solemn request of the General Government to hear the complaint of our citizens so vitally affected

and to pay just compensation to those who are entitled to be compensated.

Second, that the State of Tennessee recognize this problem as a State problem and that our Governor and secretary of state continue their efforts, together with those so vitally affected, for the payment of damage and for the property affected and destroyed until they have been compensated or until it has been definitely and finally determined that no compensation can be had.

Adopted July 19, 1935.

REPORTS OF COMMITTEES

Mrs. CARAWAY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 630) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, to provide an interest rate of 3 percent per annum on loans to agricultural improvement districts, reported it without amendment.

Mr. PITTMAN, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 2476) to grant a patent to Albert M. Johnson and Walter Scott, reported it without amendment and submitted a report (No. 1210) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 8026) to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco inspection service, and for other purposes, reported it without amendment and submitted a report (No. 1211) thereon.

Mr. JOHNSON, from the Committee on Naval Affairs, to which was referred the bill (H. R. 2130) for the relief of John M. McNulty, reported it without amendment and submitted a report (No. 1212) thereon.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on August 7, 1935, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1227. An act to authorize the issuance and sale to the United States of certain bonds of municipal governments in Puerto Rico, and for other purposes;

S. 1629. An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes;

S. 1726. An act to authorize the Secretary of War to grant a right-of-way for street purposes upon and across the San Antonio Arsenal, in the State of Texas;

S. 2193. An act to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah;

S. 2545. An act to provide funds for acquisition of the property of the Haskell Students Activities Association on behalf of the Indian school known as "Haskell Institute", Lawrence, Kans.;

S. 3289. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1935 Reunion at Amarillo, Tex.;

S. 3329. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the Fort Knox Military Reservation, Ky., for the construction thereon of certain public buildings, and for other purposes;

S. J. Res. 96. Joint resolution to carry out the intention of Congress with reference to the claims of the Crow Tribe of Indians of Montana and any band thereof against the United States;

S. J. Res. 117. Joint resolution to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution;

S. J. Res. 139. Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939; and

S. J. Res. 145. Joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the period August 16, 1935, to August 31, 1935, both inclusive.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COPELAND:

A bill (S. 3388) for the relief of Eva Markowitz; to the Committee on Claims.

A bill (S. 3389) to provide for the appointment of two additional judges for the southern district of New York; to the Committee on the Judiciary.

By Mr. McADOO:

A bill (S. 3390) granting an increase of pension to Ruth A. Dana; to the Committee on Pensions.

By Mr. SMITH:

A bill (S. 3391) to authorize the Secretary of the Treasury to prepare a medal with appropriate emblems and inscriptions commemorative of Jefferson Davis; and

A bill (S. 3392) to authorize the Secretary of the Treasury to prepare a medal with appropriate emblems and inscriptions commemorative of Gen. Robert Edward Lee; to the Committee on Banking and Currency.

By Mr. HAYDEN:

A bill (S. 3394) for the relief of Edmond G. Warren; to the Committee on Claims.

COORDINATION OF GOVERNMENTAL FOREIGN-TRADE ACTIVITIES

Mr. SHEPPARD. I introduce a bill to create a Federal Board of Foreign Trade.

In connection with the bill I wish to say that its object is to coordinate the various agencies of the Government dealing with foreign trade into a more unified form of action. There are now about 54 such agencies under the Government dealing with various phases of foreign trade.

I should like to have the bill set out in the RECORD and a list of these Federal activities also inserted in the RECORD following my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The bill (S. 3393) to create a Federal Board of Foreign Trade was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, the president of the Commodity Credit Corporation, and the director of the Export-Import Bank be, and are hereby, constituted as the Federal Board of Foreign Trade.

SEC. 2. It shall be the duty of this Board to hold bimonthly meetings and such intermediate meetings as it may deem necessary, and it is hereby made the duty of every executive and administrative agency of the Government dealing with foreign trade to report findings and recommendations within the scope of their respective functions for the consideration of said Board at such meetings.

SEC. 3. It will be the further duty of the Board to assemble, study, and consolidate such findings and reports, and to transmit to the President periodical statements of progress in connection with foreign trade and such suggestions as the Board may see fit to make relating to foreign policy and to the procedures and functions of such Government agencies as participate in our international trade, financing, and transportation activities.

SEC. 4. The members of the Board shall detail from the personnel under their respective supervision officials needed by the Board in connection with the duties herein established.

The list referred to is as follows:

GOVERNMENTAL ORGANIZATIONS DEALING WITH FOREIGN TRADE ACTIVITIES

DEPARTMENT OF STATE

1. Under Secretary.
2. Division of Mexican Affairs.
3. Division of Eastern European Affairs.
4. Division of Far Eastern Affairs.
5. Treaty Division.
6. Division of Latin American Affairs.
7. Division of Western European Affairs.
8. Division of Near Eastern Affairs.
9. Office of the Economic Adviser.
10. Assistant Secretary.
11. Foreign Service.
12. Consular Commercial Office.
13. Assistant Secretary.
14. Executive Committee on Commercial Policy.
15. Committee on Foreign Trade Agreements.
16. Country Negotiating Committees.
17. Committee for Reciprocity Information.
18. Committee on General Surveys.

DEPARTMENT OF THE TREASURY

19. Bureau of Narcotics.
20. Bureau of Public Health Service.
21. Section of Financial and Economic Research.
22. Division of Public Debts and Accounts and Audit.
23. Bureau of Customs.
Foreign Offices (8).

DEPARTMENT OF WAR

24. Quartermaster Corps Field Service.
Personnel in Military Attachés' Offices.
25. General Staff.
Military Intelligence Division.
Military Attachés.

DEPARTMENT OF JUSTICE

26. Assistant Attorney General—in charge of Customs Division.

POST OFFICE DEPARTMENT

27. Second Assistant Postmaster General.
28. Division of International Postal Service.

DEPARTMENT OF THE NAVY

29. Office of Chief of Naval Operations.
30. Intelligence Division—Naval Attachés.

DEPARTMENT OF THE INTERIOR

31. Petroleum Administrative Board.

DEPARTMENT OF AGRICULTURE

32. Agricultural Adjustment Administration.
33. Bureau of Animal Industry.
34. Bureau of Plant Industry.
35. Food and Drug Administration.
36. Bureau of Agricultural Economics.
37. Bureau of Plant Quarantine.

DEPARTMENT OF COMMERCE

38. Bureau of the Census.
39. United States Shipping Board Bureau.
40. Bureau of Foreign and Domestic Commerce.
41. Commercial Attachés and Trade Commissioners.

DEPARTMENT OF LABOR

42. Bureau of Labor Statistics.

FEDERAL COMMUNICATIONS COMMISSION

43. Division of International Relations.

EXPORT-IMPORT BANKS

44. Export-Import Bank of Washington.
45. Second Export-Import Bank of Washington, D. C.

FEDERAL TRADE COMMISSION

46. Chief Counsel Division.
47. Export Trade Section.

NATIONAL RECOVERY ADMINISTRATION

48. Division of Imports.

FEDERAL ALCOHOL CONTROL ADMINISTRATION

49. Code Imports Section.
50. Marketing agreements—Import Permits Section.

UNITED STATES TARIFF COMMISSION

51. International Relations Division field representatives.
52. Transportation Division.

FOREIGN TRADE ZONE BOARD

53. Interdepartmental Committee on Foreign Trade Zones.

NATIONAL RESOURCES COMMITTEE

54. National Resources Committee.

AMENDMENTS TO TAX BILL

Mr. LA FOLLETTE submitted three amendments intended to be proposed by him to the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

TRADE PRIVILEGES TO FOREIGN DEBTOR NATIONS

Mr. LEWIS. I tender a resolution and ask to have it read, and that it lie on the table. I shall address myself to the resolution at the conclusion of the immediate program before the Senate after the vote on the pending joint resolution shall have been had.

The VICE PRESIDENT. The clerk will read the resolution.

The resolution (S. Res. 179) was read and ordered to lie on the table, as follows:

Resolved by the Senate of the United States in session assembled, That it is the expression of the United States Senate, speaking in behalf of the Senate to the extent permitted under the laws and Constitution to the United States Senate, that the United States shall in no wise engage to or grant by treaty or contract any trade privileges either in unilateral or bilateral treaty nor extend privileges and advantages under the favored-nation clause, nor enter upon any commercial or industrial treaty with any country indebted to the United States and which debtor refuses payment of the obligation or declines to acknowledge the same and continues the course of refusing to acknowledge the obligation of indebtedness.

REIMBURSEMENT TO SENATOR GEORGE

Mr. GEORGE submitted the following resolution (S. Res. 180), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for expenses of inquiries and investigations, fiscal year 1935, contingent expenses of the Senate, the sum of $400, to Hon. WALTER F. GEORGE, Chairman of the Committee on Privileges and Elections, as reimbursement for necessary expenses incurred incident to certain election contests which have been pending before said committee.

IMPROVEMENT OF THE DES MOINES RIVER

Mr. MURPHY submitted the following resolution (S. Res. 181), which was referred to the Committee on Commerce:

Resolved, That the Board of Engineers for Rivers and Harbors created under section 3 of the Rivers and Harbors Act approved June 13, 1902, is requested to examine and review the report on the survey of the Des Moines River, authorized by and submitted under the provisions of the act entitled "An act to provide for the repair, maintenance, and preservation of public works on rivers and harbors, and for other purposes", approved March 3, 1909, with a view to improving said river in the interests of navigation in furthering the development of a system of inland waterways.

WITHDRAWAL OF RIGHT TO SUE ON GOLD-CLAUSE BONDS

The Senate resumed the consideration of the joint resolution (H. J. Res. 348) authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. McNARY. Let us have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). On this vote I have a pair with the Senator from New Hampshire [Mr. KEYES]. If I were permitted to vote, I should vote "yea." If the Senator from New Hampshire [Mr. KEYES] were present and voting, he would vote "nay."

The roll call was concluded.

Mr. AUSTIN. I announce the absence on official business of the Senator from Delaware [Mr. HASTINGS], the Senator from New Jersey [Mr. BARBOUR], and the Senator from Iowa [Mr. DICKINSON].

I also announce the following pairs on this question:

The Senator from Delaware [Mr. HASTINGS] with the Senator from West Virginia [Mr. HOLT]; and

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Missouri [Mr. TRUMAN].

If the Senator from Delaware [Mr. HASTINGS] and the Senator from New Jersey [Mr. BARBOUR] were present, they would vote "nay." If the Senator from West Virginia [Mr. HOLT] and the Senator from Missouri [Mr. TRUMAN] were present, they would vote "yea."

I also announce the general pair of the Senator from Iowa [Mr. DICKINSON] with the Senator from Mississippi [Mr. BILBO]. I am not advised how either Senator would vote on this question.

Mr. LEWIS. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the senior Senator from Louisiana [Mr. LONG], the junior Senator from Louisiana [Mr. OVERTON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Missouri [Mr. TRUMAN] are necessarily detained from the Senate.

I also announce that the Senator from Alabama [Mr. BLACK], the Senator from Arizona [Mr. HAYDEN], the senior Senator from Maryland [Mr. TYDINGS], and the junior Sen-

ator from Maryland [Mr. RADCLIFFE] are detained in important committee meetings. If the Senator from Arizona [Mr. HAYDEN] were present, he would vote "yea."

Mr. BULKLEY. I announce that my colleague the junior Senator from Ohio [Mr. DONAHEY] is unavoidably detained.

Mr. NEELY. The junior Senator from West Virginia [Mr. HOLT] is absent because of illness. If he were present, he would vote "yea."

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BLACK] is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Alabama would vote "yea", and the Senator from Maryland would vote "nay."

The result was announced—yeas 53, nays 24, as follows:

YEAS—53

Ashurst	Dieterich	McKellar	Robinson
Bachman	Duffy	Maloney	Russell
Bankhead	Fletcher	Minton	Schwellenbach
Barkley	Frazier	Moore	Sheppard
Bone	Gerry	Murphy	Shipstead
Brown	Guffey	Murray	Smith
Bulow	Harrison	Neely	Thomas, Okla.
Burke	Hatch	Norbeck	Trammell
Byrnes	La Follette	Norris	Van Nuys
Caraway	Lewis	Nye	Wagner
Chavez	Logan	O'Mahoney	Wheeler
Clark	Lonergan	Pittman	
Connally	McAdoo	Pope	
Costigan	McGill	Reynolds	

NAYS—24

Adams	Carey	Gore	Schall
Austin	Copeland	Hale	Steiwer
Borah	Davis	Johnson	Townsend
Bulkley	George	King	Vandenberg
Byrd	Gibson	McNary	Walsh
Capper	Glass	Metcalf	White

NOT VOTING—19

Bailey	Couzens	Holt	Radcliffe
Barbour	Dickinson	Keyes	Thomas, Utah
Bilbo	Donahey	Long	Truman
Black	Hastings	McCarran	Tydings
Coolidge	Hayden	Overton	

So the bill was passed.

The VICE PRESIDENT. The amendment to the preamble will be stated.

The CHIEF CLERK. It is proposed to strike out the preamble adopted by the House, as follows:

Whereas in order to maintain the uniform value of all coins and currencies of the United States, Public Resolution No. 10 of June 5, 1933, declared provisions known as "gold clauses" to be against public policy, prohibited their use in obligations thereafter incurred, and provided that money of the United States legal tender for obligations generally was legal tender for all obligations with or without gold clauses; and

Whereas the unmatured security issues of the United States are domestic issues offered to the people of the United States, payable only in the United States and in the money of the United States, and underlie our national monetary system and credit structure, with the result that disparity in these security issues or in our coins and currencies would undermine that system and structure; and

Whereas the United States has paid and will continue to pay to the holders of all its securities their principal and interest, dollar for dollar, in money of the United States; has maintained and will continue to maintain the parity of all forms of such money; and has thus afforded and will continue to afford full security and strict equality of advantage to all holders of its money and securities; and

Whereas no holder of any of the money or securities of the United States has suffered any damage because of the measures heretofore taken to maintain such security and equality of advantage; and any speculative holding of or dealing in the money or securities of the United States to take advantage of the Government's fixed policy to continue such certain and uniform treatment is incompatible with the public interest.

And in lieu thereof to insert the following:

Whereas in order to maintain the uniform value of all coins and currencies of the United States, Public Resolution No. 10 of June 5, 1933, declared provisions known as "gold clauses" to be against public policy, prohibited their use in obligations thereafter incurred, and provided that money of the United States legal tender for obligations generally was legal tender for all obligations with or without gold clauses; and

Whereas the United States has paid and will continue to pay to the holders of all its securities their principal and interest, dollar for dollar, in lawful money of the United States.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The title was amended so as to read: "Joint resolution authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States thereon; limiting the use of certain appropriations; and for other purposes."

HAMPTON & BRANCHVILLE RAILROAD CO.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1024) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co., which were, on page 1, line 7, to strike out "$4,306.51" and insert "$4,768.46"; and on page 2, line 1, to strike out all after "1920" down to and including "contract" in line 3.

Mr. SMITH. I move that the Senate concur in the amendments of the House.

Mr. BORAH. What is the bill, Mr. President?

Mr. SMITH. It merely relates to the claim of a short railroad in my State.

The VICE PRESIDENT. The question is on the motion of the Senator from South Carolina.

The motion was agreed to.

NATIONAL PROGRAM OF FOREST-LAND MANAGEMENT

Mr. McKELLAR. Mr. President, I ask unanimous consent to reconsider the votes by which House bill 6914 was ordered to a third reading and passed. It is a bill which was passed the other day for the purpose of stimulating the acquisition, development, and proper administration and management of State forests.

An amendment has been agreed upon with the Senator from South Carolina [Mr. SMITH] and the Senator from South Dakota [Mr. NORBECK], who took a very active part in the consideration of the bill; and I now ask unanimous consent for the reconsideration of the votes by which the bill was ordered to a third reading, read the third time, and passed, so that it may be amended.

Mr. McNARY. Mr. President, it is my recollection that the Senator from South Dakota [Mr. NORBECK] is deeply interested in this measure, and he is absent at this time.

Mr. McKELLAR. Within the past few moments I have submitted the amendment to the Senator from South Dakota, and he has approved it.

Mr. SMITH. If the Senator from Oregon will allow me, the amendment is perfectly satisfactory. Both the Senator from South Dakota and I have agreed to the amendment. It really does not affect the bill.

Mr. McNARY. Is it the purpose to have the action on the bill reconsidered?

Mr. McKELLAR. To have it reconsidered for the purpose of offering the amendment.

Mr. SMITH. The amendment is agreeable to both of us.

Mr. McNARY. Let us first have the amendment stated.

The VICE PRESIDENT. The proposed amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 4, line 6, it is proposed to strike out subsection (b), including lines 6 to 15, inclusive, and to insert in lieu thereof the following:

In order to insure a stable and efficient organization for the development and administration of the lands acquired under this act, the State shall, after the passage of this act, provide for the employment of a State forester, who shall be a trained forester of recognised standing.

The VICE PRESIDENT. As the Chair understands the parliamentary situation, this is a House bill which passed the Senate by unanimous consent and was sent back to the House. Then the Senate adopted a resolution requesting the House to return the bill. The bill is now back on the clerk's desk; and the Senator from Tennessee has asked unanimous consent to reconsider the votes by which it was ordered to a third reading, read the third time, and passed, in order that he may offer an amendment.

Mr. McKELLAR. That is correct.

The VICE PRESIDENT. The Senator from Tennessee has sent up the amendment, and at the request of the Senator

from Oregon [Mr. McNARY] it has been read. Is there objection to the request of the Senator from Tennessee?

Mr. McNARY. Just a moment. I have forgotten the general purpose of the original bill. I desire to see just where the amendment fits into the text.

Mr. McKELLAR. Has the Senator the bill before him? The amendment is to subsection (b) of the bill.

Mr. McNARY. Briefly, what is the purpose of the bill?

Mr. McKELLAR. The bill authorizes cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests, and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes. It deals entirely with forestry.

On page 4, in section 2, appears the following paragraph, beginning on line 6:

(b) In order to insure a stable and efficient organization for the development and administration of the lands acquired under this act, the State shall provide for the employment of a State forester, who shall be a professionally trained forester of recognized standing, and of a State forest organization in which the personnel is technically qualified and employed, advanced, and retained upon the basis of merit. In the administration of this act preference will be given to those States which have provided by law for such employment on a merit basis.

Mr. KING. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. KING. I have no objection to the reconsideration of the votes by which the bill was ordered to a third reading and passed, and in fact I favor the reconsideration, and I have no objection to the amendment; but I shall object to the consideration of the bill at this time.

Mr. McKELLAR. I hope the Senator will not do that.

Mr. KING. I am opposed to the bill in its present form. I have no objection, however, to the motion of the Senator from Tennessee.

Mr. McKELLAR. Will the Senator allow the amendment to be adopted, and then let the bill stay in that condition? The amendment has been agreed upon by everyone who has had to do with the matter.

Mr. SMITH. Mr. President——

Mr. McNARY. Just a moment. I wish to have the Senator from Tennessee state what effect the amendment would have upon the text of the bill which the Senate passed.

Mr. McKELLAR. This section of the bill, as it is now, virtually provides that the Federal Government shall select all the State officers, and control them entirely. I think that matter should be left to the States, and so do those in charge of the bill, both in the House and in the Senate, because I have taken up the matter with them, and they said it was largely by inadvertence that that provision had been allowed to go through. It is a question of whether the States or the Federal Government shall have power to control the selection of these State officers.

Mr. FLETCHER. Mr. President, my information is that the Senator's amendment is entirely proper and in order, and I think it ought to be agreed to.

Mr. McKELLAR. I thank the Senator; and I ask the Senator from Utah to let it be done.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Tennessee to reconsider the votes by which the bill was ordered to a third reading and passed.

The motion to reconsider was agreed to.

The PRESIDENT pro tempore. The bill is now before the Senate. The Senator from Tennessee offers an amendment to the bill.

Mr. KING. I have no objection to the amendment being agreed to, but I do object to final action upon the bill at this time.

Mr. McKELLAR. Mr. President, I should like to make a brief statement concerning the bill. It was drafted by the foresters throughout the country and was passed unanimously after due consideration by the Agricultural Committee. It is a very important matter, one which should be attended to at the earliest possible moment. Anyone studying it can have no reasonable objection to the bill.

The PRESIDENT pro tempore. The amendment offered by the Senator from Tennessee will be stated.

The CHIEF CLERK. On page 4, line 6, it is proposed to strike out subsection (b), including lines 6 to 15, inclusive, and to insert in lieu thereof the following:

In order to insure a stable and efficient organization for the development and administration of the lands acquired under this act, the State shall, after the passage of this act, provide for the employment of a State forester, who shall be a trained forester of recognized standing.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. KING. So far as I am concerned the bill may be taken up a little later, but I object to its further consideration at this time.

Mr. McKELLAR. I will ask the Senator from Utah to permit the bill to come up a little later in the afternoon.

The PRESIDENT pro tempore. The Senator from Utah objects to the further consideration of the bill at this time. The bill will go to the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1426. An act providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade;

S. 1439. An act amending the postal laws to include as second-class matter religious periodicals publishing local information; and

S. 3192. An act to increase the limit of cost for the Department of Agriculture Extensible Building.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4450. An act to provide for the appraisal of the pneumatic mail tube systems in New York and Boston;

H. R. 8369. An act relating to laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service;

H. R. 8730. An act to provide special rates of postage on matter for the blind;

H. R. 8790. An act to amend section 6 of the act of February 28, 1925; and

H. R. 8869. An act to amend sections 181 and 186 of the Criminal Code.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 12. An act to amend the Packers and Stockyards Act;

S. 39. An act for the relief of the estate of William Bardel;

S. 170. An act for the relief of Alva A. Murphy;

S. 276. An act for the relief of Harry Layman;

S. 470. An act for the relief of the Hauser Construction Co.;

S. 556. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 659. An act for the relief of Walter J. Bryson Paving Co.;

S. 684. An act for the relief of Brown & Cunningham, of Port Deposit, Md.;

S. 685. An act for the relief of the Sanford & Brooks Co.;

S. 794. An act for the relief of the Bowers Southern Dredging Co.;

S. 908. An act for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

S. 928. An act for the relief of Rene Hooge;

S. 997. An act to provide for the establishment of a national monument on the site of Red Hill, estate of Patrick Henry;

S. 1347. An act for the relief of Robert J. Smith, alias William McClocklin;

S. 1359. An act for the relief of A. N. Ross;

S. 1633. An act to amend the Interstate Commerce Act, as amended;

S. 1781. An act for the relief of George Voeltz;

S. 1980. An act for the relief of Lewis Worthy and Dennis O. Penn;

S. 2169. An act for the relief of certain disbursing officers of the Army of the United States;

S. 2533. An act for the relief of the rightful heirs of Tiwastewin or Anna;

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928;

S. 2879. An act for the relief of Catherine Grace;

S. 2958. An act authorizing the Secretary of the Treasury to execute a quitclaim deed of certain land located in the village of Lyons, N. Y.; and

H. R. 6511. An act to amend the air mail laws and to authorize the extension of the air mail service.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Post Offices and Post Roads:

H. R. 4450. An act to provide for the appraisal of the pneumatic mail-tube systems in New York and Boston;

H. R. 8369. An act relating to laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service;

H. R. 8730. An act to provide special rates of postage on matter for the blind;

H. R. 8790. An act to amend section 6 of the act of February 28, 1925; and

H. R. 8869. An act to amend sections 181 and 186 of the Criminal Code.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

Mr. BORAH. Mr. President, may I ask the Senator from South Carolina the status of the conference report on the amendments to the Agricultural Adjustment Act, House bill 8492?

Mr. SMITH. The report is being acted upon by the House. There were two matters which had to go back for separate votes in the House. Therefore the papers had to go back.

Mr. BORAH. The report is not likely to come before the Senate today?

Mr. SMITH. No.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

Mr. WALSH. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3055, to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Massachusetts.

Mr. CLARK. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts desire recognition?

Mr. WALSH. I yield to the Senator from Missouri.

Mr. CLARK. I claim the floor in my own right in opposition to the motion of the Senator from Massachusetts.

The VICE PRESIDENT. The Senator from Missouri is recognized.

Mr. LEWIS. Mr. President——

Mr. CLARK. The Senator from Illinois states that he desires to make an address, and I yield the floor for that purpose. I shall ask recognition later.

The VICE PRESIDENT. The Senator from Illinois gave notice at the beginning of today's session that he desired to address the Senate on a resolution which he has had printed.

Mr. CLARK. I am very glad to yield to the Senator.

The VICE PRESIDENT. The Senator from Illinois is recognized.

TRADE TREATIES AS RELATED TO THE FOREIGN DEBTS AND FOREIGN NATION DEBTORS

Mr. LEWIS. Mr. President, yesterday we considered, and today we passed, a measure, the importance of which is generally conceded.

Among other observations indulged during the debate was the fear on the part of able and patriotic Senators as to foreign bondholders, the intimation having come in a spirit of fear that the measure might affect adversely the holders of the American bonds designated as "Liberty bonds", but particularly those held by the subjects of foreign countries.

Mr. President, I address myself to the resolution I have tendered, and which now lies upon the table. At this particular time I will not occupy the patience of the Senate beyond what the moment should permit.

The resolution I have tendered specifically invites the Senate to a consideration as to whether this Government should not deny its favor in the matter of trade treaties, trade privileges, and favored-nation advantages in the matter of trade to those nations who, in debt to the United States, refuse to pay their debt, decline to acknowledge it, and in no wise whatever associate themselves with any obligation, but denounce all who press for collection or adjustment of the debts—now exceeding $20,000,000,000—due the United States.

My attention is drawn to observations from an English source reaching us today, and I shall impose upon the Senate to read from them:

It is a pretty general opinion—

Says the publication, being an expression of one of the statesmen—

that never within memory, even of the mature, has American prestige and American influence been at a lower ebb on the Continent (of Europe) than at present. Yet Europe, meaning the nations inhabiting that continent, owe the United States a lot of money—some $20,000,000,000 in round figures, including ten billions of war debts, as against only one billion before the war. These debts Europe is unable to pay, and, moreover, so far as a large proportion of them is concerned, shows not the slightest inclination to attempt to pay, being far more concerned with other matters.

In business dealings and in private life, debtors owing a correspondingly heavy amount to a single creditor would be likely to be extremely courteous, kind, and considerate to that creditor. His lightest word would be listened to with respect and every possible effort would be made to demonstrate to him (especially if he had shown himself to be a considerate and forbearing creditor, as, on the whole, the United States has been) the affection and esteem in which he was held by the debtors generally. But not so in this case. In international affairs there can be noted an increasing tendency to forget at times that the United States exists at all. Nobody throws any bricks at our diplomats; they are ignored instead.

Continuing the observations from these sources:

The United States became the generous lender, and while the money flowed out Americans were fawned upon. The dollar became a symbol which made up for the American foreign policy which Europe had found so unreliable. Europe marveled at American mass production, American skyscrapers, American jazz, and tried to imitate them all. Americanization became the fashion.

Then came the crash. America, in European eyes, was revealed as merely a foolish lender not knowing what to do with money. When Americans developed a panic-stricken-collection complex it made a bad situation only worse. Depression itself had robbed America of much of the former glitter. When no more money was forthcoming the fawning ceased. Demand for repayment turned European love sour.

Mr. President, at this point I take the liberty to bring to the attention of the Senate that which merely refreshes the minds of some, that there is due us today an indebtedness of $630,768,827 of interest, the defaulting governments being Belgium, Czechoslovakia, Estonia, France, Great Britain, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia. I bring this to the attention of the Senate without reading the details. I trust my memory and gladly will accept a correction if error is disclosed.

In the meantime, the United States, in a spirit of generosity which has been heretofore unparalleled, of course, in the money loaned, extended the privilege of trade treaties; and, to my thinking, through our generosity and magnanimity fell into what I look upon as a very serious damage

to United States trade when we consider the welfare of America and her foreign and home commerce. We allow any one nation which has a treaty privilege or contract with us under the favored-nation clause immediately to enjoy for herself and all other nations with her all the privileges of the treaty, while promising nothing to the United States, in no wise advancing anything to us, and doing everything that a rival might do, within the privilege of rivalry, to defeat us in shipments to any port of the United States or from any ports of the world. By this course they overcome us in trade wherever such could be done by arrangement of compacts and contracts adverse to us or by the indulgence of trade to discriminate against us.

I draw attention to some figures. France, one of the principal debtors described in the communication I have just read from a foreign press, has lately made four specific trade treaties which concern us deeply. One is with Russia, which carries with it the direct contract that so long as the trade subjects—that is, material for sale—can be supplied by France to the full demand of the subject to serve Russia there is to be no trade in the same material partaken of elsewhere, the "elsewhere" meaning the United States of America. In this shrewd arrangement France is within her rights and to be commended for the single purpose of devotion to the interests of France.

In the meanwhile, sir, our debtor England closes a trade treaty with Germany by which it is agreed that in the commodities which it may be able to furnish Germany, and to the extent that it may provide them, it is to have the profit of a monopoly; that is, that no other competition is to be invited or accepted while it is in the power of England to serve this need or demands of Germany. The theory of this particular clause has for its object and purpose that the United States shall not be adopted as a rival or be permitted to participate as a competitor. In this England is but just to herself, and to be praised for foresight and devotion in behalf of the interests of England.

I bring these things to the attention of the Senate in order that it may be understood that these treaties are being made, fellow Senators, in behalf of our rival nations, while the same nations giving favors against us are drawing from us the special favor of the specific-treaties policy which we have undertaken as our commercial policy, and which these nations adverse to us are on the eve of wholly enjoying from us, if the subject matter as between themselves and ourselves now pending shall be closed in compact.

Mr. President, our debtor, Italy, finding uses for its money in other directions than paying the United States, has joined with Austria and Germany in a new form of trade arrangement by which Italy is to enjoy whatever she may offer these nations, in no wise purchasing the same commodities from any other—meaning the United States—while the other nations are to take from Italy that particular commodity which Italy can afford in that which comes from the earth, as well as from manufactories.

Mr. President, that, too, is being indulged while we are extending to this nation the favors suggested both to the other debtors and that which I have described as of the form of unilateral and bilateral arrangements in behalf of our rivals.

At this time, while I am speaking, Italy has made an application to American bankers for loans in the sum of vast hundreds of millions for such immediate uses as that wondrous government and eminent people may have immediate necessity of. These of our bankers are considering, as private undertakings, the advancement of more American money in a tripartite loan. France is to extend part, other nations a second part, and the United States the remaining demanded sum.

I am unable to suggest to my honorable colleagues any step whatever which the State Department of our Government has taken on the subject. I am conscious that under certain resolutions which have been adopted by this body, and are now prevailing in effect and tenor, loans to foreign nations from our people are to have first the consideration and then the assent of the State Department before being executed. I do not know if those particular resolutions and the former habit in that respect found necessary at the time are still prevailing. I only call attention to matters necessary to be considered from my point of view, pertinent today, as influenced from a very serious standpoint of the welfare of America.

Mr. President, three certain treaties have been entered into, and seven other treaties are now pending, emphasizing the situation I describe. And, sir, I deplore to say that in the seven treaties which are pending the nations which are now holding out hands for the favor we offer them in the meantime have contracted with our rivals for favors which would extract from us completely any opportunity, to say nothing of benefits, either of foreign or of domestic trade, under those treaties.

Sir, I now bring to your attention the query: Can it possibly be said to be ordinary justice that with these nations in debt to us from $11,000,000,000 to $12,000,000,000 of war debt now owing, with $680,000,000 in interest due which belongs to us today, refusing, as was seen by the document I read to the Senate, even acknowledgment of the obligation, and shunting every suggestion of payment upon the theory that the subject should be "forgotten", should now have from us the favor of these new treaties? I invite the notice of Senators, and I remind my eminent friend sitting near, the former Chairman of the Committee on Foreign Relations, the Senator from Idaho [Mr. BORAH], that he called to my attention only a short time ago, by inquiring from the floor of the Senate, the suggestion made by an eminent statesman from England of a proposed combination, if possible, with the United States of America for what he called the maintenance of peace, on the one hand, and the security of the lands of the world, upon the other, that with these two joining hands in a partnership of good will and brotherhood we should control the nations of the world in all matters of war, peace, and government.

Mr. President, yesterday and the day before it was published that Sir George Paish, a great English economist and financier, in behalf of England, made a public statement that what is necessary now for the peace of the world is to have an immediate understanding with the United States. "That this first called for the wiping out of the obligations, which are so called", and, leaving the subject where they can no longer be referred to as debts, and in this fashion to melt away the obstruction to what should be our present and permanent friendships.

Then at the same season said the eminent representative of France, speaking in a similar fashion and in a like atmosphere, that instead of America presenting the suggestion, taking the expression of the spokesman of France, of that country being in debt to America, let it be considered that a fair bookkeeping, if honestly and truthfully presented by America, will disclose that not only France owes America nothing, but by contrast with the figures of the debt which America owes France since the days of our loans in the Revolution, America will find herself a debtor to France, saying further that the duty of America is to summon this bookkeeping system, and see if she cannot discover and ascertain that there is no longer sense, much less justice, in intimating that there is any obligation resting on France in behalf of the United States.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LEWIS. I yield.

Mr. CLARK. What representative of France was it who made the remark to which the Senator has just referred?

Mr. LEWIS. I have no doubt, Mr. President, that my able friend the Senator from Missouri has seen that speech made in the French Chamber of Deputies. I shall allude to it more definitely in a moment, if I may be pardoned for not doing so now.

I invite attention now to the fact that the eminent French statesman then said, "Let America and France resume the relationship they had in previous days of the necessities of America, and then all will be well in the world." France and the United States, being sisters and brothers in the same religion of liberty, fraternity, and equality, and equality,

liberty, and fraternity—I trust I have the trinity correctly defined—will secure, sir, the permanence of friendship of nations and the security in the future for the world.

Mr. President, when I contemplate Sir George Paish, and his expression of wish, and then the expression of the Premier of England calling for an immediate arrangement with the United States, but, as a condition of such arrangement, that first the debt be wiped out to prove our good faith; then, sirs, the demand of the representative of France that we shall ignore the suggestion of any collection upon the theory that we are in debt to France, with the further announcement that France is willing to wipe it all out and no longer call these debtors, ourselves, to account, if we will cease as creditor making further demands upon her as a debtor, I am minded that I read in a newspaper of our Capital a homely incident occurring in family life. A little girl and a little boy approach their mother and say to the mother, "Mother, we are playing zoological garden." The mother says, "That is fine." "Yes," said one of the children, "I am to be the camel, and brother is to be the elephant. We want you in the circus." "What can I do?" asked the mother. "Well, you can be the lady who feeds the animals with nuts and candy." [Laughter.]

I cannot overlook the suggestion of these honorable statesmen when I think of that parallel unless I think of another which my eminent brother statesmen around me will recall in their classics, when a certain potentate of Roman ancient life offered to pay his debt to a foreign victor by tendering his wife as a gift. Yet, when there was some hesitancy as to accepting her—after she had been looked over by those who were asked to take her—he promptly tendered, as further good measure, his mother-in-law. [Laughter.]

Mr. President, I am moved to these considerations expressed by me when I see the tendency and spirit on the part of these eminent debtors not only not to pay but to place this country—our United States—in debt to them, and, little by little, and with multiplied by multiplied incident upon incident, hold us up before the world in such a manner that the new generations, knowing nothing of the facts of the past, may treat us as though it were we who were in debt to Europe, and not only that, but that we were a most ungracious and ungrateful debtor, not worthy of the further credit or favor of mankind.

I am opposed to my country's allowing these debtors longer to assume that we are, to use the words of the publication I read, "forgetting this debt", and that we are forgetting it in order that we may not be maintaining what one calls a "perfectly absurd conclusion."

Not only do I oppose the suggestion that the Government in power, or its honorable officials, for any reason whatever should ignore the debt; but I go one step further and demand that we very early serve notice in some appropriate form upon these debtors that this country will not negotiate with them or enter into a contract of treaty with them for trade privileges granting them the benefits and gratuities of our Nation while they are in this debt to the United States, refusing even to acknowledge the debt, much less to pay any sum upon it, principal or interest.

I feel, sir, that we have reached the day when this country must take some course respecting these debts looking to collection or adjustment. If not in quick action, the debtors will conclude that the United States feels that it benefits by ignoring the debt, and that the debt is being ignored as an inducement to these nations to enter with us into a trade treaty with which we give them all the advantages and suffer to ourselves, as I see it, all the burden.

Mr. President, at another time I shall bring before this honorable body the exact value, as given by the departments of government, of the anticipated trade under these existing treaties, or proposed treaties awaiting exchange. At present, sir, I rise to describe reasons for the resolution I shall at the proper time later tender to this honorable body for further consideration, in order, sir, that it may be expressed by this Chamber—the United States Senate—that it is the sense of the Senate, the representatives of the sovereign States of our country, that our Government shall no longer encourage the debtor to affront us, to continue to assail and insult the honor of our country, but, more than that, that we may impress and indent upon them our proper sense of resentment, and that we announce that we decline to extend the benefit of the favored-nation clause of treaty, or to enter into trade treaties which grant advantages to these nations, while they remain our debtors, and scorn us before the world, and scoff at us before civilization.

The hour has come, as I see it, sir, when an American administration will remain American, and an American Government will be for the American people.

I thank the Senate for allowing me to impose upon it at this moment.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The PRESIDENT pro tempore. The question is on the motion of the Senator from Massachusetts [Mr. WALSH].

Mr. BORAH. Mr. President, what is the motion?

Mr. WALSH. My motion is to take up Senate bill 3055.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, which had been reported from the Committee on Education and Labor with an amendment.

Mr. WALSH. I ask that the formal reading of the bill be dispensed with and that the Senate proceed to the consideration of the one committee amendment.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the committee amendment.

The LEGISLATIVE CLERK. It is proposed by the Committee on Education and Labor to strike out all after the enacting clause and in lieu thereof to insert the following:

That in connection with all or any purchases of or contracts for construction, articles, materials, supplies, equipment, or services, except professional services, made, extended, or modified on or after the effective date hereof, by any executive department, independent establishment, or other agency or instrumentality of the United States, by the District of Columbia, or by any corporation all the stock of which is beneficially owned by the United States (all the foregoing being hereinafter designated as "agencies of the United States"), there shall be required to be included in the proposal or contract a representation or agreement that all persons employed by the principal contractor in classes of employment described specifically or by reference in the invitation to bid, while engaged in the construction, or the production or furnishing of articles, materials, supplies, equipment, or services, in connection with, or which may be identified as part of the subject matter of, the purchase or contract have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto (subject, however, to any stays, exemptions, or exceptions theretofore issued or granted and then operative under Executive, administrative, or other applicable orders, rules, or regulations) approved pursuant to section 3 (a) and/or section 2 (b) of title I of the National Industrial Recovery Act approved June 16, 1933, purporting to apply to their respective trades or industries, or as were specified in the President's Reemployment Agreement or approved substitutions therefor, if any, where there were on May 26, 1935, no approved codes of fair competition for such trades or industries, and further that they will be paid not less than such minimum rates of pay and employed not to exceed such maximum hours as shall be designated specifically or by reference in the invitation to bid, and that no person under 16 years of age and no convict labor has been on or after the effective date hereof or will be employed by the principal contractor in the construction, or the production or furnishing of articles, materials, supplies, equipment, or services, in connection with, or which may be identified as part of the subject matter of, the purchase or contract.

SEC. 1–A. There shall also be included in every contract entered into pursuant to section 1 a covenant that the principal contractor will obtain from every subcontractor or supplier of such articles, materials, supplies, equipment, or services as may be identified as part of the subject matter of the principal contract, a written representation or agreement that all persons employed by such subcontractor or supplier in classes of employment described specifically or by reference in the invitation to bid issued by the agency of the United States, while engaged in carrying out the subcontract, or in the production or furnishing of articles, materials, supplies, equipment, or services, in connection with, or which may be identified as part of the subject matter of, the purchase or contract, have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto (subject, however, to any stays, exemptions, or exceptions

theretofore issued or granted and then operative under Executive, administrative, or other applicable orders, rules, or regulations), approved pursuant to section 3 (a) and/or section 2 (b) of title I of the National Industrial Recovery Act approved June 16, 1933, purporting to apply to their respective trades or industries, or as were specified in the President's Reemployment Agreement or approved substitutions therefor, if any, where there were on May 26, 1935, no approved codes of fair competition for such trades or industries, and that they will be paid not less than such minimum rates of pay and employed not to exceed such maximum hours of labor as shall be described specifically or by reference in such invitations to bid, and that no person under 16 years of age and no convict labor has been or after the effective date hereof will be employed by such subcontractor or supplier in the carrying out of the subcontract or in the production or furnishing of articles, materials, supplies, equipment, or services in connection with, or which may be identified as part of the subject matter of, the principal contract.

SEC. 2. In all or any contracts or agreements made, extended, or modified hereafter by agencies of the United States for a loan (including Federal Reserve bank industrial loans) or grant of funds or labor to any private person or corporation, there shall be included a representation or agreement that his or its employees engaged in the operations involving the expenditure of funds so loaned or granted or the use of such labor have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto (subject, however, to any stays, exemptions, or exceptions theretofore issued or granted and then operative under Executive, administrative, or other applicable orders, rules, or regulations), approved pursuant to section 3 (a) and/or section 2 (b) of title I of the National Industrial Recovery Act, approved June 16, 1933, purporting to apply to their respective trades or industries, or as were specified in the President's reemployment agreement or approved substitutions therefor, if any, where there were on May 26, 1935, no approved codes of fair competition for such trades or industries and that during the expenditure of the funds so loaned or granted or during the utilization of such labor they will be paid not less than the minimum rates of pay and employed not more than the maximum hours of labor as shall be specified in such contract for loan or grant and that no person under 16 years of age and no convict labor has been on or after the effective date hereof or will be employed in the carrying out of such operations or in the production or furnishing of articles, materials, supplies, equipment, or services in connection therewith; and a further covenant that the borrower or grantee will require a similar written representation or agreement from those with whom it contracts or from whom it makes purchases of articles, materials, supplies, equipment, or services in connection with the carrying out of projects or operations financed wholly or in part with the funds so loaned or granted or in connection with which such labor is used: *Provided*, That this section shall not apply to loans to financial institutions where the funds are commingled with the funds of the borrower and used for general business purposes.

SEC. 2–A. In all or any contracts or agreements made, extended, or modified hereafter, by agencies of the United States for the loan or grant of funds or labor to any State, Territory, possession, including subdivisions and agencies thereof, municipality, and the District of Columbia, there shall be included a representation or agreement by the borrower or grantee that it will require a representation or agreement from those with whom it contracts or from whom it makes purchases of articles, materials, supplies, equipment, or services in connection with the projects or operations financed or carried out wholly or in part with funds or labor so loaned or granted to it that all persons employed by them in classes of employment described specifically or by reference in the contract or agreement for the loan or grant by the United States or any agency thereof, while engaged in the carrying out of the projects or operations, or in the production or furnishing of articles, materials, supplies, equipment, or services which shall be used in connection therewith have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto (subject, however, to any stays, exemptions, or exceptions thereto issued or granted and then operative under Executive, administrative, or other applicable orders, rules, or regulations), approved pursuant to section 3 (a) and/or section 2 (b) of Title I of the National Industrial Recovery Act, approved June 16, 1933, purporting to apply to their respective trades or industries, or as were specified in the President's reemployment agreement or approved substitutions therefor, if any, where there were on May 26, 1935, no approved codes of fair competition for such trades or industries, and will be paid not less than such minimum rates of pay and employed not to exceed such maximum hours of labor as shall be designated specifically or by reference in such contract or agreement for loan or grant, and that no person under 16 years of age and no convict labor has been on or after the effective date hereof or will be employed by them in the carrying out of such projects or operations or in the production of articles, materials, or supplies or the furnishing of services in connection therewith: *Provided, however*, That where any borrower or grantee of funds or labor directly carries out the projects or operations wholly or in part with the funds or labor so loaned or granted to it, then, and in that event, all persons in classes of employment described specifically or by reference in the contract or agreement for the loan or grant, especially employed by the borrower or grantee to carry out such projects or operations, shall be paid not less than such minimum rates of pay and employed not to exceed such maximum hours of labor as shall be designated specifically or by reference in such contract or agreement for loan or grant, and no person under 16 years of age and no convict labor shall be employed in the carrying out of such projects or operations.

SEC. 2–B. There shall also be included in every contract or agreement for loan or grant entered into pursuant to sections 2 and 2–A a covenant that the principal contractor of the borrower or grantee will be required to obtain from every subcontractor or supplier of articles, materials, supplies, equipment, or services which may be identified as part of the subject matter of the principal contract, a written representation or agreement that all persons employed by such subcontractor or supplier in classes of employment described specifically or by reference in the contract or agreement for loan or grant while engaged in carrying out the subcontracts, or in the production or furnishing of articles, materials, supplies, equipment, or services in connection with, or which may be identified as part of the subject matter of, the principal contract, have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto (subject, however, to any stays, exemptions, or exceptions, theretofore issued or granted and then operative under Executive, administrative, or other applicable orders, rules, or regulations), approved pursuant to section 3 (a) and/or section 2 (b) of title I of the National Industrial Recovery Act approved June 16, 1933, purporting to apply to their respective trades or industries, or as were specified in the President's reemployment agreement or approved substitutions therefor, if any, where there were on May 26, 1935, no approved codes of fair competition for such trades or industries, and will be paid not less than such minimum rates of pay and employed not to exceed such maximum hours of labor as shall be designated specifically or by reference in such contract or agreement for loan or grant, and that no person under 16 years of age and no convict labor has been on or after the effective date hereof or will be employed by such subcontractor or supplier in carrying out the subcontract or in the production or furnishing of articles, materials, supplies, equipment, or services as may be identified as part of the subject matter of the principal contract.

SEC. 3. Every representation or agreement made pursuant to the provisions of this act by a principal contractor, borrower, grantee, subcontractor, or supplier, shall provide:

(1) That any breach or violation thereof shall render the party responsible therefor liable to the United States as and for liquidated damages in—

(a) a sum equal to twice the difference between the amount required to be paid to employees, including the amount required to be paid for overtime in excess of the maximum hours designated in the invitation for bids, and the amount actually paid;

(b) the sum of $10 per day with respect to each person under 16 years of age employed in violation of any representation or agreement.

(2) That the exaction or acceptance of any refunds ("kickbacks") of wages in any form whatsoever, from employees shall render the party exacting or accepting same liable to the United States as and for liquidated damages in a sum equal to five times the amount of such refund: *Provided*, That allowance shall be made for any penalty imposed on account of the same act or transaction and collected under any other act of Congress;

(3) That any breach or violation thereof shall entitle the other contracting party to cancel the contract with respect to which the representation or agreement is made, and to make open-market purchases or have the work completed, charging any additional cost to the party responsible for the breach or violation;

(4) That the principal contractor shall, if directed by the contracting officer upon the recommendation of the President, cancel any subcontract for a breach by the subcontractor of his written representation or agreement, and failure on the part of the principal contractor so to cancel shall subject his contract to cancelation;

(5) That the representatives of any agency charged with the administration of this act may enter upon the premises of any borrower, grantee, contractor, subcontractor, or supplier for the purpose of obtaining information necessary for the administration of the provisions of this act and that the borrower, grantee, contractor, subcontractor, or supplier will furnish upon request, duly authenticated or certified copies of his pay roll and such other relevant records as may be requested by any duly authorized representative of any agency charged with administration of this act.

SEC. 4. Any sums due to the United States by virtue of the foregoing section if not withheld from any amounts due upon any contracts may be recovered in suits brought in the name of the United States by the Attorney General. Sums withheld or recovered shall be held in a special deposit account, and shall be applied, on order of the President, to payment of deficiency in wages to employees who have been paid less than the minimum rates of pay and on account of whose services such sums were withheld or recovered: *Provided*, That no claims by employees for such payments shall be entertained unless made within 1 year from the date of the notification to the supplier or contractor of the withholding or recovery by the United States of such sums: *Provided, however*, That nothing herein contained shall authorize or permit any such claims to be prosecuted against the United States or any agency thereof, at law

or otherwise, to obtain or recover any funds which are collected, collectible, deducted, or deductible under the provisions of this act.

SEC. 5. Upon his own motion, or on complaint of a breach or violation of a representation, agreement, or covenant made as herein provided, the President shall have the power to hold hearings and to issue orders requiring the attendance and testimony of witnesses and the production of evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy, failure, or refusal by any person to obey such an order, any district court of the United States or of any Territory or possession, or the Supreme Court of the District of Columbia, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which said person who is guilty of contumacy, failure, or refusal is found, or resides or transacts business, upon the application by the President, shall have jurisdiction to issue to such person an order requiring such person to appear before the President, to produce evidence if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof; and the President shall have the power to make findings of fact after notice and hearing, which findings shall be conclusive upon all agencies of the United States, and if supported by evidence, shall be conclusive upon review by the courts, and the President shall have the power, and is hereby authorized, to make such decisions based upon findings of fact as are deemed to be necessary to enforce the provisions of this act.

SEC. 6. The President may make exceptions in specific cases or otherwise under the provisions of this act whenever such action shall be recommended by an agency of the United States and when justice or public interest will be served thereby and upon the joint recommendation of the governmental agency and the contractor may modify the terms of an existing contract respecting minimum rates of pay and maximum hours of labor as may be found necessary and proper in the public interest or to prevent injustice or undue hardship and the President may provide reasonable limitations and may make rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this act on the extent of the application of this act to contractors, subcontractors, suppliers, borrowers, or grantees as hereinbefore described.

SEC. 7. Any bid or proposal received by an agency of the United States may be rejected when it has been previously determined pursuant to the provisions of this act that the person submitting the same has previously breached any of the covenants required by this act and that the acceptance of such bid or proposal would not be in the public interest.

SEC. 8. The specific minimum wages and maximum hours specified or referred to in any invitation to bid or contract or agreement for loan or grant shall be determined by the President: *Provided, however,* That minimum wages and maximum hours fixed under this act shall be such as are fair and reasonable taking into account the following primary standards:

(a) The cost of living;

(b) The standards for the same class of labor in the same trade or industry in the same locality;

(c) The standards in effect for such class of labor during the year 1934; and

(d) The minimum rates of pay and maximum hours of labor specified in the applicable codes of fair competition and approved amendments thereto, if any, approved pursuant to section 3 (a) and/or section 2 (b) of title I of the National Industrial Recovery Act approved June 16, 1933, purporting to apply to the respective trades or industries, or where there were on May 26, 1935, no approved codes of fair competition for such trades or industries, then those minimum rates of pay and maximum hours specified in the President's reemployment agreement or approved substitutions therefor, if any: *Provided further,* That the President shall set a rate for any overtime in excess of the maximum hours designated in the specification or invitation to bid.

SEC. 9. (a) This act shall take effect 30 days after its approval: *Provided, however,* That—

(b) Where permitted by the terms of such contracts, this act shall be applicable to contracts entered into prior to its effective date: *Provided,* That in such cases the requirements as to the minimum rates of pay, maximum hours of labor, and minimum age of employees shall be those prescribed therefor in accordance with the foregoing provisions of this act, whether such requirements are prescribed before or after such contract was entered into: *Provided further,* That such contracts shall be subject to modification as to compensation upon proof by the contractor of excess cost occasioned solely by compliance with such requirements.

(c) Where proposals have been invited prior to the effective date of this act and bids are submitted thereon containing no provisions with respect to requirements as to minimum rates of pay, maximum hours of labor, or minimum age of employees, contracts may be executed according to such proposals.

(d) Where proposals have been invited prior to the effective date of this act, no bid submitted in response thereto, if otherwise valid and acceptable, shall be rejected because made subject to the provisions of any code or codes of fair competition or the President's reemployment agreement or applicable approved substitutions therefor, if any, or any related requirements prescribed by Executive Order No. 6246 of August 10, 1933, as modified by Executive Order No. 6646 of March 14, 1934, if the bidder, with the assent of his surety shall agree in writing that the contract, if entered into, shall, in lieu of said code provisions or other related requirements prescribed by said Executive orders, be subject to the provisions of this act in the same manner and to the same extent as contracts made subject thereto by the provisions of this act: *Provided,* That in such cases the compensation to be provided for in the contract shall be reduced or increased from that stated in such bid in the amount and to the extent that the contracting officer shall find the cost of performing the contract will be reduced or increased solely by reason of compliance by the contractor, subcontractor, or supplier with the requirements of such substituted provisions.

(e) Where proposals have been invited prior to the effective date of this act and all bids submitted in response thereto have been rejected for the sole reason that same were made subject to the provisions of any code or codes of fair competition and amendments thereto, if any, or the President's reemployment agreement or applicable approved substitutions therefor, if any, or any related requirements prescribed by Executive Order No. 6246, of August 10, 1933, as modified by Executive Order No. 6646, of March 14, 1934, and no invitation for further bids has been issued, if the bidder, whose bid would otherwise have been accepted, with the assent of his surety, shall agree in writing that the contract, if entered into, shall be subject to the provisions of this act in the same manner and to the same extent as contracts made subject thereto by the provisions of this act, contracts may, in the discretion of the officer or officers otherwise authorized to accept the bid, be executed according to such proposals: *Provided,* That in such cases the compensation to be provided for in the contract shall be reduced or increased from that stated in such bid in the amount and to the extent that the contracting officer shall find the cost of performing the contract will be reduced or increased solely by reason of compliance by the contractor with the requirements of such substituted provisions.

SEC. 10. The provisions of this act shall apply to governmental agencies in competition with private enterprise for contracts described in this act.

SEC. 11. The provisions of this act shall be carried out under the direction of the President and in accordance with such orders, rules, and regulations as he may issue for that purpose. The President is hereby authorized to establish such agency or agencies and to appoint, subject to the provisions of the civil-service laws, such officers and employees, and without regard to the civil-service laws semijudicial and administrative officers, attorneys, and examiners, and to utilize such Federal officers and employees, and, with the consent of the State, such State and local officers and employees as he may find necessary; to prescribe their authorities, duties, responsibilities, and tenure; and, in accordance with provisions of the Classification Act of 1923, as amended, to fix the compensation of any officers and employees so appointed. The President may authorize any of his functions under this act to be performed by any agency or agencies now existing or hereafter established within the Government. The President, or any member of any board, or any individual upon whom is delegated under section 11 the authority to administer this section of this act, and any examiner duly authorized by such board or individual is authorized to administer oaths to such witnesses. The funds appropriated and made available pursuant to section 220 of the National Industrial Recovery Act by the fourth deficiency act, fiscal year 1933, and by the Emergency Relief Appropriation Act of 1935, are hereby made available for the expenses of administration of this act.

SEC. 12. The provisions of this act shall not be construed to modify or amend title III of the act entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved May 3, 1933 (commonly known as the "Buy American Act"), nor shall the provisions of this act be construed as authorizing the payment of wages below the standards required by "An act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes", approved March 3, 1931 (commonly known as the "Bacon-Davis Act"), as amended from time to time, with respect to contracts which are also within the provisions of such act as amended from time to time, nor the wage and hour provisions of title II of the National Industrial Recovery Act approved June 16, 1933, as extended.

SEPARABILITY CLAUSE

SEC. 13. If any provision of this act, or the application thereof to any persons or circumstances, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Brown	Byrnes
Ashurst	Barkley	Bulkley	Capper
Austin	Black	Bulow	Caraway
Bachman	Bone	Burke	Carey
Bailey	Borah	Byrd	Chavez

Clark	Hatch	Murphy	Shipstead
Connally	Hayden	Murray	Smith
Copeland	Johnson	Neely	Steiwer
Costigan	King	Norbeck	Thomas, Okla.
Davis	La Follette	Norris	Thomas, Utah
Dieterich	Lewis	Nye	Townsend
Duffy	Logan	O'Mahoney	Trammell
Fletcher	Lonergan	Overton	Tydings
Frazier	McAdoo	Pittman	Vandenberg
George	McCarran	Pope	Van Nuys
Gerry	McGill	Radcliffe	Wagner
Gibson	McKellar	Reynolds	Walsh
Glass	McNary	Robinson	Wheeler
Gore	Maloney	Russell	White
Guffey	Metcalf	Schall	
Hale	Minton	Schwellenbach	
Harrison	Moore	Sheppard	

The PRESIDENT pro tempore. Eighty-five Senators have answered to their names. A quorum is present.

Mr. WALSH. Mr. President, if I may have the attention of the Senate, I think in a very brief time I can explain the provisions of this bill.

First of all, this measure deals only with those who seek contractual relations with the Government. It deals with the subject of what, if any, minimum labor conditions we will impose on those who seek to take money out of the Public Treasury by means of contracts for construction, purchases of supplies, and loans or grants. It has no more to do with the N. R. A. than has the measure which the Senate just passed, though, apparently, efforts have been made by some of the opposition to connect it with the N. R. A.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WALSH. I will be very glad to yield to the Senator after I shall have first made a general statement. Then I will be very happy to answer all questions.

If Henry Ford should announce tomorrow that 30 days after this date he would make no contracts and purchase no supplies from anyone except those who agreed to four labor conditions—namely, no child labor, no convict labor, a provision as to maximum hours per week, and a provision as to minimum wages—he would be hailed as the greatest philanthropist and the greatest industrialist in the world. All this bill does is to substitute for Henry Ford, in such an imaginary case, the United States Government. Generally speaking, that is all there is to the bill. When the Government undertakes to make contracts for the purchase of supplies or construction, the bill provides that it shall condition such contracts upon certain definite terms, four in number—a minimum wage, maximum hours of labor, no child labor, and no convict labor.

We hear much about social justice. I wonder what each Senator's definition is of social justice. One distinguished clergyman, who speaks repeatedly over the radio, has announced his program of reform to be based on what he calls "social justice." As I understand it, social justice is that virtue in each of us which seeks to help and protect the weak and those without economic security, to insure the worker against extortion, against undue hardship, against unfair treatment, and to safeguard his right to have a fair share of the profits accruing from the sale of the articles in the manufacture of which he is employed, and to apply so far as possible the principles of natural justice.

This is a social justice measure. It seeks to preserve for the workers of the country, at least in the case of Government contracts, a standard which all employers and employees agreed was reasonable until the decision in the Schechter case.

Now let us see whether we are practical when we speak about social justice. Where are we to begin except with the Government itself? Must we wait for Henry Ford or the United States Steel Corporation to establish the standard, or shall the Government in its business relations, in the contracts it makes, in the businesses which it carries on, maintain these conditions as just and reasonable labor standards? That is the issue presented by the bill.

I know it will be said—and very properly, and Henry Ford would have to say the same thing—that, of course, especially with respect to imported articles, these standards in every detail and every particular cannot be maintained. Of course, under such conditions Henry Ford could not, as the Government could not, maintain them. That is why this bill provides exceptions to be granted, in the discretion of the President, in those cases where it may be impracticable and impossible to maintain these standards.

Briefly, the bill requires that when the Government undertakes to ask for bids for supplies and materials, it shall set forth in writing certain terms or conditions respecting labor, and that the lowest bidder who agrees to live up to such terms in the manufacturing processes will be awarded the contract. Under the present law the "chisler" who submits the lowest bid is awarded the contract. Thus under these existing conditions, the man who pays the lowest minimum wage and who works his employees the longest receives the Government contract and is paid the people's money in the Public Treasury.

It ought not to be necessary to say another word about a measure of this kind. Having made that preliminary statement, I am prepared now to answer any questions.

Mr. CLARK and Mr. NORRIS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. WALSH. I yield first to the Senator from Missouri.

Mr. CLARK. The Senator says this bill has nothing to do with the N. R. A. How does he explain the fact that in every section of the bill there is a provision that the codes as of May 26, 1935, shall be absolutely observed?

Mr. WALSH. I shall be happy to answer the question.

Mr. CLARK. If the bill has no connection with the N. R. A., I should be very glad to have the Senator explain, under any construction of the English language he pleases, the provisions of the bill to which I have referred.

Mr. WALSH. Very well; I shall gladly reply to the Senator. The provisions as to maximum hours of labor which were set up by the codes were established by joint agreement of the employees or representatives of the employees and the employers in a particular industry. The same thing is true as to minimum wages. What better basis could there be to fix minimum wages and maximum hours than the standards which have already been agreed to by employers and employees?

Mr. CLARK. Mr. President, if the Senator from Massachusetts will yield further, he knows, if he attended the sessions of the Finance Committee when they were investigating the N. R. A., that there were many instances in code after code where the code had been formed by a small group of employers, in some cases assisted by a small group of labor leaders, who rushed in to set up a code and to impose it on the entire industry.

There were some very grave injustices, as I think anybody who has made any study whatever of the N. R. A. will recognize, in some of the codes, even in the provisions as to minimum wages and maximum hours, having to do with geographical sections, the cost of living in various sections, and other matters in very grave dispute, at the time the Supreme Court came along and outlawed the N. R. A. The bill which the Senator now proposes——

Mr. WALSH. Will the Senator permit me to answer his question.

Mr. CLARK. If the Senator will permit me to propound it, I shall be glad to refrain from any further observations until I take the floor in my own right. It seems to me the bill now before us is simply designed to freeze as of May 26, 1935, every code provision declared unlawful by the Supreme Court of the United States.

Mr. WALSH. The Senator has made a very proper inquiry, which I knew would be propounded and which ought to be propounded and answered.

I attended the Senate Finance Committee hearings and heard the testimony in connection with the investigation of N. R. A. It is my recollection that of all the witnesses who came before that committee not one of them protested against the minimum wage, maximum hours, and the child-labor provisions.

Mr. CLARK. That is not my recollection. I cannot now call the names of the various witnesses who appeared, but certainly there was some very great dispute as to the geo-

graphical zones set up by the N. R. A. having to do with the difference in living conditions in various sections of the country.

Mr. WALSH. Will the Senator permit me to state what was complained of, and I will ask the Senator from Kentucky [Mr. BARKLEY] to verify what I say, as he is also a member of the committee. I wish to state what I understood to be the complaint of those who appeared against the N. R. A. in that investigation. These provisions of the N. R. A. are not in this bill, not a scintilla of them, not a mention of them.

First, there was the complaint that the N. R. A. resulted in the fixing of prices and that open price fixing was permitted. Next, the claim was made that the operations of the N. R. A. suspended the antitrust laws. Next, the claim was made of unfair practices which had been set up under the codes. Next, the claim was made that powerful groups of a particular industry dominated the making of the code and the selection of the code authorities. Objection was made to the assessments levied. Objection was made to alleged discriminations on the part of the code authorities in punishing or failing to punish violators of the code provisions. Objection was made on the part of certain industries to the filing of certain information whch they considered trade secrets.

All these things were objected to, and I sympathized with some of the objections. But that is an entirely different proposition from that which is found in the provisions of the bill. That is why I say the N. R. A. is not in the bill.

In the bill are provisions for maintaining some of the minimum labor requirements which the N. R. A. set up—to preserve the labor gains under N. R. A. and to end the present paradoxical and unfair situation in which the Government, on the one hand, urges employers to maintain and uphold fair wage standards, and, on the other hand, gives vast orders for supplies and construction to the lowest bidder, often a contractor or manufacturer who does not sympathize with and fights hardest against labor and social-welfare policies.

Mr. CLARK. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. POPE in the chair). Does the Senator from Massachusetts yield to the Senator from Missouri?

Mr. WALSH. I yield.

Mr. CLARK. The Senator must very well recall the fact that there was repeated and extended testimony before the committee to the effect that some particular group had come in and established a code, and brought in under the operation of the code other industries, as to which there was a very strong contention made that they ought not be under the jurisdiction of the code authority, which had set up or undertaken to set up minimum-wage and maximum-hour requirements which could only operate under the existing industrial conditions to the advantage of one section of the country and against another section of the country.

That was particularly true in the case of the lumber code, in the case of the garment code, and that was a subject upon which the committee put in at least 2 or 3 weeks of dispute. Serious complaint was made that insiders would come in and assume to regulate what was being done in unconnected industries.

Mr. WALSH. Is there anything in the bill now before us allowing members of an industry to meet together and fix a minimum wage or maximum hours?

Mr. CLARK. No; it is not in the bill, but there is a freezing of the code provisions as of May 26, 1935, which would perpetuate those provisions. The proposal of the administration was for a continuance of the N. R. A. for 2 years, frankly admitting it was still an experiment. The bill now before us establishes in perpetuity every inequality, every unfairness of any code as of May 26, 1935.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Kentucky?

Mr. WALSH. I yield.

Mr. BARKLEY. I wish to say I was present at practically the entire hearings before the Finance Committee on the N. R. A., with the exception of 1 or 2 days at the beginning. My recollection coincides with that of the Senator from Massachusetts. The burden of complaint was that the antitrust laws were suspended; that groups on the inside of business associations had gotten together to make the codes, without fair representation from all the industries; but I do not recall a single witness who appeared to complain against the N. R. A. as a whole who did not say that he was in favor of maintaining the wage scales, the minimum hours of labor, and the prohibition against child labor. There were one or two witnesses who complained about some differential between geographical sections as to the minimum wage scale.

Mr. CLARK. On that point, all the provisions would be frozen as of May 26, 1935.

Mr. WALSH. The Senator is mistaken.

Mr. BARKLEY. The minimum of objection by all the witnesses who appeared before the Finance Committee was with respect to every provision covered in this bill.

Mr. WALSH. I ask the Senator if it was not almost unanimously stated by every industrialist who appeared before the Finance Committee, "I have no objection to the labor provisions of the N. R. A. codes"?

Mr. BARKLEY. Absolutely.

Mr. WALSH. That statement prefaced almost every speech which was made with reference to their views on the N. R. A.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Wyoming?

Mr. WALSH. I yield.

Mr. O'MAHONEY. Do I understand the Senator to say that this bill makes no reference to any provisions of any code except those provisions having to do with wages and hours of labor?

Mr. WALSH. Not as the Senator from Missouri [Mr. CLARK] has stated. Let me read section 8, which states what the President must take into consideration—not the codes alone, but the codes in part, because they are a declaration by employees and employers of what ought to be in a particular industry a reasonable minimum wage and maximum hour provision.

Mr. O'MAHONEY. So there is no freezing of the codes?

Mr. WALSH. Of course not. Here is what the President must take into consideration. Section 8 provides that—

> The specific minimum wages and maximum hours specified or referred to in any invitation to bid or contract or agreement for loan or grant shall be determined by the President: *Provided, however*, That minimum wages and maximum hours fixed under this act shall be such as are fair and reasonable, taking into account the following primary standards:
>
> (a) The cost of living.
>
> (b) The standards for the same class of labor in the same trade or industry in the same locality.

That would seem to meet every objection the Senator from Missouri raises.

Mr. CLARK. Where does the Senator find that language in the bill?

Mr. WALSH. In section 8, on page 18.

I continue reading:

> (c) The standards in effect for such class of labor during the year 1934; and
>
> (d) The minimum rates of pay and maximum hours of labor specified in the applicable codes of fair competition * * * of the National Industrial Recovery Act approved June 16, 1933.

In other words, he must take into account these four conditions, including the codes. Very properly, the codes are included, because they are the one bit of information we have in which there has been an agreement by employees and employers as to what was fair. It would be a mistake to ignore that judgment which has been registered by employees and employers.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. WALSH. I yield.

Mr. CLARK. How does the Senator explain, when he says there is no freezing, the language in section 1 (a), on page 6 of the bill, that—

There shall also be included in every contract entered into pursuant to section 1 a covenant that the principal contractor will obtain from every subcontractor or supplier of such articles, materials, supplies, equipment, or services—

Which makes the principal contractor liable for any malfeasance under the law of the subcontractor—

as may be identified as part of the subject matter of the principal contract * * * have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto.

Does not that set up the codes as of May 26, 1935?

Mr. WALSH. First of all, it is only fair to those who are going to submit bids for supplies to the Government, or who wish to borrow money of the Government, to fix the time when these standards are to be required. The committee agreed upon, and the bill contains, a provision that those standards shall apply at a certain time, and the bill gives notice to the country that those conditions shall not be incorporated in any request for bids until 30 days after the passage of this bill. In other words, 30 days after the effective date of the act notice in given everybody that, no matter how he may have chiseled in the past, no matter how he may have broken down prevailing labor standards, and no matter what he did after the Supreme Court decision, in the future he must comply with certain labor standards. We now say to him, "If you are going to do business with the Government 30 days after this date certain labor conditions are going to be required in our contractual relations. The money which is to come out of the Public Treasury is not going to those who chisel on labor. It is not going to those who are exploiting and bearing down on labor, but we are going to insist that these standards be maintained"; and if the States are not willing to pass such laws, it is our duty to insist that these standards shall be maintained at least as to money loaned or granted them out of the Federal Treasury.

Therefore, from 30 days after its enactment this bill will freeze, to a certain degree—not as far as many would like to go—the conditions contained in it applying to Government loans and Government contracts.

Mr. COSTIGAN and Mr. CLARK addressed the Chair.

Mr. WALSH. One moment. A person, after the effective date of this act, may run his mill as he sees fit, if he seeks no Government money. He may say, "I am not going to comply with these conditions. I do not want any Government business." The Government replies, "All right; work your people 60 hours a week if you wish, if the State law permits it. Have no minimum wage. We do not care; but if you desire to contract with the Government for the construction of buildings, to take millions of dollars out of the Public Treasury to supply us with woolen goods to clothe our soldiers, with the shoes and the hosiery they are to wear, with the food they are to eat, you must comply with the conditions imposed in this bill."

I yield to the Senator from Colorado.

Mr. COSTIGAN. Mr. President, does the measure of the able Senator from Massachusetts apply to all Federal contracts?

Mr. WALSH. Yes, sir.

Mr. COSTIGAN. Does it include the purchase of materials for construction in Government shipyards and other Government construction plants?

Mr. WALSH. It does.

Mr. CLARK. Mr. President——

Mr. WALSH. There is a provision, section 6, which I ought to read, because, of course, it is impossible to conceive of these terms being administratively operative at all times and under all circumstances. For instance, in the Government's purchase of coffee, which is imported, these terms could not be complied with. So exceptions are provided for.

Let me read section 6, because, I will say to the Senator from Colorado, that section takes care of such inconsistencies as may arise, for instance, in the case of Government shipyards, where I believe the men are employed 40 hours a week, while in private shipyards they are employed 36 hours a week. Those inconsistencies which may arise are all taken care of in section 6:

The President may make exceptions in specific cases or otherwise under the provisions of this act whenever such action shall be recommended by an agency of the United States—

That is, some department which wishes to make a contract—

and when justice or public interest will be served thereby and upon the joint recommendation of the governmental agency and the contractor, may modify the terms of an existing contract respecting minimum rates of pay and maximum hours of labor as may be found necessary and proper in the public interest or to prevent injustice or undue hardship, and the President may provide reasonable limitations and may make rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this act on the extent of the application of this act to contractors, subcontractors, suppliers, borrowers, or grantees as hereinbefore described.

That section is for the purpose of meeting conditions in cases where it would be impossible for a contractor in every detail to comply with these minimum labor conditions.

I now yield to the Senator from Missouri.

Mr. CLARK. Mr. President, I only desire to say that to my mind that section makes the bill very much worse, because it simply provides that any bureaucrat in the N. R. A. or some other Government bureau may get together with a contractor in some particular case and exempt him from the operations of the general law. If we are to have such a law as this, I think it ought to be uniform.

Mr. WALSH. That is an objection we anticipated and which is taken care of by the bill. No contract may be interfered with by the President or anybody else without a recommendation from some department of the Government, without a hearing, without evidence being taken, without a finding by the President or the agency he designates, and without the right to go to court. Does that answer the Senator's objection?

Mr. CLARK. No; that does not answer the objection at all.

Mr. WALSH. There must be somebody to administer laws. We cannot do it. We must delegate to somebody power to administer this law, to see whether or not its terms are complied with. Whom will we have do it? Will we have the President do it, or will we set up a board by which it may be done, or will we sit here and do it ourselves? If we are going to require that these conditions must be complied with, somebody, somewhere, will have to see that they are respected. The reason for the break-down of the Bacon-Davis law was that no provision was made for its enforcement.

Mr. CLARK. As the Senator knows, I have always been opposed to the Congress writing blank checks to the executive departments to fill out as they may please. The suggestion the Senator has just made is a fundamental one with me, and goes to the basis of a great many measures which have been proposed, not only in this administration but in previous administrations; but that does not answer what I started to suggest to the Senator.

Under section 2 of the bill, a lot of new requirements are to be made as a condition of the renewal, modification, or extension of any loan which may have been made to any concern in the United States by any Federal agency, including the Federal Reserve System and the Reconstruction Finance Corporation. The Senator says the bill applies only to persons who seek contractual relations with the United States Government. Of course, he realizes that under this section the statement is entirely untrue.

Mr. WALSH. Does not a man who borrows money from the United States Government contract with the Government? Is not that a contractual relationship?

Mr. CLARK. Yes.

Mr. WALSH. Then in what particular is my statement untrue?

Mr. CLARK. I shall be glad to answer the Senator if he will give me a chance.

Mr. WALSH. Is contracting for a loan any different from obtaining a contract for goods?

I will let the Senator answer the question.

Mr. CLARK. Take the case of a contractor who at the present time has a loan from the United States Government. He may have complied with every condition of the codes, despite their unfairness or their notoriety on May 26, 1935. His loan expires, and he comes back to renew it. Although his competitor in the meantime may have set up practices which make it entirely impossible for the contractor to comply with the conditions of the code, when he comes in to renew his loan or to extend his loan he is faced with the proposition, "You will either have to comply with these conditions and meet this competition or else we shall have to take over your business"; and he will be forced to say, "Well, the Government will just have to take over my business."

Mr. WALSH. That objection also has been foreseen. Let me answer it, but first let me understand the Senator's position. He is for minimum wage, maximum hours, no child labor, no convict labor on Government contracts. Is that correct?

Mr. CLARK. I will say to the Senator——

Mr. WALSH. All right; the Senator is for those things.

Mr. CLARK. Wait a moment, Mr. President.

Mr. WALSH. But the Senator is against the President, or any other officer, administering the law. That is his position. He is against the President or any bureaucrat administering the law. He is for a law but against its being administered.

Mr. CLARK. I will state my position if the Senator will give me an opportunity.

Mr. WALSH. I understand the Senator.

Why should we be so careful and tender about persons who are borrowing money from the United States Government? Is it not a favor and a privilege to borrow the people's money to carry on business? Why must we be so considerate as to say, "You shall be exempt from minimum-wage and maximum-hour provisions. If you come and borrow money, rather than furnish supplies, you may do as you please"?

So, to be consistent, to be certain that the man who contracts to furnish goods and supplies shall comply with the same terms as the man who contracts for a loan, when he uses that money for the purposes of production, it is provided that they must comply with the same terms. The committee gave that matter a great deal of consideration, and could reach no other sound conclusion than that if we should take any other position we should be loaning money to all the industries of the country to go out and violate all these provisions. Therefore, when a man comes and asks for a loan from the Government, we say, "You must comply with these conditions."

Borrowing money from the Government and selling supplies to the Government are privileges. They are profit-making enterprises. They are indulging in a legitimate and proper course of business; but the Government has the right to say, "If you are going to borrow money, you must, in carrying on your industry"—and the bill applies only to industry—"maintain these conditions."

Mr. CLARK. Mr. President——

Mr. WALSH. Let me finish. Let me add this question: Why be so tender? Why be so careful? Everyone who borrowed from the Government, up to the decision of the Schechter case, had to agree with the Reconstruction Finance Corporation that he would comply with the codes; so there is no hardship to those who now seek extensions of their loans or apply for new loans. They have already agreed to such provisions. When they come for renewals of their loans, and have abandoned their good labor standards, some would say, "Oh, well, we will exempt you. We will not now make these conditions apply to you. Formerly, when we had reasonable standards that were agreed upon, you were willing to comply with them, but now you may go and maintain any standards you desire."

No. A man who borrows money to carry on industry in this country ought to be obligated to meet these minimum labor conditions or standards, if we intend to try to lift up and maintain decent working conditions in this country. The Senator well knows that ever since the Schechter case there has been a race to push down wages, to increase hours of labor, here and there; and it seems to me it is our bounden duty to do what is here proposed, in view of the universal sentiment in the country that under the labor provisions of the N. R. A. we had attempted a humane and a splendid piece of social justice.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WALSH. I am for this bill. Realizing all the things that the Senator from Missouri found fault with in the N. R. A., some of which I agreed to, I am for this bill because I sincerely believe it to be one of the best moves in the way of social justice upon the part of our Government that have been undertaken during this session of the Congress, to give those who work on Government contracts an opportunity to enjoy as reasonably fair and high standards of working conditions as are possible.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. BARKLEY. My recollection is that all the witnesses who appeared before the Finance Committee to make complaints of one kind and another against the administration of the National Recovery Act, with possibly one exception—I do not recall that there was any exception, but there is a possibility that there was one—substantially every witness insisted that whatever we might do with respect to that subject we ought to preserve the good things which had been developed as a result of the N. R. A. This bill is an effort to do that.

Mr. WALSH. Exactly; in the only legal field which is left to us in which to do it.

Mr. BARKLEY. Yes; in the field where the Government may fix the conditions under which it will contract for and purchase supplies from those who manufacture them.

Mr. WALSH. Are there any other questions? If not, I yield the floor for the present.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Austin	Copeland	Logan	Robinson
Bachman	Costigan	Lonergan	Russell
Bankhead	Davis	McGill	Schall
Barkley	Duffy	McKellar	Schwellenbach
Bone	Fletcher	McNary	Sheppard
Borah	Frazier	Maloney	Shipstead
Brown	George	Minton	Smith
Bulkley	Gibson	Moore	Steiwer
Bulow	Glass	Murphy	Thomas, Okla.
Burke	Gore	Murray	Thomas, Utah
Byrd	Guffey	Neely	Trammell
Byrnes	Hale	Norbeck	Tydings
Capper	Harrison	Norris	Wagner
Caraway	Hatch	Nye	Walsh
Carey	Hayden	O'Mahoney	Wheeler
Chavez	Johnson	Overton	White
Clark	King	Pope	

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, there is a quorum present.

Mr. CLARK. Mr. President, I move to refer the pending bill to the Committee on Finance. I make the motion for the reason that the Finance Committee has had jurisdiction of the subject of the N. R. A. from the first moment of the suggestion of its creation. That was not only the reference of the Senate in the first instance, but at the present session of the Congress the question was elaborately fought out on this floor, and the jurisdiction of the Committee on Finance was sustained against the objections of the Senator from Idaho [Mr. BORAH] and the Senator from North Dakota [Mr. NYE], who maintained that the resolution which they had introduced for an investigation of the N. R. A. was within the jurisdiction of the Committee on Commerce. At that time the Senate, by an overwhelming majority, decided that the entire question of the N. R. A. belonged to the Committee on Finance, directed the Committee on Finance to pursue an investigation of the subject, and later to report appropriate legislation.

No matter what may be said, the pending bill is simply an effort to revivify the noisome corpse of the N. R. A. It is

a subject which has been held by the action of the Senate on two different occasions to be clearly within the jurisdiction of the Finance Committee. The pending bill has not been considered by the Finance Committee at all, but it has been considered in an entirely different way by the committee of which the Senator from Massachusetts [Mr. WALSH] is chairman. It seems to me that in justice to the Senate it is only fair that the bill should be referred to the committee which has had jurisdiction of the N. R. A., and is necessarily most familiar with the operations of the N. R. A.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri [Mr. CLARK] to refer the pending bill to the Committee on Finance.

Mr. CLARK. I ask for the yeas and nays.

Mr. WALSH. I join in the request for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the senior Senator from Alabama [Mr. BLACK] and will vote. I vote "nay."

Mr. TYDINGS (when his name was called). I inquire if the senior Senator from Rhode Island [Mr. METCALF] has voted?

The PRESIDING OFFICER. The senior Senator from Rhode Island has not voted.

Mr. TYDINGS. I have a pair with the senior Senator from Rhode Island. However, in view of the fact that if present he would vote the same way as I intend to vote, I feel at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. KING (after having voted in the affirmative). I inquire if the junior Senator from Massachusetts [Mr. COOLIDGE] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. KING. I have a pair with the junior Senator from Massachusetts. I, therefore, withdraw my vote.

Mr. McKELLAR (after having voted in the negative). I inquire if the junior Senator from Delaware [Mr. TOWNSEND] has voted?

The PRESIDING OFFICER. The Senator from Delaware has not voted.

Mr. McKELLAR. I have a pair with that Senator. I transfer that pair to the senior Senator from Illinois [Mr. LEWIS] and allow my vote to stand.

Mr. AUSTIN. I announce the following general pairs:

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Missouri [Mr. TRUMAN];

The Senator from Delaware [Mr. HASTINGS] with the Senator from West Virginia [Mr. HOLT]; and

The Senator from Iowa [Mr. DICKINSON] with the Senator from Mississippi [Mr. BILBO].

I am advised that the Senator from New Jersey [Mr. BARBOUR], if present, would vote "yea", and that the Senator from Delaware [Mr. HASTINGS], if present, would vote "yea."

Mr. NEELY. I regret to announce that my colleague [Mr. HOLT] is detained from the Senate on account of illness.

Mr. ROBINSON. I announce that the Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. McCARRAN], and the Senator from Missouri [Mr. TRUMAN] are necessarily detained from the Senate.

I also announce that the Senator from Alabama [Mr. BLACK], the Senator from Illinois [Mr. DIETERICH], the Senator from Rhode Island [Mr. GERRY], the Senator from Illinois [Mr. LEWIS], the Senator from California [Mr. McADOO], the Senator from Nevada [Mr. PITTMAN], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Indiana [Mr. VAN NUYS] are detained in committee meetings.

The result was announced—yeas 25, nays 45, as follows:

YEAS—25

Austin	Clark	McNary	Smith
Bachman	Connally	Moore	Steiwer
Bone	George	Norbeck	Tydings
Burke	Glass	Nye	White
Byrd	Gore	Overton	
Caraway	Hale	Russell	
Carey	Johnson	Schall	

NAYS—45

Adams	Davis	McGill	Schwellenbach
Bankhead	Duffy	McKellar	Sheppard
Barkley	Fletcher	Maloney	Shipstead
Borah	Frazier	Minton	Thomas, Okla.
Brown	Gibson	Murphy	Thomas, Utah
Bulkley	Guffey	Murray	Trammell
Bulow	Harrison	Neely	Wagner
Byrnes	Hatch	Norris	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Chavez	La Follette	Pope	
Copeland	Logan	Radcliffe	
Costigan	Lonergan	Robinson	

NOT VOTING—26

Ashurst	Dickinson	King	Reynolds
Bailey	Dieterich	Lewis	Townsend
Barbour	Donahey	Long	Truman
Bilbo	Gerry	McAdoo	Vandenberg
Black	Hastings	McCarran	Van Nuys
Coolidge	Holt	Metcalf	
Couzens	Keyes	Pittman	

So Mr. CLARK's motion to refer the bill to the Committee on Finance was rejected.

EFFECT OF PROPOSED INHERITANCE TAX ON FORD INTERESTS

Mr. VANDENBERG. Mr. President, I desire to make a very brief statement to the Senate regarding one phase of the pending tax bill. I do not wish to present any arguments in respect to the matter at the present time. I desire to submit only a series of facts so utterly challenging in their import that it seems to me the matter must have utterly deliberative attention lest a malignant decision shall result.

Mr. President, the effect of the administration's inheritance-tax program upon large industrial units like the Ford Motor Co. has been a source of constant speculation. Indeed, the authors of this new tax program themselves have confessed their own uneasy trepidation in this connection by volunteering numerous suggestions how the Ford operations, involving the welfare of 150,000 direct employees, might be saved from slaughter when this proposed confiscatory program becomes effective.

Manifestly, if the proposed program pretends a general social advantage, prudent legislators will insist upon dependable assurances that it will not destroy infinitely more public values than it assumes to achieve.

The Ford example seems to have been chosen, even by the authors of the plan themselves, as the most important and most challenging clinical test. The Ford institution centers in my home State of Michigan. Therefore I have more than casual acquaintance with it. There are ample public records to permit reasonably accurate analysis. Upon these bases I speak my own personal conclusions. Neither Mr. Henry Ford nor Mr. Edsel Ford have opened any communications with me on the subject. They have not protested to the Finance Committee. Pursuant to their lifelong habit of never taking a tax case to court, in this instance they silently await the congressional verdict. It was necessary for me to solicit the information in order to get even a verification of generally known facts. I emphasize these things because I cannot make it too plain that I do not speak for the Fords or for their institution. I speak for myself.

There need be no speculation as to what will happen to the great Ford industrial enterprise under this proposed tax confiscation. It will cease to be a tremendous industrial unit governed by an anxiety singularly dedicated to the production of high-grade commodities at lowest possible cost to the ultimate consumer and to the employment of hundreds of thousands of highest-paid artisans. It will be driven into diversified ownership, which can come only through enormous ultimate stock sales to the public. It will be forced out of the close control which has preferred the creation of a vast and effective instrumentality of employment and commerce rather than the disbursement of per-

sonal dividends. It will be robbed of the integration which has made it what it is—the employer of 100,000 persons in Wayne County, Mich., alone—the indirect employer of countless other hundreds of thousands whose tasks depend upon Ford operations—the best customer of a thousand other factories in communities scattered all over the land; a gigantic patron of our railroads and our mines.

Bluntly, it will be driven into the hands of Wall Street or its equivalent; and the money changers who have striven vainly in years past to achieve this end, and whom the present administration says its proposes to drive from the temple, will have been handed the dominion which in no other manner could be obtained.

How could it be otherwise? Consider the known mathematics. Assume that Mr. Henry Ford owns a majority of the Ford Motor Co. stock. Assume that the Ford Motor Co. is worth half a billion dollars. Assume that Mr. Ford's total estate will be $300,000,000. The proposed inheritance tax, on top of the existing estate tax, would take $270,000,000 of this $300,000,000. Most of the $300,000,000 is represented by factories which house essential industry and by equipment which provides jobs for thousands upon thousands of employees. Where do you get your $270,000,000? You cannot take the factories. Without motivating genius behind them they are futile brick and mortar. You cannot sell off the machinery unless you sell off the livelihood of the greatest single group of high-paid workmen in the world. You cannot take the Government title to the stock and submit the institution to political management and control. That would be the final absurdity.

Whence comes this hypothetical $270,000,000? Counsel for the Internal Revenue Bureau has itself volunteered the only answer. You must sell Ford to the bankers and then to the public.

Suppose this happens in an hour of economic depression when investment funds are not available? You have sacrificed vast values by forced sales. No matter when it happens, you have destroyed the dynamic integration—the personality, the dedication—of the institution. You have substituted a quest for dividends for the inspirations and objectives which have produced this vast reservoir of values. You have forced a liquidation which is calculated to be a liquidation not only of property but of potential commerce and employment. You have killed the goose that lays the golden egg. This is not social or economic progress. It is short-sighted destruction, not the distribution, of wealth.

Mr. Henry Ford and Mr. Edsel Ford are but incidents in the exhibit—although they are anything but incidents in the development and in the perpetuation of this stupendous reservoir of public as well as private values. The vital thing is the reservoir itself. The important thing is the status of the vast groups of labor and trade inevitably dependent upon Ford operations. The paramount concern, from a social standpoint, is the uninterrupted continuation of the Ford enterprises; and if you would honestly assess that contemplation let yourself imagine what would be the effect today if the Ford enterprises ceased operations. The paramount concern, from a revenue standpoint, is the uninterrupted continuation of operations which shall uninterruptedly pay current taxes, not only to the Federal Government but also to State and local governments. The paramount concern, from a national standpoint, is that we shall not make it impossible ever again for self-made men, devoted to an industrial ideal, to build from zero and create great instrumentalities that shall bless countless others with highly profitable employment and that shall pour their needed impulse into the trade streams of a prosperous American commerce.

I am making this statement this afternoon solely that the practical phase of the problem which is inevitably inherent in it may be canvassed ere the report of the Finance Committee comes to the Senate.

Mr. LA FOLLETTE. Mr. President, at this point I ask unanimous consent to insert in the RECORD the statement of Mr. Robert A. Jackson concerning Henry Ford and the Ford Motor Co.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement referred to is as follows:

HENRY FORD AND THE FORD MOTOR CO.

Questions have arisen in these hearings and in the press as to the application of the proposed inheritance tax to such an estate as that of Henry Ford and its effect upon the Ford Motor Co.

It would be unlawful to make public the figures of the Internal Revenue Bureau, for there is no way in which we can discuss this singular American fortune without identifying it. We will, therefore, use figures reported by the Ford Motor Co. to the Massachusetts commissioner of corporations, and other publicly available information, and without any endorsement of accuracy.

The 1934 report of the Ford Motor Co. to the Massachusetts commissioner of corporations indicates a net worth of approximately $600,000,000.

Edsel B. Ford, it is stated by reliable sources, in 1919 acquired 41½ percent of the outstanding stock of the Ford Motor Co. Henry Ford, therefore, does not own more than 59 percent of the stock of the Ford Motor Co., and the inheritance tax could only apply to what he retains.

Edsel Ford has already received an interest in the Ford Motor Co. now worth on the balance sheet $246,000,000. This is not touched by inheritance or estate taxes. This illustrates concretely what I have stated to be the general rule, that estates do not pass from rich men to poor men, but usually to heirs already amply provided for.

An estate of $354,000,000, the balance-sheet value of the remaining 59 percent of the stock which we will assume Mr. Henry Ford still owns, is abnormal by any test we know. The House bill, intended to cover most normal estates, stops graduation entirely at $10,000,000, and the Ford estate, on these figures, would be 35 times the point at which graduation of rates ceases. The largest estate so far returned to the Bureau of Internal Revenue was $140,000,000. It is obvious that the hypothetical application of this law to the Ford fortune would be a distortion of its usual application.

Moreover, while the Ford Motor Co. has been accumulating its surplus at an average rate of $20,000,000 a year, this amount has not been distributed to stockholders where it would be subject to surtaxes. The increase in value of the holdings of Henry Ford, if realized upon by a sale in his lifetime, would pay heavy individual taxes. If it now passes by inheritance it will have escaped all surtaxes. Thus if the heirs of Henry Ford shall now find themselves in high inheritance tax brackets, it is in part offset by the advantages of accumulating wealth without paying surtaxes thereon.

It is impossible, on the basis of published figures, to arrive at a reliable estimate of the tax that might be imposed upon the estate of Henry Ford. We do not know how much of his holdings will remain in his individual possession and subject to tax or how much of them will pass to organizations that are exempt from tax, nor what part of them will pass to his son and what part to others.

The inheritance tax, whatever its amount, would not be a tax on the Ford Motor Co., nor a claim against it. According to public statements, the Ford Motor Co. began business in 1903 with $28,000 in cash actually paid in, and its net worth of $600,000,000 in 1934 represents the accumulations after the payment of dividends. Over this period the Ford Motor Co. has added to the book value of its stock through accumulation of surplus an average of roughly $20,000,000 a year. It is obvious that a corporation with this record is not to be abandoned or closed because of any tax on the right to inherit its stock.

The utmost to be anticipated would be that some part of the equity now represented by the common stock would be sold to other interests or to the public. This equity might be disposed of in part through a bond issue, or through preferred stock, or by a sale of a portion of the common stock. The effect of this would be to convert what is now a family industry into a widely owned one, and to permit the public to share in the future earnings of an enterprise to the building of which public patronage has made a substantial contribution.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

Mr. HATCH. Mr. President, I rise to a parliamentary inquiry. Is the bill open to amendment at this time?

The PRESIDING OFFICER. The bill is open to amendment to the amendment reported by the committee, which is in the nature of a substitute for the House bill.

Mr. HATCH. I send to the desk an amendment which I shall ask to have read, but before doing so I will state, in explanation, that in going over the bill I observe several features relating to loans to farmers by Government agencies. Of course, we all know, as every farmer knows, that loans to agriculture are made by Government agencies. I find nothing in the bill which exempts agricultural loans

from its operations. I am sure it was not intended that agriculture should be within the terms of the bill. The amendment I send to the desk proposes to exempt agriculture, and I think the chairman of the committee will accept it.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. HATCH. I yield.

Mr. WALSH. There is no intention to include agriculture. The Executive order of the President when the N. R. A. was in operation lifted agriculture out of the operation of that law, and I assume, under the regulations which will be made under the pending bill, if it shall be enacted, the same course will be followed. I have no objection, however, to the amendment being added to the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico to the amendment reported by the committee will be stated.

The CHIEF CLERK. At the end of the amendment reported by the committee it is proposed to add a new paragraph to read as follows:

Nothing in this act shall be construed to apply to agricultural or farm products processed for first sale by the original producer.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended.

Mr. WALSH. Mr. President, it has been suggested that the operations of the bill ought to be limited to a definite period of time. One of the drafts of the bill originally presented did limit its operations. I am disposed, therefore, to offer an amendment limiting the operations of the bill to 3 years, in order that trial may be given to determine whether or not there should be further modifications with regard to the measure.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Idaho?

Mr. WALSH. I yield.

Mr. BORAH. If the chairman of the committee wishes to offer the amendment, I shall not oppose it; but, disregarding some provisions of the bill which might be changed, its fundamental principle ought to be just as desirable 3 years hence as it is now.

Mr. WALSH. I agree with the Senator from Idaho; that is my own view about it; but some Senators who were willing to support the bill with the limitation in it took the matter up with me. They felt that there ought to be an experimental period in order to ascertain how the bill would operate. If the Senator, as a member of the committee, feels that the amendment should not be offered, I will not offer it.

Mr. BORAH. I simply express the view that the principle embodied in the bill ought not to be regarded as an experimental proposition. The bill is based on a principle which is admitted by practically all as humanitarian and social and ought to become permanent.

Mr. WALSH. I accept the Senator's suggestion.

Mr. LA FOLLETTE rose.

Mr. WALSH. I assume the Senator from Wisconsin feels the same way, because in the committee, as I recall, he so expressed himself.

Mr. LA FOLLETTE. Yes; that is correct.

Mr. WALSH. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The question is on agreeing to the amendment reported by the committee as amended.

Mr. LA FOLLETTE and Mr. McNARY addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I intend to offer an amendment before the bill shall finally be disposed of. I do not, however, wish to interfere with the Senator from Oregon, and, if he desires to proceed, I shall be glad to wait until he shall have concluded.

Mr. McNARY. Mr. President, I desire only to make a brief observation. I am not very familiar with the bill or its parliamentary status, but, as I understand, there is but one amendment to the bill, which is in the nature of a substitute for the House bill.

The PRESIDING OFFICER. The Senator's statement is correct.

Mr. McNARY. So, if the vote should be taken on that amendment, of course, that would be a final disposition of the measure.

I wish to state to the Senator from Massachusetts, having the bill in charge, that the bill does not come before the Senate wholly unexpectedly. I had notice a few days ago that the bill would probably follow the disposition of the unfinished business of yesterday. However, there are a number of Members of the Senate who are not apprised of that legislative situation and who desire the remainder of the day for the study of the bill and the report, and they should also like to have access to the remarks which the Senator from Massachusetts has made. I hope there will be no effort to dispose of the bill finally this afternoon.

Mr. WALSH. I should like very much to accommodate the Senator from Oregon, but I feel the measures ought to go forward and ought to be fully discussed and disposed of this afternoon. It has been known for days that the bill would be taken up following the disposition of the gold-clause joint resolution; it has been thoroughly argued and explained here, and I think we ought to press forward to a final disposition of the bill this afternoon.

The Senator from Oregon realizes, of course, that there is other business to be transacted and that we are all anxious to return to our homes. It does not seem to me there can be very serious objection to the bill. I can understand those who have prejudice against the N. R. A. trying in some way or other to express their prejudice through this measure. However, so far as I have been able to comprehend the purpose of the bill, it is apart and aside from the N. R. A., and seeks merely to fix minimum labor provisions in contracts made with those who are to furnish supplies and materials to the Government. I hope the Senator from Oregon will let the bill go forward for further discussion today.

Mr. NORRIS. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. I yield.

Mr. NORRIS. I wish to join in the request of the Senator from Oregon. I have no objection to debate all the afternoon, if the debate should run that long, but I think it would be a mistake for the Senator from Massachusetts to try to pass the bill today. I am satisfied there are many Senators in the same position in which I find myself. I heard the opening statement of the Senator from Massachusetts. If the bill would accomplish the things the Senator said he believes it would, I should be for it 100 percent. I think it would do more good probably than any other legislation we have enacted if it would accomplish what he claims for it. However, I have not been able as yet even to read the bill. I have had statements made to me about provisions in it to which, if those provisions are in fact in the bill, I should object.

The bill ought to be fully discussed, so that Senators may have a complete understanding of what it proposes. Senators should have an opportunity to understand the bill, either by reading it and studying it or by listening to the debate which may take place. I should not know how to vote if I were now called upon to vote. If I should reach the conclusion that the Senator from Massachusetts was right in his statement, of course, I would vote for the bill. I should dislike to be compelled to vote when I was not fully informed, because I would feel inclined to vote against it if I did not understand it and did not know what it is about. I think it is a mistake to try to crowd the bill through this afternoon.

Mr. WALSH. The Senator from Oregon suggested that no action be taken upon the bill today and that it should go over until tomorrow. I merely stated that I should like to have the measure proceeded with this afternoon.

Mr. McNARY. Mr. President, I fully concur in the remarks of the Senator from Nebraska [Mr. NORRIS]. It was the general understanding of Senators that probably the 2 hours from 12 to 2 o'clock would be occupied by the gold-clause joint resolution, so called, but that measure was disposed of suddenly. The Senator from Massachusetts has made a statement explaining the bill, and I have suggested that it should go over to another day in order to give Senators an opportunity to study it. I think it would be proper to allow time to study these measures. Certainly an afternoon and a morning are not to be considered as unusual delay for the study of such an important measure as this.

Mr. CLARK. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Missouri?

Mr. McNARY. I yield.

Mr. CLARK. In line with what the Senator from Oregon has said and in view of what the Senator from Massachusetts has said, let me say that I do not think there has been any delay on the bill. It was first reported from the committee last Thursday. It is entirely a new proposition, unheard of at least by a majority of the Senators up to this time. There has been no delay whatsoever.

It is my purpose, before the final vote shall be taken on the bill, to offer the Black 30-hour bill as a substitute for the committee amendment to the original bill, because I think if what the bill seeks to do is going to be done, it ought to be done by law rather than by leaving it to Executive discretion. It is my view that the original Black 30-hour bill is very much preferable to the N. R. A. for the purpose of accomplishing even what the announced design of the N. R. A. was.

I desire that the sentiment of the Senate be taken on that matter, but I do not desire to take snap judgment on it. It seems to me it is only fair to make the announcement that the Black 30-hour bill will be offered as a substitute for the committee amendment, and thus give Senators an opportunity to study the matter and be prepared to vote on it tomorrow.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from California?

Mr. McNARY. I yield.

Mr. JOHNSON. I wish simply to say that with the laudable design of the bill we are all in hearty sympathy. There are some features of it which some of us have had little time to investigate. I believe the two Senators from Washington, the two Senators from California, and probably the senior Senator from Nebraska [Mr. NORRIS], if he should reach a like conclusion, would wish to eliminate section 10 of the bill. It may be we are unduly alarmed in respect to that section, but, with the opportunity overnight for investigation and for study of it, we might reach a conclusion totally at variance with that which we now have. I hope the suggestion of the Senator from Oregon may prevail.

Mr. WALSH. I recognize the purpose of the Senator from Oregon and the Senator from California is worthy of consideration. There are other Members of this body who are going to adopt every parliamentary means possible to delay passage of the bill and, if possible, defeat its passage.

Mr. NORRIS. Of course, it is news to me that certain groups of Senators are going to use every parliamentary effort to defeat the bill. I have no interest in defeating the bill. I should like to see its purposes made effective. If the Senator is going to meet that kind of opposition, he ought to be fortified, when he meets it, by having all the friends of the idea understand the situation, so that they may help him.

Mr. WALSH. That is why I have taken the floor and made the statements I have made. Despite weeks of discussion by a committee of this body, composed, with the exception of its chairman, of some of the best legal minds in the Senate and some of the best friends of labor, there has already been one motion made to take the bill out of the hands of the committee. Now it is stated that another motion will be made to attach the Black 30-hour bill to the pending measure.

This is not my bill. This bill is here at the request of the administration. It has a right to be heard on its merits and not to be sidetracked by any other proposal that is in conflict with the purposes of the bill. I propose to have a vote upon the measure at the most convenient and opportune time. I am not insisting upon it today, but I do say that it is my duty to protest efforts to prevent a straight up-and-down vote upon a measure of this character and importance. While Senators have a right to oppose the bill and to resort to every means they see fit to adopt, and to propose all kinds of amendments, those who are friends of the bill ought to know that these proposals come from those who are not favorable to the bill in any way.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from Oregon yield to the Senator from California?

Mr. McNARY. I yield.

Mr. JOHNSON. Personally I do not intend to rest under any imputation either as seeking to delay the bill or to prevent a vote upon it. It may be proceeded with in any fashion the Senator from Massachusetts sees fit to adopt, but I do not propose to be concluded by any such suggestion as has been made from presenting an amendment which I think will protect the United States navy yards upon the Pacific coast. It seems to me the bill is designed to aid privately owned shipyards as against Government-owned shipyards. That is the only interest I have in the amendment.

Mr. WALSH. The Senator spoke to me about his amendment. I may agree to it. I may not have any quarrel with the Senator about it.

Mr. JOHNSON. Then, if the Senator is willing to agree to it, why can he not take until tomorrow morning to decide that question?

Mr. ROBINSON. Mr. President, I think I can resolve this complication, if the Senators will give me an opportunity.

Mr. JOHNSON. There is no complication so far as I am concerned.

Mr. ROBINSON. No; I see there is not.

I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the bill (H. R. 7349) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended.

I will state that if that order shall be agreed to it will be my purpose, with the approval of the Senator from Massachusetts [Mr. WALSH], in charge of the pending bill, to move a recess until tomorrow, so as to give those who have indicated the necessity for it an opportunity to consider the pending proposition.

Mr. WALSH. Does that mean that the pending bill will have the right-of-way tomorrow at 12 o'clock?

Mr. ROBINSON. The pending bill will remain the unfinished business under the request I have made.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

Mr. McNARY. Mr. President, before agreeing to the request, I should like to know more about the bill which the Senator desires to bring up.

Mr. ROBINSON. I realize that it is proper that there should be an explanation of the bill. The Senator from Louisiana [Mr. OVERTON] will discuss the bill at some length if it shall be necessary to do so; but the bill for which I now ask consideration is a measure which provides for the payment to landowners of the damages to their property occasioned by the set-back of levees on the Mississippi River. The bill has passed the House of Representatives, has been unanimously reported by the Senate Committee on Commerce, and, in my opinion, is a measure of justice. The total cost which it is expected will be imposed by the passage of the bill is between two and four million dollars. The exact amount cannot be stated.

Mr. McNARY. That is the extent of the liability of the Government under the provisions of the bill?

Mr. ROBINSON. Yes.

Mr. BORAH. Mr. President, I do not desire to interfere with any program which those in charge of the situation desire to present; but before the unanimous-consent agreement is entered into I wish to ask the Senator from Arkansas, the majority leader, if we may not have an opportunity shortly to consider the farm bankruptcy bill, which is here by reason of the decision of the Supreme Court on what is known as the "Farm Bankruptcy Act" of last session. I do not believe it will take over an hour, perhaps not that long, to pass it. The bill is exceedingly important; and if it goes over to the next session its benefits will be, in a large measure, lost. I believe as now framed it will stand the test of the courts and will save the farms to many farmers now in distress.

Mr. ROBINSON. I will say to the Senator from Idaho that I shall be glad to discuss that matter with him and see if an opportunity may be afforded.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. CLARK. I do not desire, of course, to oppose the request of the Senator from Arkansas to take up a bill in which I am very much interested and which I think is an extremely meritorious bill; but I do desire to take a moment to respond to what the Senator from Massachusetts [Mr. WALSH] has just said.

It seems to me the Senator from Massachusetts arrogates to himself too much power when he accuses somebody of undertaking to delay the passage of a bill which was reported only last Thursday, and which, while it may have been considered by the Committee on Education and Labor, involved a rape of the jurisdiction of the Finance Committee when the other committee took it up. For the Senator from Massachusetts to contend that there has been any attempt to delay legislation when no Senator except himself has occupied the floor for as much as 3 minutes on a bill of this magnitude, which has been under consideration now for less than 2 hours, seems to me to be a very remarkable enlargement of the authority of any Senator.

Mr. WALSH. Mr. President, will the Senator from Arkansas yield to me?

Mr. ROBINSON. Certainly.

Mr. WALSH. May I inquire how much time the Senator thinks will be required for the consideration of the bill he proposes to have taken up?

Mr. ROBINSON. I do not believe it will require more than 5 or 10 minutes.

Mr. WALSH. The proposal is to take it up this afternoon, and then there will be a recess until tomorrow, when the consideration of the unfinished business will be resumed?

Mr. ROBINSON. Yes; the unfinished business will then come before the Senate.

Mr. POPE. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. POPE. I call the attention of the Senator from Arkansas to Senate bill 2998, to control the trade in arms, ammunition, and implements of war. I think its consideration will take only 15 or 20 minutes; and before I give my consent to this request——

Mr. ROBINSON. Mr. President, I do not think the Senator from Idaho ought to ask me to contract, as a condition of taking up the flood-control bill, that other bills shall be taken up. I am familiar with the bill of which he is speaking. Personally I have no objection to its consideration. I submit the request I have made.

Mr. POPE. I do not ask the Senator from Arkansas for any agreement or any contract at all. I ask him if he is willing that the bill to which I have referred shall be considered at a very early date.

Mr. ROBINSON. I have stated that I have no objection to the consideration of the bill to which the Senator refers, and if he shall ask consideration of it I shall not object. That follows from the statement I made; but I shall not enter into any contract about the matter.

CONTROL OF MISSISSIPPI RIVER FLOODS

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the Mississippi River flood-control bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 7349) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended, which was read, as follows:

Be it enacted, etc., That the first paragraph of section 3 of the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended (U. S. C., Supp. VI, title 33, sec. 702c), is hereby amended to read as follows:

"SEC. 3. The Secretary of War is authorized and directed, out of any money available under the provisions of said act or amendments thereto, to purchase from or to reimburse the States or legally constituted and empowered local agencies or landowners for the cost of flowage rights over all lands including compensation for damages to improvements thereon at the time of the taking; that have been or may be acquired and paid for by States or such agencies in connection with the flood-control project herein adopted; embracing those areas which were protected by the main Mississippi River levees on May 15, 1928, but which have since been left or may hereafter be left, on the river side of the main river controlling levee lines constructed on new locations under the flood-control plan: *Provided*, That after careful investigation the prices are found to be reasonable: *And provided further*, That payments or reimbursements may be made as soon as the flowage rights provided for in this act have been acquired in conformity with local customs or legal procedure in such matters and to the satisfaction of the Chief of Engineers: *And provided further*, That except when authorized by the Secretary of War, upon the recommendation of the Chief of Engineers, no money appropriated under authority of this act shall be expended on the construction of any item of the project until the State or levee districts have given assurances satisfactory to the Secretary of War that they will (a) maintain all flood-control works after their completion, except controlling and regulating spillway structures, including special relief levees; maintenance includes normally such matters as cutting grass, removal of weeds, local drainage, and minor repairs of main river levees; (b) agree to accept land turned over to them under the provisions of section 4; (c) provide without cost to the United States all rights-of-way for levee foundations and levees on the main stem of the Mississippi River between Cape Girardeau, Mo., and the Head of the Passes."

Mr. OVERTON. Mr. President, I do not know that the Senate requires any further explanation of the bill. I shall be very glad to furnish any Senator any information he may desire regarding the bill. Otherwise, if there is no objection to it, I shall move the passage of the bill.

Mr. McNARY. Mr. President, will the Chair state the present parliamentary situation.

The PRESIDING OFFICER. House bill 7349 is before the Senate for consideration, and the Senator from Louisiana has been recognized.

Mr. OVERTON. Mr. President, I stated that if any Senator desires any information in reference to the bill I shall be very glad, indeed, to supply the information.

Mr. McNARY. In fairness to the RECORD, at least, I think the Senator should make a brief statement explaining the bill.

Mr. OVERTON. Mr. President, under the Flood Control Act of 1923 the Army engineers undertook the relocation of levee lines along the main stem of the Mississippi River, especially in those places where the river makes bends and in places where caving banks necessitated moving back the levee lines.

Prior to that time the lands in the bends and the lands back of the old levee lines were protected by the levees which had been constructed by State authority and at State expense. When the levee lines were moved back by the Federal Government the lands which theretofore had been protected were left exposed. Those lands will therefore become subject to flowage in time of high water; and the purpose of the bill is to provide compensation to landowners where their lands become subject to these flowage rights.

In constructing the levees across the bends the Federal Government saved money, for the reason that if the engineers had undertaken to go around the bends and follow

the old lines of levee, the cost would have been much greater, as the length of levee building would have been much longer. Also, in setting the levees back they saved a great deal of money in the cost of revetments. Therefore, as a matter of economy, the Army engineers have saved money by setting back the levees.

It is recognized that it is only proper that the landowners should be compensated. The bill refers to the flood control of the Mississippi River from Cape Girardeau to the Gulf; and along that entire stretch of the river the amount to be expended will be somewhere between $2,000,000 and $4,000,000. The area involved is about 74,000 acres.

With that explanation, Mr. President, I ask that the bill be passed.

The PRESIDING OFFICER (Mr. McGILL in the chair). The question is on the engrossment and third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

Mr. BONE. Mr. President, in connection with Senate bill 3055, which has been under discussion briefly today, I desire at this point to call attention to section 10 of the measure, which reads as follows:

> The provisions of this act shall apply to governmental agencies in competition with private enterprise for contracts described in this act.

Mr. President, that language is so broad and so all-inclusive that, in my judgment, it can have but one obvious purpose, which I am about to state. In that I may be in error; and if so, I desire to have that error eradicated from my mind before I agree to vote for the bill, because, if my suspicions are correct——

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Massachusetts?

Mr. BONE. I do.

Mr. WALSH. The purpose of inserting in the bill the section upon which the Senator is now addressing the Senate was that it appeared to the committee that the Government itself had established shoe factories, mattress factories, sweater factories, and furniture factories; and it seemed to us unfair, when the Government asked for bids for furniture or mattresses or sweaters, that the private industries should be obliged to compete with the Government, which may not in its operations meet the standards set up in its own law.

It appears that the navy yards, in which I am interested, because there is one in my own State, work their employees 40 hours a week, while in the private shipping yards, under the code, the employees are worked 36 hours, and it is thought that if this bill shall become a law it will operate to the detriment of the navy yards' employees. That objection can be taken care of, and will be taken care of, in my judgment, by the provision of the bill giving the President the right to make modifications and changes and exemptions as he may see fit. However, the members of my committee have been in consultation about this provision, and I will say to the Senator that in view of the apprehension of the Senator from Oregon, the Senator from Washington, and the Senator from California, we do not feel so strongly in favor of this particular section as to insist upon its being incorporated in the bill.

Mr. BONE. Mr. President, I am glad to have had the explanation from the author of the bill. I wish to add that the most astounding statement I have heard on the floor of the Senate during this session was that the administration was for the pending bill with that kind of a provision in it, for, in my judgment, that would utterly destroy not only the efficiency of the Government-owned navy yards but possibly their ability to serve at all, and, of course, if that be the policy of the administration, the sooner the people of the country know it the better. I cannot imagine this administration depriving the navy yards of the power to build our naval vessels or to repair our naval vessels. If that is the hope and attitude of the administration, I wish to know it, and I think the people of the country ought to know it.

Mr. WALSH. I repeat, no thought came from the mind of any member of the committee, in inserting this provision in the bill, as to the difference between the hours of labor in Government yards and those in private yards. We did think about the sweater factories and the furniture factories and the other concerns where the provisions as to working hours and minimum wages may not correspond with the terms of this bill.

Mr. BONE. I know the Senator understands full well the bitter battle made against building, as well as repairing, ships in Government navy yards. That fight has been going on for years, and one of the things demonstrated beyond peradventure of a doubt by the investigation of the Munitions Committee of the Senate was that private shipbuilders were bent on destroying the navy yards; and yet we find language in the pending bill so broad and so comprehensive that no lawyer in this body could read it without knowing positively and full well that it would sound the death knell of the Government navy yards.

I wish to read into the RECORD a letter from one who I think is very temperate in his approach, very restrained in the language he employs in attempting to explain the effects of bills, so far as they affect his organization, the International Association of Machinists. The gentleman to whom I refer is Mr. Alifas, and under date of August 2 he wrote me this letter, which I shall read into the RECORD for the benefit of my colleagues who may have some doubt in their minds as to the possible effect of section 10 of the bill. Mr. Alifas refers to it as section 11, but he is in error as to that.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK. The Senator will recall, in the investigation of the Munitions Committee, not only the very definite evidence of the efforts on the part of shipbuilders to hamstring the construction of Government vessels in the Government yards but also a considerable measure of participation in that scheme by the Navy Department itself.

Mr. BONE. I think its hands are not entirely clean in that respect. I want the Senator from Massachusetts to know full well that I am sympathetic with the purpose of the bill. In fact, these labor measures have not gone far enough to suit me. But I am objecting to the crowd, which opposes Government operation in navy yards, using this bill as a mechanism for destroying those yards, and I should be astounded beyond measure to discover that the administration gave sympathetic support to that sort of thing.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. WALSH. My statement may have been too broad when I said the administration is supporting the bill, every line and word of it. I intended to say that it was supporting the purpose and principle of the bill. The section which the Senator has in mind was inserted by the committee, but it was not inserted at the request of private shipping yards or with any knowledge of its effect on them. It was put in on the assumption, I repeat, that the Government factories producing sweaters, mattresses, and furniture should not have any advantage over private industry when they submit bids for Government purchases.

Mr. BONE. I only thought that could have been reached by some language which capable members of the committee might have formulated, which would have excluded the particular condition, instead of using language so general and so comprehensive as to destroy Government navy yards.

Mr. WALSH. The Senator knows that the President, under the N. R. A., with the extensive power and authority he had, never destroyed a navy yard, and he would not do so under this bill.

Mr. BONE. I do not intend to cast my vote to put such power into the hands of any man.

Mr. WALSH. The President had that power under the N. R. A., but he did not exercise it to the detriment of the navy yards.

Mr. BONE. I would not give that power to the President.

Mr. WALSH. He had it.

Mr. BONE. I wish to read this letter, because it is time we had a clearing of the atmosphere, in view of efforts to destroy these Government agencies. I should like to have my colleagues pay attention to the language employed by Mr. Alifas, because every man who lives on one of the seacoasts of this country and who represents a State in which there is a navy yard now carries with him and on his shoulders a responsibility to protect those yards. Let us not have any illusions about this matter, but let us know what we are doing when we vote for section 10. Let us get rid of the ghosts which have been haunting us around here, and there will be no twilight zone left about those who are in favor of and those who are opposed to the fundamental provisions of the bill. But as long as a joker such as this remains in the bill, I am forced, and those who, like me, who are in sympathy with the bill, are forced to vote either "yes" or "no", and stultify ourselves by voting either way.

Mr. WAGNER. Mr. President, is the Senator referring to section 10?

Mr. BONE. Section 10 of the bill, language which was not in the original bill.

Mr. WAGNER. A little while ago I understood the senior Senator from California [Mr. JOHNSON] to express a purpose to move to strike that provision out of the bill.

Mr. BONE. If that section is stricken out, I will have no objection to the bill.

Mr. WALSH. I have agreed that it should go out.

Mr. WAGNER. I understand the Senator from Massachusetts to say that he had no objection to its elimination. I had intended to make the same motion.

Mr. BONE. I will say to the Senator from Massachusetts, whose judgment I admire very much, that I would have no objection to other language being substituted which would not destroy these great major branches of the Government or ruin their efficiency.

Mr. WALSH. Mr. President, I am pleased that the Senator from Washington at least agrees with the purpose of the committee in not compelling a private industry to compete, in Government contracts, with Government agencies which are manufacturing the same products, but may not be doing so under the labor conditions mentioned in the pending bill.

Mr. BONE. Is it not a fact that the products of those factories would not even be an infinitesimal fraction of 1 percent of the total output of the country, and could not affect market prices to any appreciable degree?

Mr. WALSH. It is to be expected that the Government would give its contracts to its own agencies if possible.

Mr. BONE. One might assume that, but I do not think our experience bears out the conclusion it would be done.

Mr. WALSH. Of course, it is a new venture. We did not have these factories until very recently.

Mr. BONE. I understand that.

Mr. CLARK. Mr. President, will the Senator from Washington yield?

Mr. BONE. I yield.

Mr. CLARK. In view of what has been said about the relationship of N. R. A. to private navy yards and to the other shipbuilding companies, the Senator will well recall, I am certain, that the head of the National Mediation Board testified before the munitions committee that during the existence of the N. R. A., in the course of a strike in the New York Shipbuilding Co., affecting ships being constructed by P. W. A. funds, for the purpose of putting people to work, a naval officer then attached to the N. R. A. went over and interfered with the efforts of the mediation board to bring about a settlement by getting the labor organizations together and telling them that if they did not yield he would see, as the representative of the N. R. A., that they would take the contracts away from them. So, when anyone talks to me about the beneficial results of the N. R. A. in keeping men at work in the shipbuilding yards, I refer to the efforts of the Mediation Board and the American Federation of Labor.

Mr. BONE. Another interesting aspect of the activities of the private shipbuilders was developed and demonstrated in the testimony before the committee to the effect that there never had been any studies of labor costs in private shipyards that were made available to the United States Government.

Mr. President, I was sorry I was absent the other day when the able Senator from Iowa [Mr. DICKINSON] made some allusions to one of the employees of the Munitions Committee, when the Senator from Iowa lifted his hands, in what I assume was mock horror, and pointed out that military secrets were placed in the hands of Mr. Stephen Raushenbush, who might, perchance, tell somebody about them. It is merely evidence of the fact that the Senator from Iowa has not taken the pains, nor had the slightest inclination in his mind, to read the testimony of the witnesses before the Munitions Committee. Had he done so, he would have found a statement in substance to the effect that American military and naval patents had been hawked all over the world, had been put into the hands of orientals and Europeans, and that possibly it was an American patent in the way of a submarine that had sent the *Lusitania* and her passengers to a watery death. I ask the Senator from Missouri if that is not correct. He heard the testimony.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK. The Senator will also recall the testimony before the committee to the effect that when a very large manufacturer of munitions in the United States consulted the Bureau of Naval Intelligence and the Bureau of Military Intelligence with respect to the question of selling to prospective enemies of the United States secrets and processes supposed to have been developed through the assistance of the United States Army and the United States Navy, they were told by both Military Intelligence and Naval Intelligence that it was better to sell these secrets and sell these processes, and even establish munitions plants for prospective enemies of the United States, than to have the Du Pont Powder Co. go out of business.

Mr. BONE. Mr. President, if the people of the United States could understand the implications of the remarks of the Senator from Iowa [Mr. DICKINSON] about military and naval secrets, they would rise en masse and laugh, because there are no longer any military and naval secrets, if the evidence presented to the Munitions Committee is to be believed. These so-called "alleged secrets" have been hawked all over the world, to every power under the sun; and then finally, to cap the climax, before the committee came an admiral from the Navy Department, who, when I asked him, "There are, then, in effect really no military or naval secrets?" replied, "No; there are, in reality, no naval or military secrets any more. They are known all over the world."

When one sees the attempt made by the able Senator from Iowa to create a great ghost or phantom when he rises to his full altitudinous height and with wild acclaim proceeds to beat the sawdust out of his little puppets in front of the Senate, it is enough to make the whole country laugh out loud.

Military secrets in the hands of Steve Raushenbush! Why, the military secrets of this country are in the hands of the Mitsui organization of Japan and the Skoda Gun Works of Czechoslovakia. The Senator from Iowa can save his speeches of that character for some better and more worthy cause.

Mr. CLARK. Mr. President, the fact that the Chairman of the Munitions Committee [Mr. NYE] was absent from the city on the day when the Senator from Iowa [Mr. DICKINSON] made his speech, and that I was unable to be present except during the last portion of it, was such an unusual circumstance that it seemed to me to be a singular coincidence. I arrived near the conclusion of the Senator's speech, and announced that on the next day, after reading his speech, if there was anything worth replying to, I should take the floor and reply.

It so happened that the next day the Senator from Vermont [Mr. AUSTIN] was in possession of the floor when the Senate met and I was not able to get the floor as soon as the Senate met; but toward the conclusion of the speech

of the Senator from Vermont I did call the Senator from Iowa on the telephone and told him that while I did not find anything in his speech which was worth replying to I did desire to make an announcement to that effect in the Senate and invited him to come over. The Senator from Iowa said he was right on his way to the train. I told him I should be glad to withhold any remarks I might make until he should come back, if his return would be within the next few days. He said he would not be back for a number of days—possibly 2 weeks.

Mr. President, in the course of my experience I have frequently had people leave in the midst of a speech I was making, but I never before ran a Presidential candidate out of town with the suggestion that I was going to make a speech.

Mr. BONE. Mr. President, in view of the fact that the Senate is about to recess, I think perhaps I shall not be intruding on the patience or the time of the Senate if I take 1 more minute.

I believe my able colleague from Missouri [Mr. CLARK] has already adverted to one witness before the Munitions Committee, a gentleman by the name of Shearer, to whom reference was made by the Senator from Iowa. Mr. Shearer, who seems to be the idol of the Senator from Iowa, is the gentleman who made out a list of enemies who were catalogued as traitors and crooks. I believe he even had my good friend, the distinguished Senator from Tennessee [Mr. MCKELLAR], listed as one of the undesirable citizens of the country, as well as former Senator Swanson, now Secretary of the Navy, and other undesirables, low-brows, and unpatriotic enemies of the country. If Shearer had heard the recent arguments upon the Constitution made by our friends here, he would have enlarged upon them, and we should have heard reverberations throughout the Chamber of constitutional discussions.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. McKELLAR. I will say that so long as I am in the company of former Senator Swanson I feel that I am in good company, and not likely to get into trouble.

Mr. BONE. I think the Senator from Tennessee would be utterly crushed to earth if he knew that he was characterized as one going around under the cloak of Benedict Arnold together with Newton D. Baker, President Roosevelt, and a number of other outstanding citizens.

In view of the fact that the sponsor of the pending bill, the Senator from Massachusetts [Mr. WALSH], is willing that section 10 of the bill shall go out, I shall not detain the Senate any longer.

CONTROL OF TRADE IN ARMS AND AMMUNITION

Mr. POPE. Mr. President, I ask unanimous consent that the pending business be laid aside and that Senate bill 2998, to control the trade in arms, ammunition, and implements of war, be considered at this time.

Mr. McKELLAR. Mr. President, is the consideration of that bill likely to take considerable time? I wish to present a conference report, which will take but a moment. Will the Senator yield to me for the purpose of having the conference report disposed of?

Mr. POPE. I think the consideration of my bill will consume only 15 to 30 minutes.

Mr. McKELLAR. The matter I have in mind will take only 2 minutes. I desire to present a conference report.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. McNARY. I have no present objection to make to the bill proposed by the Senator from Idaho. I favor his bill; but in view of the statement made by the distinguished leader the Senate would take a recess after disposing of the Mississippi River measure, and the fact that many Senators, relying upon that statement, have left the Senate, I doubt the fairness of going forward this afternoon with very many bills on the calendar.

Mr. ROBINSON. Mr. President, I will say to the Senator from Idaho that it is my purpose to arrange at an early date to consider bills on the calendar. Perhaps it would be just as well if the Senator would let his bill go over until another day, in view of the statement made by the Senator from Oregon. I do not object to the consideration of the bill. I favor the bill which the Senator from Idaho desires to have considered.

Mr. POPE. I desire to say that every time the bill has been reached when the calendar was being considered it has been suggested that the consideration of the bill would occupy more than 5 minutes, and therefore it has been objected to. I think it will not take over 10 minutes to consider it. However, I have not been able so far to have it taken up for consideration. I should like to have it disposed of within the next 2 or 3 days if possible.

Mr. ROBINSON. We may be able to take up the bill tomorrow.

Mr. McKELLAR. In view of that situation, if the Senator from Idaho will yield to me, I should like to present a conference report.

Mr. McNARY. Mr. President, I have no objection to this report, which was explained to me by the Senator from Tennessee [Mr. MCKELLAR]; but a little earlier in the day it was understood, when the unfinished business was laid aside and the Mississippi River bill taken up, that upon its passage a recess would be taken. Relying upon that, all the Members on this side of the Chamber, save two, have left the Chamber, and many Senators on the other side of the Chamber have also left.

Mr. McKELLAR. Would the Senator from Oregon have any objection to my presenting the conference report to the Senate, so it will appear in the RECORD? It is a very small matter.

Mr. McNARY. I have no objection to that.

AIR MAIL SERVICE IN ALASKA—CONFERENCE REPORT

Mr. McKELLAR submitted the following report, which was ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5159) to authorize the Pastmaster General to contract for air mail service in Alaska, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, and in line 6 of the House engrossed bill, after the word "Alaska" and the comma, to insert the following: "at a total annual cost of not exceeding $25,000,"; and the Senate agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
THOMAS D. SCHALL,
Managers on the part of the Senate.

W. F. BRUNNER,
HARRY L. HAINES,
JOHN T. BUCKBEE,
DONALD C. DOBBINS,
FRED A. HARTLEY, JR.,
Managers on the part of the House.

EXTENSION OF TIME OF PAYMENT OF CERTAIN CROP LOANS

Mr. NORBECK. Mr. President, from the Committee on Agriculture and Forestry, I report back favorably, with an amendment to the title, the bill (S. 3383) to extend the time for making payments on certain crop loans, and submit a report (No. 1213) thereon. I ask unanimous consent for the immediate consideration of the bill.

I am sure no Senator will object to it. It simply grants to the Farm Loan Administration power to extend payments on crop loans, production loans, where there is inability to pay, due to a crop failure in 1935.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3383) to extend the time for making payments on certain crop loans, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Governor of the Farm Credit Administration is authorized, under such regulations as he may prescribe, to extend the time, by a 10-year amortization plan or otherwise, for making payments on loans made under the act

entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes", approved February 20, 1935, and similar crop loan acts, in the case of borrowers who are unable to make payments because they have suffered from crop failures or short crops during the year 1935.

The title was amended so as to read: "A bill to grant extension of time in payment of crop loans where the borrower has suffered from crop failure in 1935."

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were ordered to be placed on the Executive Calendar.

The PRESIDING OFFICER (Mr. McGILL in the Chair). If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of Ernest Galludet Draper, of New York, to be Assistant Secretary of Commerce.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

TREASURY DEPARTMENT

The legislative clerk read the nomination of Leo E. Trombly to be collector of customs, district no. 7, Ogdensburg, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RESETTLEMENT ADMINISTRATION

The legislative clerk proceeded to read sundry nominations of regional directors in the Resettlement Administration, which are as follows:

REGIONAL DIRECTORS

Buford M. Gile, of Arkansas.
T. Roy Reed, of Arkansas.
A. W. Manchester, of Connecticut.
Mrs. Dorothy Beck, of Connecticut.
William A. Hartman, of Florida.
Philip Weltner, of Georgia.
James M. Gray, of North Carolina.
Homer H. B. Mask, of North Carolina.
R. C. Smith, of Ohio.
C. P. Blackwell, of Oklahoma.
D. P. Trent, of Oklahoma.
R. I. Nowell, of Wisconsin.
Walter Duffy, of Wisconsin.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

COAST GUARD

The legislative clerk read the nomination of Lloyd T. Chalker to be captain, to rank as such from June 1, 1935.

Mr. SHEPPARD. I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock p. m.) the Senate, in legislative session, took a recess until tomorrow, Friday, August 9, 1935, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 8 (legislative day of July 29), 1935

ASSISTANT SECRETARY OF COMMERCE

Ernest Gallaudet Draper to be Assistant Secretary of Commerce.

COLLECTOR OF CUSTOMS

Leo E. Trombly to be collector of customs, district no. 7, Ogdensburg, N. Y.

RESETTLEMENT ADMINISTRATION

TO BE REGIONAL DIRECTORS

Buford M. Gile, of Arkansas.
T. Roy Reed, of Arkansas.
A. W. Manchester, of Connecticut.
Mrs. Dorothy Beck, of Connecticut.
William A. Hartman, of Florida.
Philip Weltner, of Georgia.
James M. Gray, of North Carolina.
Homer H. B. Mask, of North Carolina.
R. C. Smith, of Ohio.
C. P. Blackwell, of Oklahoma.
D. P. Trent, of Oklahoma.
R. I. Nowell, of Wisconsin.
Walter Duffy, of Wisconsin.

PROMOTION IN THE COAST GUARD

Lloyd T. Chalker to be captain.

POSTMASTERS

ILLINOIS

Leslie Lynn, Brookport.
Thomas S. Murray, De Kalb.
John E. Garrett, Dwight.
Ben Bramlett, Enfield.
Frederick M. Rawlings, Hinsdale.
William A. Cook, Irving.
William V. Webb, Karnak.
Edward G. Zilm, Streator.
Joseph Dixson, Stronghurst.

MAINE

Raymond S. Joy, Addison.
Ward F. Snow, Blue Hill.
Edward J. Doyle, Calais.
John J. Harriman, Cherryfield.
Eugene E. Ross, Guilford.
Donald L. Needham, Hebron.
Ernest F. McCloskey, Howland.

OKLAHOMA

Ben Cox, Boise City.
Edgar L. Jacks, Boynton.
Thomas E. Denyer, Chandler.
Otis J. Walker, Checotah.
Patsy Greenan, Jr., Coalgate.
Thomas A. Gray, Duncan.
Dean Penn, Gotebo.
Dennie D. Jones, Hulbert.
Mike Craig, McCurtain.
Robert H. Walton, Muldrow.
James P. Todd, Oilton.
Joseph L. Pryor, Olustee.
Robert F. Rind, Pine Valley.
Earl M. Light, Pondcreek.
Loula Merry, Valliant.
Theodore H. Henderson, Wapanucka.
John E. Jennings, Wynne Wood.

SOUTH DAKOTA

Harold F. Gilbert, Buffalo.
Charles E. Smith, Lemmon.
Ralph V. Millstead, Philip.
Frederick J. Bowar, Reliance.
Oscar C. Larson, Valley Springs.

TENNESSEE

Frank Rickman, Chapel Hill.
William E. McAdams, Greenfield.
Jesse C. Elrod, Murfreesboro.
Hugh L. Hicks, Rockwood.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 8, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we rejoice in Thy fatherhood. We praise Thee that force and energy are not all of life. They that mourn are blessed; Thy comfort is for them. The merciful are blessed, and Thy mercy is reserved for them. The pure in heart are blessed, for they see Thee. The peacemakers, too, are blessed; and the world shall yet see in them the children of God. Heavenly Father, when the will arms against noble impulses, when the flesh makes hateful war upon the spirit, when our best selves seem to be swept by the flood of passion, we thank Thee that we cannot fall out of the heart of the living, loving arms of Him who said: "Come unto Me all ye who are weary and heavy laden and I will give you rest." We pray in His holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the amendments of the House to the amendments of the Senate to the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes, numbered 7, 13, 37, 40, 48, 49, 59, and 65.

The message also announced that the Senate agrees to the concurrent resolution of the House (H. Con. Res. 33) authorizing the Clerk of the House of Representatives, in the enrollment of H. R. 8554, the second deficiency appropriation bill, fiscal year 1935, to strike out the word "year", in line 17, page 10, of the engrossed bill, and insert in lieu thereof the following: "years 1935 and."

The message also announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6990. An act to fix the hours of duty of postal employees, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3047. An act to amend the act entitled "An act to amend and consolidate the acts respecting copyright", approved March 4, 1909, as amended, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6453) entitled "An act to amend the act of May 13, 1924, entitled 'An act providing for a study regarding the equitable use of the waters of the Rio Grande', etc., as amended by the public resolution of March 3, 1927."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement;

S. 1811. An act providing for the publication of statistics relating to spirits of turpentine and rosin;

S. 2140. An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey; and

S. 2160. An act for the relief of the George C. Mansfield Co. and George D. Mansfield.

MEXICO

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOYLAN. Mr. Speaker, there has been considerable propaganda issued by the Mexican Government inviting American citizens to visit Mexico and stating how easy it was to get transportation and access to that country and that they would be welcomed with open arms. Having this in mind, I was rather surprised to read this morning the following in the New York Times:

MEXICO BARS UNITED STATES RECTOR—CONSUL GENERAL SAYS CLERGYMEN MUST GET PERMIT IN MEXICO

PHILADELPHIA, August 6.—The Reverend Howard W. Diller, rector of Holy Trinity Protestant Episcopal Church, of Pottsville, Pa., notified a Philadelphia tourist agency today that a permit to enter Mexico for a week's visit as a tourist had been denied him "because he was a Protestant clergyman." He canceled reservations for himself and his daughter, Miss Ruth Diller, on the steamship *Orizaba*, due to sail from New York on Thursday.

Enrique L. Elizondo, Mexican Consul General in New York, in response to a telegraphic inquiry, explaining why the Reverend Mr. Diller had not received a permit, declared:

"According to present regulations, clergymen desiring to visit Mexico are required to obtain a permit from the Department of the Interior, Mexico City."

This clergyman applied for a permit, and it was refused him, an American citizen. This gives one a slight idea of the freedom of access and transportation through the Republic of Mexico. American tourists are invited, and then, after being invited, are refused permits on account of their vocation; in this case the application being made by a distinguished Protestant Episcopal clergyman of the city of Pottsville, Pa.

The SPEAKER. The time of the gentleman from New York has expired.

THE POSTAL SERVICE

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a most remarkable radio interview of the gentleman from New York [Mr. MEAD], the Chairman of the Committee on the Post Office and Post Roads, delivered from station WLW, Cincinnati, Ohio, August 3, 1935.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio interview of the gentleman from New York [Mr. MEAD], Chairman of the Committee on the Post Office and Post Roads:

Question. Mr. MEAD, as Chairman of the powerful Post Office Committee of the House, perhaps you could be compared to the chairman of the board of the largest single industry in the United States. What is the position of the Post Office Committee in relation to the Postal Service? Does it determine the policy for the postal industry?

Mr. MEAD. The Postal Service, like any other Federal institution, is governed, in the last analysis, by legislation. Congress prescribes the wages and hours and, broadly speaking, working conditions of our Federal employees. It determines the rates of postage, authorizes new services such as parcel post, rural free delivery, and the air mail. Congress has delegated the Post Office Committees of the House and Senate to study a formulation of such principles of operation. Congress and not the Post Office Committees exercises a controlling influence over the Post Office Department, as it does over all Federal institutions by keeping control of the purse strings, this through power vested, so far as the origination of appropriations is concerned, in the House of Representatives. Therefore, in a sense that he who controls the purse strings controls an institution, Congress can be said to control the Post Office Department.

Question. I wonder if this committee, in a world of practical politics, ever present in Washington, D. C., considers such proposals affecting the postal industry in the attitude of the board of a business corporation, all for the good of the industry, or do they divide on party lines with a portion carrying out the administration's policies and with an opposition?

Mr. MEAD. This question affords me a splendid opportunity to pay tribute to the members of our committee, regardless of their political affiliation. No committee of Congress with which I am acquainted takes a greater personal pride and interest in the operations of the particular institution under its charge. The Postal Service is a great, fascinating business and an equally fascinating public service. Without the Postal Service we could have no civilization as we know it today. We operate successfully in direct ratio to the intelligence and interest of the citizenship in their duty as citizens. In order to do this they must have information. The Postal Service is a great avenue and instrument of communication. Since the inauguration of the Postal Service our Post Office Committees have endeavored to protect and expand and develop this splendid institution. I am, therefore, paying a just and warranted tribute to the members of the committee who are now serving with me, by asking that they approach this duty and obligation from the highest point of view.

Question. The Post Office Department is operating within its budget this year. Is that an indication of increased efficiency in the personnel?

Mr. MEAD. The Postal Service has been declared to be 95 percent in the human element. There has never been found any substitute for the skill, training, and devotion to duty of this same human element. The invasions of machinery into this industry are probably less than in any other major industry in the United States. Testifying recently before our committee in support of our 5-day-week bill, representatives of the postal unions placed in the record evidence startling to even the keen students of the Postal Service who are members of our committee. Part of this testimony was from official records of the Bureau of Statistics of the Department of Labor. This information indicated that there had been an approximate reduction in the postal personnel during the last 3 years of 25,000. Had there been no increase in man-hour output of this splendid group of employees, instead of operating with 25,000 fewer employees the Postal Service would have acquired over 170,000 more. This testimony, contained in the presentation of the National Federation of Post Office Clerks by its legislative representative, Mr. Gilbert E. Hyatt, also contained an analysis of the receipts and expenditures of the Department from 1913 to 1934. These impartial figures contained in the various reports of the Postmaster General prove that the average postal worker is now producing three times as much revenue as he was in 1913. Not only has there been a tremendous increase in output, but the figures show that the postal worker, although a higher-paid workman now than he was in those days, is actually a cheaper one in dollars and cents. In 1932 the payment for wages and salaries in the Department amounted to $562,000,000. In 1934 the total amounted to but $432,000,000.

Question. Is there a general increase in the efficiency of the Department during the period of our business recession?

Mr. MEAD. My answer to the preceding question also answers this question. Let me make this addition, however, that there is every evidence that the efficiency of the average employee in the Postal Service is still continuing to increase.

Question. The Postmaster General has recently indicated his approval of the bill that you sponsored reducing work hours in the Postal Service to 40 per week. Is that based upon the improved output and efficiency of the employees or upon new improved machinery?

Mr. MEAD. In view of what I have previously said about increased efficiency in the Postal Service, the concession proposed in my bill of a reduction of 4 hours in an existing 44-hour week is slight compensation to these employees for their splendid service. In the main it is the result of increased skill and constantly mounting experience on the part of the personnel. It can be said, furthermore, that the Government has been tardy, not any more so than is normal, but at least consistent in its slowness in keeping abreast with modern improvements in standards of working conditions for its own employees. Since the depression the administration has taken as the fundamentals of a recovery program the basic principles of a rehabilitation of employee buying power. This was to be accomplished in the only practical way, by spreading work through shortened hours while maintaining an increasing wage standard. The contrast between these declarations on the part of the administration and its reluctance to the adoption of such standards in its own institutions is a curious anomaly. The inauguration of a 5-day week is a concession in that direction.

Question. The present work week of 44 hours in the postal services was one of the measures that you have sponsored. Do you think that the benefits, both direct and indirect, have justified the adoption of the present schedule?

Mr. MEAD. You asked whether a previous reduction of the hours, that from 48 to 44 hours, has been justified. I have already explained in some detail that it has. Let me go further and say that nothing could tend more to destroy the present high morale of the employees of the Postal Service than to deny to them some small share in the benefits they confer on the public and upon the Treasury of the United States by continuing to do more and better work all the time.

Question. These remedial laws cannot be just accidents. How do they come about? Is there any means of collective bargaining in the Government services?

Mr. MEAD. You asked how remedial laws come about. I am narrowing this down to an inquiry as to whether there is collective bargaining in the Government services. There is in some and not in others. There is not enough of it anywhere. But the nearest approach to collective bargaining in the usual definition of the term is found in the Postal Service. The postal employees are organized into associations and unions. Of these, by far the greater number, both with respect to the organizations and with respect to membership, are unions in the ordinary sense of the term. They are affiliated with the American Federation of Labor. All of them contain positive statements that they have discarded, or, rather, have never intended to use the strike. If the particular problem with which they are confronted is one which requires legislative action, they come to us. If it is one of administrative discretion, they go to the Department officials. It is one of the finest tributes which I can pay to the personnel officers of the Post Office Department, who are themselves career men, that the relations between these unions and these officers are constantly becoming more amicable and constructive. Let me say parenthetically, however, that it was not always so. In fact, it was not so at all until recently. These fine, upstanding postal workers have had to fight for the peace which they have sought. I hope that this relationship will continue. It will be a splendid thing for the employees and an equally good thing for the Department and of much greater benefit to the Postal Service as a public service. You say these remedial laws cannot be just accidents. They certainly are not accidents in any sense of the word. I have already told you I am very proud of the members of my committee because of the attention they pay to the details of the Service. Constructive legislation often originates with them. Often it originates in the minds of the employees, who come to us pointing out certain conditions and asking for our consideration of them. We consult with them and with the Department and hold hearings, and out of these come laws.

Question. The employees have organizations advancing their interests. Do you ever find them annoying, obstructive, or a hindrance in the operation and discipline of the Service?

Mr. MEAD. I find them to be quite the contrary. Postal employees are for the most part lifelong employees of the Service. While they have the natural human desire to improve their material conditions, they have greater stakes than anybody in the efficiency of the Service and in its standing with the public. I could illustrate by many instances in which the employees have stood aside from their own selfish interests in order that the Service might not be placed in a bad light with the public.

Question. Now for a rather personal question. The chairmen of the boards of many corporations are very unpopular with the employees, while you are greeted with enthusiasm—are in Cincinnati for the very purpose of receiving their approbation. How do you encompass such wholly desirable relations?

Mr. MEAD. Underlying the thought of everyone concerned in the Postal Service is the keenest pride in its operations. No one can approach it without acquiring that point of view. If this applies to us who approach it from a political, or at least a legislative angle, then how much more to those who spend their whole life in it. The unions of postal employees are good fighters, but in the background of every approach to their problems as wage earners is the thought of the great service to which they have devoted their lives. One can't help but get along with folks like that.

Question. We are all interested in the recovery of the Nation. The post offices have felt the business recession too. Does the condition of the Post Office Department indicate the restoration of normal conditions? Are there hopeful signs?

Mr. MEAD. Preliminary to any business recovery, there must take place consultation, the exchange of business views, and so forth. When the general public, and particularly business men, start to write to each other, start to advertise, start to send out business promotional literature, you can make up your mind that business recovery is on the way. I do not believe there can be any difference of opinion that increased postal receipts indicate two things, first, a Nation-wide determination on the part of our people to fight their way out of the depression, and second, that this determination is bearing fruit.

Question. It is well known, Mr. MEAD, that you are an old railroad man and an active member in your union when you were employed on the railways. Does the future of the railroads seem brighter to you, will there be any recovery for the many railmen that have become technologically unemployed?

Mr. MEAD. Correcting the faulty financial structure of our roads, as well as the control over all forms of transportation by our Interstate Commerce Commission, together with the normal business recovery which affects every industry, will bring prosperity to our roads. A reduction in the work periods of the employees will restore jobs to those who have been furloughed.

Question. Is it possible that a return to the old 2-cent postage may be in view? I understand that you have advocated this in the past.

Mr. MEAD. Our committee has favored the return to the 2-cent rate of postage for we believe the lower rate would give us more postal business. Two-cent postage might result in reduced revenues for a while but as time goes on it is believed that the volume of mail would be heavier; the unit cost of handling would be reduced and the postal revenues would be increased. It is well known that numerous methods have been attempted all over the country in order to escape the 3-cent rate. The longer we continue the rate the more volume we will drive out of the Department and the longer it will take to win back the patrons who have left us.

ORDER OF BUSINESS

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent that tomorrow, after the completion of the consideration of the individual private bills, it shall be in order to call up the omnibus private bills.

The SPEAKER. The gentleman from Iowa asks unanimous consent that tomorrow, at the completion of the consideration of individual private bills on the Private Calendar, it be in order to take up omnibus bills. Is there objection?

Mr. TRUAX. Mr. Speaker, I object.

HAMILTON FISH FOR PRESIDENT

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing a letter written by a former Member of this House.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, in accordance with the consent given me to extend my remarks, I include a letter

from former Congressman Royal C. Johnson, of South Dakota. I was so much impressed by the sincerity, soundness, and logic of the views expressed by former Representative Royal C. Johnson in this letter written to a friend of his in my State of Minnesota that I have asked permission to print it in the RECORD.

Mr. Johnson was one of the outstanding Members of the House from 1916 to 1933. He was the Republican Chairman of the Veterans' Relief Committee and a member of the Rules Committee. He left Congress to enter the World War and served with distinction as an officer in the 79th Division and was severely wounded in action. After the war on his return to Congress he became the outstanding veteran leader in the Nation. He voluntarily retired from Congress in 1933 to practice law in order to support a growing family.

Royal Johnson was not only an able Representative, but recognized on the Republican side as one of the best politicians in recent years. The reasons advanced by him in support of HAMILTON FISH are those of an experienced Republican leader from the Middle West who served for 13 years with Representative FISH in Congress and knows his qualifications, fitness, and record and understands his unique appeal to the voters.

The letter is as follows:

WASHINGTON, D. C., *April 17, 1935.*

DEAR PAT: Your letter of the 13th, asking for a résumé of the qualifications of the different individuals whose names have been proposed for the Republican nomination for President, came yesterday. Personally, as you know, I am forever out of politics, but I am interested in seeing the Constitution and our form of American Government preserved, and believe that must be done through the Republican Party.

We know we must have a clean, outstanding, comparatively young man, preferably a veteran, who has a background of Americanism, understands government, could execute the administrative duties of the office of President, understands foreign affairs and who can get the votes.

For that reason I am writing you frankly about the man who I think would make a good President and who, I am firmly convinced, can get more votes in the 1936 fall election than any other individual. I am sure that that man is HAMILTON FISH, Jr., present Member of Congress from New York, and I am writing you frankly concerning him because I think that you ought to take up the battle for him in your State, just as one time, some years ago, you enlisted in the marines. I think, Pat, it is your duty.

The following is a statement of my reasons for the suggestion:

PERSONALITY

1. In my judgment, he possesses the qualifications that would make him a good and perhaps a great President.

2. He is 47 years old, physically fit, has been a great football player and a patriotic combat soldier decorated by his country. He is the type that will attract the younger element and the liberal and independent voters.

3. He is a married man with two young children, and he has lived the sort of life that makes it impossible for him to be personally attacked.

LEGISLATIVE RECORD AND POLITICAL AVAILABILITY

1. He was a liberal in Congress when the Republican Party was headed for reactionary defeat.

2. He is fundamentally right on the American system of government and the Constitution.

3. He has practical political experience of three terms in the New York State Legislature (1912–15), as a Progressive follower of Theodore Roosevelt, and 16 years as a Republican Member of Congress from that State.

4. He can do more to cement the service men than any other individual, because he has a fine combat record; was Chairman of the Commission which gave veterans a reasonable civil-service preference; was chairman of the committee which wrote the preamble to the constitution of the American Legion in St. Louis in May 1919; introduced and secured the passage of the resolution returning the body of the unknown soldier now lying in Arlington Cemetery; is now the oldest veteran in point of service in Congress, and has no animosities among service men, who, as you and I know, are subject to them.

5. He is the only man in the United States, in my judgment, who could bring back the colored voters to the Republican Party, because he served with colored troops (Three Hundred and Sixty-ninth Infantry); handled more compensation cases for colored veterans than anyone in the United States; and defended the colored troops on the floor of the House and in public speeches when attacks were made on their military records.

He already has the endorsement of the leading Republican colored leaders of the United States. He introduced a bill in Congress February 23, 1926, which passed the House on April 28, 1926, proposing a monument to colored soldiers.

6. He has the support of the leading German newspapers of the United States, because he came back from France with charity in his heart for a defeated enemy, and on February 8, 1924, introduced a bill appropriating $10,000,000 for relief of distressed and starving women and children of Germany, which passed the House on March 24, 1924, and was enacted into law.

7. Being one of the men who never had particular racial or religious prejudices, he is friendly with many Jewish people because on May 3, 1922, he introduced a bill creating a national home for the Jewish people in Palestine, which became a law on September 21, 1922.

8. He has been a leader in the fight on communism when others paid no attention to it, and introduced at this session a bill in the House, which later the Democrats purloined from him, providing for an investigation of conditions in Mexico, where communism is attempting to eradicate all belief in religion.

9. He is immensely strong with labor and intimate with labor leaders. He voted with them 16 out of 20 times, definitely refusing to go with them on the occasions when small groups of labor leaders attempted to assume the prerogatives of government.

10. He supported social and humanitarian reforms which everyone now accepts should have been secured by labor long ago.

11. He is strong with the Polish people and is the author of the law which passed Congress promoting our representative in Poland from a minister to an ambassador, and has recently introduced a bill for the erection of an American Embassy at Warsaw.

12. He introduced and passed through Congress a resolution extending congratulations on the hundredth anniversary of the independence of Greece. The official magazine of the Order of Aheppa has publicly thanked him, has publicly supported him, and he has been officially invited to Greece at the expense of that Government, an invitation which he could not accept.

13. He has the support of a vast group of American Italians. Part of this is due to the fact that many Italians who enlisted or were drafted into the American Army were discharged abroad and remained in Italy until they could not legally return to the United States. Mr. FISH led the fight for the passage of a law which allowed thousands of fathers and mothers of naturalized World War veterans to be admitted to the United States, regardless of the quota; that is, the fathers and mothers of those soldiers who had honorable discharges.

14. He represents a dairy and agricultural district, and is a member of the National Grange and Farm Bureau Federation, and has shown both sympathy and interest in the farmers' problems of the Middle West, and recently reintroduced the McNary-Haugen export-bounty bill, and has urged the passage of the Lemke-Frazier farm-refinancing bill. He insists that the Republican Party present a constructive substitute for the A. A. A. before attempting to abolish it.

15. He is the highest ranking Republican on the House Committee on Foreign Affairs, has consistently fought American intervention in European affairs, the League of Nations, and all foreign entanglements and sanctions, and is particularly qualified to represent American thought in world affairs.

16. He has a consistent record of sticking with his friends, sometimes even to his own disadvantage.

17. He is a skilled and fluent public speaker on both platform and radio and has one of the most pleasing radio voices in the United States. In addition, he is smart enough to write his own speeches.

18. He lives in Franklin Roosevelt's district, has led his ticket overwhelmingly every year he has run, carried his district in 1932 by 17,618 votes, increased his majority 2,000 votes in 1934, and led the Republican candidate for Governor by 16,000 votes. In this connection, let me call your attention to what we know, which is that no one can tell why a man can secure votes. We know he either can or he cannot, and it has been demonstrated that people do vote for FISH. He was one of the few Congressmen to run ahead of President Coolidge in 1924 and of President Hoover in 1928.

19. More than 50 Members and ex-Members of Congress who knew him have already endorsed him, and a voluntary campaign committee has recently been formed.

20. I have seen the voluntary letters he has received, and there has been no voluntary support such as he is receiving since the time of Theodore Roosevelt. This is because the Republicans of this country have been looking for a sound individual of his type who has repeatedly demonstrated great vote appeal. I know him, and I know that he is frank, sometimes distressingly frank, but it is a great asset at the present time, and he will speak out and put some color and fire into the campaign.

21. He has for more than a year urged the liberalization of Republican policies within the confines of the Constitution and the necessity of making a direct appeal to Jeffersonian Democrats in defense of their own principles to join the Republicans in ousting the "new dealers" and preserving American constitutional liberty.

As busy as I am, I intend to work in this campaign, because it appears to be a duty; and I believe you ought to take it up with your friends in your State and make one more real American fight.

Sincerely yours,

(Signed) ROYAL C. JOHNSON.

PRESERVATION OF HISTORICAL SITES OF THE UNITED STATES, INCLUDING THOSE OF THE SPANISH COLONIAL ERA, WITHIN THE STATES OF TEXAS, FLORIDA, LOUISIANA, NEW MEXICO, ARIZONA, AND CALIFORNIA

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include certain excerpts.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, on request of the Department of the Interior, I heretofore introduced two bills—one, H. R. 6734, which was to create a national park trust-fund board, and which has finally become law; the other, H. R. 6670, to provide for the preservation of historic American sites, which passed the Senate as S. 3073 and has now been passed in amended form by the House. I also introduced House Joint Resolution 211, to create a commission for the study of the feasibility of establishing national monuments in the territory occupied by the Spanish colonial missions, Texas, New Mexico, Arizona, and California, and intend to offer an amendment to include the States of Florida and Louisiana.

At first there was some opposition from church authorities to the bills because they felt there was the possibility of an attempt by the Government to exercise a right of eminent domain in taking over church properties; however, an exception was made so that the Government has no right of eminent domain in the case of church properties, or other properties being conducted by the State or subdivisions or parties for the public benefit. So I received the following two letters from San Antonio, Tex., one from the Archbishop of San Antonio, the Most Reverend Arthur J. Drossaerts, and the other from the Southern Messenger, the official Catholic newspaper of Texas. The letters are as follows:

SAN ANTONIO, TEX., *May 24, 1935.*

Hon. MAURY MAVERICK,
United States Congress, Washington, D. C.

MY DEAR MR. MAVERICK: I beg to acknowledge receipt of your letter with enclosures. Reading the wording of the bill I notice how you have taken pains to eliminate even the vestige of possible opposition against it and it is my pleasure to give my full and unreserved approval of the proposed measure. I trust that you will be able to get it through in good style.

Hoping that you are very well, I am, with cordial greetings,

Yours truly,

■ ARTHUR J. DROSSAERTS,
Archbishop of San Antonio.

SOUTHERN MESSENGER,
San Antonio, Tex., May 24, 1935.

Hon. MAURY MAVERICK, M. C.,
House of Representatives, Washington, D. C.

DEAR MR. MAVERICK: This will acknowledge receipt of your valued letter of May 14, with which you enclose copies of the amended bills which you have introduced in Congress relative to the appropriation of Government money for the purpose, among others, of beautifying and restoring the old mission properties.

As requested, we have looked over these revised bills, and although we cannot lay claim to any expert opinion in this matter, it would seem that the various objections to the original bills have been satisfactorily met, the clause specifically inserted in H. R. 6670 to the effect that the consent of the owner of such properties is requisite, and that eminent domain cannot be exercised, being the provision that should remove all hesitancy and doubt from the mind of those who feared that the Government was about to take such properties away from the church.

On this point I may add that personally there was never any apprehension that either you or anyone else interested in the bills had any such object in mind; however, inasmuch as opposition to the bills did develop on precisely those grounds, I cannot do otherwise than acknowledge your absolute fairness in going to the lengths you have in your wish to remove any possible doubt from the minds of all parties concerned by amending the bills as you have done.

With kind personal regards, I remain,

Very truly yours,

WM. A. MENGER.

As stated, all opposition to any of these bills by the Catholic Church authorities is now removed and they are enthusiastically in favor of all three bills. I cannot certify as to the whole United States, but as far as I know the bills are now satisfactory.

The bills provide for cooperation of the Federal Government with all agencies of government—State or local—and with private bodies such as church and patriotic societies in the endeavor to preserve the valuable historical sites of our country.

I recently sent copies of the bills to the Archbishop of San Antonio, with the hearings on the matter before the Public Lands Committee, and I have received from him the following letter:

SAN ANTONIO, TEX., *August 5, 1935.*

Hon. MAURY MAVERICK,
House of Representatives, Washington, D. C.

MY DEAR MR. MAVERICK: Thanks for your letter and the booklets covering first session on H. R. 6670 and 6734.

I think that every American and especially every Texan owes you a vote of gratitude for the intelligent zeal shown for the preservation of our Franciscan missions. I devoted an entire afternoon to the reading of the minutes of the meetings re the preservation of historic sites, etc. More power to you and may full success crown your efforts.

Yours truly,

■ ARTHUR J. DROSSAERTS,
Archbishop of San Antonio.

The purposes of these bills show on their face, but the trust fund board bill is to accept gifts and to see that the money is properly invested and held in trust according to well-defined law; the other bill to provide for the preservation of historic American sites is, in my opinion, very important, because there is a wealth of historical matter which is being lost in this country and which should be preserved. We have made, for instance, valuable archeological discoveries throughout the Southwest concerning tribes of Indians, who had a high state of civilization, and many of the greatest discoveries, much to my surprise, were made in my own State of Texas. Then, of course, we have Spanish colonial civilization, which we find principally in the States of Florida, Louisiana, Texas, New Mexico, Arizona, and California.

For the purpose of getting a specific report on the matter of the Spanish colonial history, I have introduced, as I stated, House Joint Resolution 211, which authorizes a small appropriation of $15,000, and this will not only be extremely interesting to the people of the States mentioned but to the entire United States of America. The Bureau of the Budget is in entire accord with the bill and has approved it, as well as the Department of the Interior, and, of course, as has the Committee on the Public Lands.

The history of Spain in America is one of the most colorful epochs in our history and has been sadly neglected. Hundreds of thousands of us from the South and West travel eastward to see historic places; it is the purpose of this bill to have a broad policy leading toward study of this interesting Spanish era, to make plans for the preservation of its beautiful buildings, some governmental and some ecclesiastical; and, if we have the wisdom, to eventually have some sort of wide-spread celebration like that of Congressman BLOOM, of New York, who made such a great success of the United States George Washington Bicentennial.

There are hundreds of old documents in Texas, Mexico, and Spain concerning Spanish colonial history of America which can be obtained for practically nothing, and, if not obtainable, copies can be obtained; and from a viewpoint of valuable history and of art, culture, and sentimentality these things are very important.

I know more, of course, about the State of Texas than I do about any other. The priests who came to Texas were bright fellows, courageous, and cultured. They Christianized that area of Texas and did their job efficiently and well, and we may well be proud of it.

I think, if the Members of Congress would study these three bills and, if possible, read the hearings which can be obtained from the Public Lands Committee, that they will approve of them. The bills represent, I think, a coordinated plan of which every American can be proud.

FLOOD CONTROL

Mr. DRIVER, from the Committee on Rules, reported the following resolution, which was referred to the House Calendar and ordered printed:

House Resolution 321 (Rept. No. 1737)

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8455, a bill "authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes." That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Flood Control, the bill shall

be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

MEXICO, GERMANY, ITALY, RUSSIA

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, in my mail this morning I received a questionnaire, which I understand has been sent generally to all Members of Congress, from Mr. Wishengrad, managing editor of the Jewish Telegraphic Agency, with offices in London, Paris, Berlin, Warsaw, Jerusalem, and New York, their address in the United States being 122 East Forty-second Street, New York City, asking for a definite answer to the following question:

Are you in favor of the United States taking official action against the German Government in the matter of its persecution of Jews?

My answer is emphatically "No." I want the United States to let the German Government alone. I want us to mind our own business. I want the United States Government not to meddle and interfere with the German Government or with any other foreign Government. We have plenty of our own business to attend to at home.

Our Government of the United States would not allow any foreign government to tell us how we shall run our own business, and we would resent any meddling or interference from outsiders.

Suppose we were to tell the German Government that it must stop persecuting Jews. The German Government would tell us to "go to hell." And that would mean war. And there is not going to be any war stirred up again between our Nation and foreign countries.

There is no persecution of Jews in the United States. They hold many of the key positions of this Government. They hold many of the key positions in this Congress.

There is no persecution of Catholics in the United States. They hold many of the key positions of this Government. They hold many of the key positions in this Congress.

There is peace and harmony and good will among and between Catholics, Jews, and Protestants in this Government and in this Congress, and we do not want any friction or bad feeling to arise.

If there were any persecution of Jews in the United States, it would be the duty of this Government to stop it. If there were any persecution of Catholics in the United States, it would be the duty of this Government to stop it.

But neither the Jews of the United States nor the Catholics of the United States have any right whatever to involve the United States Government in unfriendly feeling that usually leads to war with foreign governments, because foreign governments do not see fit to accord to their Jews and Catholics the same treatment that we accord ours in the United States.

Mr. Speaker, I have in my heart a kindly feeling for every Jew and every Catholic in the United States. I am as good a friend as there is in the House to every Member of the House who is Jewish or who is Catholic, but I say to my friends who are Jews and who are Catholics that if they do not stop this harsh criticism and eternal interference with other foreign nationals and other foreign governments, they will inevitably get this country into war.

Mr. BOYLAN. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. BOYLAN. Are the Members of this House to be castigated by the gentleman from Texas? Has a new censor been put up here to regulate our remarks?

Mr. BLANTON. Mr. Speaker, this is a public forum, and such a point of order does not lie.

Mr. BOYLAN. I refuse, for one, to be chided and castigated by the gentleman from Texas.

Mr. BLANTON. Mr. Speaker, there has been a continual ding-dong here on this floor for the last 2 or 3 months, first by one and then by another, against foreign countries and against the rulers of foreign nations, regarding their national policies. One day it is an attack on Hitler, the next day an attack on Mussolini, then one on Stalin, and frequently there are attacks on Mexico.

I live 460 miles from the Mexican border. I once represented the district that paralleled the Mexican border for 600 miles. I tell you this: Every American tourist today can enter Mexico at will if he has no purpose to stir up trouble there, and he will be perfectly safe anywhere in the great United States of Mexico. Conditions are better there than they have been before in 150 years. The people of Mexico are better treated, are happier, and are making greater strides for improvement and civilized enlightenment, than ever before in 150 years. Good feeling exists between them and us. Many of us have worked hard to bring about this good feeling and amity. An American citizen today is just as safe anywhere in the United States of Mexico as any Mexican citizen is safe in the United States of America. This is all buncombe about interference with Americans there. If I can find the time to go to Mexico City this fall, I hope that the gentleman from New York [Mr. BOYLAN] will go with me and let me show him all the good things about Mexico.

Mr. BOYLAN. Judged by the clipping I have read, the gentleman does so at personal hazard.

Mr. BLANTON. No; on the contrary, both of us would be much safer, and have a better time, than if we were in New York.

The SPEAKER. The time of the gentleman from Texas [Mr. BLANTON] has expired.

RIVER AND HARBOR BILL

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report (Rept. No. 1738, H. Res. 322) for printing in the RECORD:

House Resolution 322 (Rept. No. 1738)

Resolved, That immediately upon the adoption of this resolution the bill H. R. 6732, with Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table to the end that all Senate amendments be, and the same are, disagreed to and the conference requested by the Senate upon the disagreeing votes of the two Houses be agreed to.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, the gentleman from New York [Mr. O'CONNOR], Chairman of the Rules Committee, has stated he would probably call up several rules today. I wish the gentleman would give us the numbers and the order in which he intends to call up the resolutions. I think the Members on both sides would like to know.

Mr. O'CONNOR. The first one is House Resolution 303, providing for the consideration of a bill which relates to vacations for Government employees. That does not include Representatives in Congress. [Laughter.]

The next one is House Resolution 302, providing for sick leave for employees.

The next is House Resolution 308, the World Power Conference. Beyond that I cannot go at this time. It may be that if we complete those we will call up a joint resolution which has been pending for some time, for the continuation of clerks after the death of a Member.

Mr. SUMNERS of Texas. Will the gentleman yield?

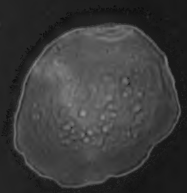
Mr. O'CONNOR. I yield.

Mr. SUMNERS of Texas. May I inquire of the gentleman from New York if there is any prospect of having the rule on H. R. 8587, the railroad reorganization bill, reached today?

Mr. O'CONNOR. These are other rules which have been pending a long time before the one to which the gentleman refers. If we can reach it, we will be glad to call it up at the first opportunity.

VACANCIES ON FEDERAL BENCH

Mr. SUMNERS of Texas. Mr. Speaker, I call up the conference report on the bill (H. R. 4665) authorizing the filling of vacancies in certain judgeships; and I ask unanimous consent that the statement may be read in lieu of the report.



The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TRUAX. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty-seven Members are present, not a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 158]

Adair	Culkin	Hess	Perkins
Andrew, Mass.	Darrow	Higgins, Mass.	Peyser
Andrews, N. Y.	Dear	Hoffman	Reece
Arnold	Dickstein	Hook	Rogers, N. H.
Bacon	Dietrich	Johnson, W. Va.	Romjue
Bankhead	Dockweiler	Kennedy, Md.	Rudd
Barden	Doutrich	Kimball	Russell
Beam	Eaton	Kinzer	Schaefer
Berlin	Eicher	Kniffin	Seger
Binderup	Farley	Lea, Calif.	Shannon
Bolton	Fenerty	Lewis, Md.	Stack
Brown, Mich.	Ferguson	McGroarty	Stubbs
Buckley	Fernandez	McKeogh	Sutphin
Bulwinkle	Fish	McMillan	Sweeney
Cartwright	Fitzpatrick	Maas	Thom
Cavicchia	Gassaway	Martin, Mass.	Thomas
Celler	Gehrmann	May	Tinkham
Claiborne	Gifford	Meeks	Underwood
Clark, Idaho	Gingery	Monaghan	Walter
Cochran	Goodwin	Montague	Weaver
Cole, N. Y.	Gray, Pa.	Moran	Whelchel
Connery	Greenwood	Oliver	Wilson, Pa.
Corning	Hancock, N. C.	O'Malley	Wolfenden
Cox	Hartley	Parks	Wolverton

The SPEAKER. Three hundred and thirty-three Members are present, a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER. The gentleman from Texas [Mr. SUMNERS] asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. TRUAX. Reserving the right to object, I would like to ask if this is the so-called "omnibus judgeship bill", wherein 1 new judgeship was created by this body and the bill was amended in another body providing for 15 new judgeships?

Mr. SUMNERS of Texas. If the gentleman is addressing his inquiry to me, I want to say that there is not a single new judgeship being provided for in this bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. McFARLANE. Mr. Speaker, I object.

The SPEAKER. The Clerk will read the report.

The Clerk read the report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill, H. R. 4665, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate to the text of the bill and the title thereof, and agree to the same.

HATTON W. SUMNERS,
W. V. GREGORY,
RANDOLPH PERKINS,
Managers on the part of the House.

HENRY F. ASHURST,
WM. E. BORAH,
WILLIAM H. KING,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4665), to authorize the appointment of a district judge to fill the vacancy in the district of Massachusetts occasioned by the death of Hon. James A. Lowell, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

H. R. 4665, as it passed the House, provided for the appointment of a successor to Judge Lowell, deceased, in the district of Massachusetts. A provision in the act under which Judge Lowell was appointed prevents the appointment of a successor without the sanction of additional legislation.

S. 481, a bill making permanent a number of temporary judgeships passed the Senate on February 26, 1935, and was referred to the House Judiciary Committee. The House committee, after consideration amended the bill, and on May 23 reported it to the House as amended, where it is now pending on the calendar.

The Senate amended H. R. 4665 by striking out all after the enacting clause and inserting the provisions of S. 481 as amended by the House Judiciary Committee. The House conferees recommend that the House agree to the Senate amendment. The effect of such action will, of course, be the same as passage of S. 481 as amended by the House Judiciary Committee.

Adoption of the conference report will provide for the filling of existing and future vacancies in the office of district judge in the following districts in which such vacancies cannot be filled without removal by legislation of prohibitions contained in existing law:

Two in the district of Massachusetts.
Two in the southern district of New York.
One in the eastern district of New York.
One in the western district of Pennsylvania.
One in the eastern district of Michigan.
One in the eastern district of Missouri.
One in the western district of Missouri.
One in the northern district of Ohio.
One in the southern district of California.
One in the district of Minnesota.
Two in the northern district of Texas.
One in the district of Arizona.

The reasons which actuated the House Judiciary Committee in recommending that these judgeships be made permanent are given briefly in the following quotation from the report of the committee on S. 481 (H. Rept. 986):

"With respect to the first 10 of the districts listed this legislation is recommended by the Judicial Conference. (See report of Judicial Conference quoted in Attorney General's letter dated Dec. 17, 1934, appended hereto.)

"To the Judicial Conference recommendations the Senate added provisions with respect to one judge in each of the districts of northern Texas, Arizona, and southern Iowa. The Attorney General concurred in the inclusion of the first two. (See letter of Attorney General dated May 2, 1935, appended hereto.) Your committee is convinced there is no necessity for the inclusion of southern Iowa and recommends its elimination from the bill. The condition of the work and volume of business in the districts of Minnesota and Arizona, in the opinion of the committee, warrants their retention in the bill. The Senate bill provides for a successor to one judge in north Texas, Judge Atwell. Your committee is of the opinion that the work in this district requires that provision be made for the appointment of a successor to Judge Meek, also, which is accomplished by the committee amendment adding section 2 to the Senate bill.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., December 17, 1934.

Hon. HATTON W. SUMNERS,
Chairman Committee on the Judiciary,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: The report of the September 1934 session of the Judicial Conference contains the following statement:

"Removal of restrictions upon appointment of successors in existing judgeships: Apart from provision for additional judges, the conference has heretofore directed attention to the need of removing restrictions upon the filling of vacancies in certain existing judgeships. The conference has carefully considered the desirability of the removal of these restrictions so that successors can be appointed in the cases in which vacancies occur, where experience has shown the necessity of having a permanent, instead of a temporary, judgeship. As a result of its examination of conditions in each district, the conference recommends that the following judgeships should be made permanent by removing the existing limitation upon the appointment of successors:

"Two in the district of Massachusetts; two in the southern district of New York; one in the eastern district of New York; one in the western district of Pennsylvania; one in the eastern district of Michigan; one in the eastern district of Missouri; one in the western district of Missouri; one in the northern district of Ohio; one in the southern district of California; one in the district of Minnesota.

"As stated by the conference in its report of last year, the importance of making appropriate provision for the filling of such vacancies, before the vacancies actually arise, is shown by the situation in the eastern district of Michigan, one of the judgeships above mentioned. That judgeship was held by Judge Simons, and on his appointment as circuit judge there was no provision for filling the vacancy in the district court in the eastern district of Michigan. Another illustration is found in the inability under the existing statute to fill the vacancy in the southern district of New York which arose on the resignation of Judge Winslow (since deceased)."

Substantially the same recommendtaion has been made by the Judicial Conference at each of its sessions for the past 5 years. To carry out the recommendation made again this year, I have

caused a bill to be prepared, a copy of which is enclosed herewith together with a copy of an office memorandum of November 6, 1934, explaining in detail the purpose of and the necessity for this legislation. You will note that as to three of the judgeships affected by this measure, vacancies have already occurred, and have been in existence for some time, one judgeship in the southern district of New York, one judgeship in the eastern district of Michigan, and one judgeship in the district of Massachusetts. The enactment of this bill will permit the immediate appointment of successors in such cases and in the other judgeships listed, as vacancies therein occur.

I shall be glad if you will be good enough to introduce the bill and lend your assistance in securing its enactment.

Sincerely yours,

HOMER CUMMINGS,
Attorney General.

HON. HATTON W. SUMNERS,
Chairman Committee on the Judiciary,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: I am pleased to respond to the request transmitted to me orally through the clerk of the committee for my views relative to the merits of the bill authorizing the filling of vacancies in certain judicial positions, which has recently been passed by the Senate (S. 481).

The purpose of this bill is to make permanent certain temporary judicial positions. The Judicial Conference of 1934 recommended such step as to all but three of the positions enumerated in the pending measure. By letter addressed to you and dated December 17, 1934, a recommendation was made by me identical with that of the Judicial Conference.

Of the other three positions listed in the bill, one is in the northern district of Texas and one is in the district of Arizona. The proposal that these two positions should be made permanent meets with my approval.

The bill also seeks to authorize the appointment of an additional judge in the southern district of Iowa. I prefer not to express any views as to the merits of this proposal.

I enclose for your use memoranda containing pertinent details bearing upon the merits of the proposal in respect to the three districts last mentioned.

With kind personal regards, sincerely yours,

HOMER S. CUMMINGS,
Attorney General.

HATTON W. SUMNERS,
W. V. GREGORY,
RANDOLPH PERKINS,
Managers on the part of the House.

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, there is a great deal of misinformation and misunderstanding with regard to what is involved in this conference report. There is not a single new judgeship being provided for in this bill. There have been many statements made that we are providing for 13 new judgeships. Now, that is not true.

Now, what is the situation? In 1921 the Congress provided for 23 additional judgeships. At that time the dockets of the courts were in confusion. There was no way of knowing then how many of those judgeships should be permanent. As a matter of precaution it was provided that those positions should not be filled without authority from Congress. As a member of the committee then I sought to have that provision incorporated in the bill. I stated on that occasion, and I quote from my own remarks:

Mr. Chairman, this amendment—

That is, the amendment to which I referred—

is to make these positions being created subject to the approval of Congress, as far as Congress can retain control, until we shall have determined by actual experience whether these judgeships will be required as a permanent proposition.

Now, let us get these propositions one at a time. First, no new judgeships are being provided. Fourteen years have elapsed. Those judgeships, during those 14 years, have been under actual test.

From time to time we deal with individual situations. New Mexico is one I know of which did not meet the test and has been abandoned. There are a few others, I believe. Thirteen temporary judgeships remain. Now, you ask me the question—and it is a practical question—why it is that we now bring in the bill to make permanent the 13 judgeships mentioned. Speaking generally, I answer that experience, the test during the 14 years, in the judgment of the Committee on the Judiciary, in the judgment of the judicial council, has brought the conclusion that the 13 judgeships enumerated ought to be made permanent. With but few exceptions these judges are now sitting, discharging their respective duties.

But why not wait until there is a vacancy in a particular district and then act?

Here is the difficulty with that: When one of those judges dies or retires or is elevated to another place it takes a year or 2 years to get Congress to act, authorizing the President to make another appointment filling the vacancy, and by that time the docket is all balled up and people are denied the right of trial. We could make all the other judgeships subject to this restriction. We do not do it for the very same reason that has prompted this effort to relieve these 13 judges from this limitation, so that when a vacancy occurs the President can fill it and let the work of the court go on.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. SNELL. I am familiar with part of the statement the gentleman has just made about the conditions that existed when we created these temporary judgeships. As I remember, at that time some of us wanted to make them permanent.

Mr. SUMNERS of Texas. Yes.

Mr. SNELL. But it was the position of the gentleman himself and some other Members on his side of the House that there was no need of making these positions permanent, because they were created largely on account of the added business brought about by prohibition, and that should there eventually be a change there would not be so much business and they would not need so many judges. Since that time prohibition has been repealed. As a great part of the business that comes before Federal judges, especially in our part of the country, were prohibition cases, I am wondering where the real need is to make these judgeships permanent.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself 2 additional minutes.

The gentleman from New York will recognize the great difficulty in answering in detail his inquiry. The gentleman is not unmindful of the growth of the country and he is not unmindful, either, that since the time when we sat here in 1921 the Federal Government has extended its jurisdiction very deeply into general governmental affairs. I cannot go into details of need in the time available. Speaking generally, you and I have three responsibilities: we have to legislate for the legislative branch of the Government, we have to legislate for the executive branch of the Government; and I submit that it is perfectly ridiculous to pass laws that have got to be construed in the courts and deny the people the judges necessary to construe those laws. We cannot do things that way.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. PITTENGER. As I understand it, there is a Minnesota judgeship involved in this bill. Is that correct?

Mr. SUMNERS of Texas. I think so.

Mr. PITTENGER. I think the gentleman will bear witness to the fact that there was testimony before the Judiciary Committee that the volume of business in Minnesota had increased since that extra judgeship was created; and part of the increase has been due to the large number of prosecutions for violation of the internal-revenue laws since prohibition was repealed.

Mr. SUMNERS of Texas. I imagine so.

Mr. MICHENER. Mr. Speaker, will the gentleman give me 5 minutes before he moves the previous question?

Mr. SUMNERS of Texas. Yes; I shall try to.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HEALEY], but may I say in half a minute of the gentleman's time—I will give him the other half—that he is a Member who comes from a district where they had one of these judges. He can give you a concrete example of necessity for this legislation.

Mr. HEALEY. Mr. Speaker, I trust I may be pardoned if I repeat for a moment some of the statements made by the preceding speaker, the distinguished Chairman of the Judiciary Committee. This bill involves 15 judgeships which are now temporary; that is, they exist for the lifetime of the incumbent and expire on the death, resignation, or retire-

ment of the present incumbent. There are no new judgeships created by this bill. Every one of these judgeships exists at the present time. In the 15 there were 3 vacancies—1 in the southern district of New York, 1 in the eastern district of Michigan, and 1 in the district of Massachusetts. These courts are located, respectively, in New York City, in Detroit, and in Boston.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. If the gentleman will permit me to complete my statement, I shall be pleased to yield.

These are three of the most populous and congested cities in this country.

The Senate passed a bill—S. 481—in February of this year making these judgeships permanent. That bill is exactly the same as this one with two exceptions—the Senate bill included the district of Iowa and this conference report has stricken that out. The Senate bill had one of the districts of northern Texas and the conferees have put in the other northern Texas judgeship.

These judgeships were created in 1922. The reason for their creation at that time was because of the great congestion of the Federal district courts caused by the large numbers of prohibition cases then pending. As the gentleman from Texas [Mr. SUMNERS] has explained, when Congress created these judgeships it was its intention by placing this limitation on them to hold some reins on them in the future to determine in the light of experience whether there was a permanent need for these judgeships in the various districts concerned.

The Senate bill came before the Judiciary Committee, was referred to a subcommittee of the Committee on the Judiciary. The subcommittee, after careful investigation, were unanimously of the opinion that the judgeships included in this conference report were all required as shown by experience by the figures and by an analysis of the types of cases presented before the courts involved in this bill. In the meantime the Judiciary Committee allowed me, because of the urgency of the situation, to bring out a special bill for Massachusetts. That bill was passed by the House, went to the Senate, and in the Senate an amendment was placed on it adding these other judgeships which are dealt with in this conference report.

There is and has been for a year and half a most urgent need for the revival of the judgeships terminated in the district of Massachusetts by the death of Judge Lowell. We have a population of 4,300,000. We have had only two Federal district judges there since the death of Judge Lowell in November 1933.

Mr. Speaker, there is not a single State in the Union with anywhere near the population of Massachusetts which has fewer judges. There are 19 States with less population that have as many. There are 10 with less population that have more judges than Massachusetts. Of course, it is true that prohibition cases have been practically all disposed of, but the Congress in the last session and in this session has greatly increased the jurisdiction of the Federal courts.

In the last session, for instance, the Department of Justice requested the passage of legislation to enable it to cope with the great wave of crime which was prevalent throughout the country. Gangs of interstate criminals were defying the law-enforcement bodies of our several States and were challenging the efficacy of our system of justice. Congress passed 10 crime bills in the Seventy-third Congress, giving the Department of Justice authority to cope with this situation. It is now a matter of common knowledge how efficiently this power has been utilized by the Department of Justice. However, the increased effectiveness of our law enforcement has placed an additional burden upon our Federal district courts, a burden which in the interest of speedy justice may be properly handled only by maintaining the efficiency of these courts.

An additional burden has been placed on the Federal courts by the adoption of section 77 (b) of the Bankruptcy Act, which provides for the reorganization of large corporations.

It is most essential in the interest of the economic and social well-being of our people that these courts be properly manned for the administration of justice.

Massachusetts: Until recently there were three judgeships in Massachusetts—Judges Lowell, Brewster, and McLellan—all very actively engaged in this district. Positions held by Judges Lowell and Brewster are temporary. Judge Lowell died about a year and a half ago, leaving the district with only two judges. No successor could be appointed to Judge Brewster should a vacancy occur in this position, and thus the State would be left with but one district court judge. The year 1934—exclusive of bankruptcy cases—total of 1,047 new cases were commenced, 1,033 cases were terminated, at the close of the fiscal year 1,956 cases were pending. Two thousand one hundred and fifty-five bankruptcy proceedings were commenced, 1,924 terminated, and 2,406 were left pending at the close of the year.

Southern district of New York: Now has eight resident judges, including Judge Goddard, to whom no successor may be appointed under existing laws. Judge Winslow, formerly in this district, resigned, and position could not be filled. District has had services of outside judges for a long while now, but docket still highly congested. Enactment of conference report would enable an appointment for Judge Winslow and also for Judge Goddard when a vacancy occurs in his judgeship. During fiscal year 1934, exclusive of bankruptcy proceedings, 3,945 cases commenced, 6,967 cases terminated, 5,848 cases left pending at close of year; 2,369 bankruptcy proceedings commenced, 3,399 terminated, 3,101 left pending. Clerk of court estimates that, after joinder of issue, it requires 17 months to reach trial of jury case, 16 months to reach trial of suit in equity, 33 months to reach trial of cause in admiralty.

Eastern district of New York: Has five judges, including Judge Campbell, to whom no successor may be appointed under existing laws. Fiscal year 1934, exclusive of bankruptcy, 1,811 cases commenced, 3,203 terminated, 4,355 left pending; 1,755 bankruptcy proceedings commenced, 2,195 terminated, 2,292 pending. Clerk of court estimated 8 months required to reach trial of case after joinder of issue.

Western district of Pennsylvania: Three judges, including Judge Schoonmaker, whose position cannot be filled in case of vacancy without this legislation. Exclusive of bankruptcy, 947 cases commenced in 1934, 1,038 cases terminated, 1,130 cases pending; 475 bankruptcy proceedings commenced, 798 terminated, 1,094 pending close of year. Estimated about 2 years required after joinder of issue for trial of case.

Eastern district of Michigan: Now has only three judges, since Judge Simons was appointed circuit judge. Judge Simons held one of the temporary positions, and a successor cannot be appointed without enactment of this legislation. Nineteen hundred and thirty-four, exclusive of bankruptcy, 1,636 cases commenced, 1,809 terminated, 1,429 left pending; 2,649 bankruptcy proceedings commenced, 2,365 terminated, 2,049 left pending at the close of the year. Clerk of court estimates 12 months required to reach trial after joinder of issue.

Eastern district of Missouri: Has only two judges, including Judge Davis, to whom no successor may be appointed under existing laws. Exclusive of bankruptcy cases, 1,130 cases commenced, 1,115 terminated, 884 pending at close of year; 721 bankruptcy cases commenced, 706 terminated, 726 left pending. Clerk of court this district indicated court was abreast of its calendar. However, should vacancy occur in office held by Judge Davis, district would be left with but one judge.

Western district of Missouri: Two judges, one of whom is Judge Reeves, to whom no successor may be appointed under existing laws; 1934, exclusive of bankruptcy proceedings, 1,552 cases commenced, 1,338 cases terminated, 1,052 left pending at close of year; 1,151 bankruptcy proceedings commenced, 1,240 terminated, 979 left pending. Clerk of court estimates trial may be secured in this district after joinder of issue in from 3 to 6 months. Should vacancy occur, however, in office of Judge Reeves, district would be left with but one judge.

Northern district of Ohio: Has three judges, including Judge Jones, whose office may not be filled in the event of vacancy under existing laws; 1934, exclusive of bankruptcy, 1,131 cases commenced, 1,277 terminated, 1,104 pending; bankruptcy, 4,141 proceedings commenced, 3,957 terminated, 3,625 left pending. Clerk of court for this district estimates requires some 24 months to reach trial of case after joinder of issue.

Southern district of California: Four judges, including Judge James, who holds temporary position which may not be filled in the event of vacancy without this legislation; 1934, exclusive of bankruptcy proceedings, 1,623 cases commenced, 2,129 cases terminated, 2,176 cases pending close of year; 2,624 bankruptcy commenced, 2,552 terminated, 2,484 left pending. Clerk of court estimates requires 18 to 24 months after joinder of issue to reach trial of case. Should vacancy occur in office of Judge James condition of docket would be materially aggravated.

District of Minnesota: Four judges, including Judge Molyneaux, to whom no successor may be appointed in case of vacancy under existing laws; 1934, exclusive of bankruptcy, 1,015 cases commenced, 1,434 terminated, 788 pending at close of year; 1,108 bankruptcy proceedings commenced, 1,160 terminated, 1,100 pending close of year. Clerk of court estimates requires 2 to 6 months to secure trial after joinder of issue. In order to maintain this fairly satisfactory condition of docket, important that number of judges in this district be not reduced.

Northern district of Texas: Now has three judges, including Judge Meek and Judge Atwell, to whom no successors may be appointed in the event of vacancy under existing laws. Exclusive of bankruptcy, 1,665 cases commenced, 1,858 terminated, 643 pending. Bankruptcy cases: Commenced, 255; terminated, 366; pending, 340. From a survey made by Department of Justice, it appears that in Dallas and Fort Worth division already cases are tried at the term following the joinder of issue. In the Amarillo and Abilene divisions the interval between joinder of issue and trial is from 6 to 12 months. In the San Angelo and Lubbock divisions the average interval is 6 months, while the interval in the Wichita Falls division is 1 to 3 months.

District of Arizona: Now has two judges, including Judge Jacobs, to whom there can be no appointment of a successor in the event of vacancy under existing laws. In such an event, Arizona would have but one judge. A comparative study of pertinent statistics indicate the total number of cases filed in district court for this district during last fiscal year is greater than any filed in any district with only one judge. Exclusive of bankruptcy, 1934, 559 cases commenced; terminated, 656; pending, 384. Bankruptcy cases, 94 commenced, 55 terminated, 141 pending. Survey made by Department of Justice indicates that in the district of Arizona already cases are tried during term following joinder of issue.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 7 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, I rise in opposition to the conference report and trust it will be voted down. It is not easy for me to oppose my good friend the gentleman from Texas, and my good friend the gentleman from Massachusetts, or one of the great committees of the House, but there is a principle involved here far above any question of additional Federal judges. We have the same question confronting us nearly every other day. Just today in Rules Committee we have been struggling with it in connection with a river and harbor bill, on which the other body piled extraneous matters obviously by trading and logrolling.

Mr. Speaker, the principle involved is whether or not when this House takes action, as it did justifiably when it passed the bill for a judge in Massachusetts, where it was needed, another body by logrolling methods may add on 15 more judges and make us swallow it. That is the principle involved—or whether each district and each situation should be treated separately.

For instance, I notice the conference report provides for judges for the southern district of New York. I know of no member from the southern district of New York who has asked for these additional judges. I know of no right by which a Member of another body from Arizona may provide for judges in other districts in other States. In 1921, when this act was passed at the instance of Mr. Volstead and Mr. Upshaw, whom we all remember, there was a definite legislative agreement that the 21 judgeships were temporary and created to handle prohibition cases. If new judges are needed, why not bring in a bill to create one or more new judgeships in each district where needed?

Mr. HEALEY. Will the gentleman yield for a question?

Mr. O'CONNOR. Just for a question.

Mr. HEALEY. Does not the gentleman know there has been an individual bill introduced for every solitary judgeship provided in this bill?

Mr. O'CONNOR. I do not know, and if I did, it would not affect the position I am taking in this matter today. It is quite a strange situation when a Member from one State introduces bills providing for judgeships in other States. That is what has happened in this bill. This bill is the handiwork of a Member of another body from one of the smaller States of the Union. No Member of the House who lives in the southern district of New York has introduced any bill providing for additional judges for the southern district of New York.

Mr. McFARLANE. Will the gentleman yield for a short statement from the Attorney General as to the need for these judges?

Mr. O'CONNOR. That does not enter into the matter.

Mr. McFARLANE. They are not needed, and I can show the gentleman by the record that they are not needed.

Mr. O'CONNOR. Mr. Speaker, twice within my time this House has voted against additional judges in New York. They may be needed there, but there is no proof offered us that they are; but I will not go into that question, because it has no bearing on the principle involved. The question before the House at the present time is whether this body can legislate or whether it must swallow everything which another body does.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. MARCANTONIO. Would not the proper procedure be to pass on these judgeships one at a time, and in each instance passing on each case on its own merits?

Mr. O'CONNOR. Exactly. Recently, out of love and affection for one of our Members, one of the finest men who ever served in this body, we passed a bill creating an additional judgeship in Virginia. This was done at the instance of the gentleman from Virginia [Mr. MONTAGUE]. When that bill went over to another body, three judges in California were provided for and one circuit judge in the Northwest. That was done in connection with the Virginia judge bill. The only reason that bill passed was that we did not have the courage to fight our beloved colleague, the gentleman from Virginia [Mr. MONTAGUE].

Mr. LLOYD rose.

Mr. O'CONNOR. I know the gentleman's bill providing for a circuit judge in his territory had previously passed.

Mr. LLOYD. There is not a circuit judge in Washington. The bill provided for a judge for the ninth circuit.

Mr. O'CONNOR. That is correct; but that bill should have been treated separately. There are, for instance, bills pending here providing for district judges in California and in New York. Why they have been united I do not know.

Mr. McFARLANE. The judicial council makes this observation. They recommend two additional judges for New York and two for California. California got theirs in Judge MONTAGUE'S bill.

Mr. O'CONNOR. The question before us is simply one whether or not we are going to live up to the legislative agreement solemnly made in 1921 or try by logrolling methods to continue 15 or 20 judgeships because another body puts it up to us in this form.

Mr. RICH. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RICH. Does it cost anything for these judges that we do not need?

Mr. O'CONNOR. Oh, from $50,000 to $100,000 a year apiece.

Mr. McFARLANE. Over $70,000 a judge.

Mr. HEALEY. The gentleman would not accuse the judicial council of logrolling?

Mr. O'CONNOR. I would not defend them against it either. When these judges get together and one says, "I want another judge in my district", and another judge says, "I want one in my district", you may imagine what happens, even though they wear the ermine.

Mr. KRAMER. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. KRAMER. The gentleman made a remark with reference to the three judges in California. Two of those have been passed upon. The other judge has been there for 20 years. There are no new judgeships being created there.

Mr. O'CONNOR. Oh, we have heard all that before.

Mr. KRAMER. That is the fact.

Mr. O'CONNOR. And that does not reach the situation of making this judgeship permanent now when it was temporary before.

Mr. KRAMER. They have had him for 20 years and they need him there now.

Mr. O'CONNOR. I have been talking about that for the last 10 minutes.

Mr. KRAMER. I have heard everything the gentleman from New York has said. The gentleman is trying to confuse the issue here.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. TABER. Has the gentleman ever known the Committee on the Judiciary to come in here supporting a bill providing for 15 judgeships without telling the House frankly just what is the judicial situation with respect to the business involved in each district?

Mr. O'CONNOR. That is why I say each district should be handled separately, based on the figures with respect to the calendars in each district.

This is the question before the House, and I hope the House will take it seriously, because it does involve an important principle so far as this body is concerned. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. GREGORY].

Mr. GREGORY. Mr. Speaker, I rise for the purpose of correcting some mistakes made by the gentleman from New York, who just preceded me, with reference to the manner in which this bill has been brought before the House.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. GREGORY. I would like to complete my statement first.

Mr. TABER. I would like to ask the gentleman just one question.

Mr. GREGORY. All right; go ahead.

Mr. TABER. Will the gentleman, in the course of his remarks, give the House some actual information with reference to each district, indicating why these judgeships are needed, if it is a fact that they are needed at all?

Mr. GREGORY. I will be pleased to do so, and the Members who follow me will supplement the information with respect to each district.

Mr. YOUNG. Mr. Speaker, will the gentleman yield for one question?

Mr. GREGORY. State your question.

Mr. YOUNG. Will the gentleman explain to the House, if he can, why under this bill Arizona, with a population of 400,000, has two district judges, while the gentleman's own State, with a population of nearly 3,000,000, has only two district judges?

Mr. GREGORY. I did not ask for one for Kentucky in this bill. They have business in Arizona that demands two judges. We need an additional judge in my State, and if it had been appropriate to do so, I would have had it included in this bill. However, this bill is not for the creation of any new judicial district anywhere, and to have provided for one in Kentucky would have created a new judgeship.

The gentleman from New York has made some statements with reference to the manner in which this bill has been brought before the House. The gentleman evidently knows nothing about the situation, either as to the method used in presenting the bill to the House or as to conditions existing in the southern and eastern districts of New York. At the time this conference report was up for consideration the Judiciary Committee of the House of Representatives already had on the calendar of this House a bill identical with the one which is now incorporated in this conference report. Therefore, to say this has been logrolled over in the other Chamber or that there has been some trading or dealing is far from the facts, and the gentleman could have learned this if he had examined the record in the case.

Mr. MARCANTONIO. Does not the gentleman think the better practice would be to pass on these judgeships with respect to their individual merits, instead of having to swallow them all at once?

Mr. GREGORY. The gentleman will have an opportunity to pass on the merits in each case.

With respect to the southern district of New York, I dare say you gentlemen from New York who are talking about this proposition know nothing about the business there. The reports show that the docket is behind in the southern and eastern districts of New York State on the average from 18 months to 3 years.

Mr. MARCANTONIO. Then will the gentleman explain why New York judges go into other States and hear cases?

Mr. GREGORY. Just keep your seat; you will have a chance to talk, sir.

They are behind from 18 months to 3 years with their dockets, and in the southern and eastern districts there has been a large increase in business by reason of the amendments we have made to the Federal Bankruptcy Act. We have these railroad reorganizations and various other matters that take the time of the judges where written opinions are not given, and yet the records actually show that an average of 65 written opinions are given by these judges in that particular section of the country about which these gentlemen from New York complain.

Those of you who are lawyers and know anything about the business of the courts know that no judge can write on the average more than one well-considered opinion each week, if he attends to the other duties of his office; and to deny litigants in court a trial from 18 months to 3 years is a substantial denial of justice, and if you gentlemen wish to see the laws of the country enforced you must provide the machinery to enforce them.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GREGORY. I yield.

Mr. RANKIN. The reason your Federal courts are congested is that Congress has passed laws permitting the transfer of cases from the State courts to the Federal courts where there is diversity of citizenship.

Mr. GREGORY. Absolutely.

Mr. RANKIN. In other words, Congress by that act reflects on the State courts. If we will repeal that law, we will not need any new Federal judgeships.

Mr. GREGORY. I agree with the gentleman; but that is not going to be done.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. GREGORY. I yield.

Mr. McFARLANE. I notice in 1933 there were 135,128 cases commenced, while in 1934 there were only 70,011—I am reading from the Attorney General's report—in 1933 there were 138,598 cases terminated, while in 1934 there were 90,091 cases terminated.

Mr. GREGORY. To what class of cases does the gentleman refer?

Mr. McFARLANE. I am referring to civil, criminal, and private suits as taken from the report of the Attorney General for last year.

Mr. GREGORY. Anybody who is at all familiar with the courts knows—and I have had considerable practice in the

Federal courts of the United States, having served as United States attorney under the Wilson administration, and am therefore familiar with criminal procedure—since the repeal of the eighteenth amendment there has been a reduction in the number of cases of that character, but never did those cases take any great amount of time of the court, because most of them were upon pleas of guilty, so that figures mean nothing with respect to that character of cases. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, it is regrettable indeed, when we are dealing with so important a subject as the courts, that such matters as logrolling, politics, and personal differences should enter into the discussion. There never was a time in our history when the integrity, the ability, and the sufficiency of our courts meant more to the common weal. There are those who would abolish all Federal courts if the power were theirs, and by the same token there are those in this body who would limit and circumscribe the powers of these same courts, and possibly some of this group are so prejudiced against Federal courts in general that they might not be able to give proper consideration to the appointment of needed judges.

I am diametrically opposed to the philosophy of this group. Of course, we do not want needless judges, and the question of whether or not a judge is to be appointed should not be influenced in the least by politics or even the desire of a Senator or a Representative to secure an additional appointment for his jurisdiction.

This bill which we are now considering does not create a single new judgeship. Its purpose is to continue judgeships which have heretofore been authorized. However, those positions terminate when the sitting judge gives up the position. This bill simply renews the life, and the only question that should be before us is whether or not these judges are necessary to the proper functioning of our courts.

There was a time when the appointment of Federal judges was largely a matter of politics. The Judiciary Committee, realizing this situation, a number of years ago reported legislation which was enacted by the Congress providing for a judicial council. This council consists of the presiding judge in each circuit and the Chief Justice of the Supreme Court of the United States. The Attorney General of the United States, representing the Department of Justice, also attends the conference.

This conference is held once a year in Washington, and at that time the entire situation, insofar as the Federal courts of the United States are concerned, is reviewed. This council has before it all the facts and figures, the number of cases, the record of the work in each district court, and in addition there is present the presiding judge of the circuit, who is able to present the practical situation to the council. The number of cases pending in a court is not conclusive as to the work of the court. Long, complicated, and important cases sometimes take months to try, whereas a large number of minor cases may be disposed of in one afternoon. This judicial council is familiar with the circumstances in each district and, after a careful study, makes a report, including its recommendations as to whether or not additional judges are needed. The report of this council is, of course, unbiased and nonpolitical, and should have great weight.

It has been the general policy of the Judiciary Committee to give this report the weight to which it is entitled, and when this council recommends that a new judge is needed or that present judges must be retained, there should be some sufficient reason to warrant the committee in taking any other position.

As will be observed by the conference report now before us, all these proposed judgeships have the recommendation of the Department of Justice and the judicial council, with the exception, I think, of the Arizona judge. The judicial council does not recommend that the temporary judge in Arizona be made permanent.

Mrs. GREENWAY. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Just a moment. Everyone of these contemplated judgeships has been approved by the Committee on the Judiciary. The Arizona judge, however, did not have such approval in the beginning. As a matter of fact, as shown by the Attorney General's letter, published in the report, this judgeship was disapproved. Later the Attorney General sent another letter, copy of which is included in the report, approving the Arizona judgeship.

Now, I do not believe that the facts warrant the Arizona judge, and I do not believe that, because a Senator on the Judiciary Committee insists that there will be no bill unless the Arizona judge is included, this House would be justified in yielding to any such demand. I am sure that we all respect and want to please the charming and splendid Representative from Arizona, Mrs. GREENWAY. I do not want to flatter her, but I might suggest and, I believe within the strict bounds of truth, that had it not been for her insistence and persuasiveness, the majority of the Judiciary Committee would not have changed its opinion as to the advisability of including Arizona in this bill.

To make a long story short, the presiding judge of the circuit does not contend that Arizona needs this judge continued. The Attorney General, whose duty it is to assist in the administration of justice in the Arizona district, does not feel called upon to ask for the continuance of this judge. Therefore, while the lady from Arizona may have figures, and cases in numbers, that might warrant favorable action so far as the paper record is concerned, yet those charged with the administration of justice in that State did not feel the necessity, at least until sufficiently urged by those not connected with the court. In short, we are told that these needed judges must be sacrificed unless we include a judgeship which I do not believe is needed.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Not now. When this original judgeship was granted, in the omnibus bill of 1921, Arizona, as I recall, was forced in, in much the same manner in which it is being forced upon us at this time. It just seems too bad that districts admittedly needing the judges provided for in this bill should be jeopardized because of insistence of this kind.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Yes.

Mr. O'CONNOR. Is not that logrolling?

Mr. MICHENER. Of course, it is.

Mr. O'CONNOR. And you have to vote it up or down?

Mr. MICHENER. If it is not logrolling, at least it is coercion; and the gentleman has had experience enough in this body to know that coercion of this kind—call it "logrolling" or what you will—should not be tolerated.

This bill contains a judge for the eastern district of Michigan. Judge Simons, one of our district judges, was promoted to the circuit bench. This was more than a year ago. This appointment was one made under the act of 1921, and the President has been unable to fill the vacancy. Michigan has been suffering for the lack of sufficient judges, and outside judges have been called in when such a thing was possible. Our calendar is now away behind, even though our judges are consistent and hard working. Because of the inability to fill this vacancy in Michigan, I fully realize the advisability of legislation along the general lines suggested in this bill. No one questions the necessity so far as the Michigan judge is concerned. This is also true of the Massachusetts case. The idea of having but one Federal judge in the great State of Massachusetts, with all its Federal legislation, is wrong. It is true that the House passed the Massachusetts bill and that the Senate tacked on some of these other bills. I am ready and anxious to vote for all needed judges, but I shall not yield to coercion or pressure whereby unneeded judges are included. This is not necessary, and this Congress will do the right thing if given the opportunity. All we need today is courage to vote down this conference report, and then an amendment will be offered eliminating the useless judges and validating the necessary appointments. I am opposed to putting a group of judges in one bill for the purpose of a cumulative vote. I do not believe there is any question but that the Senate will accept the situation when

confronted with it. The House cannot afford to yield in these matters where a question of principle is involved.

I shall not vote for this bill so long as it contains judges not recommended by the judicial council, and I believe that the sooner the Congress comes back to this policy, the better it will be for the courts, which means for the country.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I rise at this time to appeal to the Members of the House to sustain the Chairman of the Judiciary Committee in order that we may act favorably upon this conference report. It is regrettable that logrolling should be mentioned in connection with the subject of a Federal district court bill or with the judiciary in any way whatsoever. I am convinced from the information that I have before me from reliable sources and from facts furnished by the three Federal judges at Detroit in the eastern district of Michigan that we need not only one but that we need two judges. In this instance the bill provides for the replacement of a judge authorized in 1921. We know that unless Congress authorizes the President to fill such vacancies as might arise among the temporary judges and authorizes filling existing vacancies as the one in Detroit and Massachusetts, except by special act of Congress in each instance as need arises, that the dockets of certain districts, particularly in the large industrial areas, will become hopelessly congested while awaiting the pleasure of this body. In the State of Michigan, in the city of Detroit, we handle more patent cases than in any other district in the United States. The population per judge is something like 1,300,000. It is grossly unfair to the litigants in my city and State to deny them a judgeship at this time, logrolling or no logrolling; the demand is just and should be met. The people in my district and in my State need a Federal judgeship to expedite the work of the court. Litigants sustain losses because of delays and are forced to withdraw their cases because witnesses disappear, and for other reasons due to delay forfeit certain legal rights. When Judge Simmons was advanced to the circuit court of appeals in Cincinnati that judgeship should have been filled immediately. Under 77b Judge Ernest O'Brien tells me that the volume of business on that one point alone is sufficient to keep one judge busy. Recently we have had to put on about 20 additional deputy United States marshals to serve subpenas in the bank cases in Detroit, and as a consequence our docket is hopelessly congested. The same thing applies to Massachusetts and in other localities, and time has proved that the authorization of the temporary judges in 1921 should now be made permanent.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. Yes.

Mr. HEALEY. Is the gentleman aware of the fact that in his district, the eastern district, it requires over a year after joinder of issue to reach the trial of any case?

Mr. DINGELL. Yes. I appreciate that fact fully and would have touched upon it myself, but my time is very limited.

Mr. SUMNERS of Texas. The gentleman's difficulty grows largely out of the fact that there was 1 of these 21 judges who was advanced to the circuit court of appeals, and now there has been no appointment made and it could not be made until Congress acted, and so the docket is full.

Mr. DINGELL. Yes; I understood and mentioned that at the outset, I will say to my distinguished colleague.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. Yes; I yield to my friend from New York.

Mr. O'CONNOR. Nothing would have prevented the gentleman from introducing a bill for an additional judge, and on the facts stated he would have obtained the approval of the committee, I am sure.

Mr. DINGELL. I did introduce a bill early in the Seventy-third Congress, which was acted upon favorably by the Judiciary Committee, and again in the Seventy-fourth Congress, and the Committee on the Judiciary of the House acted favorably a second time and included my bill in the report, which was lifted bodily by the Senate, and is now included in the conference report. This Federal judgeship has been one continuous fight which I intend seeing through to the finish. The facts to sustain my bill are too voluminous to insert in the RECORD, so I shall forego the privilege of the inclusion to save the cost of printing. Suffice it to say that the Judicial Council of the Supreme Court, and including the presiding judges of the various circuits, recommend an additional judge. The Attorney General of the United States concurs in the recommendation. The three district judges at Detroit approve my actions and the Bar Association has also gone on record in the same way. [Applause.]

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. LEHLBACH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LEHLBACH. Is the question before the House the adoption of a conference report or a motion to recede and concur in the Senate amendment?

The SPEAKER. It is the adoption of the conference report.

Mr. LEHLBACH. Then, should the conference report not be agreed to, will it then be in order to ask a further conference and instruct the conferees to recede and concur in the Senate amendment with an amendment striking out the Arizona judge?

The SPEAKER. It will be.

Mr. MICHENER. Will the gentleman yield for a statement so that the RECORD will be correct?

Mr. SUMNERS of Texas. I yield.

Mr. MICHENER. The Michigan judge did not die. He was promoted to the circuit court. That is where the trouble arose.

Mr. DINGELL. And I so stated in my remarks.

Mr. SUMNERS of Texas. At least he got off the bench.

Mr. Speaker, I yield 5 minutes to the gentlewoman from Arizona [Mrs. GREENWAY].

Mrs. GREENWAY. Mr. Speaker, this bill does not create a new judgeship. I respect every Member who asked that we go deeply into the judicial business and the cases numerically before this bill is voted on.

I am a little shocked—perhaps I have not been here long enough—to find how many people believe logrolling really does have a place in a bill of this kind. It may be I will learn. I hope not.

Arizona should not be a millstone on the neck of those who really need a judge, but rather a life buoy. If you are really in earnest and want to know the truth about the situation in my State, I will be glad to tell you very briefly. We have not gone into this superficially. We have been studying it all winter long, and the findings I give you are facts.

The reason that population is not a yardstick in Arizona is because 76 percent of our State is owned by the Federal Government, with the result that we have litigation through the Forestry Department, through the Indian Department, through reclamation, through living on the border, through immigration problems, through customs problems, and through 22,000 resident veterans.

Now, this is the meat of what I would say—again let me say I respect your asking for this information, and I am particularly grateful for the attention you are giving me. Remember, we have one permanent judge and one temporary judge. The purpose of Arizona being included in this bill at the request of the Senators and Representative from Arizona is on account of the number of cases involved. In 1932, 1933, and 1934 the total, exclusive of bankruptcy, was 3,326 cases. If we had not had this temporary judge, there would have been for the one permanent judge 1,109 cases annually, exclusive of bankruptcy cases.

Let me give you the comparison of what that is with other States: In Minnesota there are 692 cases for one judge. In Massachusetts, 534 cases; eastern New York, 730 cases; western Pennsylvania, 742 cases. Let me go back to my point. Those are the cases per judge in those States. If we in Arizona are not allowed that judgeship, we will have 1,109

cases for one judge. I have given you the fact that we are 76 percent owned by the Government. We have to hold the court in four different parts of a very, very big State. This is one more very pertinent thing: At the end of 1921 there were pending 394 unfinished cases. That was in 1921. In 1934 there were pending 525 cases, or an increase of 131 cases; 1934 was the most depressed year we have ever had in our State on account of the fact that the copper mines were closed.

Mr. Speaker, I have not logrolled. I have told you the facts. I think they are meritorious. I hope the membership will not let a misconception of the truth with regard to Arizona be a handicap to the other people involved in this bill who really do need a judge just as we do. [Applause.]

The SPEAKER. The time of the gentlewoman from Arizona has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Speaker, my argument will be largely a continuation of that which was so ably offered by the lady from Arizona [Mrs. GREENWAY].

I have some figures which have been submitted to me from authoritative sources in my State for the RECORD, and I want to present them in further corroboration of the statements and arguments that have been advanced by the lady from Arizona, showing the necessity for these continuing judgeships.

In Minnesota we have four judges. Unless this legislation is enacted, one of them, at his retirement, cannot be replaced.

At the close of 1934, these statistics show, there were 1,015 cases commenced, 1,434 terminated, and 788 cases pending at the close of that year. That is, exclusive of bankruptcy proceedings. As to bankruptcy proceedings, 1,108 were begun, 1,160 terminated, and 1,100 pending at the close of the year.

The clerk of the court estimates that from 2 to 6 months is required to secure a trial after joinder of issue. I am not an attorney, but I am advised by my colleague, Mr. RYAN, that joinder of issue is after the pleadings have been entered and the two opposing groups know what they are arguing about.

In order to maintain this fairly satisfactory condition of the docket, it is certainly important that the judges in this district be not reduced in number. I sincerely trust the membership will see the necessity for a continuation of the number of present judgeships and will see fit to approve this legislation.

Mr. RYAN. Will the gentleman yield?

Mr. KVALE. I yield.

Mr. RYAN. When those judgeships were originally created it was understood that when prohibition ceased there would be a falling off in litigation. I wish to ask the gentleman if it is not his information that litigation arising from new-deal controversies and from other sources, condemnations on the upper Mississippi and other sources of litigation, have increased the total litigation in the courts of Minnesota since prohibition has been repealed?

Mr. KVALE. That is substantially true. The gentleman's information is correct. In addition to the A. A. A. legislation, marketing agreements and things of that kind, the upper Mississippi situation has materially added to the load on those courts.

Mr. MARCANTONIO. Assuming that Minnesota does need to make this judgeship permanent, why should we from New York, both Republicans and Democrats, who have practiced before the southern district of New York, who know for a fact that we do not need these judges—why should we be compelled to vote for these two judges in the southern district of New York in order to give Minnesota the one judge we assume she does need? Why not bring up the question of these judgeships one by one, case by case, and pass on each on its merits?

Mr. KVALE. I do not want to quarrel with my able and diligent colleague from New York regarding the situation in his district. I merely want to present the factual situation so far as Minnesota is concerned.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. KVALE. I yield.

Mr. DONDERO. Can the gentleman give the House the average number of cases for each Federal judge?

Mr. KVALE. I regret that I cannot.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. KVALE. I yield.

Mr. RANKIN. If we would repeal the law that Congress unwisely enacted enabling certain individuals and corporations to move cases from State courts to Federal courts merely because of diversity of citizenship, we would take away about 50 percent of the cases now clogging the Federal courts. It is simply shutting the door in the face of the little fellow.

Mr. PITTENGER. The gentleman should know that that will never be accomplished. This bill ought to pass.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KVALE. I yield.

Mr. RICH. The gentleman from Minnesota made the statement that while prohibition was in effect there was so much bootlegging that it required more of the attention of the judges. Since prohibition has been repealed we find still more to occupy the attention of the judges. Does the gentleman think this was the result of prohibition?

Mr. KVALE. I do not think the gentleman completely understood the observations of my colleague the gentleman from Minnesota [Mr. RYAN] or the import of his remarks. This bill should pass.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. DUFFEY].

Mr. DUFFEY of Ohio. The discussion that has been going on here today is entirely applicable to the conditions existing in the northern district of Ohio and is also illustrative of the condition existing in many other districts that were examined by the Judiciary Committee.

We have three judges in the northern district of Ohio. One of those, of course, is a temporary appointment. Exclusive of bankruptcy there were 1,131 cases commenced in 1934, 1,277 terminated, and there are now pending 1,104 cases. In bankruptcy there have been 4,141 proceedings commenced, 3,957 terminated, and 3,625 are still pending. It is estimated by the clerk of our courts that it takes about 24 months to reach trial after joinder of issue.

I want to say to the Members of the House that this matter has been given very serious consideration by the members of the Committee on the Judiciary. We recognized, as has heretofore been mentioned on the floor, that there are a great many new criminal statutes. We recognized also that railroad legislation is ready for passage and we recognized the wealth of new legislation that has been passed during the last 3 years. In the interest of public justice, in the interest of the people, it seems to me the Members of the House should be willing to pass this legislation on the recommendation of those who have had opportunity to investigate. True, it is rather unfortunate that it comes in the form of an omnibus bill, but those of us who have made an investigation of the judgeships in these districts know that the facts justify a favorable passage of this legislation.

[Here the gavel fell.]

Mr. McFARLANE. Mr. Speaker, I tried to secure time to speak against this bill but was unable to receive any time, all time having been allotted. When H. R. 5917, a bill to create two additional district judgeships for California, one judge for Virginia and one circuit judge for the Ninth Judicial District, was pending before the House, I called the attention of the Members to the fact that it costs an average of $71,425.06 per year to operate each Federal district court in the United States. The 1934 report of the Attorney General shows that we have 41 circuit judges and 150 district judges and last year it cost $15,542,187 to operate these courts. It has been brought out during the debate that in 1921 there were 23 temporary Federal district judgeships created, their terms of office to expire upon the death of each judge. These judges were created because of the litigation brought about because of prohibition, so it was said. Now

that prohibition has been repealed, why is it we are unable to keep faith with the taxpayers and discontinue these useless courts?

According to the 1934 report of the Attorney General, page 2, summarizing the annual reports received from district attorneys and clerks, showed the comparative number of cases in each of the three major classes commenced and terminated during the fiscal years 1933 and 1934, as follows:

	Commenced		Terminated	
	1933	1934	1933	1934
United States civil cases	25,797	9,487	27,744	16,479
Criminal cases	82,675	34,152	84,780	45,577
Private suits	26,656	26,472	26,074	28,035
Total	135,128	70,111	138,598	90,091

The Attorney General submits the following comparative statement of pending cases, as of June 30, 1933, and June 30, 1934:

Pending cases	1933	1934
United States civil cases	24,293	17,303
Criminal cases	20,907	9,478
Private suits	37,639	36,051
Total	82,839	62,832

But today we hear the statement repeatedly made that because of criminal litigation pending we should continue and make permanent 15 of these 23 district courts, many of which have expired and the remainder of which would expire with the death of the present incumbent. The number of criminal cases commenced during the fiscal year 1934 was 34,152 and the number terminated was 45,577, leaving 9,478 cases pending June 30, 1934, as shown by the following table:

Criminal cases	1933	1934
Pending beginning of year	23,012	20,907
Commenced during year	82,675	34,152
Terminated during year	84,870	45,577
Pending close of year	20,907	9,478

The Judicial Council we find has recommended that only 12 of the 15 courts included in this bill should be made permanent. However, when we consider the condition of the docket and the little amount of work that has been transacted by some of these district courts, I believe that it is nothing but fair that we should redistrict the Federal district courts of the Nation and redistribute the work of the courts rather than create and make permanent 15 of these Federal district courts. There would be considerably more merit in this kind of legislation if it provided that these judges should all be selected by the people and should stand for reelection at regular intervals of 2, 4, or 6 years. The arrogance that has grown up in these lifetime courts and the rottenness of the receiverships appointed under many of these lifetime judges make it clear that the Alexander Hamilton theory of private court for the aristocracy of wealth was and is wrong. All of these judges should be required to have their qualifications passed upon at regular intervals by submitting their qualifications to the people, rather than being selected, approved, and endorsed by a group of corporation attorneys.

A careful check of the Federal district judges appointed over the past several decades will show that a large majority of such appointees have been thoroughly schooled in and for the corporate power crowd and temperament.

The system of Federal district courts was created by a 5 to 4 vote in the convention. It seems to me that we should seriously consider abolishing the Federal district Courts and give their jurisdiction to the State courts and save this $13,000,000 annual expense. Certainly under the showing made here today we should not perpetuate these 15 Federal courts and in so doing add to the expense of the already overburdened taxpayers $1,357,076.14.

VACANCIES ON FEDERAL BENCH

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, there is not only the situation which the gentleman from Michigan [Mr. MICHENER] described with reference to the Arizona judgeship, but there is this additional situation, in almost all these cases the judges are in office under temporary appointment to last as long as the judge shall live. Only in Massachusetts is there a situation presented that requires attention. Every other case is a temporary appointment made permanent by this bill. These temporary judgeships were created at a time when there was a press of judicial business. That press continues due to the depression and the legislation resulting from the depression. Just as soon as the depression is over, and there is business recovery the need for these judges will be over. Why can we not use some sense and not make these judgeships permanent, getting into the situation where we shall have superfluous judges just as soon as the depression lets up? I cannot see a bit of sense in adopting this conference report. It should go back to the conference committee with instructions to our conferees to allow only the Massachusetts judgeship to be made permanent. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Speaker, I live in the western district of Missouri. I am very much interested in this bill not only because of the tremendous need out in my district but also because I think it is a bill that strikes at the very heart of the rights of the American people.

When I came to Washington in January I was impressed with the splendid qualities of the Membership on both sides of this House. I have not changed my opinion. There has been some talk of logrolling. We play politics on this side sometimes, and sometimes you gentlemen on the other side play politics, but I have been impressed by the fact that when a piece of legislation comes before this body which touches the daily lives of our people in their fundamental rights we are American citizens first. This is the case in this bill which affects the rights, the lives, the liberty, and the property of many citizens of this country.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BELL. I cannot yield.

In my district we have two Federal judges. One of these judgeships will last only during the life of the present incumbent. Last year over 1,400 cases were disposed of by these two judges.

They work long hours. One of those judges has not had a vacation for 10 years. Sessions of the court have been held as late as 9 o'clock almost every night. The lawyers are complaining because of the long hours and yet those two judges, by reason of their desires to keep up with the docket, have worked these long hours.

The judge in our district, who is subject to a lifetime appointment, is a man getting almost to the age of retirement. In the even of his death or retirement or removal, taking last year as an example, there would be 1,052 cases undisposed of. In addition, there are almost 900 bankruptcy proceedings pending. If this bill does not pass, and I am talking merely from the standpoint of the people of the western district of Missouri, it means the property rights and the right of life and liberty of those people are at stake.

We Members of Congress will do the people a great injustice and a great wrong if we do not provide the means whereby, in the event of the death of one of these judges, the President of the United States may, if he sees fit, appoint a successor. For the sake of the thousands of people who have their rights at stake, I hope this bill passes. There is an old saying that a delay in justice is a denial of justice. Therefore, we should do the right thing by these people.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, the gentleman from Missouri [Mr. BELL] very properly referred to one of the

most important considerations that presents itself to us in connection with the conference report. It appears to me that one of the most important questions confronting the legislative bodies of the several States and of the Congress is the crowded condition of the dockets of our courts. If there is one thing which tends to destroy faith in representative government it is the inability of party litigants to secure speedy and prompt trials. The courts can be used as a weapon of harm unless means exist and are afforded for speedy trials.

Mr. Speaker, the Judiciary Committee has considered this bill. The members of the Judiciary Committee have also considered it in conference and have recommended to the House the adoption of the conference report. The recommendation of the committee creates in my mind a prima facie case, which in absence of additional evidence would warrant my vote in support of the report.

However, the committee in addition to a prima facie case that its favorable report creates, has shown conclusively to my mind the necessity for the adoption of its report. I shall vote for the conference report.

Mr. Speaker, there are no politics involved in this bill. It does not provide for the appointment of additional judges. As a matter of fact, we need from 5 to 10 more judges throughout the country. I am sorry there is no such provision in this bill. I am frank in saying that I should like to have something to say by way of recommendation about the appointment of the Federal judge for Massachusetts, but I will probably not have anything to say about that matter. However, I am not going to let that interfere with what I consider to me my duty. I should like to see the gentleman from New York [Mr. O'CONNOR] have the right of recommendation or the right to say who shall be appointed as a judge for the position provided for in New York; at least, I hope he is consulted; he should be. However, if the gentleman from New York and I are not consulted, we should not permit that to interfere with what we consider to be our distinct duty. For the reasons enumerated, Mr. Speaker, I hope the conference report will be adopted. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. EKWALL].

Mr. EKWALL. Mr. Speaker, I just want to correct one impression that may have been left by the gentleman from Mississippi [Mr. RANKIN]. In ignoring the Constitution, as the gentleman sometimes does in his debates, he has apparently overlooked section 2, article III, of the United States Constitution, which reads as follows:

> The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made or which shall be made under their authority; to all cases affecting ambassadors, other public ministers, and consuls; to all cases of admiralty and maritime jurisdiction; to controversies to which the United States shall be a party; to controversies between two or more States; between a State and citizens of another State; between citizens of different States; between citizens of the same State claiming lands under grants of different States, and between a State or the citizens thereof and foreign States, citizens, or subjects.

That is the jurisdiction granted by the Constitution of the United States; yet the gentleman left the impression that we could ipso facto send these cases back to the State courts, which, of course, we cannot do if the litigants involved in such cases demand a trial in the Federal court.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. ELLENBOGEN].

Mr. ELLENBOGEN. Mr. Speaker, the conference report now before the House is of great importance to the district of western Pennsylvania, which I have the privilege to represent. The judicial district of western Pennsylvania comprises 26 counties, and takes in a large part of the State of Pennsylvania, a part of the State of Ohio, and of West Virginia.

We now have in the District Court for the Western District of Pennsylvania a temporary judgeship which is filled by that eminent jurist, the Honorable F. P. Schoonmaker. Judge Schoonmaker, who was appointed when this judgeship was created, is an outstanding lawyer who has served with honor and distinction on the bench of the District Court for the Western District of Pennsylvania. His court has been very busy. He has handled some of the most important cases with skill and great learning and to the satisfaction of the people of the judicial district of western Pennsylvania.

Mr. Speaker, the last few years have proven the need for this additional judge for the district of western Pennsylvania. This judgeship should be made permanent. I hope that the House will adopt the conference report and will give to the judicial district of western Pennsylvania this additional permanent judgeship, which we so greatly need.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself 3½ minutes.

Mr. Speaker, we have heard a good deal of talk about logrolling with reference to this bill. The gentleman from Kentucky [Mr. GREGORY] made the statement to the House that the subcommittee, of which he was chairman, went into each one of these propositions and made the best examination it could of the fact, and that the Judiciary Committee of the House of Representatives itself favorably reported each one of these judgeships before the Senate amended the House bill.

Mr. Speaker, the Members may do what they want with this bill. However, the Committee on the Judiciary is charged with the responsibility of doing what it can to provide the necessary personnel in order to carry on the judicial work of this country. The Judiciary Committee has taken seriously this responsibility and has made a report to the House. It is utterly useless to pass laws and under the Constitution give to the citizen the right of trial, then deny to him the necessary judicial personnel to try his case. It is all right if some people want to bait the Federal judiciary. Some people do not want any Federal judges at all. Some people have different notions about it; but as long as we are enacting these Federal laws, increasing the body of the laws, which require construction by Federal judges, we must provide the judges to try the cases. They have been subjected to the test of 14 years—I am speaking generally. A condition ought not to continue which would leave a vacancy, congest dockets, and deny the right of trial until Congress passes an act authorizing the filling of the vacancy. Mr. HEALEY and other Members have given concrete examples showing that that is exactly what does happen now. This bill is to correct that condition. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. TRUAX, Mr. O'MALLEY, and Mr. TABER) there were—ayes 112, noes 78.

Mr. MARCANTONIO and Mr. TRUAX objected to the vote on the ground there was not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-eight Members present, a quorum.

Mr. TRUAX and Mr. MARCANTONIO demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 189, nays 125, answered "present" 1, not voting 114, as follows:

[Roll No. 159]

YEAS—189

Andresen	Burdick	Cravens	Driscoll
Barden	Burnham	Crawford	Duffey, Ohio
Bell	Cannon, Mo.	Crosby	Duffy, N. Y.
Biermann	Carter	Crosser, Ohio	Duncan
Blackney	Cary	Cullen	Dunn, Pa.
Bloom	Casey	Daly	Eagle
Boileau	Chandler	Darden	Eckert
Boland	Christianson	Dear	Ekwall
Boylan	Citron	Delaney	Ellenbogen
Brennan	Clark, Idaho	Dempsey	Engel
Brooks	Coffee	DeRouen	Englebright
Brown, Ga.	Colden	Dingell	Evans
Brunner	Connery	Disney	Fiesinger
Buck	Cooley	Dondero	Flannagan
Buckler, Minn.	Cooper, Tenn.	Dorsey	Focht
Burch	Cox	Doughton	Ford, Calif.

Frey	Kerr	Mitchell, Ill.	Scrugham
Fuller	Kleberg	Mott	Sears
Gasque	Knutson	Nelson	Secrest
Gassaway	Kocialkowski	Nichols	Shanley
Gearhart	Kopplemann	Norton	Sirovich
Gildea	Kramer	O'Brien	Smith, Conn.
Granfield	Kvale	O'Connell	Snyder
Green	Lamneck	O'Day	South
Greenway	Lanham	O'Leary	Spence
Greever	Lea, Calif.	O'Neal	Steagall
Gregory	Lee, Okla.	Owen	Sumners, Tex.
Guyer	Lemke	Parsons	Taylor, Colo.
Hamlin	Lesinski	Patman	Terry
Harlan	Lewis, Colo.	Patton	Thomason
Hart	Lloyd	Peterson, Fla.	Thompson
Harter	Lucas	Pfeifer	Tolan
Healey	Lundeen	Pittenger	Tonry
Hennings	McAndrews	Quinn	Umstead
Higgins, Mass.	McClellan	Rabaut	Vinson, Ga.
Hill, Samuel B.	McCormack	Ramsay	Vinson, Ky.
Hobbs	McGehee	Rayburn	Welch
Houston	McGrath	Reilly	West
Huddleston	McLaughlin	Richards	White
Imhoff	Maas	Richardson	Whittington
Jacobsen	Mahon	Robertson	Wilcox
Jenckes, Ind.	Mansfield	Rogers, Okla.	Williams
Johnson, Okla.	Martin, Colo.	Ryan	Wilson, La.
Johnson, Tex.	Mason	Sabath	Wolcott
Jones	Maverick	Sadowski	Zimmerman
Kahn	Mead	Sanders, Tex.	
Keller	Merritt, N. Y.	Schuetz	
Kenney	Miller	Schulte	

NAYS—125

Allen	Gehrmann	Marcantonio	Scott
Amlie	Gilchrist	Marshall	Short
Ashbrook	Gillette	Massingale	Sisson
Ayers	Gray, Ind.	May	Smith, Va.
Bland	Gray, Pa.	Meeks	Smith, Wash.
Blanton	Griswold	Merritt, Conn.	Smith, W. Va.
Buckbee	Gwynne	Michener	Snell
Caldwell	Halleck	Millard	Starnes
Cannon, Wis.	Hancock, N. Y.	Mitchell, Tenn.	Stefan
Carlson	Hildebrandt	Moritz	Stewart
Carmichael	Hill, Ala.	O'Connor	Taber
Carpenter	Hill, Knute	O'Malley	Tarver
Castellow	Hoeppel	Palmisano	Taylor, S. C.
Church	Hollister	Patterson	Taylor, Tenn.
Clark, N. C.	Holmes	Pearson	Thom
Collins	Hope	Peterson, Ga.	Thurston
Colmer	Hull	Pettengill	Tobey
Cooper, Ohio	Jenkins, Ohio	Pierce	Treadway
Crowe	Johnson, W. Va.	Plumley	Truax
Crowther	Kee	Polk	Turner
Culkin	Kloeb	Powers	Turpin
Cummings	Lambertson	Rankin	Wadsworth
Deen	Lambeth	Ransley	Wallgren
Dirksen	Larrabee	Reed, Ill.	Wearin
Dobbins	Lehlbach	Reed, N. Y.	Wigglesworth
Driver	Lord	Rich	Withrow
Faddis	Luckey	Robinson, Utah	Woodruff
Farley	Ludlow	Robsion, Ky.	Young
Fletcher	McFarlane	Rogers, Mass.	Zioncheck
Ford, Miss.	McLean	Sandlin	
Fulmer	McReynolds	Sauthoff	
Gambrill	Mapes	Schneider	

ANSWERED "PRESENT"—1

Ramspeck

NOT VOTING—114

Adair	Cross, Tex.	Higgins, Conn.	Romjue
Andrew, Mass.	Darrow	Hoffman	Rudd
Andrews, N. Y.	Dickstein	Hook	Russell
Arends	Dies	Kelly	Sanders, La.
Arnold	Dietrich	Kennedy, Md.	Schaefer
Bacharach	Ditter	Kennedy, N. Y.	Seger
Bacon	Dockweiler	Kimball	Shannon
Bankhead	Doutrich	Kinzer	Somers, N. Y.
Beam	Doxey	Kniffin	Stack
Beiter	Drewry	Lewis, Md.	Stubbs
Berlin	Dunn, Miss.	McGroarty	Sullivan
Binderup	Eaton	McKeough	Sutphin
Boehne	Edmiston	McLeod	Sweeney
Bolton	Eicher	McMillan	Thomas
Brewster	Fenerty	McSwain	Tinkham
Brown, Mich.	Ferguson	Maloney	Underwood
Buchanan	Fernandez	Martin, Mass.	Utterback
Buckley, N. Y.	Fish	Monaghan	Walter
Bulwinkle	Fitzpatrick	Montague	Warren
Cartwright	Gavagan	Montet	Weaver
Cavicchia	Gifford	Moran	Werner
Celler	Gingery	Murdock	Whelchel
Chapman	Goldsborough	Oliver	Wilson, Pa.
Claiborne	Goodwin	Parks	Wolfenden
Cochran	Greenwood	Perkins	Wolverton
Cole, Md.	Haines	Peyser	Wood
Cole, N. Y.	Hancock, N. C.	Randolph	Woodrum
Corning	Hartley	Reece	
Costello	Hess	Rogers, N. H.	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Moran (for) with Mr. Arends (against).
Mr. Rudd (for) with Mr. Eaton (against).
Mr. Celler (for) with Mr. Seger (against).
Mr. McLeod (for) with Mr. Andrews of New York (against).
Mr. Somers of New York (for) with Mr. Darrow (against).
Mr. Cartwright (for) with Mr. Ditter (against).
Mr. Monaghan (for) with Mr. Hoffman (against).
Mr. Haines (for) with Mr. Bacharach (against).
Mr. Dockweiler (for) with Mr. Kinzer (against).
Mr. Romjue (for) with Mr. Hartley (against).

Until further notice:

Mr. Montague with Mr. Cole of New York.
Mr. Beam with Mr. Goodwin.
Mr. Corning with Mr. Hess.
Mr. McMillan with Mr. Thomas.
Mr. Oliver with Mr. Andrew of Massachusetts.
Mr. Bulwinkle with Mr. Cavicchia.
Mr. Parks with Mr. Fish.
Mr. McSwain with Mr. Higgins of Connecticut.
Mr. Cochran with Mr. Perkins.
Mr. Doxey with Mr. Wilson of Pennsylvania.
Mr. Fitzpatrick with Mr. Tinkham.
Mr. Chapman with Mr. Reece.
Mr. Drewry with Mr. Martin of Massachusetts.
Mr. Woodrum with Mr. Kimball.
Mr. Gavagan with Mr. Gifford.
Mr. Warren with Mr. Wolverton.
Mr. Sullivan with Mr. Fenerty.
Mr. Greenwood with Mr. Bolton.
Mr. Dies with Mr. Doutrich.
Mr. Maloney with Mr. Bacon.
Mr. Arnold with Mr. Brewster.
Mr. Dickstein with Mr. Wolfenden.
Mr. Adair with Mr. Lewis of Maryland.
Mr. Montet with Mr. Binderup.
Mr. Cole of Maryland with Mr. McGroarty.
Mr. Randolph with Mr. Claiborne.
Mr. Dietrich with Mr. Edmiston.
Mr. Schaefer with Mr. Gingery.
Mr. Werner with Mr. Stack.
Mr. Utterback with Mr. Hook.
Mr. Kelly with Mr. Wood.
Mr. Kniffin with Mr. Cross of Texas.
Mr. Weaver with Mr. Kennedy of New York.
Mr. Kennedy of Maryland with Mr. Whelchel.
Mr. Walter with Mr. Underwood.
Mr. Hancock of North Carolina with Mr. Sweeney.
Mr. Goldsborough with Mr. Sutphin.
Mr. Stubbs with Mr. Costello.
Mr. Fernandez with Mr. Rogers of New Hampshire.
Mr. Boehne with Mr. McKeough.
Mr. Bankhead with Mr. Brown of Michigan.
Mr. Buchanan with Mr. Beiter.
Mr. Murdock with Mr. Dunn of Mississippi.
Mr. Russell with Mr. Eicher.
Mr. Berlin with Mr. Buckley of New York.
Mr. Ferguson with Mr. Sanders of Louisiana.

Mr. FADDIS. Mr. Speaker, I wish to announce that my colleague the gentleman from Pennsylvania, Mr. HAINES, is unavoidably absent. If he had been present, he would have voted "aye."

Mr. HEALEY. Mr. Speaker, I desire to announce that my colleague the gentleman from Massachusetts, Mr. RUSSELL, is unavoidably absent. If he were here, he would vote "aye."

The result of the vote was announced as above recorded.

On motion of Mr. GREGORY, a motion to reconsider the vote by which the bill was passed was laid on the table.

SUPPRESSION OF PROSTITUTION IN THE DISTRICT OF COLUMBIA

Mrs. NORTON submitted a conference report and statement on the bill (S. 405) for the suppression of prostitution in the District of Columbia for printing in the RECORD under the rule.

PREVENTION OF FOULING OF ATMOSPHERE IN THE DISTRICT OF COLUMBIA

Mrs. NORTON submitted a conference report and statement on the bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes, for printing in the RECORD under the rule.

ANNUAL LEAVE FOR GOVERNMENT EMPLOYEES

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 303.

The Clerk read as follows:

House Resolution 303

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8458, a bill to provide for vacations to Government employees, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Civil Service, the bill shall be read for amendment under the

5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

Mr. Speaker, this is a rule for the consideration of a bill restoring annual leave to Federal employees. The rule provides for 1 hour of general debate and is an open rule, making the bill subject to amendment. I do not know that it is necessary for me to say anything further about the measure and unless someone desires to ask some questions I shall be disposed to move the previous question on the resolution.

Mr. RANSLEY. Mr. Speaker, I reserve my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. RAMSPECK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8458) to provide for vacations to Government employees, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8458, with Mr. WALLGREN in the chair.

Mr. RAMSPECK. Mr. Chairman, I ask that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Chairman, this bill deals with the annual vacation, the annual leave of Federal employees. Before 1932 all Federal employees were covered by legislation giving them 30 days' annual leave. The economy bill that year reduced it to 15 days.

The department heads to whom this bill was submitted admit that no economy has resulted by that act because when the employee was given annual leave the work was carried on by others.

The right to annual leave dates back to 1898. We have a companion bill, which we hope to call up immediately after this is disposed of, allowing cumulative sick leave.

Under the present law, Federal employees have 15 days' annual leave. While increasing the annual leave to 30 days we cut the sick leave to 15 days, making the total the same hereafter as it is now.

I do not think the bill will cost the Government any money, because I think the time given the employees will be absorbed by other employees carrying on the work.

Most of the Federal employees in the District of Columbia come from out of the city, and with only 15 days' annual leave most of that time is consumed by travel back and forth.

As it is now, if a Federal employee wants to go to the dentist, or if he wants to go to the bank, or if he wants to go to the funeral of a relative or friend, that time is taken out of his 15 days' leave. In private employment those absences are granted at the discretion of the employer and not charged against the usual time for vacation of the employee.

Therefore, under the 15-day leave, under the provision now existing, when vacation time comes around the average employee of the Federal Government today has not time to take a real vacation. The department heads advised the committee that an average of 7 to 10 days is absorbed each year by each employee in such absences as I have described; that is, minor absences, like going to the dentist or to a funeral or to a bank to get a check cashed.

Mr. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. ANDRESEN. Does this apply to all employees under the civil service, both in and out of Washington?

Mr. RAMSPECK. It does, with the exception of the post-office employees, who have been taken care of in the 40-hour bill which just passed the House and Senate, and which was under the jurisdiction of the Committee on the Post Office and Post Roads. At the request of that committee, we did not deal with the post-office employees, but we are dealing with the other employees, both in the field and in Washington.

Mr. DONDERO. How many employees will this affect?

Mr. RAMSPECK. Somewhere between 300,000 and 350,000 employees, scattered throughout the country.

Mr. KELLER. Does it just include the civil-service employees or all employees?

Mr. RAMSPECK. It includes all employees under the Federal Government, emergency agencies as well as the others.

Mr. Chairman, I think this is a fair proposition. We did not save any money particularly, if any at all, under the Economy Act of 1932, so far as this matter is concerned, and we are simply giving back what they had then, and making a reduction in the sick leave.

Mr. ANDRESEN. The gentleman stated it applies to all employees. Does that include all temporary employees?

Mr. RAMSPECK. Yes; on a pro rata basis. The bill provides for two and a half days per month for temporary employees.

Mr. ANDRESEN. How many employees would that take in, permanent and temporary?

Mr. RAMSPECK. I estimate around 350,000.

The gentleman from New York [Mr. SIROVICH], who is the ranking Democratic member of our committee, had expected to be present and to speak in support of this legislation. He asked me to say that he was necessarily absent this afternoon because of the necessity of consulting his physician regarding his physical condition.

I wish to thank the Speaker, the Chairman of the Rules Committee, the whip, the minority Members, and all others whose valuable assistance has made possible the consideration of this legislation today, and especially the members of the Civil Service Committee for waiving their rights to time for the purpose of expediting action today.

Mr. LEHLBACH. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, we are considering at the present time H. R. 8458, granting Federal employees a 30-day vacation with pay, and, as has been stated by the gentleman from Georgia [Mr. RAMSPECK], in a short time we are going to have up another rule to consider H. R. 8459, the companion bill, giving the same employees 15 days' sick leave with pay.

I have a heart. I am interested in helping individuals receive whatever benefits may accrue to them when I do not injure someone else. But I believe in treating everybody alike. I do not believe in trying to do something for one set of people and then, on the other hand, trying to do something against others. It is an easy thing and probably the popular thing in Washington to stand by those things that the Federal employees want. Anyone who wants to take the line of least resistance will undoubtedly acquiesce in the wishes of the Federal employees, but when I think of the people back home in your district and my district who are employed in manufacturing establishments, the matter presents itself in a quite different way. I do not know of any manufacturing establishment in the United States that gives 30 days' leave with pay. I do not know of a manufacturing establishment which, after it does that, then gives 15 days' sick leave for sickness with pay. I question whether there is a Representative here in Congress who has in his district a manufacturing establishment or a business enterprise of any kind, merchant, or newspaper, or some other form of business, that gives to its employees 30 days' leave of absence with pay and 15 days' sick leave with pay. I do not believe there is a Representative in Congress who employs people who gives 30 days' leave with pay and 15 days' sick leave with pay, and if there is, I would like to have him hold up his hand.

Mr. KELLER. I will hold up mine.

Mr. RICH. How many do you have?

Mr. KELLER. From 1 to 10.

Mr. RICH. What line of work are they engaged in?

Mr. KELLER. Various and sundry; on the farm and in my office.

Mr. RICH. How much do you pay them?

Mr. KELLER. Full salary.

Mr. RICH. What is the salary you pay them?

Mr. KELLER. As high as $3,200.

Mr. RICH. This the Government pays. What is the lowest you pay?

Mr. KELLER. One hundred and fifty dollars.

Mr. RICH. How many hours a day do they work?

Mr. KELLER. About 7½.

Mr. RICH. Do you think that the people you employ are well taken care of?

Mr. KELLER. Yes.

Mr. RICH. And you give them 30 days' leave?

Mr. KELLER. Yes.

Mr. RICH. Will you give me the names, so I can put them in the RECORD?

Mr. KELLER. Oh, yes. Will you do the same with me? Now I will ask you some questions. How much vacation do you give?

Mr. RICH. Two weeks.

Mr. KELLER. With pay or without pay?

Mr. RICH. With pay.

Mr. KELLER. How much do you pay?

Mr. RICH. A good standard living wage.

Mr. KELLER. How much?

Mr. RICH. I want to tell you—we never have a labor turn-over; when we give them a job they generally stay with us the balance of their life.

Mr. KELLER. Oh, come on now, how much? How much do you actually pay the workers in your factory? Why will you not tell us?

Mr. TRUAX. Will the gentleman yield?

Mr. RICH. I yield.

Mr. TRUAX. How much leave do the bankers give their employees?

Mr. RICH. Not being a banker——

Mr. TRUAX. Oh, I thought the gentleman was a banker.

Mr. RICH. Not in the sense that that is an industry in which I am engaged. I am not prepared to say, because I believe that bankers in various lines of endeavor give their employees various vacations. I am not a hog raiser, either. [Laughter.]

Mr. TRUAX. What about the shirt manufacturers? How much do they get?

Mr. RICH. Mr. Chairman, I want to finish my statement.

Mr. TRUAX. How much do they pay their employees?

Mr. RICH. I do not yield further to the gentleman, because I stated I am neither a banker nor a hog raiser.

Mr. TRUAX. What about the making of shirts? How much do the shirt makers get?

Mr. RICH. Mr. Chairman, I wish the gentleman would permit me to finish my statement.

The CHAIRMAN. The gentleman from Pennsylvania refuses to yield.

Mr. RICH. Now, you Members of Congress, aside from Mr. KELLER, the one man who held up his hand and said he gave his employees 30 days' leave and 15 days' sick leave—to him I take off my hat and make a bow. To the rest of you I want to call attention to the fact that the employees of this Government——

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. RICH. I do not yield now.

Mr. DUNN of Pennsylvania. I want to inform the gentleman that I also give 30 days' leave.

Mr. RICH. I do not yield further until I have made my statement. I do not believe the Federal Government should do something for its employees that the average people in this country do not do for their employees. The Federal employees are the best-paid employees in the world, as a whole. There is no government in the world which pays its employees what this Government pays. There is not an industry, on the average, that is paying what the Government is paying its employees. So why should we make them a favored people?

I heard the gentleman from Georgia [Mr. RAMSPECK] make the statement that it is not going to cost the Government any money. This bill will affect 350,000 employees and it is proposed to grant them 30 days' leave with pay and then grant them 15 days' sick leave with pay. Still the gentleman says there will be no additional expense. If anybody with any common sense can believe a statement of that kind, I cannot figure it out. I think it is absolutely ridiculous, because there is no merit to a statement of that kind. We certainly will require more Government employees if this bill is enacted into law.

When the President of the United States was given permission, under the Economy Act, to make changes, I think he was trying to do what he thought at the time was in accord with customary business procedure.

Last week we passed a tax bill that was supposed to raise $275,000,000. It was a ridiculous tax bill, in my judgment, although I voted for it. [Laughter and applause.] I did so for the purpose of trying to balance the Budget. That is necessary if we do not wreck our country. I thought the Democratic Party was going to try to carry out the platform pledges, and the statements made by the President of the United States, when he said, "I accept that platform in full"; when in his speech of September 19, 1932, he said, "Remember well that the way we do things and not just the way we say things is nearly always the measure of our sincerity."

So, when the President said he was going to carry out the Democratic platform, and the Democratic platform calls for a reduction of Government expenses, consolidation of offices, balancing the Budget, and many other good, sound, sensible principles, I thought he was going to carry that out; he has turned Socialist, however. I thought when you Democrats were proposing to raise taxes you were going to try to balance the Budget and stop expenditures, and that you were going to try to do the right and honest thing with the people back home. You convince me now you are turning Socialist, also.

Every day the Secretary of the Treasury sends to each Member of Congress a daily statement of the United States Treasury. I have before me the statement for August 5, and I want to call your attention to some figures in this statement.

Mr. KVALE. Will the gentlemen yield for a question?

Mr. RICH. I am not going to yield until I get this into the RECORD, and then I will yield.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. LEHLBACH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. KVALE. Will the gentleman yield for a question?

Mr. RICH. After I finish this statement I will yield.

I hope that every Member of Congress will read these statements, just to keep posted from day to day where we are heading. We are heading for the rocks. You are going to wreck this country unless you stop your spending. The first 4 days of this month the expenditures were $126,498,595.69, and the receipts were $98,758,055.48; or, you are in the red $27,740,540.27. Or, in other words, the first 4 days of this month you went in the red $7,000,000 a day. In 40 days you would spend all the money that you will raise by the tax bill. Just think of that! In 40 days you will spend all the money you raise by this iniquitous tax bill of two hundred and forty million, only one-tenth enough, according to expenditures. You Democrats are going in the red $7,000,000 a day in the operation of the Government this month. You cannot keep this up. You promised economy. You promised to balance the Budget. But we are not doing it. Why? Now you propose giving to the best-paid employees in the world additional compensation and additional privileges. I do not think the taxpayers of this country can stand it. I am positive they will not stand for it. It is your duty as Members of Congress to try to save this Nation of ours. Be economical; be just.

I want to say further that the national deficit on the 5th of the month, according to the Secretary of the Treasury, was $29,125,123,519.78.

Do not forget that last year you devalued the dollar and gained $2,000,000,000 by the devaluation. That is taken off this statement. So you are over $31,000,000,000 in the red. There is nobody in Congress, nobody outside of Congress, nobody in the United States who can figure how long we can continue in this way.

Mr. KELLER. I can.

Mr. RICH. The only man who can is the gentleman from Illinois [Mr. KELLER]. He told me that he knew more about economics than any other man in the United States. He can tell you things that no other man in Congress can tell you.

Mr. KELLER. Of course, I never claimed to know more about economics than any other man in the United States. But if you would only listen, I certainly could tell you a lot you ought to know.

Mr. RICH. But, outside of Mr. KELLER, that cannot be done.

I yield now to my colleague from Minnesota.

Mr. KVALE. My question may be a bit facetious; but when I listen to the gentleman say that he thought the tax bill was a silly and ridiculous measure, but that he voted for it, anyway, I am wondering if he cannot swallow his conscience in this instance, where there is an honest difference of opinion, where many of us believe this measure is not silly and ridiculous, and give us a vote on it on the same basis that he voted for the tax bill.

Mr. RICH. I will answer the gentleman. The tax bill was only one-tenth enough to balance the Budget. If I thought only of the employees of the Federal Government, if I wanted to do the thing which was easiest, if I wanted to forget my conscience, forget the people back home who have to pay the bills, if I wanted to forget the men in the farming districts who are now working from daylight to dark and still find themselves unable to make their own living expenses and take care of the taxes, perhaps I could. Now, we want to give these Federal employees 30 days' vacation with full pay. I think too much of all American citizens to give my consent. These Government employees have real good jobs that anybody in the United States would like to have; thousands of people want these jobs.

Mr. KVALE. Mr. Chairman, the gentleman from Minnesota will take care of the farmers of Minnesota without the assistance of the gentleman from Pennsylvania.

[Here the gavel fell.]

Mr. RICH. Has my time expired? All I can say, then, is to do that which in your own minds and consciences you think is right. That is what I am trying to do.

Mr. RAMSPECK. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, we are, because of the great recovery program of President Roosevelt, emerging from the depression. I am not going to talk to you about the depression, however. I am going to discuss this important bill. Unlike my friend from Pennsylvania, I do not advocate a return to the do-nothing policy of Herbert Hoover. This depression was originally avoidable and then terminable, but because of that do-nothing policy to which the Republican Party desires us to return it became a great national calamity and brought our country to the brink of ruin and disaster on that black Saturday when Mr. Hoover turned over the wreck to President Roosevelt.

This is an important bill, Mr. Chairman. It affects 300,000 or 400,000 Federal employees. At the present time Federal employees, including the civil-service employees of our country, are exceedingly fortunate. They are in a favored position. At the present time they enjoy 15 days' leave or vacation per annum with full pay, plus 30 days' sick leave per annum with full pay. Personally I look forward with hope to the time when every individual in this country who desires to work will have a job. Involuntary unemployment is a great moral wrong. It is wrong to deny to men and women the right to be gainfully employed. I look forward to the time when there may be steady employment and economic security for every man and woman in our country [applause] and when every man and woman in private industry as well as in public employment may receive 30 days' vacation every year with full pay, and in addition 30 days' sick leave every year with full pay.

It is difficult to believe that the passage of this bill will not entail the expenditure of a large sum of money and cost the taxpayers of this country a great deal. If it does not cost the taxpayers of our country a large sum of money, then it would seem self-evident that there are too many Federal employees. Certainly increasing the annual vacations from 15 days to 30 days makes quite a difference. There is this danger, however, that I want to call to the attention of the Members. A companion bill, H. R. 8459, has been referred to. By the way, it comes ahead of this bill on the Union Calendar, but it has not been brought up for consideration ahead of this bill. That companion bill very properly reduced the sick leave from 30 days to 15 days per annum, but assume—and this might happen, because there is a very active lobby seeking the passage of this bill—assume that today we pass this measure and the sick-leave measure.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. YOUNG. Mr. Chairman, suppose someone is prevailed upon to sidetrack the sick-leave bill. Then we will have a situation wherein every favored employee in the Government service, including civil-service employees, who work down here in Washington from 8 o'clock in the morning until 3:30 in the afternoon, will have 30 days' sick leave with full pay plus 30 days' annual vacation. These are the employees who cannot see a dentist or an oculist or go to a bank, although the banks stay open late on all Government pay days, except by taking the Government's time, according to the claim they make.

As I stated, if they sidetrack the other measure, which I am sure no conscientious Member of this House desires, every Government employee affected and benefited by this bill will have 30 days' sick leave with full pay plus 30 days' annual vacation leave with full pay. Generally speaking, the maximum vacation prevailing in private industry is 2 weeks.

Mr. Chairman, I have prepared and shall offer at the proper time an amendment to this bill adding as additional sections to same all of the sections of the other measure, so that the provisions will all be included in one bill. They should be included in one bill. This will give to the Government employees affected 30 days' annual leave on vacation with full pay plus 15 days' sick leave.

Mr. Chairman, I received a letter from a constituent that I desire to insert in the RECORD at this point, and I ask unanimous consent to insert the same in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Would it not be a positive joy to see a letter in a Washington paper written by a Federal civil-service worker reading something like this?—

DEAR UNCLE SAM: I am a civil-service worker, and I want you to know that I am thankful for my job, for I realize that there are millions of worthy and capable people without work.

I am thankful when my salary is due that it is paid on time, for I know that in these hard times there are many people who work faithfully and then are unable to collect their pay.

I am thankful for my 2 weeks' vacation with pay and I realize that this is all the majority of business firms are able to allow their employees, even in prosperous times.

I am grateful for my yearly allowance of a month with pay during sick leave, for I know that most business firms are unable to allow their employees this special privilege.

I thank you, Uncle Sam.

FEDERAL CIVIL SERVICE.

Mr. RAMSPECK. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, there is not a health authority in America who will not tell you that the man or woman engaged in routine work will not do more and better work in the 11 months following a 30 days' vacation than they will do the whole 12 months if they are kept on the job. That is the first thing I want to get over to the Members. There is not an authority on social conditions who does not

know that a man or woman who gets 30 days' vacation will perform more service the next 11 months than he or she would have done if they had stayed on the job 12 months. That is the economy we are all interested in, because it is the only kind of economy. Then, most important of all, it is humane, and what is humanly right is economically right. I want to get that so clear to you that no one can misunderstand it.

Mr. EKWALL. Not even the Republicans.

Mr. KELLER. Not even the gentleman from Pennsylvania.

Mr. RICH. Will the gentleman yield?

Mr. KELLER. I only have 3 minutes. The gentleman had 20.

Mr. RICH. I will try to get the gentleman some more time.

Mr. KELLER. The next bill that comes up for consideration is a proper and decent bill that goes along with this one. It will allow 15 days' sick leave and also provide that this time may be accumulated over any period, so that if one gets sick for a long time and requires more than 15 days it would be coming to him under the law.

Mr. Chairman, there is another thing to be considered. If the Government of the United States is going to set the example, which it has been doing and ought to continue to do, the Congress should pass both of these bills without a dissenting vote, including the gentleman from Pennsylvania. Now, I yield to the gentleman from Pennsylvania to ask a question.

Mr. RICH. I am wondering how many of those eight employees the gentleman employs.

Mr. KELLER. About four.

Mr. RICH. Then the gentleman employs four people?

Mr. KELLER. Oh, no. I employ more than that, and I am giving them full 30 days' vacation and whatever sick leave is necessary. If they need 6 weeks, that is given freely.

Mr. Chairman, we are trying to come to a 6-hour day in this country and we are going to do that. There is not a farmer, a coal miner, or anybody on relief in my district who will not be glad to know that we have given this freedom to the people here working for the Government, because it will not help the farmers in either Minnesota or Pennsylvania or anywhere else to deny the Government employees this right.

It will help everyone and give the people of the various States the courage to expect the same thing when prosperity returns. We are going to come to that some day in industry, even in connection with the making of shirts.

Mr. RICH. Will the gentleman yield?

Mr. KELLER. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will this bill increase the cost of government?

Mr. KELLER. It will not, for the very reasons I gave the gentleman previously, that in the 11 months after a vacation the employees will do more and better work than if they did not have a 30-day vacation. That, as even you, I am sure, can understand, is true economy.

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. EKWALL].

Mr. EKWALL. Mr. Chairman, there is not one of us who does not remember 20, 25, or 30 years ago the almost intolerable conditions under which employees in various lines of endeavor worked. I remember very well that at the age of 11 years I went to work in a box factory in northern California at a time when 11 hours was considered a day's work. Eleven hours is too long for anyone to work in one day. We have gradually seen these hours lessened and lessened until we have finally come to the realization that by giving employees decent hours and proper working conditions, by relieving them of the worry and fear that is naturally attendant upon whether they will be thrown out of employment on account of injury and sickness, we add in efficiency what we may seem to lose in time.

I am unalterably opposed to long and unnecessary hours of work and to the idea of working employees for long periods of time without proper vacations and sick leave. I am for the passage of this bill and its companion measure, which will provide a maximum of 15 days of sick leave in the year, but which will be cumulative.

This bill is a humane one, and even though it does increase the cost of Government to some extent, it will give work to those who temporarily take these places, if it becomes necessary. In many cases it will not be necessary, because the other employees in the various offices will take up the work and there will be no loss; but even if there is, it will give somebody something to do during such time at least. It seems to me every employee is worthy of his hire. We cannot judge the Government by individuals or private companies. Many individuals or firms possibly cannot afford to give their employees vacations of 30 days a year, but it seems to me the Federal Government should set the pace. I am sure this will result in private employers discovering it is a good investment to treat their employees properly and give them time for a little recreation. They will find they will get it back in added returns. Many private employers have already found this out and would not go back to the old system under any circumstances.

As a matter of fact, this bill will mean that the average employee will actually get about 15 days off on vacation, because usually the Federal employees have so many little things to do that are marked up against their vacation time that it will actually total only about 15 days, anyway. Practically every State and Federal judge in the country takes a vacation of from 1 to 3 months a year, and many, many employees in various lines of endeavor get much longer vacations than this. It seems to me this is a proper and just thing to do, and I am sure we will get back in increased efficiency and loyalty what we may seem to lose in the few days' added time given each year to these employees. [Applause.]

Mr. RAMSPECK. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, my distinguished colleague the gentleman from Pennsylvania [Mr. RICH] when addressing the House made the statement that the people who work in factories, stores, and so forth, do not get any vacation. That may be true, but the owners of factories should give their employees a vacation. I believe every working man and woman should have at least 30 days' vacation annually, and also the utmost consideration should be given to an employee if he or she is compelled to refrain from work because of illness. Therefore, the bill which is now being considered by the Members of the House should be enacted into law because it is a meritorious measure.

Mr. LEHLBACH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, the argument which has been advanced here in opposition to this bill is that we are treating the Federal employees much better than the employees or labor in industry generally. This argument would be tenable and good if the workers throughout the Nation were receiving decent wages and working under decent conditions, but I believe that even my friend from Pennsylvania, Mr. RICH, and all of the others who are opposed to this bill, will concede that the workers throughout this Nation are not receiving their just share of that which they produce and are not working decent hours and receiving decent wages. They are being exploited. Let us therefore give Government employees fair treatment, and thereby pull ourselves out of the category of labor exploiters.

The Federal employees, perhaps, are treated better than labor in general. What of it? Should we exploit them simply because industry in general exploits its workers? The Government of the United States, when it acts in the role of an employer, should be a just, a fair, and a humane employer toward its own employees. [Applause.] For this reason the Government should set an example to all of the employers of labor throughout the Nation by furnishing its employees decent conditions and 30 days' leave, with sick leave, and thus we may demonstrate to the employers of the Nation that the Government of the United States believes in providing humane conditions for its own workers and desires that private industry do the same. We cannot set forth the proposition to the employers of this Nation that they

should respect codes where they exist nor can we preach decent working conditions for labor in private industry and then refuse to provide such decent working conditions to Government employees. We must set the example. If we want the employers of this Nation to give their workers decent working conditions, then the Government, first of all, should give its own employees decent working conditions. We set the standards. We can start right now by passing these two bills—one for sick leave and the other for 30 days' leave. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, I believe the gentleman from Pennsylvania [Mr. RICH] is a man of the highest type and character. I believe he is big-hearted and generous. He has just stated to you that he has a big heart.

However, I do think it is time that he permit his mind to be guided by the dictates of his heart.

I say that we should give the employees of the Federal Government both the annual leave and sick leave that were taken away from them during the economy stress of 1933.

You know yourself from your experience this summer how pleasant it is to live in Washington during the torrid days. I speak for myself when I say that during one of the weeks I did not sleep for 3 nights, and had to journey over 400 miles in order to get a night's sleep. I think the Federal employees, in Washington particularly, deserve the benefits of these two bills.

I have only one other suggestion to offer, and that would be to erect a summer capital on the beautiful south shore of Long Island. With the ocean breezes fanning us and our employees, and the cooling winds that follow heated days, would bring restful nights. Then, on the new day we would be refreshed and invigorated for the daily routine.

Mr. FORD of California. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. FORD of California. Would not the gentleman divide that and advocate a summer capital in California?

Mr. BOYLAN. We can live in Washington in winter without discomfort, but the summer is terrible.

Therefore, in order to save money for the Government by not having to erect a summer capital on Long Island, we could give the employees what they are justly entitled to—30 days' annual vacation leave and 15 days' sick leave. [Applause.]

Mr. LEHLBACH. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FOCHT].

Mr. FOCHT. Mr. Chairman, I am very much pleased to find that most of the speakers since I entered the Chamber favor this measure. There are many reasons why we should make an example here which will appeal to our countrymen and all who employ labor.

I never was one of those who believe that any man should work 10 or 14 hours, get $1.50 or $2 a day, because a man cannot subsist decently, support his family, pay his lodge dues, and give what he should to the church, and clothe and send his children to school on such a meager allowance.

We have many able men, capable and conscientious, in the public service, and we should set an example here for the inspiration and elevation of all others to attain the same quality when they pass a civil-service examination, and we ought to give them proper compensation and vacation.

I can say this fairly and truthfully that, so far as my own business is concerned, I have no trouble with employees. I pay double the amount required by the code to all who work in my printing office. I do not work them long hours and I get the best service in Pennsylvania from these men. [Applause.] I have one man, a linotype operator, that I call the "crack shot" of the world in his line, and I will back him accordingly.

I pay him $50 a week, and he gets his money whether I have any left or not. Not one of my employees has lost an hour during the depression, nor has there been a cent of reduction in anyone's salary. I have taken the blow of the "red" of the depression myself. I am, therefore, competent to discuss this phase of this bill. I get results, and if you want to see them, look at my newspaper, the Lewisburg Saturday News. It is the result of my direction, for I am a student and disciple of Benjamin Franklin. I am a printer, and although a little boastful to say it, I know my printing, and there is neither socialism nor communism about any of this. These Government employees know how to do their business. They are the servants of the Government, they are the ones who bring the things to the homes of the people, and these things are brought to everyone, whether a man lives in a palace in a valley or in a cottage on the hillside. Uncle Sam gets there, whether it be a package or a parcel or a postal card from Augusta, Maine, advertising cheap suspenders. These people give faithful service and they ought to be paid for it, and this we will provide for right now. [Applause.]

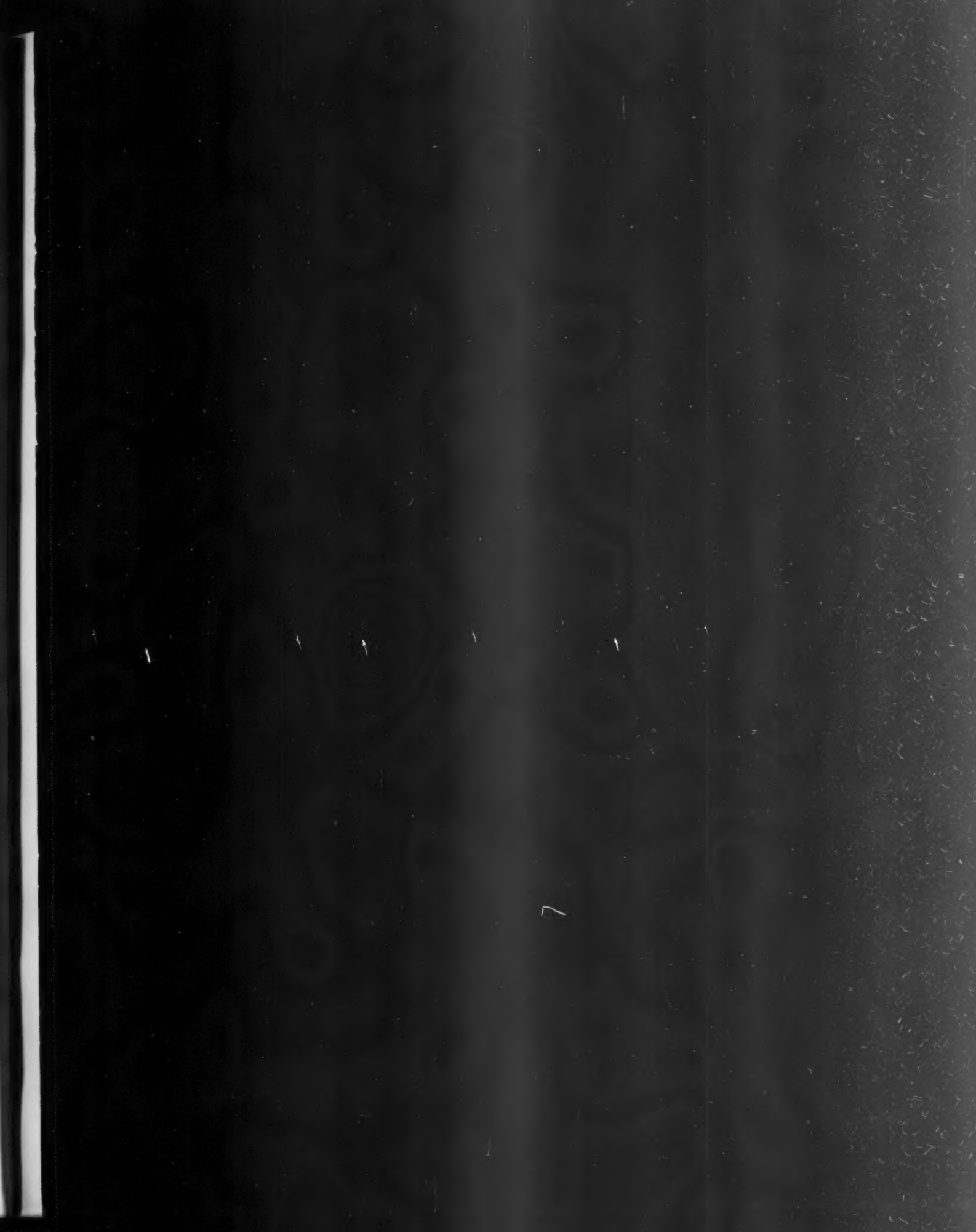
Mr. LEHLBACH. Mr. Chairman, we may as well try to clear up some misapprehensions that may exist by reason of what has been said, or by not having a full knowledge of the facts. This simply restores the situation to what it was before the Economy Act went into effect, and this is the last vestige of the Economy Act affecting employees of the Government which is still in force. So it is not an innovation. We are not extending something or giving something. We are restoring something which until the Economy Act passed had always been the rule. But the question very properly arises as to whether that rule which formerly existed, and which we wish to restore, is a just and reasonable one. In the first place, it provides for 30 days' annual leave, and the point has been made that in similar occupations, where clerical help in large numbers is employed, such an extended annual leave is not given. As has been said by the chairman of the committee, in such employment, if a person has occasion to be out for a day or half a day, it is granted without question, if a reasonable ground for the absence exists. The fact is that approximately about 10 days of these 30 days' annual leave are absorbed by absences which would not be debited against the employee in other employment. Consequently the real vacation time is not much longer than it is in ordinary employment of like character. The reason why it should be a little longer is because the law prescribes that employment, particularly here in the District of Columbia, in civil service should be prorated among the States of the Union in accordance with their population. Necessarily as a result of that, we have working here in the District employees who live in the various States of the Union. If they have a vacation, they want to go home to their family. It takes them on an average 3 or 4 days to go and come back, and when their actual time on vacation is considered, it is no more than that of anyone else. The cumulative system is a reasonable proposition and needs no further discussion.

With respect to the sick leave, we are reducing the sick leave from 30 days to 15 days a year, and making it cumulative where it is not now cumulative. If a person is sick for a month in any one year, he can borrow the 15 days in addition from the year to come, and if a person under the old rule were sick over 30 days, he would have to be sick on his own pay when the 30 days were exhausted. By making it less each year, and making it cumulative, we do not give more time for sickness, but we give it more elasticity, so that in the case of a real sickness, a siege of illness, the employee is not the loser thereby nor is the Government.

As to the cost of these bills, they do not cost anything, because the Government does not hire anybody to take the place of anyone on vacation. That is the whole situation with reference to these bills.

Mr. RAMSPECK. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, I am not surprised at these two bills being brought in by the Chairman of the Civil Service Committee, the gentleman from Georgia [Mr. RAMSPECK]. He is a member of the Committee on Labor, and I have had plenty of opportunity to observe his fine, humane character during the time that he has been a member of that committee. His is a fine, clear, understanding brain; a man who knows his work and whose thoughts are for justice for all of the people.



I have heard different arguments on this bill today. Almost everyone seems to be in favor of it. I am glad of that. The gentleman from New Jersey [Mr. LEHLBACH] set out the matter clearly, as did Mr. KELLER, when they mentioned the duty of the American Government toward its employees. It will be recalled that before the House passed the economy bill I stood on the floor of the House and said a few days before it was passed that if we should pass it every big corporation in the United States would take it as an invitation to cut the wages of their employees. The very day the economy bill passed this House the United States Steel Corporation put in a 15-percent cut on their workers.

The Federal Government should be the model as to how employees should be treated. One thing I have not heard here today. Nobody has mentioned the fact, for instance, that during the search for Dillinger and "Pretty Boy" Floyd and "Baby Face" Nelson, and the different kidnaping and racketeering cases, men in the Department of Justice worked 10 and 12 and 13 and 14 and 15 hours a day, but they did not get paid for overtime, as they do if they work for any private corporation. When they work a man over the regular time in ordinary employment, even if they pay him only 12 cents an hour, they must pay him time and a half; but the United States Government does not pay a nickel extra to any employee for overtime work.

When we had the N. R. A. the men and women in that department worked unbelievably long hours. In the Immigration and Customs Services on the ships coming into the Atlantic and Pacific and Gulf coast ports men work overtime day after day and night after night without a penny's recompense for overtime.

Mr. KVALE. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. KVALE. That applies in office after office throughout the Federal Government.

Mr. CONNERY. It applies in office after office.

Mr. KVALE. In the A. A. A. and many others that could be enumerated.

Mr. CONNERY. Almost every office in the Federal Government works long hours overtime and they get no pay for it. If they knew of these conditions, I believe the American people would resent such conditions existing.

Mr. CARPENTER. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. CARPENTER. The gentleman mentioned the economy bill. With the passage of these two bills and the enactment of the Spanish-American War veteran bill, that practically leaves all the economy in the economy bill upon the World War veterans. Is that not true?

Mr. CONNERY. I did not quite understand the gentleman.

Mr. CARPENTER. All the economy left in the economy bill is placed on the World War veterans, practically?

Mr. CONNERY. If the Spanish-American War veteran bill is signed by the President, the economy bill is almost out of existence.

Mr. CARPENTER. In regard to everybody and everything except the World War veterans.

Mr. CONNERY. Yes; the veterans got back only 75 percent of what was taken away from them in the economy bill.

Mr. CARPENTER. But the 25 percent is still there by reason of the economy bill.

Mr. CONNERY. Yes; and I hope that we will wipe that out, and we then will be back where we belong.

Mr. CARPENTER. In other words, the result of this legislation and previous legislation is to leave the burden of all the governmental economy in the economy bill on the veteran, and the World War veteran is now the only sufferer from the enactment of the economy bill.

Mr. CONNERY. He is the only sufferer from the economy bill. Government employees and veterans were the great sufferers from the economy bill, and they should not have suffered at all, because they are the real workers and defenders of the Nation.

I hope these two bills will pass. I wish to congratulate my friend the distinguished gentleman from Georgia [Mr. RAMSPECK] and his fine committee on reporting these two bills to the House.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONNERY] has expired.

Mr. RAMSPECK. The Clerk may read.

The Clerk read as follows:

Be it enacted, etc., That with the exception of teachers and librarians of the public schools of the District of Columbia, all civilian officers and employees of the United States and of the government of the District of Columbia, regardless of their tenure, in addition to any accrued leave, shall be entitled to 30 days' annual leave with pay each calendar year, exclusive of Sundays and holidays: *Provided*, That the part unused in any year shall be accumulated for succeeding years until it totals not exceeding 120 days. This act shall not affect any sick leave to which employees are now or may hereafter be entitled. Temporary employees shall be entitled to 2½ days' leave for each month of service. The annual leave herein authorized shall be granted at such times as the heads of the various departments and independent establishments may prescribe. This act becomes effective July 1, 1935.

Mr. RAMSPECK. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: On page 2, in line 2, after the word "employees", insert a comma and the following: "except temporary employees engaged on construction work at hourly rates."

Mr. RAMSPECK. Mr. Chairman, just a word in explanation of the amendment.

After this bill was reported my attention was called to the fact that it would probably be construed to include temporary employees working on construction projects—projects that ordinarily would be handled by contract by the Government; but in the Tennessee Valley Authority it is being done by the T. V. A. by simply employing the labor and paying it themselves. Of course, this bill covers corporations where the Government owns the corporation. This amendment is for the purpose of making certain that those temporary employees who are paid on an hourly basis, working only a few weeks for the Government, will not be included in this bill.

Mr. RICH. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. RICH. Why do you draw a distinction between one employee and another employee of the Government?

Mr. RAMSPECK. For the simple reason that those employees would ordinarily be employed by contractors and would not be employees of the Government; but the Tennessee Valley Authority uses the other method, and they are not, in the real sense of the word, employees of the Federal Government. They are doing a construction job there. It would be a great burden to include them, from the standpoint of administration, and it would mean very little to the employees.

Mr. RICH. Does the gentleman think that the Federal Government should not treat the employees of the Tennessee Valley Authority the same as they treat the employees who work for the A. A. A.?

Mr. RAMSPECK. This covers all the regular employees of the T. V. A., I will say.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. ZIONCHECK. Will this amendment affect employees doing public-works projects, like within the navy yards, building drydocks, doing electrical work, and so forth? Those men come from the civil-service rolls but are employed temporarily for that particular project.

Mr. RAMSPECK. No. It will only affect temporary employees engaged on construction projects. That is, employees who are not regular Government employees. In my judgment, it would not affect the regular employees of the navy yards who are selected through the civil-service list and who are permanently appointed. Of course, if they are temporarily selected for a particular job, it might affect them, but I do not think it would affect any navy yard that I know anything about.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. RAMSPECK].

The amendment was agreed to.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 1, line 7, after the word "to", strike out "30" and insert "20."

Mr. RICH. Mr. Chairman, I realize that if a man was real hungry and he went out to get something to eat and he could not get a full meal, he would take a sandwich. I figured that where it is impossible to get things according to your own ideas of government, you ought to try to get at least in some manner a compromise.

Mr. LEHLBACH. Will the gentleman yield for a question?

Mr. RICH. In just a minute I will. I should like to complete my statement, and then I will yield.

I believe that if we increase the time from 15 days to 20 days we will in a measure give those employees something that Members of Congress who are in favor of increasing the number of days' vacation will be satisfied with.

I submit this amendment for your consideration. Now I yield to my colleague from New Jersey.

Mr. LEHLBACH. I was going to ask the gentleman what merit he considers there is in the proposition of taking a meal away from a hungry man and giving him a sandwich. [Applause.]

Mr. RICH. I do not believe there are any Government employees who do not have a full meal; but I do know that there are thousands and thousands of people back home who do not even get the sandwich, unless they get it from the Federal Government in the form of a dole. I think it is the duty of the Federal Government to take care of those people back home and see that they get sandwiches, at least, before we fatten those who have a job, those who have turkey every day, who have a pay day regularly. Think it over, Members of Congress, and do the right thing by all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. YOUNG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: Page 1, line 8, after the word "annual", strike out the word "leave" and insert in lieu thereof the word "vacation", and on page 2, line 4, after the word "annual", strike out the word "leave" and insert in lieu thereof the word "vacation."

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. YOUNG. Mr. Chairman, the Government of the United States is the greatest employer in the country. The Government should set a proper example to private industry. Throughout private industry the phrase "leave of absence" is generally considered as meaning a leave of absence without pay. This amendment is comparatively unimportant, yet it is indicative to private industry and to every individual in the country that the Government of the United States is giving to its employees 30 days' annual vacation with full pay. There is no inference to be drawn from the words "annual leave" that this 30-day period is with compensation.

I say this amendment is comparatively unimportant, but in a few minutes when the final section of this bill is read I intend to offer an amendment that is important. I intend to offer an amendment adding as sections 8 to 14, inclusive, the entire sections of the companion bill, H. R. 8459. These sections should properly be included in this bill. There can be no possible argument against the bill, H. R. 8459, which reduces the annual sick leave from 30 days to 15 days. If those sections are made a part of this bill, there will then be no danger whatever that over in the other body this bill will be passed and the companion measure sidetracked. They should go together. I hope that this important amendment which I shall offer directly will be adopted. Furthermore, it will save us the necessity of spending time on that measure and we can go ahead with the consideration of other business of importance.

Mr. LEHLBACH. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. LEHLBACH. With respect to the pending amendment, this 30 days' annual leave is not necessarily vacation. Would the gentleman call it a vacation to spend half a day in the dentist's chair? Such time must come from annual leave.

Mr. YOUNG. I would call this a vacation. The argument, of course, that it is necessary to give Government employees 30 days' vacation in order to see dentists and oculists leaves me cold in view of the fact that most of the employees affected by this measure quit work for the day at 3:30 o'clock in the afternoon while we Members of Congress are busy toiling here on the floor of the House until long after that hour, and while less fortunate individuals throughout our country are either unemployed or employed under less advantageous circumstances.

Mr. EKWALL. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. EKWALL. I was wondering whether that was what left the gentleman cold or whether it was the air-cooling system here.

Mr. YOUNG. Today I received a letter from a constituent congratulating me upon the fine air-cooling system in my office, yet all of us know we are sweltering in our offices and in hotels and apartments of Washington without benefit of air-conditioning and air-cooling systems.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. McCORMACK. Where do the Government employees quit work at 3:30?

Mr. YOUNG. Many of the employees affected by this measure work 7 hours a day, starting at 8 o'clock in the morning and quitting at 3:30 in the afternoon. This measure does not affect nor benefit the hardest working and most underpaid employees of the Government. I refer to the postal workers and letter carriers.

Mr. McCORMACK. They do a full day's work, however. [Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 2, noes 99.

So the amendment was rejected.

The Clerk read as follows:

SEC. 4. Nothing in this act shall affect the Postmaster General and officers and employees in or under the Post Office Department: *Provided*, That officers and employees in the departmental service and in the custodial service and in the mail-equipment shops of the Post Office Department shall be included within the provisions of this act.

Mr. RAMSPECK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Committee amendment offered by Mr. RAMSPECK: On page 2, line 20, after the word "service", strike out the remainder of the line and in line 21 strike out the language "in the mail-equipment shops."

Mr. RAMSPECK. Mr. Chairman, just a word of explanation about this amendment.

At the time these bills were considered by the Civil Service Committee the Committee on the Post Office and Post Roads had under consideration the 40-hour bill for the postal employees, including all postal employees except those in the mail-equipment shops and in the custodial service. That bill passed the House in that form and went to the Senate. These employees I am taking out of this bill by this amendment were included in the 40-hour bill in the Senate. That bill has passed the Senate. An understanding was had by the Committee on the Civil Service with not only employees but with the Chairman of the Committee on the Post Office and Post Roads that we would not deal with postal employees dealt with in the 40-hour bill. I am asking, therefore, that

they be excluded from this bill, since they have been included in the 40-hour bill which has passed both Houses.

Mr. LEHLBACH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this group of 300 employees in the mail-equipment shops has always been considered not in the Postal Service but in the departmental service of the Government here in the District of Columbia. When the Postal Service had its own classification and the Civil Service employees were classified some years ago, the mail-bag equipment shop was included. I see no reason why these particular employees should be excluded from the benefits of this bill. There are only 300 of them and while the Chairman of the Civil Service Committee has given certain reasons why they should be excluded, I do not see that such action as this amendment contemplates should necessarily follow from the situation which he describes. I do not think it is fair and just to discriminate against this group and eliminate them; consequently I am opposed to the amendment.

Mr. MEAD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, early in the session when this matter came to the attention of the Committee on the Post Office and Post Roads, it was our decision that we would take care of the employees of the Post Office Department with a 40-hour-week bill rather than with a leave proposition. The employees of the Post Office Department were working 44 hours a week and receiving 2 weeks' vacation in the year. We requested that they be left out of the bill which was being considered by the Civil Service Committee, so that the Committee on the Post Office and Post Roads could take care of the postal employees. The bill as it passed the House did not include the custodial employees, nor the employees of the mail-equipment shops. Recently the custodial employees were transferred from the Treasury Department to the Post Office Department and now come under the Postmaster General. When the 40-hour bill reached the Senate the Postmaster General recommended that the Senate include the employees of the custodial service and the employees of the mail-equipment shops in the bill covering postal employees. I notified the Chairman of the Civil Service Committee so that the employees taken care of by the 40-hour bill would be left to the Post Office and Post Roads Committee and would not also be included in the legislation that emanated from the Committee on the Civil Service. I think it is a matter that can well be left to the Committee on the Post Office and Post Roads because it involves all the employees in one department of the Government.

If some of them are going to be considered by the Committee on the Civil Service and others are going to be considered by our committee, there will, of course, be confusion instead of simplicity; therefore I hope that the personnel of the Post Office Department will be left with the Committee on the Post Office and Post Roads, and that such other employees as are included in the bill will be left with the Committee on the Civil Service.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Washington.

Mr. ZIONCHECK. I gather from the gentleman's remarks that the post-office carriers and clerks are not included in the 30-day-leave bill?

Mr. MEAD. No. The postal employees receive 15 days' annual leave, but they are included in the bill which passed the House some time ago, the conference report on which will be called up shortly. They are given a 40-hour week.

Mr. ZIONCHECK. This amendment goes further than just the custodial-service employees, numbering 300?

Mr. MEAD. No. The postal employees as a group were never contained in this bill. They come under the jurisdiction of our committee. I am in favor of the pending amendment, because it leaves all of the postal family in one group and under the care of one committee.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. RAMSPECK].

The amendment was agreed to.

The Clerk read as follows:

SEC. 6. The employees of any corporation created under authority of an act of Congress which is controlled or owned by the United States Government, whether or not the employees thereof are paid from funds appropriated by Congress, shall be included within the provisions of this act.

Mr. RICH. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee a question. I would like to know whether this is applicable to all the new corporations that are being formed by charters taken out in the State of Delaware under the new-deal program? Is that what this bill is intended to cover?

Mr. RAMSPECK. The gentleman has read section 6, I presume. It means just what it says. If there is a corporation created under the authority of an act of Congress, controlled or owned by the United States Government, then those employees are included.

Mr. RICH. This includes all the employees of the corporations that have been chartered by the Government in the State of Delaware under the new-deal program?

Mr. RAMSPECK. I cannot answer the question. I may say to the gentleman that it includes all those covered by acts of Congress.

Mr. RICH. Did not Congress grant permission to the President of the United States to do certain things, and did he not in turn ask that these corporations be created? We are fast becoming socialistic.

Mr. RAMSPECK. The gentleman knows as much about that as I do. He is a Member of the House.

Mr. RICH. Is the gentleman in favor of including all the people that are employed by Government corporations to do everything they are doing now in competition with private industry?

Mr. RAMSPECK. If they are Government employees, I am in favor of treating them all alike.

The Clerk read as follows:

SEC. 7. The leave of absence herein provided for shall be administered under such regulations as the President may prescribe, so as to obtain, so far as practicable, uniformity in the application of this act.

Mr. YOUNG. Mr. Chairman, I offer an amendment which I send to the desk, and ask unanimous consent that the reading of the amendment may be dispensed with. I may say to the Chairman of the Civil Service Committee and the Members that the amendment I have offered simply embodies the language used in H. R. 8459, sections 1 to 7, and I have continued them in this bill as sections 8 to 14.

Mr. LEHLBACH. Mr. Chairman, I make a point of order against the amendment.

Mr. YOUNG. Will the gentleman withhold his point of order against the amendment?

Mr. LEHLBACH. Mr. Chairman, I withhold the point of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. DOBBINS. Mr. Chairman, reserving the right to object, I would like to inquire of the gentleman from Ohio if, in his amendment, he incorporates in section 2, the month of January as included in the original bill or July, as included in the committee amendment?

Mr. YOUNG. July, as included in the committee amendment.

Mr. TABER Mr. Chairman, I think we ought to have the amendment read, and I therefore object.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: Page 3, after section 7, add a new section, to be known as "section 8", and the following:

"SEC. 8. That after July 1, 1935, all civilian officers and employees of the United States and of the government of the District of Columbia, other than teachers and librarians of the public schools of the District of Columbia and officers and members but not the civilian personnel of the police and fire departments of the District of Columbia, shall be entitled to sick leave with pay regardless of their tenure, as described herein.

"SEC. 9. On and after July 1, 1935, cumulative sick leave with pay, at the rate of 1¼ days per month, shall be granted to all civilian officers and employees, the total accumulation not to exceed 120 days. Temporary employees shall be entitled to 1¼ days' sick leave for each month of service.

"SEC. 10. Administrative officers may advance 30 days' sick leave with pay beyond accrued sick leave in cases of serious disability or ailments and when required by the exigencies of the situation.

"SEC. 11. Nothing in this act shall affect the Postmaster General and officers and employees in or under the Post Office Department except those serving in the departmental service and the custodial service and the mail-equipment shops of such Department.

"SEC. 12. Nothing in this act shall be construed to prevent the continuance of any existing leave differential now obtaining for the benefit of employees of the Federal Government stationed outside the continental limits of the United States.

"SEC. 13. The employees of any corporation created under authority of an act of Congress which is controlled or owned by the United States Government, whether or not the employees thereof are paid from funds appropriated by Congress, shall be included within the provisions of this act.

"SEC. 14. The leave of absence herein provided for shall be administered under such regulations as the President may prescribe, so as to obtain, so far as practicable, uniformity in the application of this act."

Mr. YOUNG. Mr. Chairman, the bill we are considering relates to the welfare of certain employees of the Government of the United States. The amendment I offer relates to the welfare of these employees, and I maintain the amendment is germane to the bill now under consideration.

I maintain this is an important amendment and one that should be adopted. In the first instance, it will obviate the necessity of any consideration whatever of H. R. 8459, because the amendment I offer is H. R. 8459 in its entirety. It will save the membership of this House considerable time and permit us to proceed with other matters of equal or greater importance. Furthermore, in the committee there were joint hearings in regard to both of these measures. I am sure my colleague the gentleman from Georgia is absolutely sincere in his effort to secure the enactment into law of both of these measures, and that he does not for one moment wish H. R. 8458, giving Federal employees annual vacations of 30 days with full pay to be enacted into law and at the same time have the following bill sidetracked in the Senate, but unless we join these two measures by the adoption of my amendment, there is grave danger that the proponents of this legislation will put something over on the Congress and put something over on the taxpayers of this country who must foot the bill. There is grave danger that in due time the bill to reduce the sick leave from 30 days to 15 days will be sidetracked and the bill to increase the vacations from 15 days to 30 days will be enacted into law, because, of course, the proponents of increased annual leave or vacations and the lobby behind this bill are not interested in reducing the sick leave from 30 days to 15 days. They are interested in securing for the employees affected by this measure an increase in their vacations.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Georgia.

Mr. RAMSPECK. I may say to the gentleman that I expect to ask the Speaker to recognize me to pass the other bill by unanimous consent immediately after the completion of the consideration of the pending bill, and may I say further to the gentleman that he is wrong when he states that the proponents of the bill are not in favor of the second bill. They testified in favor of it, and they are in favor of it.

Mr. YOUNG. The hearings were held at the same time, and I think the gentleman from Georgia will agree with me that there is no real reason why these two propositions should not have been or should not now be embodied in the same measure. If they are embodied in the same measure by the adoption of my amendment, then there is no possibility that anything can be put over on the taxpayers of our country, and my amendment, I believe, is a proper amendment and germane to the bill now pending.

Mr. LEHLBACH. Mr. Chairman, I make the point of order that the amendment is not in order, because it is not on the same subject matter and therefore is not germane. The bill which is under consideration provides for vacations to Government employees. The amendment deals solely with the treatment of involuntary absences by reason of sickness, two different subjects.

The CHAIRMAN (Mr. WALLGREN). The gentleman from New Jersey makes a point of order against the amendment. It is a generally recognized principle of parliamentary procedure that one individual proposition may not be amended by another individual proposition, even though the two may belong to the same class. The Chair therefore sustains the point of order.

Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALLGREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 8458) to provide for vacations to Government employees, and for other purposes, pursuant to House Resolution 303, he reported the same back to the House with sundry amendments adopted in Committee.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment. If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. RAMSPECK, a motion to reconsider the vote whereby the bill was passed was laid on the table.

STANDARDIZED SICK LEAVE FOR CIVILIAN EMPLOYEES

Mr. SMITH of Virginia. Mr. Speaker, before I call up House Resolution 302 I desire to submit a unanimous-consent request. Resolution 302 is a rule drafted for the consideration of a companion bill to the one we have just passed. I believe that everybody is in favor of the bill; that there is no controversy in regard to it. I ask unanimous consent for the immediate consideration of the bill (H. R. 8459) to standardize sick leave and extend it to all civilian employees.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. RICH. Reserving the right to object, I should like to say that I feel that the disposition of the House is to pass the bill, and do it in a hurry. I do not want to be an obstructionist.

If you will give me a minute now, it will save an hour's time.

If we grant a 15-day sick leave, we do it for the purpose, as I understand, to give employees the opportunity to go to the dentist or to the doctor, or wherever they choose, without having it deducted from their time of vacation. I am going to submit an amendment to the bill on line 9, after the word "leave", to strike out "with" and insert "without."

In other words, to give them 15 days' leave without pay. The object of that was for the purpose of trying to balance the Budget. I know the Democratic platform calls for balancing the Budget, and I think the Democrats at least ought to try to do that very thing. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That after July 1, 1935, all civilian officers and employees of the United States and of the government of the District of Columbia, other than teachers and librarians of the public schools of the District of Columbia and officers and members but not the civilian personnel of the police and fire departments of the District of Columbia, shall be entitled to sick leave with pay regardless of their tenure, as described herein.

SEC. 2. On and after January 1, 1935, cumulative sick leave with pay, at the rate of 1¼ days per month, shall be granted to all civilian officers and employees, the total accumulation not to exceed 120 days. Temporary employees shall be entitled to 1¼ days sick leave for each month of service.

The Clerk read a committee amendment, as follows:

Page 2, line 1, strike out the word "January" and insert the word "July."

The amendment was agreed to.

Mr. RAMSPECK. Mr. Speaker, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. RAMSPECK: Page 2, line 5, after the word "employees", insert a comma and the following: "except temporary employees engaged on construction work at hourly rates."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. Administrative officers may advance 30 days' sick leave with pay beyond accrued sick leave in cases of serious disability or ailments and when required by the exigencies of the situation.

Mr. RICH. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 1, line 9, after the word "leave", strike out the word "with" and insert in lieu thereof the word "without."

Mr. RICH. Mr. Speaker, I call the attention of the House to the statement of the Treasury Department which shows that we are now in the red $31,000,000,000. If we grant the employees 15 days' sick leave, with pay, we are continuing to increase the indebtedness of this Nation. We passed a tax bill last week, and in 40 days all of that money will be used up in the expenses of the Government over and above the amount necessary in revenues to balance the Budget. I want to know how you are going to balance the Budget as promised in the Democratic platform, and every one of you Members of Congress subscribed to that, both Republicans and Democrats, in your platforms.

Mrs. ROGERS of Massachusetts. Does the gentleman think it fair to take money away from sick people? I know many employers who give their employees more than 2 weeks with pay in case of sickness. I also know that a good many Congressmen have given their staff leave with pay for a number of weeks in case of sickness.

Mr. RICH. We are not taking any money away from sick people. We want to take care of those who become sick, but the Government has thousands and hundreds of thousands of people back home today who are not being taken care of, they have no job, they have no salary, and we ought to help those people first.

The SPEAKER. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

SEC. 4. Nothing in this act shall affect the Postmaster General and officers and employees in or under the Post Office Department except those serving in the departmental service and the custodial service and the mail equipment shops of such Department.

SEC. 5. Nothing in this act shall be construed to prevent the continuance of any existing leave differential now obtaining for the benefit of employees of the Federal Government stationed outside the continental limits of the United States.

SEC. 6. The employees of any corporation created under authority of an act of Congress which is controlled or owned by the United States Government, whether or not the employees thereof are paid from funds appropriated by Congress, shall be included within the provisions of this act.

SEC. 7. The leave of absence herein provided for shall be administered under such regulations as the President may prescribe, so as to obtain, so far as practicable, uniformity in the application of this act.

Mr. RAMSPECK. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. RAMSPECK: Page 2, line 15, after the word "service" where it occurs the first time in the line, insert a period and strike out the remainder of line 15 and all of line 16.

The SPEAKER. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider the vote laid on the table.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that all Members of the House have 5 legislative days within which to extend their remarks on the two bills just passed.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. If we do this we are giving to the Membership of the House 5 days to do what—to make political speeches for consumption back home, and it is all wrong.

The SPEAKER. Is there objection?

Mr. RICH. I think we have had enough politics, and we ought to get down to good, sane principles of government.

The SPEAKER. Is there objection?

There was no objection.

House Resolution 302 was laid on the table.

SOCIAL SECURITY

Mr. DOUGHTON. Mr. Speaker, I submit a conference report and statement upon the bill (H. R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes, for printing under the rule.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate nos. 17, 67, 68, 83, and 84 to the bill (H. R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from said amendments.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
ALLEN T. TREADWAY,
ISAAC BACHARACH,
Managers on the part of the House.

PAT HARRISON,
WILLIAM H. KING,
WALTER F. GEORGE,
ROBERT M. LA FOLLETTE, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate nos. 17, 67, 68, 83, and 84 to the bill (H. R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue, and for other purposes, submit the following written statement in explanation of the action agreed upon by the conferees and recommended in the accompanying conference report:

Senate amendments nos. 17, 67, 68, and 83, in effect exempt from the old-age pension provisions found in title II employees covered by private pension plans approved by the Social Security Board; and from the tax provisions of title VIII employers operating such plans, with respect to employees who are thus covered. Conditions of the Board's approval are set forth in some detail, designed to require the private plan to afford advantages at least equivalent to those found in title II. Amendment no. 84 makes it unlawful for any employer under an approval plan to contract with any insurance company, annuity organization, or trustee with respect to carrying out a private pension plan, if any director, officer, employee, or shareholder of the employer is at the same time a director, officer, employee, or shareholder of the insurance company, annuity organization, or trustee; makes unlawful the granting or accepting of rebates against charges payable under any contract carrying out a private pension plan; requires an insurance company, annuity organization, or trustee who makes any contract with an employer for carrying out a private pension plan to keep and preserve such accounts and records with respect to the contract and the financial transactions of the company, annuity organization, or trustee, as the Board deems necessary to insure the proper carrying out of the contract and to prevent fraud and collusion; and provides a penalty of not more than $10,000 fine or 1 year's imprisonment, or both, for violation of any of these provisions. On all these amendments the Senate recedes.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
ALLEN T. TREADWAY,
ISAAC BACHARACH,
Managers on the part of the House.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the conference report.

The SPEAKER. Is there objection?

Mr. O'MALLEY. Mr. Speaker, I reserve the right to object to ask the chairman of the committee what became of the Clark amendment?

Mr. DOUGHTON. The Senate receded on the Clark amendment.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. I understood there was to be an explanation offered by the Chairman of the Committee on Ways and Means, but as the Speaker declared the conference reported was adopted, the gentleman from North Carolina will not have an opportunity to offer an explanation on the floor.

The SPEAKER. The conference report was adopted. The Chair did not understand the gentleman desired recognition.

Mr. TREADWAY. I ask unanimous consent to proceed, Mr. Speaker.

The SPEAKER. The gentleman has been recognized.

Mr. TREADWAY. I do this simply to say that I have been one of those anxious to see the Clark amendment put into the bill. It has been voted out by the conference, first by the House conferees, and that action was approved by a House vote, and the Senate conferees have receded. The Clark amendment is therefore out of the bill as adopted in conference just now.

A study that has been made by experts interested in this matter leads them to believe that with further study they will be able to work out some scheme by which the principle of private insurance—that is, insurance by corporations for their employees, which is the basis of the Clark amendment—may be adopted in the future. There are evidently numerous obstacles that must be overcome before this can be put into operation. Therefore, while opposed to the adoption of the conference report in principle, I was glad to sign it, in anticipation of the fact that at the beginning of next session another effort will be made to include the idea that is incorporated in the Clark amendment. This is the understanding of the conferees, and subcommittees will be appointed for that purpose.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DOUGHTON. Mr. Speaker, the Senate has receded on the Clark amendment to the social-security bill, and on its companion amendment, the Black amendment. These amendments related to the preservation of employers' private-annuity plans. It was understood by the conferees that after further study, a program for preserving these plans could probably be formulated which would be free from the Clark amendment's chief weaknesses. The Chairman of the Senate Finance Committee is appointing a subcommittee, and I shall appoint a subcommittee of the Ways and Means Committee to consider this matter and, if possible, to make recommendations concerning it to the Congress at the beginning of the session next January.

[Here the gavel fell.]

The SPEAKER. The Chair overlooked a special order made by the House whereby the gentleman from Oklahoma [Mr. MASSINGALE] was granted 15 minutes to address the House at the conclusion of the so-called "leave bills." The gentleman from Oklahoma [Mr. MASSINGALE] is recognized.

Mr. MASSINGALE. Mr. Speaker, if that privilege will be given me on tomorrow, owing to the lateness of the hour today, I would ask that I be permitted to address the House on tomorrow, after the conclusion of the reading of the Journal and the disposition of matters on the Speaker's desk.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that on tomorrow, after the reading of the Journal and disposition of matters on the Speaker's table, he be allowed 15 minutes in which to address the House. Is there objection?

There was no objection.

MINING OF COAL, PHOSPHATE, OIL, OIL SHALE, GAS, AND SODIUM ON THE PUBLIC DOMAIN

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mrs. KAHN. Mr. Speaker, reserving the right to object, I would like to ask the Chairman of the Committee on Public Lands if the amendments adopted by the House committee are included in the Senate bill?

Mr. DEROUEN. The amendments to which the lady refers have been accepted and the objections which the lady voiced in committee removed from the bill. The House amendments will be offered in connection with the bill.

Mr. ENGLEBRIGHT. Reserving the right to object, Mr. Speaker, I would like to call to the attention of the House the fact that this is a very important measure. It is a bill that is highly technical in character, having to do with a great industry, the oil industry of the Nation, with the oil-consuming public, and with the public lands of the country. The House committee, as I know, has given detailed thought and study to this measure and has worked out an extensive set of amendments to the Senate bill, which, in my opinion, puts the bill in good shape. However, there was one matter which I feel the Committee on Public Lands failed to give proper consideration to.

I refer to the provision of the page 10 wherein the Secretary of the Interior is required to enforce the unit plan of leasing. I would like to ask the chairman of the committee and the sponsors of the bill if they would accept an amendment making the unit plan discretionary with the Secretary, whereby provision could be made where the unit plan would not apply, instead of leaving the bill as it now reads, making it mandatory. If that amendment is acceptable, then I would propose to strike out the word "shall" in line 3 and substitute the word "may."

Mr. DEROUEN. That would be perfectly agreeable. That question was discussed, and for some reason or other it slipped out and was never acted upon. It is the intention of the committee to accept the gentleman's suggestion.

We will accept the change, to substitute the word "may" for the word "shall" also on page 10, line 3.

Mr. ENGLEBRIGHT. Then, Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McREYNOLDS. Mr. Speaker, for the present I object.

Mr. DEROUEN. Mr. Speaker, will not the gentleman withhold his objection?

Mr. McREYNOLDS. No; I will not withhold my objection.

AIR MAIL SERVICE IN ALASKA

Mr. DOBBINS, from the Committee on the Post Office and Post Roads, submitted a conference report and statement on the bill (H. R. 5159) to authorize the Postmaster General to contract for air mail service in Alaska.

HOURS OF DUTY OF POSTAL EMPLOYEES

Mr. MEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6990) to fix the hours of duty of postal employees, and for other purposes, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. CONNERY. Mr. Speaker, reserving the right to object, and I shall not object, I merely want to ask the gentleman one question about the charwomen; why were they exempted?

Mr. MEAD. Because they work only part time.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That when the needs of the service require supervisory employees, special clerks, clerks, and laborers in first- and second-class post offices, and employees of the motor-vehicle service, and carriers in the City Delivery Service and in the village delivery service, and employees of the Railway Mail Service, clerks at division headquarters of post-office inspectors, employees of the stamped-envelop agency and employees of the mail-equipment shops; cleaners, janitors, telephone operators, and elevator conductors, paid from appropriations of the First Assistant Postmaster General; and all employees of the custodial service except charwomen and charmen and those working part time, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday on which the excess service was performed: *Provided*, That employees who are granted compensatory time on Saturday for work performed the preceding Sunday or the preceding holiday shall be given the benefits of this act on 1 day within 5 working days following the Saturday when such compensatory time was granted: *Provided further*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Saturdays in the calendar year in lieu of compensatory time, except cleaners, janitors, telephone operators, and elevator conductors paid from the appropriation of the First Assistant Postmaster General, and custodial employees who shall be given compensatory time in lieu of overtime pay within 30 days next succeeding: *And provided further*, That for the purpose of extending the benefits of this act to railway postal clerks the service of said railway postal clerks assigned to road duty shall be based on an average not exceeding 6 hours and 40 minutes per day for 306 days per annum, including a proper allowance for all service required on lay-off periods as provided in Post Office Department circular letter no. 1348, dated May 12, 1921; and railway postal clerks required to perform service in excess of 6 hours and 40 minutes daily, as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time, at their option, for such overtime.

"SEC. 2. The ratio of substitute post-office clerks, substitute city letter carriers, substitute laborers, substitutes in the motor-vehicle service, and substitutes in the Railway Mail Service shall be not more than 1 substitute for 8 regular employees: *Provided*, That at post offices with receipts of more than $500,000 per annum, and less than $10,000,000 per annum, the ratio of substitutes shall not be more than 1 substitute for 10 regular employees: *Provided further*, That at post offices with receipts of less than $500,000 the ratio shall be not more than 1 substitute for 12 regular employees, and at offices having less than 12 employees 1 substitute shall provided: *Provided further*, That where the ratio of substitutes on the date of the enactment of this act is in excess of the ratio provided for herein no additional substitutes shall be appointed until these ratios are established: *And provided further*, That the provisions of this act shall not operate to furlough or dismiss any regular substitute."

SEC. 3. This act shall take effect October 1, 1935.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

RIO GRANDE RIVER

Mr. McREYNOLDS. Mr. Speaker, I call up the conference report on the bill (H. R. 6453) to amend an act entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico as amended by the public resolution of March 3, 1927, and for other purposes", and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (TO ACCOMPANY H. R. 6453)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6453) providing amendments to the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico", as amended by the public resolution of March 3, 1927, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment.

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Mexico; and to construct and maintain fences, monuments and other demarcations of the boundary line between the United States and Mexico, and sewer systems, water systems, and electric light, power and gas systems crossing the international border, and to continue such work and operations through the American Commissioner as are now in progress and are authorized by law.

"The President is authorized and empowered to construct, operate and maintain on the Rio Grande River below Fort Quitman, Texas, any and all works or projects which are recommended to the President as the result of such investigations and by the President are deemed necessary and proper."

And the Senate agree to the same.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22, and agree to the same.

S. D. McREYNOLDS,
SOL BLOOM,
Managers on the part of the House.

KEY PITTMAN,
HIRAM M. JOHNSON,
TOM CONNALLY,
Managers on the part of the Senate.

The Senate amendments to the bill that are agreed to by the conferees on the part of the House have the effect of taking from the State Department the authorization to construct any works or projects necessary to carry out the terms of the contemplated treaty with Mexico and placing such authority with the President or any Federal agency designated by him.

It was thought the language authorizing the State Department to construct and maintain fences, monuments, and other demarcations of the boundary line between the United States and Mexico and other things necessary to carry out the terms of such contemplated treaty or that might be advantageous to the United States was somewhat ambiguous and for that reason Senate amendment numbered 5 was somewhat modified in order that the authorization sought to be placed in the State Department and the President might be more certain.

S. D. McREYNOLDS,
SOL BLOOM,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MINES AND MINING

Mr. DEROUEN. Mr. Speaker, I renew my request; I ask unanimous consent for the present consideration of the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended.

The Clerk read the title of the bill.

Mr. ENGLEBRIGHT. Mr. Speaker, reserving the right to object, do I understand that the stipulation that was entered into between the chairman of the committee and myself will still be in effect?

Mr. DEROUEN. Absolutely.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

An act to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended

Be it enacted, etc., That sections 13, 14, 17, and 28, of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended, are amended to read as follows:

"SEC. 13. That the Secretary of the Interior is hereby authorized and directed, under such necessary and proper rules and regulations as he may prescribe, to grant to any applicant qualified under this act a prospecting permit, which shall give the exclusive

right, for a period not exceeding 2 years, to prospect for oil or gas upon not to exceed 2,560 acres of land wherein such deposits belong to the United States and are not within any known geological structure of a producing oil or gas field upon condition that the permittee shall begin drilling operations within 6 months from the date of the permit, and shall, within 1 year from and after the date of permit, drill one or more wells for oil or gas to a depth of not less than 500 feet each, unless valuable deposits of oil or gas shall be sooner discovered, and shall, within 2 years from date of the permit, drill for oil or gas to an aggregate depth of not less than 2,000 feet unless valuable deposits of oil or gas shall be sooner discovered: *Provided*, That said application was filed 90 days prior to the effective date of this amendatory act. It being the intention of Congress that there shall be no discrimination as between applicants for prospecting permits, the Secretary of the Interior is directed, in every case where one or more permits have been issued, to issue permits to all other applicants for prospecting permits on the same structure, even though one or more of the permittees has developed the said structure into a producing oil or gas field, if said application for permit was filed prior to the development of such structure into a producing oil or gas field, and said applicant has otherwise complied with the law: *Provided further*, That when such permit is issued upon any structure after discovery the royalty to be paid upon the preferential lease provided for in section 14 hereof shall be 10 percent in amount or value of the production and the annual payment of a rental as provided in said section 14. No prospecting permit shall be granted upon any application filed after 90 days prior to the effective date of this amendatory act. The Secretary of the Interior may, if he shall find that the permittee has been unable with the exercise of diligence to test the land in the time granted by the permit, extend any such permit for such time, not exceeding 2 years, and upon such conditions as he shall prescribe: *Provided*, That all permits outstanding on the effective date of this amendatory act, which on said date shall not be subject to cancelation for violation of the law or operating regulations and which have theretofore been extended by the Secretary of the Interior, shall be, and the same are hereby, extended until December 31, 1936, subject to the applicable conditions of such prior extensions: *Provided further*, That the Secretary of the Interior is hereby authorized, in his discretion, to extend for an additional period of not to exceed 1 year any permit on which diligence has been exercised or on which drilling or prospecting has been suspended at the direction of the Secretary during the extension period hereby granted, but no extension of any permit beyond December 31, 1937, shall be granted under authority of this act or any other act. Whether the lands sought in any such application and permit are surveyed or unsurveyed the applicant shall, prior to filing his application for permit, locate such lands in a reasonably compact form and according to the legal subdivisions of the public-land surveys if the land be surveyed; and in an approximately square or rectangular tract if the land be an unsurveyed tract, the length of which shall not exceed two and one-half times its width, and if he shall cause to be erected upon the land for which a permit is sought a monument not less than 4 feet high, at some conspicuous place thereon, and shall post a notice in writing on or near said monument, stating that an application for permit will be made within 30 days after date of posting said notice, the name of the applicant, the date of the notice, and such a general description of the land to be covered by such permit by reference to courses and distances from such monument and such other natural objects and permanent monuments as will reasonably identify the land, stating the amount thereof in acres, he shall during the period of 30 days following such marking and posting be entitled to a preference right over others to a permit for the land so identified. The applicant shall, within 90 days after receiving a permit, mark each of the corners of the tract described in the permit upon the ground with substantial monuments, so that the boundaries can be readily traced on the ground, and shall post in a conspicuous place upon the lands a notice that such permit has been granted and a description of the lands covered thereby: *Provided further*, That in the Territory of Alaska prospecting permits not more than five in number may be granted to any qualified applicant for periods not exceeding 4 years, actual drilling operations shall begin within 2 years from date of permit, and oil and gas wells shall be drilled to a depth of not less than 500 feet, unless valuable deposits of oil or gas shall be sooner discovered, within 3 years from date of the permit and to an aggregate depth of not less than 2,000 feet, unless valuable deposits of oil or gas shall be sooner discovered within 4 years from date of permit: *Provided further*, That in said Territory the applicant shall have a preference right over others to a permit for land identified by temporary monuments and notice posted on or near the same for 6 months following such marking and posting, and upon receiving a permit he shall mark the corners of the tract described in the permit upon the ground with substantial monuments within 1 year after receiving such permit: *Provided further*, That any person holding a permit to prospect for oil or gas, issued under this act or extended under the authority of this or any other act in force on or after the effective date of this amendatory act, or for which timely and acceptable application for extension shall have been filed prior to said date, shall have the right prior to the termination of such permit to exchange the same for a lease to the area described in the permit without proof of discovery, at a royalty of not less than 12½ percent or value of the production, to be determined by the Secretary of the Interior by general rule and under such other conditions as are fixed in section 17 of this act: *Provided further*, That no such lease shall be subject to the acreage limitations of section 27 of this act, as amended, until 1 year after the discovery of valuable deposits of oil or gas thereon: *Provided further*, That any applicant for any such prospecting permit whose application was filed after 90 days prior to the effective date of this amendatory act shall have the right within 6 months thereafter to have his application for permit considered as an application for lease under section 17 hereof and that the application of any such applicant who shall not exercise the foregoing option shall be rejected: *And provided further*, That upon leases so granted in lieu of existing permits or granted to applicants for permits, no rentals shall be payable for the first 2 lease years, unless valuable deposits of oil or gas are sooner discovered within the boundaries of such lease.

"SEC. 14. That upon establishing to the satisfaction of the Secretary of the Interior that valuable deposits of oil or gas have been discovered within the limits of the land embraced in any permit, the permittee shall be entitled to a lease for one-fourth of the land embraced in the prospecting permit: *Provided*, That the permittee shall be granted a lease for as much as 160 acres of said lands, if there be that number of acres within the permit. The area to be selected by the permittee, shall be in compact form and, if surveyed, to be described by the legal subdivisions of the public-land surveys; if unsurveyed, to be surveyed by the Government at the expense of the applicant for lease in accordance with rules and regulations to be prescribed by the Secretary of the Interior, and the lands leased shall be conformed to and be taken in accordance with the legal subdivisions of such surveys; deposits made to cover expense of surveys shall be deemed appropriated for that purpose, and any excess deposits may be repaid to the person or persons making such deposit or their legal representatives. Such leases shall be for a term of 20 years upon a royalty of 5 percent in amount or value of the production and the annual payment in advance of a rental of $1 per acre, the rental paid for any 1 year to be credited against the royalties as they accrue for that year, and shall continue in force as prescribed in section 17 hereof for leases issued prior to the effective date of this amendatory act. The permittee shall also be entitled to a preference right to a lease for the remainder of the land in his prospecting permit at a royalty of not less than 12½ percent in amount or value of the production, and under such other conditions as are fixed for oil or gas leases issued under section 17 of this act the royalty to be determined by competitive bidding or fixed by such other method as the Secretary may by regulations prescribe: *Provided further*, That the Secretary shall have the right to reject any or all bids.

"SEC. 17. All lands subject to disposition under this act which are known or believed to contain oil or gas deposits, except as herein otherwise provided, may be leased by the Secretary of the Interior after the effective date of this amendatory act, to the highest responsible qualified bidder by competitive bidding under general regulations. Such lands shall be leased in units of not exceeding 640 acres, which shall be as nearly compact in form as possible. Such leases shall be conditioned upon the payment by the lessee of such bonus, to be paid out of production and to be added to the royalty, as may be accepted and of such royalty as may be fixed in the lease, which shall be not less than 12½ percent nor more than 25 percent in amount or value of the production, except when the said production is greater than 500 barrels of oil per day per calendar month, in which case such higher royalty may be fixed as the Secretary may by regulation prescribe and the payment in advance of a rental to be fixed in the lease of not less than 25 cents per acre per annum, which rental except as otherwise herein provided shall not be waived, suspended, or reduced unless and until a valuable deposit of oil or gas shall have been discovered within the lands leased: *Provided*, That the rental paid for any one year shall be credited against the royalties as they accrue for that year: *Provided further*, That in the event the Secretary of the Interior shall direct or shall assent to the suspension of prospecting or drilling, or of production of oil or gas under any such lease, any payment of acreage rental as herein provided shall likewise be suspended during such period of suspension of prospecting, drilling, or production: *And provided further*, That in the case of leases valuable only for the production of gas the Secretary of the Interior upon showing by the lessee that the lease cannot be successfully operated upon such rental or upon the royalty provided in the lease, may waive, suspend, or reduce such rental or reduce such royalty.

"The Secretary of the Interior, for the purpose of more properly conserving the oil or gas resources of any area, field, or pool, shall also require that leases hereafter issued under any section of this act be conditioned upon an agreement by the lessee to operate, under such reasonable cooperative or unit plan for the development and operation of any such area, field, or pool as said Secretary may determine to be practicable and necessary or advisable, which plan shall adequately protect the correlative right of all parties in interest, including the United States: *Provided*, That all leases operated under such plan approved or prescribed by said Secretary shall be excepted in determining holdings or control under the provisions of any section of this act.

"Leases hereafter issued under this section shall be for a period of 5 years and so long thereafter as oil or gas is produced in paying quantities when the lands to be leased are not within any known geological structure of a producing oil or gas field, and for a period of 10 years and so long thereafter as oil or gas is produced in paying quantities when the lands to be leased are within any known geological structure of a producing oil or gas field: *Provided*, That no such lease shall be deemed to expire by reasons of suspension of prospecting, drilling, or production pursuant to any order of the said Secretary: *Provided further*, That the person first making application for the lease of any lands not within any

known geological structure of a producing oil or gas field who is qualified to hold a lease under this act, including those applicants for permits who, having filed after 90 days prior to the effective date of this amendatory act, have exercised the option to exchange granted by section 13 hereof, shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty, in the case of oil, of 12½ percent in amount or value of the production when the said production does not exceed 50 barrels per day for the calendar month, and of not more than 25 percent in amount or value of the production when the said production exceeds 50 barrels per day and does not exceed 500 barrels per day for the calendar month, and, when the said production exceeds 500 barrels per day for the calendar month, at such higher royalty as the Secretary may by regulation prescribe, and, in the case of gas, at a royalty of 12½ percent in amount or value of the production when the said production does not exceed 5,000,000 cubic feet per day per calendar month, and, when the said production exceeds 5,000,000 cubic feet per day for the calendar month, at such higher royalty as the Secretary may by regulation prescribe. Such royalties in the case of oil and of gas shall be based on the amount and value of production and the depth of the producing wells and the cost of operation.

"Leases issued prior to the effective date of this amendatory act shall continue in force and effect in accordance with the terms of such leases and the laws under which issued: *Provided*, That any such lease that has become the subject of a cooperative or unit plan of development or operation, or other plan for the conservation of the oil and gas of a single area, field, or pool, which plan has the approval of the Secretary of the Department or Departments having jurisdiction over the Government lands included in said plan as necessary or convenient in the public interest, shall continue in force beyond said period of 20 years until the termination of such plan: *And provided further*, That said Secretary or Secretaries shall report all leases so continued to Congress at the beginning of its next regular session after the date of such continuance.

"Any cooperative or unit plan of development and operation, which includes lands owned by the United States, shall contain a provision whereby authority, limited as therein provided, is vested in the Secretary of the department or departments having jurisdiction over such land to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under said plan. The Secretary of the Interior is authorized whenever he shall deem such action necessary or in the public interest, with the consent of lessee, by order to suspend or modify the drilling or producing requirements of any oil and gas lease not subject to such a cooperative or unit plan, and no lease shall be deemed to expire by reason of the suspension of production pursuant to any such order.

"Whenever it appears to the Secretary of the Interior that wells drilled upon lands not owned by the United States are draining oil or gas from lands or deposits owned in whole or in part by the United States, the Secretary of the Interior is hereby authorized and empowered to negotiate agreements whereby the United States or the United States and its permittees, lessees, or grantees shall be compensated for such drainage.

"Whenever the average daily production of the oil wells on an entire leasehold or on any tract or portion thereof segregated for royalty purposes shall not exceed 10 barrels per well per day, or where the cost of production of oil or gas is such as to render further production economically impracticable the Secretary of the Interior, for the purpose of encouraging the greatest ultimate recovery of oil and in the interest of conservation of natural resources, is authorized to reduce the royalty on future production when in his judgment the wells cannot be successfully operated upon the royalty fixed in the lease. The provision of this paragraph shall apply to all oil and gas leases issued under this act, including those within an approved cooperative or unit plan of development and operation if such conditions are found with respect to such unitized area.

"Any lease issued after the effective date of this amendatory act under the provisions of this section, except those earned as a preference right as provided in section 14 hereof, shall be subject to cancelation by the Secretary of the Interior after 30 days' notice upon the failure of the lessee to comply with any of the provisions of the lease, unless or until the land covered by any such lease is known to contain valuable deposits of oil or gas. Such notice in advance of cancelation shall be sent the lease owner by registered letter directed to the lease owner's record post-office address, and in case such letter shall be returned as undelivered, such notice shall also be posted for a period of 30 days in the United States Land Office for the district in which the land covered by such lease is situated, or in the event that there is no district land office for such leased land, then in the post office nearest such land. Leases covering lands known to contain valuable deposits of oil or gas shall be canceled only in the manner provided in section 31 of this act.

"SEC. 28. That rights-of-way through the public lands, including the forest reserves of the United States, may be granted by the Secretary of the Interior for pipe-line purposes for the transportation of oil or natural gas to any applicant possessing the qualifications provided in section 1 of this act, to the extent of the ground occupied by the said pipe line and 25 feet on each side of the same under such regulations and conditions as to survey, location, application, and use as may be prescribed by the Secretary of the Interior and upon the express condition that such pipe lines shall be constructed, operated, and maintained as common carriers and shall accept, convey, transport, or purchase without discrimination oil or natural gas produced from Government lands in the vicinity of the pipe line in such proportionate amounts as the Secretary of the Interior may, after a full hearing with due notice thereof to the interested parties and a proper finding of facts, determine to be reasonable: *Provided*, That the Government shall in express terms reserve and shall provide in every lease of oil lands hereunder that the lessee, assignee, or beneficiary, if owner or operator or owner of a controlling interest in any pipe line or of any company operating the same which may be operated accessible to the oil derived from lands under such lease, shall at reasonable rates and without discrimination accept and convey the oil of the Government or of any citizen or company not the owner of any pipe line, operating a lease or purchasing gas or oil under the provisions of this act: *Provided further*, That no right-of-way shall hereafter be granted over said lands for the transportation of oil or natural gas except under and subject to the provisions, limitations, and conditions of this section. Failure to comply with the provisions of this section or the regulations and conditions prescribed by the Secretary of the Interior shall be ground for forfeiture of the grant by the United States district court for the district in which the property, or some part thereof, is located in an appropriate proceeding."

SEC. 2. (a) That the Secretary of the Interior is authorized to issue new leases to lessees holding oil or gas leases under any of the provisions of this act at the time this amendatory act becomes effective, such new leases to be in lieu of the leases then held by such lessees and to be at a royalty rate of not less than 12½ percent in amount or value of the production and upon such other terms and conditions as the Secretary of the Interior shall by general rule prescribe: *Provided*, That no limitation of acreage not provided for under the law or regulations under which any such old lease was issued shall be applicable to any such new lease.

(b) Nothing contained in this amendatory act shall be construed to affect the validity of oil and gas prospecting permits or leases previously issued under the authority of the said act of February 25, 1920, as amended, and in existence at the time this amendatory act becomes effective, or impair any rights or privileges which have accrued under such permits or leases.

Mr. DEROUEN. Mr. Speaker, I offer the committee amendments to the bill en bloc, and ask unanimous consent that they may be considered en bloc.

Mr. RICH. Mr. Speaker, reserving the right to object—and I shall not object—I want to take this opportunity to pay tribute to the gentleman from New Mexico [Mr. DEMPSEY] and the gentleman from Wyoming [Mr. GREEVER] for their work on this committee in trying to make this a really good bill for the best interests of the people in the West. I consider that they have worked out a very effective bill. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the committee amendments, as follows:

Amendments to S. 3311 as reported to the House by the Committee on the Public Lands, House of Representatives:

Amendment no. 1: On page 3, line 6, change figure "10" to "12½."

Amendment no. 2: On page 3, line 21, strike out the figures "1936" and insert in lieu thereof the figures "1937."

Amendment no. 3: Page 3, line 23, strike out the words "in his discretion."

Amendment no. 4: Page 4, line 3, strike out the figures "1937" and insert in lieu thereof the figures "1938."

Amendment no. 5: On page 6, line 1, after the word "gas", strike out the comma and the words "issued under this act or" and insert in lieu thereof "which shall not be subject to cancelation for violation of the law or operating regulations or which shall have been."

Amendment no. 6: On page 6, line 2, after the word "act", insert a comma.

Amendment no. 7: On page 6, line 15, after the word "further", strike out all of the remainder of line 15 and all of lines 16, 17, 18, 19, 20, and 21, down to the colon in line 21, and insert in lieu thereof "that any application for any prospecting permit filed after 90 days prior to the effective date of this amendatory act shall be considered as an application for lease under section 17 hereof."

Amendment no. 8: On page 7, line 11, insert prior to the word "compact" the word "reasonably."

Amendment no. 9: On page 8, line 3, after the word "force", insert the word "otherwise."

Amendment no. 10: On page 8, line 8, after the word "production", insert "nor more than the royalty rate prescribed by regulation in force on January 1, 1935, for secondary leases issued under this section."

Amendment no. 11: On page 8, lines 24 and 25, after the word "bonus", in line 24, strike out the comma and the words "to be paid out of production and to be added to the royalty."

Amendment no. 12: On page 9, after the word "centum", in line 2, strike out the remainder of line 2 and all of lines 3, 4, 5, and 6, down to and including the word "prescribe", in line 7, and insert in lieu thereof "in amount or value of the production."

Amendment no. 13: On page 9, line 16, strike out the words "prospecting or drilling" and the comma and insert in lieu thereof the word "operations."

Amendment no. 14: On page 9, lines 19 and 20, strike out the words "prospecting, drilling" and insert in lieu thereof the word "operations."

Amendment no. 15: On page 10, line 9, strike out the words "correlative right" and insert in lieu thereof the word "rights."

Amendment no. 16: On page 10, line 25, after the word "order", insert the words "or consent."

Amendment no. 17: On page 10, line 25, after the word "further", strike out all of the remainder of page 10 and all of page 11 down to and including line 2 of page 12 and insert in lieu thereof "That the person first making application for the lease of any lands not within any known geologic structure of a producing oil or gas field who is qualified to hold a lease under this act, including applicants for permits whose applications were filed after 90 days prior to the effective date of this amendatory act, shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty of not less than 12½ percent in amount or value of the production."

Amendment no. 18: On page 13, line 15, after the word "drainage", strike out the period and insert a comma and the words "such agreements to be made with the consent of the permittees and lessees affected thereby."

Amendment no. 19: On page 14, line 4, after the word "operation" insert a period and strike out the remainder of line 4 and all of line 5.

Amendment no. 20: On page 17, after line 5 insert a new section, to be known as "section 3", and to read as follows:

"SEC. 3. That nothing in this amendatory act shall be construed as affecting any lands within the borders of the naval petroleum reserves and naval oil-shale reserves or agreements concerning operations thereunder or in relation to the same, but the Secretary of the Navy is hereby authorized, with the consent of the President, to enter into agreements such as those provided for under the act of March 4, 1931 (46 Stat. 1523), which agreement shall not, unless expressed therein, operate to extend the terms of any lease affected thereby."

The committee amendments were agreed to.

Mr. ENGLEBRIGHT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLEBRIGHT: Page 10, line 3, strike out the words "shall also" and insert in lieu theerof the word "may."

Mr. DEROUEN. Mr. Speaker, I accept the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that tomorrow, immediately following the gentleman from Oklahoma [Mr. MASSINGALE] I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EMPLOYEES OF DECEASED MEMBERS

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 140.

The Clerk read the House resolution, as follows:

House Resolution 140

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into Committee of the Whole House on the state of the Union for consideration of House Joint Resolution 189, a resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners. That after general debate, which shall be confined to the resolution and shall continue not to exceed 1 hour to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Accounts, the resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, this is a resolution for the consideration of House Joint Resolution 189, which has been pending on the calendar for about 3 months. It was unanimously reported by the Accounts Committee. It was explained to the Rules Committee that it would not cost in any one year more than $10,000. The Clerk of the House now returns to the Treasury about $20,000 every year due to the death of Members. Under the present situation the secretaries to Members are only continued for 30 days. The average time before the election of new Members in the place of Members dying or resigning is 3 months; so it amounts to about 2 months additional for an average of 10 or 11 Members, and at most would amount to only about $10,000 a year. This would also furnish a clearing house for the Member's district. I know of a Member who has been dead 8 months, and still hundreds of letters from his district are coming in addressed to this Member.

Mr. RICH. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Pennsylvania.

Mr. RICH. If a Member should die and the secretary or clerk continued for 2 months and an election was had, with the new Member coming in, would this secretary automatically quit when the new Member was elected?

Mr. O'CONNOR. Yes.

Mr. RICH. The term of the clerk would then expire?

Mr. O'CONNOR. It says, "or until a successor shall be elected."

Mr. RICH. Does the gentleman still figure that we have money enough to pay all of these expenses?

Mr. O'CONNOR. As I said, this amounts to a total of about $10,000.

Mr. KVALE. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Minnesota.

Mr. KVALE. What is the effective date?

Mr. O'CONNOR. The effective date is as of the beginning of this Congress.

Mr. KVALE. I am glad the gentleman has that provision in the bill.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the joint resolution (H. J. Res. 189) may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the resolution (H. Res. 140).

The previous question is ordered.

The SPEAKER. The Clerk will report the House Joint Resolution 189.

The Clerk read as follows:

House Joint Resolution 189

Resolved, etc., That notwithstanding the provisions of the third paragraph under the heading "Clerical assistance to Senators" of section 1 of the Legislative Appropriation Act for the fiscal year ending June 30, 1928 (U. S. C., Supp. V, title 2, sec. 92a), in case of the death or resignation of a Member of the House during his term of office, the clerical assistants designated by him and borne upon the clerk-hire pay rolls of the House of Representatives on the date of such death or resignation shall be continued upon such pay rolls at their respective salaries until the successor to such Member of the House is elected to fill the vacancy. In no case shall such clerical assistants be continued on said pay roll for a period exceeding 6 months after the date of death or resignation of a Member of the House.

SEC. 2. Any clerical assistants who continue on the House pay rolls under the provisions of this joint resolution shall, while so continued, perform their duties under the direction of the Clerk of the House, and he is hereby authorized and directed to remove from such pay rolls any such clerks who are not attending to the duties for which their services are continued.

SEC. 3. As used in this joint resolution the phrase "Member of the House" shall mean a Representative, Representative-elect, Delegate, Delegate-elect, Resident Commissioner, or Resident Commissioner-elect.

SEC. 4. This joint resolution shall be effective as of the beginning of the Seventy-fourth Congress, January 3, 1935.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WOLVERTON (at the request of Mr. LEHLBACH), indefinitely, on account of death of his father.

To Mr. HESS (at the request of Mr. JENKINS of Ohio), for 5 days, on account of important business.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6511. An act to amend the air mail laws and to authorize the extension of the air mail service.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 12. An act to amend the Packers and Stockyards Act;

S. 39. An act for the relief of the estate of William Bardel;

S. 170. An act for the relief of Alva A. Murphy;

S. 276. An act for the relief of Harry Layman;

S. 470. An act for the relief of the Hauser Construction Co.;

S. 556. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 659. An act for the relief of Walter J. Bryson Paving Co.;

S. 684. An act for the relief of Brown & Cunningham, of Port Deposit, Md.;

S. 685. An act for the relief of the Sanford & Brooks Co.;

S. 794. An act for the relief of the Bowers Southern Dredging Co.;

S. 908. An act for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

S. 928. An act for the relief of Rene Hooge;

S. 997. An act to provide for the establishment of a national monument on the site of Red Hill, estate of Patrick Henry;

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement;

S. 1347. An act for the relief of Robert J. Smith, alias William McClocklin;

S. 1359. An act for the relief of A. N. Ross;

S. 1439. An act amending the postal laws to include as second-class matter religious periodicals publishing local information;

S. 1633. An act to amend the Interstate Commerce Act, as amended;

S. 1781. An act for the relief of George Voeltz;

S. 1811. An act providing for the publication of statistics relating to spirits of turpentine and rosin;

S. 1980. An act for the relief of Lewis Worthy and Dennis O. Penn;

S. 2140. An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey;

S. 2160. An act for the relief of the George C. Mansfield Co. and George D. Mansfield;

S. 2169. An act for the relief of certain disbursing officers of the Army of the United States;

S. 2533. An act for the relief of the rightful heirs of Tiwastewin or Anna;

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928;

S. 2879. An act for the relief of Catherine Grace;

S. 2958. An act authorizing the Secretary of the Treasury to execute a quitclaim deed of certain land located in the village of Lyons, N. Y.; and

S. 3192. An act to increase the limit of cost for the Department of Agriculture Extensible Building.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Friday, August 9, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

445. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Justice for the fiscal year 1936, amounting to $300,000 (H. Doc. No. 261); to the Committee on Appropriations and ordered to be printed.

446. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Central Statistical Board for the fiscal year 1936 amounting to $148,600 (H. Doc. No. 262); to the Committee on Appropriations and ordered to be printed.

447. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Labor for the fiscal year 1936, to remain available until December 31, 1936, amounting to $450,000 (H. Doc. No. 263); to the Committee on Appropriations and ordered to be printed.

448. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, United States Senate, for the fiscal year 1936, in the sum of $50,000 (H. Doc. No. 264); to the Committee on Appropriations and ordered to be printed.

449. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, Government Printing Office, for the fiscal year 1936, in the sum of $295,000 (H. Doc. No. 265); to the Committee on Appropriations and ordered to be printed.

450. A communication from the President of the United States, transmitting an estimate of appropriation for the Post Office Department for $200 for payment of the claim of W. R. McLeod, former postmaster at Apopka, Fla. (H. Doc. No. 266); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DRIVER: Committee on Rules. House Resolution 321. Resolution providing for the consideration of H. R. 8455; without amendment (Rept. No. 1737). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Rules. House Resolution 322. Resolution providing for sending to conference H. R. 6732; without amendment (Rept. No. 1738). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. H. R. 8622. A bill to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution; with amendment (Rept. No. 1739). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATMAN: Committee on the District of Columbia. H. R. 8663. A bill to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia and for wharfage facilities in connection therewith; with amendment (Rept. No. 1742). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 9013. A bill providing for the exchange of certain park lands at and near Western Avenue and West Beach Drive for other lands more suitable to the development of Rock Creek Park and the street system of the District of Columbia, and for other purposes; with amendment (Rept. No. 1743). Referred to the Committee of the Whole House on the state of the Union.

Mr. TAYLOR of Tennessee: Committee on Immigration and Naturalization. H. R. 7574. A bill to amend an act entitled "An act relative to naturalization and citizenship of married women", approved September 22, 1922; with amendment (Rept. No. 1745). Referred to the House Calendar.

Mr. GREEVER: Committee on the Public Lands. S. 3311. An act to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended; with amendment (Rept. No. 1747). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GASQUE: Committee on Pensions. H. R. 9074. A bill granting pensions to certain soldiers and sailors of the Regular Army and Navy, etc.; and certain soldiers and sailors of wars other than the Civil War, and to widows and dependents of such soldiers and sailors; without amendment (Rept. No. 1748). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 7944) granting a pension to Rachel A. Bosworth, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SIROVICH: A bill (H. R. 9069) to improve the Government service, and for other purposes; to the Committee on the Civil Service.

By Mr. CHAPMAN: A bill (H. R. 9070) to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK: A bill (H. R. 9071) to provide for the licensing of importers of watches, watch movements, and watch parts, to protect the revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. ELLENBOGEN: A bill (H. R. 9072) to rehabilitate and stabilize labor conditions in the textile industry of the United States; to prevent unemployment, to regulate child labor, and to provide minimum wages, maximum hours, and other conditions of employment in said industry; to safeguard and promote the general welfare; and for other purposes; to the Committee on Labor.

By Mr. McSWAIN: A bill (H. R. 9073) to amend section 1241 of the Revised Statutes of the United States and to amend the acts of March 4, 1919, and July 11, 1919, to provide for the sale after advertisement, to the highest bidder of certain military stores, etc.; to the Committee on Military Affairs.

By Mr. SABATH: Resolution (H. Res. 323) authorizing further expenditures, not to exceed $75,000, to be paid out of the contingent fund of the House, for the continuance of the investigation by the Select Committee to Investigate Real Estate Bondholders Reorganizations, and for other purposes; to the Committee on Accounts.

By Mr. LAMNECK: Resolution (H. Res. 324) creating a select committee to investigate the bituminous-coal industry; to the Committee on Rules.

Also, resolution (H. Res. 325) authorizing the expenditure of not over $10,000 from the contingent fund of the House for the expenses of the investigation and study by the select committee created by House Resolution 324; to the Committee on Accounts.

By Mr. BLAND: Resolution (H. Res. 326) for the consideration of H. R. 8599, a bill to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a Marine Casualty Investigation Board, and increase efficiency in administration of the steamboat inspection laws, and for other purposes; to the Committee on Rules.

Also, resolution (H. Res. 327) for the consideration of H. R. 6036, a bill to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes; to the Committee on Rules.

Also, resolution (H. Res. 328) for the consideration of H. R. 8598, a bill to provide for the inspection and regulation of vessels engaged in the transportation of inflammable, explosive, and like dangerous cargoes in navigable waters of the United States; to the Committee on Rules.

Also, resolution (H. Res. 329) for the consideration of H. R. 8597, a bill to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; and to maintain discipline on shipboard; and for other purposes; to the Committee on Rules.

By Mr. SCOTT (by request): Resolution (H. Res. 330) to authorize an investigation of certain United States district judges; to the Committee on the Judiciary.

Also (by request), resolution (H. Res. 331) authorizing the payment of not over $15,000 from the contingent fund of the House for the expenses of the investigation authorized by House Resolution 330; to the Committee on Accounts.

By Mr. HAINES: Joint resolution (H. J. Res. 375) authorizing an appropriation of $5,000 as a contribution of the United States to the expenses of the encampment of the Grand Army of the Republic and the United Confederate Veterans on the seventy-fifth anniversary of the Battle of Gettysburg in 1938; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Tennessee; to the Committee on Flood Control.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GASQUE: A bill (H. R. 9074) granting pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows and dependents of such soldiers and sailors; to the Committee on Pensions.

By Mr. CANNON of Missouri: A bill (H. R. 9075) granting a pension to Katie F. Alderson; to the Committee on Invalid Pensions.

By Mr. CHRISTIANSON: A bill (H. R. 9076) for the relief of W. H. Dean; to the Committee on Claims.

By Mr. DISNEY: A bill (H. R. 9077) granting a pension to Susanna Pearce; to the Committee on Invalid Pensions.

By Mr. GAMBRILL: A bill (H. R. 9078) for the relief of Bertha W. Lamphear; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 9079) for the relief of the State of Indiana; to the Committee on Claims.

By Mr. LUNDEEN: A bill (H. R. 9080) for the relief of Arthur Edgar Scroggin; to the Committee on Claims.

By Mr. SCHNEIDER: A bill (H. R. 9081) granting an increase of pension to Susanna Singer; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 9082) granting a pension to Albert E. Wells; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1, of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9289. By Mr. CITRON: Petition of the Yankee Division Veterans Association containing resolutions adopted at their last annual convention, held at New Haven, Conn., on June 29, 1935, recommending long-range planning for the vocational readjustment of World War workers in the industrial and so-called "white collar" classes; to the Committee on Labor.

9290. By Mr. SCOTT (by request): Petition of charges of Charles Van Newkirk against William P. James, United States district judge; David B. Head, United States commissioner, southern district of California; Pierson Hall, United States district attorney, southern district of California. Copy of letter to Hon. HATTON W. SUMNERS, of Texas, dated October 18, 1934; statement of Pierson M. Hall; copy of affidavit to Hon. Homer S. Cummings, United States Attorney General; copy of petition of charges and complaint no. 2344 filed on February 16, 1934; to the Committee on the Judiciary.

9291. By Mr. TRUAX: Petition of the Cincinnati (Ohio) Express Lodge, No. 2045, Brotherhood of Railway and Steamship Clerks, by their secretary, Albert Crane, urging support of 8651, the Railroad Retirement Act; to the Committee on Interstate and Foreign Commerce.

9292. Also, petition of the Columbus (Ohio) Typographical Union, by their secretary, W. E. Bird, urging support of House bills 5152 and 5153, which provide for annual leave for Government employees; to the Committee on the Civil Service.

9293. Also, petition of the Dayton (Ohio) Typographical Union, by their secretary, E. K. Reinhard, urging support of House bills 5152 and 5153, which provide annual leave for Government employees; to the Committee on the Civil Service.

9294. Also, petition of Frank H. Powell, secretary of the Westerville (Ohio) Typographical Union, urging support of House bills 5152 and 5153, which provide for annual leave for Government employees; to the Committee on the Civil Service.

9295. Also, petition of Zanesville (Ohio) Typographical Union, by their secretary, Roy R. Nowell, urging support of House bill 5152, Ramspeck leave bill; to the Committee on the Civil Service.

9296. Also, petition of Ravenna-Kent Typographical Union, Ravenna, Ohio, urging support of House bill 5152, leave bill; to the Committee on the Civil Service.

9297. Also, petition of Cincinnati Typographical Union, Cincinnati, Ohio, by their secretary, Ben L. Mullich, urging support of House bills 5152 and 5153, leave bills; to the Committee on the Civil Service.

9298. Also, petition of J. A. Campbell, of Cincinnati, Ohio, urging support of Ramspeck leave bills; to the Committee on the Civil Service.

SENATE

FRIDAY, AUGUST 9, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, August 8, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Gibson	McAdoo
Ashurst	Caraway	Glass	McGill
Austin	Carey	Gore	McKellar
Bachman	Chavez	Guffey	McNary
Bailey	Clark	Hale	Maloney
Bankhead	Connally	Harrison	Metcalf
Barkley	Copeland	Hastings	Minton
Black	Costigan	Hatch	Murphy
Bone	Davis	Hayden	Murray
Borah	Dieterich	Johnson	Neely
Brown	Donahey	King	Norbeck
Bulkley	Duffy	La Follette	Norris
Bulow	Fletcher	Lewis	Nye
Burke	Frazier	Logan	O'Mahoney
Byrd	George	Lonergan	Overton
Byrnes	Gerry	Long	Pittman
Pope	Schwellenbach	Thomas, Utah	Wagner
Radcliffe	Sheppard	Townsend	Walsh
Reynolds	Shipstead	Trammell	Wheeler
Robinson	Smith	Truman	White
Russell	Steiwer	Tydings	
Schall	Thomas, Okla.	Vandenberg	

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. MOORE], and the Senator from Indiana [Mr. VAN NUYS] are necessarily detained from the Senate.

I announce further that the Senator from West Virginia [Mr. HOLT] is absent because of illness.

I ask that this announcement may stand in the RECORD for the day.

Mr. VANDENBERG. I announce that my colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], and the Senator from New Hampshire [Mr. KEYES] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Mr. WALSH presented resolutions adopted by a special convention of the Massachusetts State Building Trades Council, favoring an adjustment between the wages and working conditions established in the building trade by the W. P. A. and P. W. A. and the wages and conditions obtaining in private industry, which were referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from David W. Armstrong, executive secretary of the community chest of Worcester, Mass., praying for the enactment of legislation allowing tax deductions for charitable and welfare gifts by corporations, which was referred to the Committee on Finance.

He also presented a letter in the nature of a memorial from the Retail Liquor Consumers Association, of Cambridge, Mass., remonstrating against the enactment of legislation authorizing bulk purchases of liquor, which was referred to the Committee on Finance.

He also presented a letter in the nature of a memorial from the board of managers of the Massachusetts Society of the Sons of the American Revolution, Boston, Mass., remonstrating against the enactment of House bill 8163, pertaining to the deportation of aliens, which was referred to the Committee on Immigration.

He also presented a letter in the nature of a petition from Miss Katharine H. Johnson, executive director of the International Institute, Service Bureau for Foreign Speaking People, of Lowell, Mass., on behalf of that institute, praying for the enactment of the so-called "Kerr bill", being House bill 8163, pertaining to the deportation of aliens, which was referred to the Committee on Immigration.

He also presented a letter in the nature of a petition from the Worcester (Mass.) County Bar Association, praying for the enactment of the bill (S. 2944) to prevent and make unlawful the practice of law before Government departments, bureaus, commissions, and their agencies by those other than duly licensed attorneys at law, which was ordered to lie on the table.

He also presented a letter from Branch No. 459, United National Association of Post Office Clerks, Newburyport, Mass., endorsing the proposal of a 40-hour-work week for Federal employees, which was ordered to lie on the table.

CONDITIONS IN GERMANY

Mr. DAVIS. Mr. President, yesterday the Pennsylvania committee of the Non-Sectarian Anti-Nazi League called on me to protest against Nazi practices. Included in the group were many leaders in varied walks of life and of varying race and religious affiliations. I was presented with a letter and resolutions, which I ask to have printed in the

RECORD and referred to the Committee on Foreign Relations. The resolutions were adopted by the Joint Conference of Anti-Nazi Organizations of Philadelphia, July 25, 1935, called by the local council, American Jewish Congress, and Jewish Labor Committee.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY JOINT CONFERENCE OF ANTI-NAZI ORGANIZATIONS JULY 25, CALLED BY LOCAL COUNCIL, AMERICAN JEWISH CONGRESS, AND JEWISH LABOR COMMITTEE, PROTESTING LATEST MANIFESTATIONS OF HITLER MENACE

This Joint Conference of Anti-Nazi Organizations, composed of members of all shades of opinion and various communal interests, directs public attention to the culminating tragedy in Germany, which, if unchecked, will lead to the destruction of the foundations of democratic civilization, and which calls for the organized resistance of all American citizens, regardless of faith or race.

The dictatorship of the Nazi Party in Germany now has absolute and exclusive control of all governmental functions. It is gathering within its power the entire economic life of the people of Germany. It has effected the complete suppression of free speech, free press, free religious worship and practices. It is pursuing an insensate and relentless vendetta against all its Jewish citizens. It has destroyed the economic defenses of the organized workers of Germany. It moves from one act of ruthless oppression to another more violent and cruel, and has succeeded in establishing a government which, for irresponsibility and injustice, has no parallel in the history of modern civilization.

It has set up against the Jews of Germany, the outstanding victims of its policy, a contrived philosophy of race hatred, which provokes punitive measures against all members of that race, whom it brands as enemies of their native land, to be suppressed with brutal violence to the point of expulsion or extermination. It has deprived all Jews, regardless of political or religious views, of their rights as citizens and reduced them to the status of pariahs against whom the hand of violence may be raised with impunity. Against these unprotected citizens it has systematically directed the attacks of its controlled press, of its controlled radio service, of its hired propagandists, and its organized storm troopers. The pogroms of recent date, which have shocked the conscience of the world, are the inevitable consequence of a situation prepared by the Hitler Government, and their repetition in more brutal forms may be foreseen and anticipated.

It has disbanded the free and democratic trade unions of the German workers and destroyed many of its leaders. It has deprived the workers of all protection. It has ruined the efficient system of social insurance built up by German workers during a period of over 50 years. It has confiscated the property of workers' organizations and ruthlesly suppressed any attempt on their part to defend their rights as citizens and workers.

This destructive power, unchecked and uncensured, moves in the direction of the leaders and followers of the Catholic Church, who are now also the victims of the insane policies of the Nazi leadership.

The Third Reich thus proceeds inevitably to a predestined debacle, in which will be consumed the culture and civilization of a great people, and the repercussions of which will seriously affect the progress of all western nations.

Against this immoral power the voice of civilization must be raised. The influence of public opinion must be organized in order that a wall of resistance may be created against the spread of this menace. But the voice of public opinion is insufficient without the reinforcement of organized society, acting through its government. In the interests of the ideals and traditions of this great Republic, it is vitally important that the admonishing voice of the American Government be heard, and that the condemnation of this unparalleled situation should be uttered without restraint arising from motives of political or economic interest. As in other days when a treaty was abrogated by the American Government because of unjustice to a minority people, and protests were lodged against the oppression of races or religions, so today, in the face of the menace which carries with it an organized hatred and a systematic persecution of a minority race native to the soil of Germany, the voice of the American Government should be heard in no uncertain terms, conveying to the Hitler government the protest and condemnation of the corporate representation of the American people. Too long has this condemnation been delayed. Too long has the free voice of American idealism, as traditionally expressed through government, restrained itself from giving expression to its abhorrence of the brutality and injustice that prevails in the Third Reich.

In the name of all representatives assembled here, Thursday, July 25, in the city of Philadelphia, this conference, therefore, gives expression to its protest against the actions of the Nazi Government; condemns its intolerance, its inhumanity and cruelty; pledges its moral and financial support to the organized agencies engaged in combating the Hitler menace; and proposes the adoption of the following resolutions:

UNITED STATES INTERCESSION

1. This conference calls upon the Congress and the President of the United States to express to the German Government the abhorrence and condemnation of the American people of its policy of oppression and persecution which it has adopted against the Jews of Germany, against the workmen of Germany, against religious groups in Germany, and against all minority opinion in Germany.

THE BOYCOTT

2. This conference regards the economic boycott as the most effective weapon in combating the Hitler menace, believing as it does that the Hitler government cannot retain its power without economic and financial support of the peoples of the world, and that the use of economic sanctions is recognized by international law as a peaceful weapon against a common enemy. Therefore we renew our support of the boycott against the products and services of Nazi Germany, and appeal to all American citizens to give their aid and cooperation to the strengthening and the extension of the boycott as an appropriate means for expressing the condemnation of the American people of the revolting practices of the Hitler government and as a means of liberating the German people from oppression.

3. This conference calls upon the League of Nations, in agreement with covenants entered into by members thereof, to apply to Germany the clauses dealing with economic sanctions, and calls upon all nations, members of the League, to express their condemnation of the Hitler policy through abstention from trade agreements with it.

4. We also appeal to the Government of the United States, although not a member of the League of Nations, to refrain from entering into any trade agreements with Germany. Furthermore, we call upon our Government to abrogate all existing treaties with Nazi Germany. This is in keeping with true American tradition, and in accordance with precedents amply established.

5. This conference urges upon the Amateur Athletic Union and the American Olympic Committee to rescind America's conditional acceptance of Germany's invitation to participate in the 1936 Olympic Series as a solemn obligation in defense of the spirit of sportsmanship and the principles upon which the Olympic Games are founded.

6. The conference urges upon American educational institutions to refuse to exchange professors and students from Nazi Germany, on the ground that such an exchange of professors and students must be regarded as the introduction of agents of the Hitler regime within the United States, who carry on a Nazi propaganda against democratic and civilized society.

7. This conference urges upon the conveners of this meeting that, for the intensification of the boycott and the coordination of the work in connection therewith, it is urgently important that a consolidated front of all agencies for the boycott be organized, and recommends that immediate steps be taken to bring about such a union of forces.

WILLIAM B. LEAF, *Chairman.*
JACOB B. HOFFMAN, *Secretary.*

REPORTS OF COMMITTEES

Mr. STEIWER, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 1880) for the relief of Ivan H. McCormack, reported it without amendment and submitted a report (No. 1214) thereon.

Mr. GEORGE, from the Committee on Finance, to which was referred the bill (H. R. 8870) to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes, reported it with amendments and submitted a report (No. 1215) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 2673) for the relief of certain persons whose cotton was destroyed by fire in the Ouachita warehouse, Camden, Ark., reported it with an amendment and submitted a report (No. 1216) thereon.

He also, from the same committee, to which was referred the bill (H. R. 5122) for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, J. L. Mitchell, and J. C. Russell, reported it without amendment and submitted a report (No. 1217) thereon.

Mr. GIBSON, from the Committee on Civil Service, to which was referred the bill (S. 1826) for the retirement of employees in the classified civil service to include employees in the legislative branch, reported it with amendments and submitted a report (No. 1218) thereon.

Mr. BULOW, from the Committee on Civil Service, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2712. A bill to promote the efficiency of the Bureau of Engraving and Printing (Rept. No. 1219);

S. 3160. A bill to amend the law relating to residence requirements of applicants for examinations before the Civil Service Commission (Rept. No. 1223); and

H. R. 5375. A bill relating to the compensation of certain charwomen (Rept. No. 1224).

Mr. AUSTIN, from the Committee on Military Affairs, to which was referred the bill (H. R. 5325) for the relief of Ira L. Reeves, reported it without amendment and submitted a report (No. 1220) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3119) to authorize the transfer of the Otter Cliffs Radio Station, on Mount Desert Island, in the State of Maine, as an addition to the Acadia National Park, and for other purposes, reported it without amendment and submitted a report (No. 1221) thereon.

Mr. LOGAN, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment, and submitted a report thereon, as indicated:

S. 3149. A bill providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Fort Pierce, Fla. (Rept. No. 1222); and

S. 3344. A bill to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky.

Mr. LOGAN also, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2804. A bill to authorize the payment of retired pay to William Mitchell (Rept. No. 1229); and

S. 3184. A bill to provide for the immediate settlement of the obligation of the Joe Graham Post of the American Legion arising out of the purchase of the Ship Island Military Reservation (Rept. No. 1227).

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2910) to add certain lands to the Weiser National Forest, reported it with amendments and submitted a report (No. 1225) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, reported it with an amendment and submitted a report (No. 1226) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 159) granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the Interstate Sanitation District and the establishment of the Interstate Sanitation Commission, reported it with amendments and submitted a report (No. 1228) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on August 8, 1935, that committee presented to the President of the United States the following enrolled bills:

S. 12. An act to amend the Packers and Stockyards Act;

S. 39. An act for the relief of the estate of William Bardel;

S. 170. An act for the relief of Alva A. Murphy;

S. 276. An act for the relief of Harry Layman;

S. 470. An act for the relief of the Hauser Construction Co.;

S. 556. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 659. An act for the relief of Walter J. Bryson Paving Co.;

S. 684. An act for the relief of Brown & Cunningham, of Port Deposit, Md.;

S. 685. An act for the relief of the Sanford & Brooks Co.;

S. 794. An act for the relief of the Bowers Southern Dredging Co.;

S. 908. An act for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

S. 928. An act for the relief of Rene Hooge;

S. 997. An act to provide for the establishment of a national monument on the site of Red Hill, estate of Patrick Henry;

S. 1347. An act for the relief of Robert J. Smith, alias William McClocklin;

S. 1359. An act for the relief of A. N. Ross;

S. 1633. An act to amend the Interstate Commerce Act, as amended, and for other purposes;

S. 1781. An act for the relief of George Voeltz;

S. 1980. An act for the relief of Lewis Worthy and Dennis O. Penn;

S. 2169. An act for the relief of certain disbursing officers of the Army of the United States;

S. 2533. An act for the relief of the rightful heirs of Tiwastewin or Anna;

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928;

S. 2879. An act for the relief of Catherine Grace; and

S. 2958. An act authorizing the Secretary of the Treasury to execute a quitclaim deed of certain land located in the village of Lyons, N. Y.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 3395) to authorize the acquisition of the railroad tracks, trestle, and right-of-way of the Gulf Power Co. at the Naval Air Station, Pensacola, Fla.; to the Committee on Naval Affairs.

By Mr. BAILEY:

A bill (S. 3396) granting a pension to Ella Elizabeth Dale; to the Committee on Pensions.

A bill (S. 3397) to allow credit in the accounts of certain disbursing officers of the Veterans' Administration; to the Committee on Claims.

By Mr. COSTIGAN and Mr. ADAMS:

A bill (S. 3398) to establish the Air Corps Technical School and to acquire certain land in the State of Colorado for use as a site for said Air Corps Technical School and as an aerial gunnery and bombing range for the Army Air Corps; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3399) for the relief of Rosalie Piar Sprecher (nee Rosa Piar); to the Committee on Immigration.

By Mr. SHEPPARD:

A bill (S. 3400) to authorize the appointment of Maxwell C. Murphy as a captain, Dental Corps, United States Army; and

A bill (S. 3401) for the relief of William A. Ballard; to the Committee on Military Affairs.

A bill (S. 3402) for the relief of Mamie Randel; to the Committee on Claims.

By Mr. BULKLEY:

A bill (S. 3403) authorizing enlistment in the Army for a limited period and intensive military training of boys recently graduated from high school, or young men recently enrolled as students in college, and for other purposes; to the Committee on Military Affairs.

A bill (S. 3404) granting a pension to Lenora B. Easterday; to the Committee on Pensions.

TOLLS ON BRIDGES—AMENDMENT

Mr. LOGAN submitted an amendment intended to be proposed by him to the bill (H. R. 7659) to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes, which was ordered to lie on the table and to be printed.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to the report of the committee of confer-

ence on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6453) to amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", etc., as amended by the public resolution of March 3, 1927.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4665) to authorize the appointment of a district judge to fill the vacancy in the district of Massachusetts occasioned by the death of Hon. James A. Lowell.

The message further announced that the House had agreed to the report of the committe of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6990) to fix the hours of duty of postal employees, and for other purposes.

The message further announced that the House had passed the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 8458. An act to provide for vacations to Government employees, and for other purposes;

H. R. 8459. An act to standardize sick leave and extend it to all civilian employees; and

H. J. Res. 189. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement;

S. 1439. An act amending the postal laws to include as second-class matter religious periodicals publishing local information;

S. 1811. An act providing for the publication of statistics relating to spirits of turpentine and rosin;

S. 2140. An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey;

S. 2160. An act for the relief of the George C. Mansfield Co. and George D. Mansfield; and

S. 3192. An act to increase the limit of cost for the Department of Agriculture Extensible Building.

UTILITIES LOBBY—ADDRESS BY SENATOR BLACK

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered last night over the radio by the senior Senator from Alabama [Mr. BLACK] in regard to the utilities lobby investigation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of Aug. 9, 1935]

BLACK DESCRIBES LOBBY INQUIRY—TELLS RADIO AUDIENCE "YOU WILL PAY BILL" IN INCREASED UTILITY RATES

The war against utility lobbying reached the air last night as Senator BLACK, Democrat, of Alabama, chairman of the Senate committee investigating lobbying activities, gave an account of the inquiry to this point during an address over the National Radio Forum, arranged by The Evening Star and broadcast over a Nation-wide hookup of the National Broadcasting Co.

In his introductory remarks Senator BLACK differentiated between the rights of all citizens to make known their wishes to their congressional representatives and the lack of right "on the part of any greedy or predatory interest" to lobby.

PUBLIC WILL PAY BILL

Predicting the lobby against the utility holding-company bill, which has occupied the full attention of the committee, will be known as the "$5,000,000 lobby", BLACK assured his listeners that "you will pay the bill" in increases in the rates for gas and electricity.

"Contrary to tradition, against the public morals, and hostile to good government, the lobby has reached such a position of power", the Senator concluded, "that it threatens government itself. Its size, its power, its capacity for evil, its greed, its trickery, deception, and fraud condemn it to the death it deserves. You, the people of the United States, will not permit it to destroy you. You will destroy it."

One of the high lights of the Senator's speech was his reading of a telegram which he said was sent to an undisclosed person by H. C. Hopson, who is being sought by congressional investigators as the dominant figure in the Associated Gas & Electric System.

The telegram follows:

JULY 1, 1935.

Have just talked with vice president of Standard Gas & Electric Co. and he advises that they are in the fight to a finish. They are much encouraged and believe there is a possibility we may prevent any opportunity to affix the threatened veto. We have more opportunity now to defeat the whole measure than many believed were the chances of our defeating merely the "death sentence" when it was first announced to be an essential part of the must program.

H. C. HOPSON.

TEXT OF ADDRESS

The text of Senator BLACK's address follows:

"It is not only the right but it is the duty of every patriotic citizen who loves his country to give his honest and unselfish judgment on public questions to his representatives. Legislators welcome and need such sincere and honestly informed opinions. Such opinions are of real value and genuine aid in bringing about fair and wholesome laws. The constitutional right of petition preserves, and always will preserve, this privilege.

"There is no constitutional right to lobby. There is no right on the part of any greedy or predatory interest to use money taken from the pockets of the citizen to mislead him and thus enlist his aid in enabling the same greedy and predatory interest to take still more money out of the pocket of the same unsuspecting citizen. There is no constitutional right on the part of any sordid and powerful group to present its views behind a mask concealing the identity of the group.

"These money-maddened men behind the mask have no right to send their hired men out into the streets, into the places of business, into the homes and into the churches, to persuade or to frighten citizens into giving blanket authority to have their names signed to telegrams and letters, to be later manufactured by high-powered, high-priced publicity agents, and sent at company expense to the citizens' representatives in Washington, in such way and manner as to deliberately deceive those Representatives. There is no constitutional right for the same group to seek out the intimate social friends of Senators and Representatives, their close political associates and campaign managers, and hire them from the four corners of the United States, to make intimate personal appeals and to frighten them as to the political consequences should they vote contrary to the wishes and the financial aggrandizement of the men behind the mask.

"OTHER ACTIVITIES TO BE PROBED

"While the Special Senate Lobby Investigating Committee, consisting of myself and Senators MINTON, SCHWELLENBACH, FRAZIER, and GIBSON, will go into other lobby activities, the committee during the last 3 weeks has gathered evidence in connection with the Wheeler-Rayburn holding-company bill. I shall discuss some of that evidence with you tonight.

"On July 12 Mr. Philip Gadsden, representing a large group of utility holding companies throughout the Nation, testified before the committee. His group had spacious offices in the Mayflower Hotel in Washington for many months. It was headquarters for this group, and to these headquarters there flocked power-company agents from over the Nation. The expenses reported by this committee were a little more than $300,000, of which $150,000 went to two firms of the hundreds of lawyers whose services were used by companies in connection with this bill. This $300,000 was but a small part of the money expended against this bill. Most of the expenses have come from the individual companies themselves, and have been charged up to operating expenses of the various local power-company units. You who listen to me can rest assured that a part of the expenses of the campaign against this bill has most likely been charged to operating expenses of the company supplying the electricity for the light in your room at this very moment. In other words, you will pay the bill.

"SPENDING $800,000 ADMITTED

"One holding-company system, serving electricity to the people in 26 States, has admitted spending $800,000 up to date. Some of you, of course, will pay for that. All the companies' income is derived from you who buy its product. Evidence now available to

the committee, which evidence is wholly inadequate to give a complete picture of expenses, shows expenditures to defeat the bill of approximately $1,500,000. If we succeed in getting anything like the true facts of all expenses, I predict that the power lobby in this matter will be known as the '$5,000,000 lobby.

"How has the money been spent? I will discuss some of the methods.

"A flood of telegrams and a deluge of letters poured into the city of Washington since February of this year against the Wheeler-Rayburn bill. Immediately before the vote in each House they poured in in relays, 50, 100, 200, 500, even 1,000 in a relay group. This movement was so planned, so timed, and so arranged as to leave the impression on many that a perfect storm of public sentiment and indignation had spontaneously burst forth in vexed resentment against the Wheeler-Rayburn bill. If these letters and telegrams had not come in such flocks, droves, and clouds, that it was impossible even to open them, Washington might have been left under the melancholy impression that a pestilence had spread abroad leaving millions of widows and orphans, all of whom were large stockholders in power holding companies. The fact that millions of our people were apparently honestly, genuinely, and spontaneously so aroused that they would spend hundreds of thousands of dollars to send such messages about a bill, naturally and rightfully gave concern to their representatives.

"Following these protests came long-distance telephone calls from friends back home, and finally there dropped into Washington the party chairman back home, a legislator's campaign manager or close personal friend—always the closest that could be found—willing to come to Washington.

"If these protest telegrams, letters, long-distance telephone calls, and personal visits to Washington had been the result of carefully formed opinions, after a study of the bill, and had resulted from personal convictions strong enough to justify the citizen making the necessary effort to make a trip to Washington at his own expense; to write and send a telegram at his own expense; or even to write a letter at his own expense; such activities would have been worthy of that serious and important consideration given them by many Senators and Congressmen.

"These letters and telegrams did not appear on their face to have been written, prepared, or paid for by anyone but the persons whose names were signed. While they did not affirmatively assert in words that the persons whose names were signed, actually wrote and paid for them, certainly it was intended to leave that impression upon the Washington Senators and Congressmen and the President of the United States. If, therefore, someone else actually wrote the telegrams and letters of protest and someone else actually paid for them, this was just as much a campaign of deceit and fraud as though the messages had actually carried the false statement that the message had been written, signed, and paid for by the person whose name was signed to it.

"Now, what were the actual facts?

"Evidence before the lobby committee shows that one holding-company system expended more than $134,000 for telegrams and telephone messages. At an average of 60 cents per message, this would mean more than 235,000 messages were sent by this one company on this one bill.

"In the main, these telegraphic messages were sent to Senators and Congressmen to try to persuade them or coerce them to vote against the Wheeler-Rayburn bill. Not only did this one company pay out this money for such telegrams, but various other companies did the same thing. Reports from 11 telegraph offices throughout the country made to the Senate committee show that 14,782 telegrams were sent to Senators and Congressmen against the bill, and 14,779 of the messages were paid for by public utilities, while only 3 people had sufficient interest to pay for any such message. Probably more than 250,000 telegrams in all were sent in this way and paid for by the utilities. Sometimes the person presenting telegrams supposed to be signed by various citizens was a complete stranger in the community. For instance, the committee today received a sworn answer to questionnaire from the telegraph agent at Spartanburg, S. C.—212 telegrams against the holding-company bill were sent to Senators and Representatives at a cost of $127.29. The agent testifies as follows:

"'To the best of my knowledge and belief, none of the 76 telegrams were filed by the signers but were filed by one party in connection with another. We do not know his business connections. He was a transient and previously unknown in this office.'

"With reference to the remaining 136 telegrams, this agent testifies:

"'They were filed and paid for by the same party that paid for the telegrams sent on June 27. As previously stated, we do not know the name of the party filing and paying for them.'

"Not one telegram from Spartanburg was sent against this bill through this telegraph company except those presented and paid for by a 'transient.' This is public expression. Bear in mind, too, that while these expenses were always charged to your local company that sells you electricity, the plans were conceived, drawn, and ordered by the manipulations of a holding company perhaps a thousand miles away.

"FIVE MILLION LETTERS SENT

"Not only were more than 250,000 telegrams sent under this plan of the holding company, and paid for out of the local companies' funds paid in by your local citizens, but perhaps 5,000,000 letters were sent under the same plan.

"Witnesses under oath have already disclosed some of the methods used to send these telegrams. Some people were hired to get signatures and paid for each message obtained. Others were hired by the day or week. Employees of the local companies were sent out for some of the messages. Company managers of stores and places of business obtained general authority from their clerks, janitors, and other employees.

"The telegraph and letter factory usually worked in the office of the local power company. Regular or special stenographers turned them out of their typewriters by the thousands, and later a signature was added either by some person who had never seen it before, or by the agent of the company, who claimed, and in most instances had, general authority to sign the name.

"TRACKS WELL COVERED UP

"No one single message contained any information to the Congressman or Senator that the message was conceived by a holding company beneficiary, actually written by a subordinate of this beneficiary, and actually paid for by a local power company. The tracks were even covered up so that it was only after this committee had its hearings that the plan was revealed. Lately publicity has been given by some companies to these payments by them, but in each instance, including one in my own State of Alabama, it was after our committee had asked the company for this particular information.

"These letter and telegram factories were supplied with prepared forms from the highly paid publicity men of the holding companies. Evidence in possession of the committee shows that holding company publicity men have been drawing as much as $100 per day, which, of course, goes back to the local company and into your electric-light bill.

"It is impossible for me to give you many of the forms, but let me read you a few form telegrams. Remember, also, that these were sent from every section of the Nation to Senators and Congressmen. Here they are:

"'Please oppose Rayburn-Wheeler legislation, which is vicious and un-American.'

"'Show the boys who is boss; defeat Rayburn-Wheeler bill.'

"'Vote against Rayburn-Wheeler bill to protect my interests. Will watch result of ballot.'

"'I shall expect you to use your prerogative against the Wheeler-Rayburn bill. As you vote now, so shall I vote for you at the next election.'

"'Defeat the Rayburn-Wheeler bill and you will get my support at the next election.'

"These very holding companies have advertised far and wide their tender and loyal solicitude for the Constitution and the Supreme Court. Let this court now characterize their conduct. I read from the case of *Marshall* v. *Baltimore & Ohio Railroad Co.*, as follows:

"'Any attempts to deceive persons in connection with the high functions of legislation, by secret compensations, or to create or bring into operation undue influence of any kind, have all the injurious effects of a fraud upon the public. * * *

"'Legislators should act with a single eye to the true interests of the whole people and courts of justice can give no countenance to the use of means which may subject them to be misled by the pertinacious importunity and indirect influence of interested and unscrupulous agents or solicitors. * * * Secrecy, as to the character under which the agent or solicitor acts, tends to deception and is immoral and fraudulent.'

"These words of the Supreme Court of the United States denounced a $50,000 lobby. Can we doubt what the Court would say today of the high-powered, deceptive, telegram-fixing, letter-framing, Washington-visiting, $5,000,000 lobby?

"HOLDING FIRM HELD WIRES

"Let us now examine another phase of this mighty lobby mechanism, and see just how the hidden holding-company heads reached into the far away cities, towns, and villages of this country tributary to their parasitical system, and pulled the wires manipulating their paid and underpaid puppets.

"Listen to the words of Mr. Gadsden, spoken under oath, as chairman of the Committee of Holding Company Public Utility Executives. Here is the evidence:

"'The CHAIRMAN. As the chairman of this board you insisted, did you not, that they bring everybody they could bring here who was close to a Congressman or Senator, from their State?

"'Mr. GADSDEN. I certainly did.

"'The CHAIRMAN. And you insisted——

"'Mr. GADSDEN (interrupting). I do not say I insisted, but I was in favor of it.

"'The CHAIRMAN. And you did not bring these people here because they knew more about the bill than you did, did you?

"'Mr. GADSDEN. No; they could not know more about it than I did.

"The CHAIRMAN. You brought them here and insisted that they be brought here because you thought they would personally have an influence in persuading the Congressmen or Senators how to vote?'

"SENTIMENT AGAINST BILL

"'Mr. GADSDEN. I thought they would be able to impress the Congressman that the sentiment back home was against this bill and a great many of them did it, too.

"'The CHAIRMAN. They did?

"'Mr. GADSDEN. Yes. They were able to come here and say to a Congressman, "John" or "Jim"——

"The CHAIRMAN. Who are those that did it? We would like to have the names.

"'Mr. GADSDEN. Will you allow me to get the names? There are quite a number of them.

"'The CHAIRMAN. We would be glad to have you supply the names.

"'You consider that it is for the best interests of the Nation with reference to legislation, to try to find people back in the districts that may, by reason of personal relationship, a personal friendship, be able to influence Congressmen to vote your way?

"'Mr. GADSDEN. Isn't that a constitutional right?

"'The CHAIRMAN. Is that your conception of it?

"'Mr. GADSDEN. My conception is that a Congressman wants to know what the sentiment of his constituents is, and if a prominent business man can come here and say, "John" or "Jim", you had better watch out; the sentiment has changed in your district and your constituents are opposed to this bill", he is very apt to listen to him.'

"STORMED HOTELS HERE

"This plan, outlined by Mr. Gadsden, was carried out 'hook, line, and sinker.' Senators and Congressman received a visit from party officials back home, from lifelong friends, and even from their campaign managers. If possible, it seemed that their managers were even more solicitous than of old for their political welfare. These visitors stormed Washington. Hotels buzzed as though another national convention were in town. Business boomed in the Capital City. From the number of lawyers in Washington and elsewhere, supposed to be writing constitutional opinions, some have suggested that there were enough of these lawyers to uphold the Constitution on their own shoulders, even if it had been weightier than the Pyramids. The masters of the holding companies were here, too, but they waited in their hotel rooms for reports from those whom their orders had brought to Washington to visit 'Jim' and 'John.' The plan was at work, but the masters back in their hotels rooms did not pay for anything—even the hotel rooms. They did not pay the expenses of your friends who came to Washington to visit your representatives. The books of your local company will show these expenses as a part of the cost of delivering electricity to you. The money must come from you, and others like you, as the price of turning your electric switch and lighting your room, operating this radio, washing your clothes, and cooking your food. Perhaps you should not complain, however, but just contemplate what a good time people are having on your money, in Washington, and elsewhere.

"Let us now return for a few minutes to the Supreme Court of the United States. As we ponder its words of wisdom, let us remember that this same power group that put over this lobby plan has constantly advertised its fervent loyalty and undeviating devotion to that great Court.

"1874 LOBBYING CASE

"In 1874 the Supreme Court of the United States, in the case of *Trist* v. *Child* (88 U. S. 441), spoke again on the question of lobbying. In a case before the Court a suit was brought on a contract for lobby services. The contract provided that a man named 'Child' should endeavor to secure the passage of a bill. Child's method was outlined in a headnote to the opinion, which is as follows:

"'A contract to take charge of a claim before Congress and prosecute it as an agent and attorney for the claimant (the same amounting to a contract to procure by "lobby services"—that is to say, by personal solicitation in any way with Members of Congress—the passage of a bill providing for the payment of a claim) is void.'

"His letter explained the procedure as follows:

"'Please write to your friends to write to any Member of Congress. Every vote tells, and a simple request may secure a vote, he not caring anything about it. Set every man you know at work, even if he knows a page, for a page often gets a vote.'

"The Supreme Court, in declaring itself on this lobby practice, said, in part, as follows:

"'In our jurisprudence a contract may be illegal and fraudulent because it is contrary to a constitution or statute or inconsistent with sound policy and good morals. * * * The question now before us has been decided in four American cases. They were all ably considered, and in all of them the contract was held to be against public policy and void.'

"ACTIVITIES DISTINGUISHED

"The court then distinguishes between purely professional services such as drafting petitions, taking testimony, etc., and personal solicitation with reference to such activities, and further said:

"'They rest on the same principles ethically as professional services rendered in a court of justice and are no more exceptional. But such services are separated by a broad line of demarcation from personal solicitation and other means and appliances which his correspondence shows were resorted to in this case. * * *

"'The foundation of a republic is the virtue of its citizens. They are at once sovereigns and subjects. As the foundation is undermined, the structure is weakened. When it is destroyed the fabric must fall. Such is the voice of universal history. * * * There is a correlative duty resting upon the citizen. In his intercourse with those in authority * * * he is bound to exhibit truth, frankness, and integrity. * * * If any of the great corporations of the country were to hire adventurers who make market of themselves in this way, to procure the passage of a general law with a view to the promotion of their private interests, the moral sense of every right-minded man would instinctively denounce the employer and the employed as steeped in corruption, and the employment as infamous.'

"CONSEQUENCES EVIDENT

"'If the instances were numerous, open and tolerated, they would be regarded as measuring the decay of public morals and the degeneracy of the time. No prophetic spirit would be needed to foretell the consequences near at hand.

"'We are aware of no case in English or American jurisprudence like the one here under consideration where the agreement has not been judged to be illegal and void."

"Consistently with the principles announced by our Supreme Court, Andrew Jackson, as President, denounced the national bank lobby. So also Woodrow Wilson, as President, denounced the tariff lobby. True to these traditions, of honesty and good government, Franklin D. Roosevelt, as President has denounced the insidious and indefensible power lobby.

"Contrary to tradition, against the public morals, and hostile to good Government, the lobby has reached such a position of power that it threatens Government itself. Its size, its power, its capacity for evil; its greed, trickery, deception, and fraud condemn it to the death it deserves. You, the people of the United States, will not permit it to destroy you. You will destroy it."

THE GUFFEY COAL BILL—LETTER FROM J. J. LYNCH

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from J. J. Lynch relative to the so-called "Guffey coal bill."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LYNCH, BACHMAN, PHILLIPS & LYNCH,
Chattanooga, Tenn., August 1, 1935.

Hon. N. L. BACHMAN,
Washington, D. C.

MY DEAR SENATOR: I have been somewhat interested in the newspaper discussions with reference to the so-called "Guffey bill" and the criticism of the President for insisting on what is deemed unconstitutional legislation.

I have not seen a copy of the bill, but from the newspaper discussions I assume the bill to regulate the relations between the operators and mine workers in order to prevent strikes and consequent interference with interstate commerce in coal. In view of the necessity for coal as fuel for our great railroad systems in addition to the effect on the business of the operators and the lives of 450,000 operators and their families it seems to me that this is a letter of public concern where all the constitutional power of Congress should be exerted to protect the public as well as the parties in interest.

It occurs to me that this bill, if drawn along the lines I assume, should be held to be constitutional. It is, of course, conceded that neither manufacturing nor mining is commerce and that Congress is without the power ordinarily to regulate manufacturing and mining as such. However, the conduct of those mining coal may have such a direct effect upon interstate commerce on that article that Congress would have the right to regulate that conduct for the protection of interstate commerce.

In the first case of *United Mine Workers of America* v. *Coronado Coal Co.* (259 U. S. 344), the lower court had sustained a judgment in favor of the coal company against the union on account of a strike the lower court held was a conspiracy under the Antitrust Act. The Supreme Court held the mere fact that the result of the strike was an interference with interstate commerce did not make it, without more, a conspiracy under the Antitrust Act. But the Court said:

"Obstruction to coal mining is not a direct obstruction to interstate commerce in coal, although it, of course, may affect it by reducing the amount of coal to be carried in that commerce. We have had occasion to consider the principles governing the validity of congressional restraint of such indirect obstructions to interstate commerce in *Swift & Co.* v. *United States* (196 U. S. 375; 49 L. ed. 518; 25 Sup. Ct. Rep. 276), *United States* v. *Patten* (266 U. S. 525; 57 L. ed. 333; 44 L. R. A. (N. S.) 325; 33 Sup. Ct. Rep. 141), *United States* v. *Ferger* (250 U. S. 199; 63 L. ed. 936; 39 Sup. Ct. Rep. 445), *Railroad Commission* v. *Chicago, B. & Q. R. Co.*, decided February 27, 1922 (257 U. S. 563; ante, 371; 22 A. L. R. 1086; 42 Sup. Ct. Rep. 232), and *Stafford* v. *Wallace*, decided May 1, 1922 (258 U. S. 495; ante, 735; 42 Sup. Ct. Rep. 397). It is clear from these cases that if Congress deems certain recurring practices, though not really part of interstate commerce, likely to obstruct, restrain, or burden it, it has the power to subject them to national supervision and restraint. Again, it has the power to punish conspiracies in which such practices are part of the plan to hinder, restrain, or monopolize interstate commerce. But, in the latter case, interstate commerce must appear as an obvious consequence of what is to be done, or be shown by direct evidence or other circumstances."

The case was remanded and again came before the Court in the case of *Coronado Coal Co.* v. *United Mine Workers of America*, in which case the Court held that there was sufficient proof of an intention on the part of the union to make the strike effective by interfering with the company's interstate sales, and that this constituted a conspiracy under the Antitrust Act. The reasoning of the Court was that while the ultimate purpose of the strike was to force the unionization in the mines, this was to be effected by obstructing the company's interstate business.

It will be observed that this intention was necessary, of course, to consummate a conspiracy, but the Court said in the first Coronado case, hereinafter quoted, that the intention to obstruct

was not necessary in reference to the right of Congress to regulate in order to prevent recurring practices which interfered with interstate commerce, though these practices are not themselves interstate commerce.

The power of Congress to regulate matters under the commerce clause that are not interstate commerce has been recognized by the Supreme Court in many cases. Indeed, in the recent N. R. A. case the Court referred to this rule, but stated that it must have a direct and not an indirect effect on interstate commerce that would warrant congressional regulation.

Where the workers in an entire industry are organized for the purpose of bettering their condition, and have it in their power by striking to paralyze the industry and prevent interstate commerce in one of the Nation's greatest industries, and, in fact, by doing so paralyze a very large part of the industry of the country, including its transportation, it cannot be doubted that the effect is direct as well as far-reaching, and that this effect is direct is recognized in the last Coronado case.

Again in the case of *United States* v. *Ferger* (250 U. S. 199), the defendant was indicted for forging a bill of lading purported to represent an interstate shipment. The lower courts quashed the indictment because it appeared that the bill of lading did not represent any transaction in interstate commerce and was nothing more than a case of ordinary forgery exclusively within the regulation of the State. The Supreme Court reversed this holding and said:

"But this mistakenly assumes that the power of Congress is to be necessarily tested by the intrinsic existence of commerce in the particular subject dealt with, instead of by the relation of that subject to commerce and its effect upon it. We say mistakenly assumes, because we think it clear that if the proposition were sustained it would destroy the power of Congress to regulate, as obviously that power, if it is to exist, must include the authority to deal with obstructions to interstate commerce (*Re Debs*, 158 U. S. 564, 39 L. ed. 1092, 15 Sup. Ct. Rept. 900) and with a host of other acts which, because of their relation to and influence upon interstate commerce, come within the power of Congress to regulate, although they are not interstate commerce in and of themselves."

In the case of *Stafford* v. *Wallace* (258 U. S. 495) the Supreme Court sustained the right of Congress to regulate certain transactions in stockyards, although the transactions were in themselves not interstate commerce. The court held, however, that these transactions affected, and if unrestrained, would interfere with the flow of commerce in those articles.

In *Hill* v. *Wallace* (259 U. S. 44) the Supreme Court held unconstitutional the act of Congress of 1921, known as the "Futures Trading Act", which was a regulation of boards of trade in grain transactions. The Court held that the transactions referred to were purely domestic and not the subject of congressional regulation. Thereupon Congress passed a very similar act regulating the same matters, with a recitation in the act that this regulation was necessary on account of improper transactions by dealers which interfered with interstate commerce in grain. The Supreme Court sustained this act, notwithstanding the things regulated were in themselves intrastate transactions. Among other things, the Court said:

"By reason and authority, therefore, in determining the validity of this act, we are prevented from questioning the conclusion of Congress that manipulation of the market for futures on the Chicago Board of Trade may, and from time to time does, directly burden and obstruct commerce between the States in grain, and that it recurs and is a constantly possible danger. For this reason Congress has the power to provide the appropriate means adopted in this act by which this abuse may be restrained and avoided."

As stated, these authorities are cited with approval and this principle recognized in the recent case of Schechter against United States. I have no doubt of the authority of Congress to pass an act regulating the relations between the operators and unions to prevent and regulate the constant danger of strikes interfering with interstate commerce in the coal industry on account of the peculiar importance of the industry and the obvious and constant danger of interference with the free and essential flow of commerce in that article. Obviously, a very large percentage of the coal mined flows in interstate commerce, certainly a sufficient proportion to warrant action of the National Congress in protecting that commerce.

The regulation of this one industry is a far different thing from an attempted regulation of all industry, including intrastate and interstate commerce and regardless of its relative importance and effect on interstate commerce as was attempted in the N. I. R. A.

The question as to whether or not the Guffey bill exceeds the limitations of the fifth amendment with reference to due process of law, I am not, of course, in a position to say without further examination of the bill. You will observe that that question was not passed on by the Supreme Court in the Schechter case.

Of course, more latitude is given legislation so far as interference with private conduct and power to contract, etc., in cases dealing with a business affected with a public interest than in cases of an ordinary private industry.

It seems to me that if the relation between employer and employee in the great coal-mining industry is such that unless regulated controversies are constantly causing interference with the flow of commerce in coal, then the public is as much interested in having that matter regulated as it is in having boards of trade, elevators, and stockyards regulated. The right to regulate these industries, as you will remember, is based upon the fact of their great importance to the public and that the matters regulated affect the free flow of interstate commerce in the articles referred to.

Sincerely yours,

(Signed) J. J. LYNCH.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 8458. An act to provide for vacations to Government employees, and for other purposes: and

H. R. 8459. An act to standardize sick leave and extend it to all civilian employees; to the Committee on Civil Service.

H. J. Res. 189. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners; to the Committee on Appropriations.

TERMS OF UNITED STATES CIRCUIT COURTS OF APPEALS

Mr. BLACK. Mr. President, I ask unanimous consent that the House of Representatives be requested to return to the Senate bill 479. I do this on behalf of the Senator from Texas [Mr. CONNALLY] and myself. It is a bill to amend section 126 of the Judicial Code, as amended. The bill was introduced by the Senator from Arizona [Mr. ASHURST], and he has agreed to join in the request that the House be requested to return the bill to the Senate in order that it may be reconsidered.

The VICE PRESIDENT. Is there objection to the request of the Senator from Alabama that the House be requested to return to the Senate the bill (S. 479) to amend section 126 of the Judicial Code, as amended?

Mr. McNARY. Mr. President, may I ask the Senator from Alabama if the matter has been submitted to the Chairman of the Senate Committee on the Judiciary?

Mr. BLACK. The Chairman of the Senate Judiciary Committee asked me to make the request.

Mr. McNARY. In a word, what is the reason why the bill should be returned?

Mr. BLACK. The bill was not here given the proper consideration. It refers merely to the places for holding court, and it has an effect which the bill did not disclose on its face when it was considered.

Mr. McNARY. What effect will the bill, if enacted, have upon the courts of appeals in the Senator's State and in other States?

Mr. BLACK. The effect will be that it will prevent the courts from holding sessions in the States of Alabama, Texas, and, as I understand, also in Georgia.

Mr. LONG. Mr. President, if the Senator from Alabama will yield, I will say that the bill, if enacted, will do what it ought to do. It will stop these courts from running all over the country where one cannot find them. That is what the bill proposes to do. I think the bill was pretty well understood when it was passed by the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Alabama?

Mr. LONG. Yes; I object to it, and I want to be heard on the question.

The VICE PRESIDENT. Objection is heard.

Mr. LONG. I merely want to make some explanation of the matter. I am sorry the Senator from Alabama takes the view he does about it.

The VICE PRESIDENT. Objection is heard. Does the Senator from Alabama desire recognition?

Mr. BLACK. I desire to move that the House be requested to return the bill.

Mr. LONG. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. Would it not be necessary to lay aside the pending unfinished business of the Senate before the motion could be considered?

The VICE PRESIDENT. Does the Senator from Louisiana make the point of order?

Mr. LONG. I make the point of order that the motion is not in order, because the pending unfinished business first has to be laid aside.

The VICE PRESIDENT. The point of order is not well taken; but there is a point of order against the motion which would be well taken, and that is that the time within which the motion would be in order has expired. Of course, if the Senator from Louisiana should make that point of order, the Chair would have to sustain it.

Mr. LONG. Very well. I make that point of order.

The VICE PRESIDENT. The Chair sustains the point of order.

Mr. BLACK. Mr. President, I concede that the point of order is well taken.

Mr. LONG. I thank the Chair for all the help I can get from him. [Laughter.]

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

Mr. JOHNSON. Mr. President, I understand the committee amendment is before the Senate. I now move to strike out section 10 of the committee amendment, being lines 1, 2, and 3, on page 22.

Mr. WALSH. That is satisfactory to me.

The VICE PRESIDENT. The clerk will state the amendment to the committee amendment.

The CHIEF CLERK. In the committee amendment, on page 22, lines 1, 2, and 3, it is proposed to strike out the following:

SEC. 10. The provisions of this act shall apply to governmental agencies in competition with private enterprise for contracts described in this act.

Mr. BORAH. Mr. President, I understand the amendment is to strike out all of section 10?

The VICE PRESIDENT. That is correct.

Mr. BORAH. I understand that it is the desire of those supporting the motion to protect particularly shipyards.

Mr. JOHNSON. Yes; the governmental shipyards.

Mr. BORAH. There are other enterprises in which the Government is engaging. It seems to me the bill ought to apply to the making of mattresses, or furniture, or other business enterprises. It occurs to me the section ought to provide that "the provisions of this act shall apply to governmental agencies, except shipyards, in competition with private enterprise for contracts described in this act." Otherwise the Government may agree to pay certain wages, but prohibit private contractors from paying the same wages.

Mr. JOHNSON. Inasmuch as my interest is wholly in the shipyards I have offered the amendment. There are as well other interests involved, of course. I think the T. V. A. might come under this head as well as the shipyards.

Mr. BORAH. I merely invite attention to it. I think there ought to be an exception in the case of shipyards, but I think I can see that the provision should apply to other governmental activities, perhaps to dams. When the Government is engaged in making furniture, mattresses, and so forth, why should not the Government be bound to pay the same wages as private manufacturers?

Mr. HASTINGS. Mr. President, I should like to inquire why the shipyards should be exempted?

Mr. LA FOLLETTE. Mr. President, the difficulty in that respect, I may say to the Senator from Delaware, was brought to the attention of some of the members of the committee after the committee amendment had been agreed to. The navy yards have a statutory limitation of hours, 40 hours a week by law. Under the old code the comparable industries had a limitation of 36 hours a week. If the same number of hours were fixed under the bill as were fixed in the old code for the particular industry, the navy yards would not be in a position to bid because their hours of labor fixed by law would be greater than those provided by the code.

Mr. HASTINGS. Why should not the law be changed?

Mr. LA FOLLETTE. It is all very well to say that, but what impressed the committee was that, while we are confronted by this one difficulty and several others which have been suggested, we have not had an opportunity or sufficient time to make an examination of all the statutes governing hours of work which might be affected by this blanket provision.

Mr. HASTINGS. It seems to me it is quite inconsistent for the Government to compel its workers in navy yards to work 40 hours a week and then to compel others who are furnishing materials or doing work for the Government to limit their hours of labor to 36 a week. It is so inconsistent that it seems to me it ought not to be permitted to be included in the bill in such form as this. If it is wise for the Government to limit hours of labor in private industry to 36 a week, why does not the Government itself set the example by fixing 36 hours as the limit that any one shall work for the Government?

Mr. LA FOLLETTE. So far as I am personally concerned, I should be very glad to see that done, but in the particular situation to which the attention of the Senate has been directed, we find that a change in the statute governing the hours of labor in the navy yards would be required. What we are apprehensive of is that there are other situations of this kind. It seems to me that we are confronted with the problem of trying by this bill to change the hours which are fixed by statute in every other activity in which the Government may be engaged.

Mr. NORRIS. Mr. President, I am in entire sympathy with the objects sought to be attained by the proposed legislation. I should like to have the same hours of labor apply to everyone where the conditions are the same. I should like, I may say to the Senator from Delaware [Mr. HASTINGS], to have the hours of labor in the United States navy yards just the same as they are in private shipbuilding yards. But the rule works both ways.

I do not believe the Government is trying to go into the business, for instance, I may say to the Senator from Idaho [Mr. BORAH], of manufacturing mattresses, although it may do it in some instances. It may be driven to it. As I understand, in the only instance it is doing it, it is employing men who otherwise would be public charges. Difficulties would arise and disputes might arise as well. The model system would be to purchase the mattresses of the mattress manufacturers and I think as a rule the Government does that, but we have to put these men to work or we have to support them without work. If a combination exists, the Government can very often be put in a very unfavorable position.

For instance, I remember that when Theodore Roosevelt was President of the United States the Government constructed a great dam in Arizona. I am now speaking from memory, and I may be mistaken as to some details; but, as I remember, the Government was confronted with the fact that all the bids on cement for the dam were the same. It was necessary to buy an immense amount of cement to build the dam, and, without doubt, there was a combination between the bidders, who were holding up the Government. I remember that when that occurred, President Roosevelt said, "We will not be held up. We will manufacture our own cement"; and, as I remember, an establishment was put in there, and the Government did manufacture its own cement. It did so in order to protect itself from monopoly and combination. The Government may sometimes be confronted with a condition of that kind.

The Senator from California [Mr. JOHNSON] has referred to the fact that even if this exemption should apply only to shipyards, there would be other cases where controversy would arise, and he mentioned the T. V. A., where the other rule would apply. The Government is now building a great dam at Fort Peck, Mont. Suppose we should fix the working hours of the employees there at 6 hours a day—and I wish we could fix the working hours all over the United States at 6 hours a day. Some private corporation or some individual builds another dam on the same stream, perhaps lower down or farther up, and is not hampered by that kind of a law. The private institution works its men 12 hours a day and perhaps builds a dam that is just as good, and costs less money, which comes in competition with the one constructed by the Government. I do not know that that ever

will happen. Probably, in the case of the particular illustration I have given, it will not happen, but it is liable to happen at any time; and I cannot conceive why we should exempt Government shipyards and not exempt other Government activities.

As the Senator from California has well suggested, the T. V. A. is building dams, building transmission lines, and engaging in various other kinds of similar work. I should be glad to see it limited to working its men 6 hours a day only; but I should not be willing to have it work its men 6 hours a day only while the private corporations and the holding companies, which are almost dominating Congress and the Government, have no restriction on them, and the T. V. A. must come in competition with them when the output is delivered.

Therefore there would be another injustice unless the exemption applied to other governmental activities. Why should we make it possible, in some instances such as that of the great Roosevelt Dam in Arizona, for the Government itself to be held up, and to be left at the mercy of a combination—an illegal combination, a trust, if you please—so that the Government would be absolutely helpless?

President Theodore Roosevelt met that situation. He was criticized somewhat, as I remember; but the great bulk of public opinion all over the United States said he was justified in taking the action he took. He did not go into the manufacture of cement and sell it generally to the public; but he found that it was cheaper to put up a cement-manufacturing plant which would make the cement necessary to build that great dam, and he proceeded to do it. He thereby relieved himself and the Government from the demands of a combination which everybody must admit was unjust, moved by an unholy desire only to make money, and not by a desire to help labor, or anything of the kind.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. HASTINGS. In the particular instance mentioned by the Senator, all this section would do would be to compel the agency of the Government making the cement to pay a minimum wage and to establish maximum hours of labor. Is not that true?

Mr. NORRIS. Yes; probably.

Mr. HASTINGS. Then, why does the Senator's illustration apply to this particular provision?

Mr. NORRIS. It applies for the reason that it would not follow that the other concerns making cement would have the same inhibitions laid against them.

Mr. HASTINGS. The bill does that; does it not?

Mr. NORRIS. No; as I understand, it does not.

Mr. HASTINGS. My understanding of the bill and its particular purpose is that it is to make certain that the minimum wages and maximum hours fixed originally by the codes in the various industries shall be maintained, or the Government will not deal with the concerns which fail to maintain them.

Mr. NORRIS. Yes.

Mr. HASTINGS. If that be true, what injustice or inconvenience is involved except that stated by the Senator from Wisconsin, and I think that is not a difficulty which cannot be overcome? Why should not the Government confine itself to the same number of hours and to the same minimum wage that it demands of concerns which are furnishing materials to it?

Mr. NORRIS. It absolutely should. I do not wish to have any difference in the hours of labor. They ought to be the same. It seems to me it is apparent to everybody that justice demands that they be the same. While the condition I have described might not apply to the particular case I instanced because, perhaps, there was a code on cement by which cement manufacturers could be controlled, yet there are some articles as to which there was no code. I do not know whether the condition stated would apply to that particular instance. There are hundreds of products, however, as to which there was not any code. Moreover, while I have the floor, I desire to say that in my judgment, after reading the entire bill, I think without doubt all its objects can be accomplished without this section. Does not the Senator from Massachusetts agree with me on that point?

Mr. WALSH. I agree with the Senator. That is why I have agreed to the amendment.

Mr. NORRIS. Then the section ought to go out. I should not want it to go out if it would interfere with the other object.

Mr. WALSH. And, in fact, under the bill the President has authority to make exceptions in any case he chooses.

Mr. NORRIS. I know he has.

Mr. WALSH. I see no reason why the section should not be stricken out.

Mr. NORRIS. Let me say one word further; and I ask the attention of the Senator from Massachusetts.

If section 10 should stay in, I am afraid it would make it impossible for the President to make an exception. If it should go out, then there would not be any direct compulsion such as it seems to me the section implies. I may be wrong in my interpretation, of course, because the question has come upon us rather suddenly, and I have not had time to give it much study; but, as I read it, since the section is in positive terms, I think if it should stay in, the President would not have any authority to do anything which contravened the section. On the other hand, if the section should go out, I do not understand why everything sought by the bill could not be accomplished. The President then would have discretion to make exceptions here and there where the circumstances of the case demanded that exceptions should be made.

Mr. WALSH. That is the conclusion we have reached.

Mr. NORRIS. I think that settles the matter. To my mind, that makes the section unnecessary. I do not wish to be understood as saying or believing that what the section undertakes to do, if we were able to do it under the Constitution, should not be accomplished. I should like to see it done. I do not wish to have any discrimination in favor of the Government. I do not wish to have any discrimination against the Government. It does seem to me, however, that if section 10 should go out, the Government would be protected all the way through, and that it might not be able to protect itself against some instances that might arise if we should leave the section in. If the Government were the producer of enough commodities to cover the entire field, probably the section ought to be in the bill; but the Government is not. It is only incidentally in business for the purpose of accomplishing some other object.

It seems to me, therefore, the section ought to be eliminated from the bill.

Mr. BORAH. Mr. President, the purpose of those who first advocated striking out section 10 was, I think, sound by reason of the statutes which have been cited. I shall not delay the Senate further than to say that, in my opinion, if section 10 remains in the bill the President's power to make exceptions will be precisely the same, because it applies to all the provisions of the bill. I dislike to have the Government of the United States insisting upon a certain scale of wages and upon certain hours and restrictions with reference to child labor, so far as individuals are concerned, and unwilling itself to adopt the same rule. I dislike to have the Government insist that the citizen be moral and humane and just and then exempt itself from the obligations imposed upon the citizen. The Government, when it enters the field of private enterprise, should be bound by every rule it imposes upon those with whom it competes.

Mr. HASTINGS. Mr. President, I am not particularly interested in this section as it compares with other sections of the bill, but I merely call attention to the inconsistent position the Government is taking under the bill if it shall be enacted, and the best illustration that could be given, it seems to me, is that which has been given, namely, that the workers in the navy yards are compelled to work 40 hours while the industries engaged in building ships will not be permitted to work their employees more than 36 hours.

It seems to me it is a strange argument to make that this exception is necessary because a law exists. This bill, if it shall be passed by the Congress and approved by the

President, will be a law. If there is now on the statute books a law that is inconsistent with the bill, the thing to do is to change that law when we pass this measure.

Mr. President, there is another inconsistency to which the attention of the Senate has heretofore been called. We sought here to put into the $5,000,000,000 work-relief measure the McCarran amendment.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. TYDINGS. I wonder if this thought had occurred to the Senator. Suppose, under the Home Owners' Loan Corporation, or the Federal Housing Administration, a man should borrow a thousand dollars for the purpose of making repairs to his house. Would he have to make those repairs under the terms and conditions laid down in this bill?

Mr. HASTINGS. I should say off-hand that undoubtedly he would, but I am not so familiar with the bill as are some other Senators.

Mr. TYDINGS. Suppose a man should borrow from the Agricultural Adjustment Administration, or the agency which lends money to farmers for crop production and the like; would he not, if this section should remain in the bill, have to spend the money so borrowed, under the restrictions laid down in the bill?

Mr. HASTINGS. I should have to ask the Senator from Massachusetts to answer that question.

Mr. WALSH. The first answer is, why should he not?

Mr. HASTINGS. Let us find out whether the bill does apply.

Mr. WALSH. It is true that whoever borrows money from the Public Treasury through the Reconstruction Finance Corporation, or makes an industrial loan from the Federal Reserve Bank, must agree in writing that in the use of the money these labor conditions will be complied with. Of course, there is provision in the bill that the President may make exceptions. He did make exceptions under the N. R. A.; in fact, he modified his general order under the N. R. A. 96 times, and it is inconceivable that there will not have to be exceptions made under this bill, and therefore it is not to be supposed that a hard and fast rule of requiring that all these conditions be embodied in every contract will be required.

Mr. TYDINGS. Mr. President, will the Senator from Delaware yield further?

Mr. HASTINGS. I yield.

Mr. TYDINGS. As I read this section, I am afraid that the situation which I presented might very properly be held to be included in the provisions of section 10, and if that should be so, I believe it would tend to slow down such an activity as the Federal housing rehabilitation program, or the H. O. L. C., where a certain amount of improvement is permissible. If it were to apply to the agencies of the Government which lend money for crop production, for example, it strikes me that a farmer would never borrow a cent of money, because the farmers, having been through a very severe depression, could not afford to borrow money and to spend it under the extremely high standards which are laid down in the pending bill, low though they are for many of the industries.

Mr. WALSH. Mr. President, will the Senator from Maryland permit me to interrupt?

Mr. TYDINGS. Certainly.

Mr. WALSH. The Federal Housing Administration does not lend money.

Mr. TYDINGS. It guarantees loans.

Mr. WALSH. This bill applies only if loans are made for building or repairing, for which the Home Owners' Loan Corporation lends money. Of course, the President can lift such loans out of the conditions in the bill.

Mr. TYDINGS. The Federal Housing Administration itself lends money on mortgages. Also, under certain conditions, an individual can borrow money from it for repairs.

Mr. WALSH. That can be done under the Federal housing program.

Mr. TYDINGS. It can be done under the H. O. L. C.

Mr. LONG. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LONG. Who has the floor?

The PRESIDENT pro tempore. The floor is now occupied by the Senator from Delaware [Mr. HASTINGS].

Mr. HASTINGS. I have yielded to the Senator from Maryland.

Mr. TYDINGS. Mr. President, let me picture this situation to the Senator from Delaware. Under the H. O. L. C. in certain cases the Government now is foreclosing mortgages which are in default. A few of the properties are being taken over by the Federal Government. It so happens that before they can be resold, and even if they are kept temporarily, it is necessary to make some repairs on those houses, for, perhaps, the roofs leak, or new spouting may be needed, or what not. In such a case, under this section, the Government will have to take a mortgagor's property, to which the right of redemption attaches, and add to the expense of redeeming the property, if wages are high—I do not say they are, but let us assume so just for the sake of the argument—which would increase the difficulties of the mortgagor in his attempt to regain his property under the redemption clause.

If the President were to make an exception in such a case, of course my argument would not apply, but we ought to be very careful, in view of all the ramifications of Government activities as now set up, to make sure that we do not put in a worse condition than he now is some poor fellow who is already having a terrible struggle. The motive, of course, is to help the body of citizens as a whole.

Mr. HASTINGS. Mr. President, I started a moment ago to say it seemed to me that the vote on the McCarran amendment, and the opposition to it by the administration, was inconsistent with its position with respect to the payment of wages generally. I voted for the McCarran amendment. I know some Senators thought I voted for it because the President had threatened to veto the bill if the McCarran amendment were attached to it. I did not vote for it for any such reason. I believed that if the Government was going to insist upon private industry paying the regular wage, the prevailing wage, upon work it was doing, the Government itself ought to take the same position when it was doing permanent work for the Government. I think that was sound doctrine then, and I think the administration's position at that time was unsound.

With respect to this matter, particularly with respect to the navy yards, it seems to me to be wholly absurd to insist that navy yards shall limit hours of work to 36 per week and the Goverment be allowed to work its employees 40 hours per week.

Furthermore, there is another thing about the bill which, in my opinion, should be carefully considered before we pass it. The Senator from Massachusetts called attention to the fact yesterday in his explanation to the Senate that persons borrowing money from the Government would be compelled to live up to code agreements made prior to a certain day in May, when they went out of existence.

Mr. WALSH. Mr. President, will the Senator permit an interruption?

Mr. HASTINGS. Yes.

Mr. WALSH. The Senator does not accurately state what I said yesterday.

Mr. HASTINGS. I have not finished.

Mr. WALSH. Persons borrowing from the Government and persons contracting with the Government will have to agree in writing that they will accept conditions set forth in the written invitations for bids which fix minimum wages, which forbid child labor, which fix maximum hours. In determining what are maximum hours and what is the minimum wage, several factors must be considered by the President, one of which is the codes in which employers and employees in each industry agreed what would be the maximum hours in the industry and what would be the minimum wage. Those vary in all industries. So the invitation for bids on materials made in one industry would specify different maximum hours and different minimum wages from the invitation for bids on another commodity made by a different industry.

Mr. HASTINGS. I thank the Senator, and I am quite certain I understood his remarks of yesterday. Let me give the Senator an illustration and ask whether or not the President could make an exception in a case such as this: Suppose some manufacturing concern has become so distressed that it cannot borrow money from the banks; suppose it is an industry employing much labor and has to appeal to the R. F. C. for a loan so that it may continue its business, and assume that it is in the lumber business and half a million dollars has been loaned to that particular concern. When the code goes out of effect that particular concern's competitor begins what has been called "chiseling" with its labor; it begins to do other things to meet the competition and in order to improve its own condition. I want to know how it is possible for that other concern across the street, which has borrowed $500,000 from the R. F. C., to live and pay back to the Government $500,000 when it is compelled to pay, we will say, 10 percent more in wages. The question I wish to propound to the Senator is, can the President, in an instance like that, say that that particular concern shall not be compelled to live up to the code requirement?

Mr. WALSH. My answer is "Yes", and if the Senator from Delaware will permit me to do so, I shall amplify my answer.

Mr. HASTINGS. I yield.

Mr. WALSH. I understand the proposition which the Senator from Delaware puts is that if a manufacturing plant has applied and received a loan from the Reconstruction Finance Corporation, and the loan is about to mature, can the President exempt that plant from complying with the requirements in question by reason of the fact that there has been, since the Supreme Court decision, a breakdown in labor conditions so that the plant can no longer carry on in successful competition with other plants?

Mr. HASTINGS. That is correct.

Mr. WALSH. That is the proposition. In the first place, the plant which received the loan had to agree, before it received the loan from the Reconstruction Finance Corporation, that it would comply with all the requirements of the codes which included labor standards. Since then chiseling may have developed in that particular industry, and the plant referred may have fallen a victim to it, and may have joined in the chiseling, or may desire to, and it may ask for a renewal of its loan. If the Reconstruction Finance Corporation should say, "Rather than have the Government lose that loan we will have to renew it under conditions not complying with those laid down in the bill", the President can and probably would agree to it. That it stated in plain, specific language. However, I personally should hope that the cases would be very rare and very exceptional where a man or an organization which had originally promised compliance with certain labor standard conditions would later abandon them when he or it came to make application for renewal of loan.

Mr. HASTINGS. Mr. President, with respect to the Senator's reply, I wish to say that it seems to me the provision is wholly unfair. When the person in question borrowed the money he borrowed it and agreed to live up to a code which he believed to be a legal code. He borrowed the money with the distinct understanding that his competitor would be compelled to pay the same wages he would thereafter be compelled to pay. It seems to me it is entirely unfair not to compel the one to pay the standard wage and still to insist that the other man who had borrowed from the Government shall live up to his original obligation. It seems to me that is wholly unfair and inequitable.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. WALSH. Under the provisions of this bill a competitor in the same industry with the individual who comes for the renewal of his loan will be obliged to maintain these conditions, but the Senator would have the Government make a loan to another person who will not live up to the conditions. That is absurd, of course.

Mr. HASTINGS. I did not understand that statement.

Mr. WALSH. If a competitor of the manufacturer of whom the Senator speaks comes for a new loan after this bill shall have been passed and asks the Reconstruction Finance Corporation for a loan, he must meet the requirements in question; and yet the Senator would have us abandon the requirements in the case of a man who has already received a loan and who makes application for renewal. It would not be equitable.

Mr. HASTINGS. Mr. President, the proposition is not quite so absurd as the Senator from Mississippi seems to indicate, for this reason. I am not talking about the man who comes in and makes application for a new loan to compete with the man who already has a loan.

Mr. WALSH. But the individual who comes in and makes application for the new loan is engaged in the same business as a competitor. Does the Senator propose that the one shall be required to comply with the labor standards specified and the other shall not be required to comply with them?

Mr. HASTINGS. I am speaking of the concern which owes no money, which has all the money it needs to conduct its business, and which is in competition with the concern which has borrowed, let us say, one-half million dollars from the Reconstruction Finance Corporation. Those are the two concerns I am trying to point out to the Senator for the purpose of showing what a great disadvantage the poor devil is in who has had to borrow from the Government in order to exist at all. Of course, as the Senator from Massachusetts suggests, and it is undoubtedly true or he would not have suggested it, the President would be able under the bill to meet that situation.

Mr. WALSH. There is no question about that.

Mr. HASTINGS. He would be able to meet it by saying to him, "All right; go on and chisel to the full extent necessary in order to meet your competitor." If the President is going to say that——

Mr. WALSH. Oh, no, Mr. President. The President may say, if the recommendation is made to him by the Reconstruction Finance Corporation, "Rather than have the Government lose the money which has been invested, and rather than have you wiped out we will exempt you from some of these conditions in view of the conditions in your industry."

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. WALSH. I ask the Senator from Wisconsin, who is familiar with this proposition and with the discussion of it in the committee, if the position I have just taken is not the view of the committee?

Mr. HASTINGS. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I agree in general with what the Senator from Massachusetts has said. I merely wish to point out, if the Senator from Delaware will permit me, that the conditions contemplated under this bill will not apply to any corporation which has received a loan and is prepared to carry out its terms. The corporation will only find itself confronted with the conditions precedent to a loan if it desires an extension or a modification of it. Therefore it seemed to a majority of the committee, inasmuch as corporations which had made loans prior to the Schechter decision had agreed to pay code wages, if they wanted extension or renewal or modification of their loans that they should then be asked to meet the conditions created by this proposed act.

Mr. HASTINGS. Is it or is it not true that a person who has borrowed from the Government is compelled to live up to the code agreements, even though the code has been declared to be unconstitutional?

Mr. LA FOLLETTE. No, Mr. President. We thrashed this question out in committee. Let us assume that corporation A, which had an industrial loan from the Reconstruction Finance Corporation made prior to the Schechter decision, had agreed to live up to the code with respect to wages, and also all the other conditions when the loan was made, namely length of time which it was to run, interest

which was to be paid on it, and all that sort of thing. Then the Schechter case comes along and knocks out the codes. Any corporation after this bill shall be passed which is in that situation, and is prepared to carry out the conditions of the loan as made, will not be subject to the conditions of the provisions of this bill. A corporation will be asked only to conform to the conditions precedent to a loan under this bill if it comes in and asks for a modification of its loan, an extension of it, or an increase in the amount of the loan. Then it will be placed upon the same footing as an individual or a corporation coming in to make a new loan. It seemed to the majority of the committee to be just if a corporation which had borrowed money wanted to ask the Government for modifications or concessions, that it should be placed upon an equal footing with the corporation that came in and asked for a new loan.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. WHITE. May I ask the Senator from Wisconsin or the Senator from Delaware what would be the status of a man who comes in now and makes a new loan? Would he be subjected to the terms of the code?

Mr. LA FOLLETTE. If this bill should become law any corporation coming in to get an industrial loan either from the R. F. C. or from the Federal Reserve bank in its district would have to meet the conditions precedent laid down in the bill.

Mr. HASTINGS. Unless exempted by Presidential order.

Mr. WHITE. So the practical result will be—and I am prompted to ask the question on account of a report which has come to me that a manufacturing plant has just been assured a loan of $4,000,000 to go into a certain business—the practical result will be that there will be two scales of wages and two standards of hours in a given industry.

Mr. LA FOLLETTE. Such a situation is inherent in the whole proposition, if the Senator from Delaware will further yield to me to answer. This bill proceeds upon the theory, of course, that the Government can only extend the provisions of this measure to persons who contract with the Government or those who borrow money from it. Of course a corporation which did not borrow any money from the Government, or one which did not get a contract from the Government, or one which was not a subcontractor under a Government contract, would be a free agent and could pay any kind of wages, and work its employees any number of hours, employ children, or do anything else. The only point I rose originally to make to the Senator from Delaware was that in a case where a corporation which had already gotten a loan desired a modification of it and further concessions from the Government, the majority of the committee felt that it ought to be on the same plane as a corporation which came in de novo to get a loan. The Senator from Massachusetts has pointed out that, in extenuating circumstances, there is power lodged in the President, upon the recommendation of an agency of the Government, to make an exception.

Mr. HASTINGS. Mr. President, may I inquire of the Senator from Wisconsin whether or not he believes that after the passage of this bill there will be a single loan made by the R. F. C. or the Federal Reserve bank to industries in this country under these conditions? Does he not believe the making of such loans will end right there? I ask him further whether the committee considered the possibility of the making of loans ending right there, without prospect of further loans being made to help the struggling industries which need help, and which it was intended should be helped when the acts were passed permitting such loans to be made?

Mr. WALSH. Mr. President, will the Senator yield to permit me to answer that question?

Mr. LA FOLLETTE. Yes.

Mr. WALSH. If the loan made by the Reconstruction Finance Corporation were to pay a debt, or to remove a mortgage, these conditions would not apply, but if the loan were made in order to maintain and carry on the activities of the industry and employ people and to use the money for its pay roll, these conditions would apply.

Mr. HASTINGS. But does the Senator from Massachusetts believe that under these conditions the $4,000,000 loan to which the Senator from Maine [Mr. WHITE] referred, or any other loan, will be made, or any application will be made to the R. F. C. or to the Federal Reserve bank?

Mr. WALSH. I have not the slightest doubt that the Federal Reserve bank will loan money as it has done heretofore, unless the Supreme Court, decision led to the abandonment of all standards of minimum labor requirements, and I do not believe it did. I believe, indeed I know, many industries have been and are carrying on under the labor conditions imposed by the codes.

This bill is supported by industry and that group of industrialists who want to maintain decent labor standards. There is hardly an objection made to the bill by industry, because its representatives realize that their difficulty and trouble in this period are with the "chiseler", with those who are working their employees long hours and have reduced wages, and, therefore, the representatives of the best industries of the country desire that standards be maintained which are just, reasonable, and favorable to labor.

Mr. LA FOLLETTE. Mr. President——

Mr. HASTINGS. Does the Senator from Wisconsin desire to interrogate me further?

Mr. LA FOLLETTE. I merely wish to make answer, if the Senator desires me to do so, to the question he directed to me.

Mr. HASTINGS. Very well; I am glad to yield to the Senator.

Mr. LA FOLLETTE. It is practically impossible to answer the Senator's question with complete certainty, but I think a majority of the committee feel, under prevailing conditions, so far as loans for certain corporations are concerned, that the conditions proposed by the bill will not preclude their continuing to make application for this type of loan from both the Reconstruction Finance Corporation and the Federal Reserve Board.

I concede, in answer to the Senator's question, that there may be instances in which the competitive situation created by concerns which have abandoned the standards set up by the codes and have resorted to drastic reductions in wages, and have largely increased the number of working hours, and, perchance, have employed child labor, may be such that a loan upon the terms as provided in this bill would not be a feasible proposition from the point of view of the corporation which is trying to maintain decent standards.

Mr. HASTINGS. Mr. President, I have no doubt as to the fine purpose of the Senator from Massachusetts and of the committee in urging the passage of this bill. I assume it was their hope that it might serve as an example to all other industries to follow suit as to minimum-wage and the maximum-hour standards. However, I am quite certain that the hope they have will not be realized.

Mr. WALSH. Mr. President, will the Senator permit an interruption?

Mr. HASTINGS. Very well; I yield.

Mr. WALSH. The Senator would expect a governmental agency in making a contract for material to place in the contract requirements or specifications as to the strength, durability, high-class character, and every other detail as to the material factors in the contract? All this bill proposes is to require that there shall be placed as well in Government contracts certain requirements as to labor conditions on the part of those who make the product the Government is going to buy. That is the sole difference.

Mr. LA FOLLETTE. Mr. President, will the Senator from Delaware yield further?

Mr. HASTINGS. I yield.

Mr. LA FOLLETTE. I may suggest to the Senator that we have ample precedent for this proposed legislation, for we are merely broadening the scope of the Davis-Bacon Act. The Government has already, under the Davis-Bacon Act, taken the position that in the case of the construction of public

buildings it is going to require the contractors to accept stipulations so far as the wages to be paid are concerned. Now we are proposing to broaden the scope of that act, and it seems to me that is a perfectly consistent thing for the Government to do. In view of the fact that we are spending huge sums of money in an effort to provide employment and to stimulate industry, there never was a time when the Government was more justified in asking those who are to be the direct beneficiaries of its expenditures to cooperate in an effort to achieve the laudable purpose, as I see it, of establishing minimum-wage and maximum-hour standards and of preventing, insofar as it is humanly possible, the employment of children.

Mr. HASTINGS. Mr. President, I assume that the various codes which were in existence are being complied with by many of the large industries of the country, and I think most of us wish that were true of all industries; but does any one believe that any concern which is dealing occasionally with the Government, in a small way, is going to change its position with respect to minimum wage and maximum hour standards in order that it may bid?

Mr. WALSH. Mr. President, will the Senator pardon a further interruption, though I am afraid I am preventing him from making his argument in a connected way?

Mr. HASTINGS. I yield to the Senator from Massachusetts to answer the question.

Mr. WALSH. As to what the Senator has asserted—and I assume he has said it in commendation of those industries that are still carrying on under the terms of the codes, and there are very large numbers of them—let me remind him that this bill seeks to protect them against the "chiselers" who are trying to break down the efforts of those who are endeavoring to maintain proper labor standards.

Mr. HASTINGS. I am wondering if the Senator from Massachusetts has considered the possibility in certain lines of industry of thus creating a monopoly?

Mr. WALSH. I do not understand fully the Senator's suggestion.

Mr. HASTINGS. I have in mind some industries that are not living up to the codes, and I have in mind some particular one that is financially able to do it, for it is undoubtedly true that the codes did affect the financial returns of corporations.

Mr. WALSH. Those not living up to the code have the whole world in which to do business. The conditions in the bill would apply only to those who are seeking a privilege from the Government in the way of a loan or a favor in the way of a contract which will yield them gain, profit, or other advantage.

Mr. HASTINGS. I have in mind, for instance, a case where an industry is living up to the code, and the particular commodity the Government wants is produced by only a limited number, there being only a few concerns engaged in the particular line in the country. It is not a contract involving a large sum on which the Government is asking for bids. We find, we will say, that only 1 out of 10 is living up to the previous codes, and the other 9 are not. Under such conditions, the bill would give a monopoly in the particular business.

Mr. WALSH. If only one is maintaining the labor standards provided by the bill, why should it not be granted the favor or contract that the Government is to grant? If one of the other concerns, not living up to the code, is manufacturing the particular supplies the Government wants and is willing to meet the conditions it will have its bid accepted if it is the lowest bidder provided it agrees to the conditions.

Mr. BARKLEY. Mr. President, will the Senator from Delaware yield there?

Mr. HASTINGS. I yield to the Senator from Kentucky.

Mr. BARKLEY. If there are nine, as suggested by the Senator from Delaware, who are "chiseling" or who have lowered wages and increased hours, and one who has sought to maintain the standards, does not that fact make it more easy for the nine to compete against the one which is maintaining the standards in the broad field of activities outside the field of Government construction? So, what harm would be done to them, even though in the case of Government contracts a monopoly were given to the one concern that seeks to maintain the proper standards?

Mr. HASTINGS. It does not seem to me that the Government ought to put itself at any time in the position where it is forced to pay what some particular concern demands that it shall pay.

I should like to make a further inquiry of the Senator from Massachusetts.

Mr. WALSH. Mr. President, before the Senator asks me another question, let me say that at the present time monopolies which employ sweatshop methods are receiving Government contracts, because they are the lowest bidders, for the present law requires that the bid of the lowest bidder be accepted, no matter what the labor conditions may be. This bill is to do away with that, and to enable the Government to let the contract to those concerns which meet the labor conditions required.

Mr. HASTINGS. May I inquire of the Senator from Massachusetts whether any consideration was given to the suggestion of letting this bill apply to amounts over a certain sum? For instance, it seems to me that there may be many instances where this plan would not work; where the bid amounted to only $10,000 or $25,000, or some such figure as that. I can understand how it might be of some great advantage in the case of large contracts; but, if the amount involved is only small, is not the situation different?

Mr. WALSH. I agree with the Senator; but that is left to the regulation of the President.

Mr. HASTINGS. Is that to be regulated by the President?

Mr. WALSH. Exactly; it is expected he will take care of such conditions.

Mr. HASTINGS. So, after all is said and done, I suppose this bill should be passed because it gives the President discretionary powers. That is the answer we get to all criticisms we make of it. So it is hardly worth while to discuss it.

Mr. WALSH. Do we not have to give all departments of the Government that undertake to make contracts the widest and largest discretionary power? Are they not now exercising such power?

Mr. HASTINGS. We never gave anybody any such powers as have been given to the present President.

Mr. WALSH. Each department of the Government must stipulate in its contract any terms that it sees fit as to the character and quality and strength of materials, and all the pending bill proposes is that the departments, in their contract arrangements, shall include some consideration for the human element.

MINING OF COAL, PHOSPHATE, OIL, ETC., ON THE PUBLIC DOMAIN

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended.

Mr. O'MAHONEY. I move that the Senate disagree to the amendments of the House of Representatives, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. O'MAHONEY, Mr. PITTMAN, and Mr. NORBECK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6228) authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 405) for the suppression of prostitution in the District of Columbia.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1024. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.;

S. 1426. An act providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade;

H. R. 4665. An act authorizing the filling of vacancies in certain judgeships;

H. R. 6228. An act authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association;

H. R. 6990. An act to fix the hours of duty of postal employees, and for other purposes;

H. R. 7349. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended; and

H. R. 8554. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

Mr. LONG and Mr. NORRIS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Louisiana addressed the Chair first, and he is recognized.

THE COURSE OF DESPERATION

Mr. LONG. Mr. President, I understand there has been an ukase or pronunciamento or proclamation or order of some kind issued by the steering organization of our party in the Senate that when the tax bill comes before the Senate no one will be allowed to offer an amendment, but there will be a motion made to table all amendments.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BARKLEY. There is no such thing contemplated or thought of. All amendments germane to the bill, of course, may be offered, as such amendments always have been permitted to be offered. What the steering committee attempted to do was to arrange to prevent the introduction of extraneous riders which have no relation to the tax bill or any other bill. No one is to be prevented from offering amendments changing rates or in any other way affecting the tax bill as a tax measure.

I wished to correct the statement of the Senator, because he is apparently misinformed.

Mr. LONG. It is very difficult to find out who is going to be the mentor of the organization.

Mr. GLASS. Mr. President——

Mr. LONG. I yield to the Senator from Virginia.

Mr. GLASS. The leader on this side, in a measure, is going to be the judge of the germaneness of amendments. He is authorized by the steering committee to move to lay improper riders on the table.

Mr. LONG. In other words, your leader on this side is to decide something ought not to have been offered and he is to move to table it, giving him the right to decide such matters as he wishes. Give me the right to decide and you can have the balance of the rights. I do not care about the other rights. I have always said in all lawsuits, "Give me the facts and you take the law."

Mr. BARKLEY. Of course, whatever motion is made to table any amendment would require a majority vote of the Senate in order to have it prevail.

Mr. LONG. But such a motion would shut off debate.

Mr. BARKLEY. It was never contemplated and is not now contemplated by any such program that legitimate amendments to the tax bill or any other bill should be in any way prohibited or that the freest discussion of the bill should not be indulged in. The object is to prevent the introduction of matter foreign to the bill under consideration. The judgment as to when or if at all a motion to table shall be made is of course in the hands of the leader.

Mr. LONG. He is the judge in the matter?

Mr. GLASS. The Senator from Louisiana certainly knows. He is pretty acute.

Mr. LONG. I thank the Senator. [Laughter.]

Mr. GLASS. He knows the difference between what is known as a "rider" on a bill and a legitimate amendment to a bill.

Mr. LONG. I think I do, though my opinion might not be the same as that of the Senator from Virginia or the leader on this side.

Mr. WAGNER. Mr. President, I think it is a privilege which applies to any other Senator. If he desires to make a motion that any particular subject matter be laid on the table, the motion may be made by any Senator.

Mr. LONG. I am trying to find out just what is the situation. The point seems to be that the superior council, the steering committee, what might be called in Russia the "Soviet Council Supreme", has had a meeting. I am not comparing the Senate steering committee to that organization, because the Soviet council has discretionary power.

Mr. LEWIS. Mr. President, there was no disposition, much less consideration, of the hope of suppressing the Senator from Louisiana.

Mr. LONG. I am satisfied of that. I have been a model of perfection for some months.

Mr. BARKLEY. May we hope that such conduct will continue?

Mr. LONG. I am trying to arrange that. If I can be assured that the balance of the 96 Members of the Senate will be permitted to offer amendments, I am willing to forego most of mine, as I have heretofore.

But that brings up the necessity that we who are apprised of this unusual proceeding that may take place here should be informed. Of course, it is not so difficult now to accustom ourselves to new rules. It was a little difficult at first when we who had been living under the Constitution would go along the standard lines, and would be one day informed that the rule today was this, and the next day something else, and the next day both were scrapped and there was a third program, and then the third and the first and the second were all scrapped and then there was still another.

There was difficulty for a while in getting used to that, but I have become more or less acclimated, and I want to say to my colleagues that I am not surprised at this particular program. The fact of the matter is I am surprised you have not done worse than that already, so I compliment the steering committee. [Laughter.]

For that reason I have the duty now, because of the fact that I may not later have the opportunity, to call the attention of the Senate to the Frazier-Lemke bill, which is slumbering on the calendar now for the purpose of letting the Congress recess without any action being taken in behalf of the farmers of the country. The Frazier-Lemke bill had better be added as an amendment to the bill now before the Senate for fear it may not be called up for other consideration by itself.

In the House an effort is being made to have the bill considered, but the committee over there will not allow it to come up, I understand. Every time enough signatures are obtained within 2 or 3 votes of the necessary number, enough to force its immediate presentation to that body, two or three men are persuaded to withdraw their names, so that at the present time we are about 12 votes shy over in the House. Of course, we men who are in this business know

how that is done and how and why the names are withdrawn. Someone has a project in his State.

Mr. BARKLEY. Mr. President, I submit the suggestion that no Senator has a right to indulge in remarks which reflect upon the integrity of Members of the other House.

Mr. LONG. This does not reflect upon them.

Mr. BARKLEY. I think it does.

Mr. LONG. Then they are all reflecting on themselves.

Mr. BARKLEY. I think it certainly does reflect upon Members of the House.

Mr. LONG. Perhaps the first part of my statement ought to be left out. I would modify my remark and say that someone who has an interest in public activities knows it is best to have his name off of the list instead of on the list. I hope that remark will not offend. I shall strike out the balance of my remarks and ask that that stand in lieu of my former statement.

Mr. President, the bill we have up now for consideration is a very appropriate thing to consider. I want to explain to my colleagues my lay understanding of what the bill is. I have been of service to the Senate in bringing about descriptions that are not confusing in the legalistic atmosphere to such an extent that we lose sight of their true meaning. I undertake, for my part of the service that I am to perform in this incident, to suggest that there are very few chances for a Senator to help at this time. In order that I may not be placed upon the relief roll as being a member of a useless, nonfunctioning organization, I am going to render service wherever it is the most proficient. Therefore, I do it in this particular case, and in other cases like it, by deciphering the bill and getting away from the legalistic atmosphere and undertaking to explain the practical workings of the bill which the Senate is considering.

The Supreme Court has declared the N. R. A. unconstitutional, front door, back door, side door, east and west door, all doors—unconstitutional top, side, and bottom. My good friend the Senator from Massachusetts [Mr. WALSH], who is one of the best lawyers in the United States, comes in with a bill which no doubt has taken all the legal genius of his own brain and of many others to prepare, and says:

> Inasmuch as the Court has said this thing is no good and cannot be done, now we propose that whoever anywhere gets any Government money will have to agree in advance that what the Supreme Court said was unconstitutional in May 1935, nonetheless applies to every man who has to come into contact with the United States Government, until they get back to court again and have this thing itself declared unconstitutional

In other words, the Government holds the purse strings. This is to become a Fascist, a paternalistic thing.

The Government says it is true that this thing is unconstitutional. Nine out of the nine judges of the Supreme Court so held. Very likely there was some message back there from somebody that they were going to assault a divided court, had it come out 6 to 3 or 7 to 2 or 5 to 4, but by some means the decision came out 9 to 0, showing that every member of the Supreme Court possessed at least the ordinary caliber necessary to pass the commonest kind of a bar examination.

I do not think there was ever a law student who came out of any kind of a law school recognized as having any standing at all who ever doubted that the N. R. A. was unconstitutional; but, somehow or other, it was figured that there would be some one of the nine Justices who might have less of the ordinary rudiments of fundamental law than would be expected of the newest kind of adherent at the bar, so that they might get a divided court up there. I could not have expected it, but they, nonetheless, thought so.

Now we come in, after all nine of the Supreme Court Justices have held this thing unconstitutional, and we undertake to saddle it on the neck of every man who has to come in contact with the Government. We have already paralyzed the private finances of the United States. They have been paralyzed with so many rules and regulations and formulas that the people have to live under and work under, and the constant spreading of rules and precedents that no one ever heard of except the man who claimed that he found that it was a rule or a precedent, that there is practically no man who can do business, they figure—I guess they figure that way, because it is becoming almost a fact—there is no man who can do business unless he gets himself into some kind of an organization or into some sphere of Government finance. Therefore, up comes a little man who wants to repair a house. They lend him a little money. He gets one of these home loans from the H. O. L. C., the Home Owners' Loan Corporation, I believe they call it. They made some loans down my way to some persons who did not own the home, but that is not in the question. It so happened down there. Of course the law does not apply there or anywhere else.

Some Senators have been heard to make slurring remarks on my part of the country, and to say that the law does not apply down there. I desire to tell them that the law does not apply anywhere in the United States today, and I do not have to go any further to get my witnesses than the Members of the United States Senate. Any member of this or any other body who has ever heretofore made the slurring insinuation that any kind of a law did not apply in the State of Louisiana ought to understand that the law does not apply anywhere in the United States today.

What we do here is this: We are living under what might be called a temporary process. We find out that something is unconstitutional, and we know it is unconstitutional; and therefore we undertake to saddle so many laws upon the people—laws that it will take 2 or 3 years to get the Supreme Court of the United States finally to declare unconstitutional—that in the meantime we will coast along, and by the time they are declared unconstitutional we will come in with some other kind of a law like the bill that is before us now, and live under that law a couple of years more, until the Supreme Court can declare it unconstitutional.

Take the measure amending the Agricultural Adjustment Act. It goes through here practically with an understanding that it is unconstitutional; but one of my noted colleagues from one of our Southern States, if he was correctly quoted in the newspapers, says it will be a couple of years before the act can get to the Supreme Court of the United States, and therefore for a couple of years we shall be permitted to live under the provisions of this law the same as though it were constitutional!

Now, we come with the bill which is proposed by my friend from Massachusetts [Mr. WALSH]. I know he has a good heart. I know he means well for labor. If I am not mistaken, my friend from Massachusetts voted for the Black bill. I think he did. Most of us on this side did. The N. R. A. was brought in here as a means of side-pocketing the maximum-hour bill introduced by the Senator from Alabama [Mr. BLACK]. That is all it ever was intended to do. They reached back into the archives of the United States Chamber of Commerce, and they dug out this thing that somebody had planned there many years ago, which they labeled and called "the National Industrial Recovery Act." They brought that in here, and put it up as a substitute to cover what was intended to be done by the Black 30-hour bill. Then, after the N. R. A. has been declared unconstitutional, my friend from Massachusetts comes back with this bill, the provisions of which are in substance as follows:

That notwithstanding the fact that every code which has been written is illegal, notwithstanding the fact that the law under which the codes were written was unconstitutional and invalid, nonetheless the Government money cannot be allowed to go to various and sundry persons unless they obligate themselves that whatever is in that law which was unconstitutional, and whatever is in that code which was illegal, nonetheless it must govern the particular business which has anything whatever to do with the Government.

In other words, the Government compels obedience to invalidity and unconstitutionality as a condition precedent for having the Government's ordinary rights granted to a citizen. In order that you may avail yourselves of what is supposed to be granted to 125,000,000 people, in order that you may have the same right to borrow and the same right

to spend and the same right to walk the Government boulevards and do other reasonable things that everyone else has, you have to bind and obligate yourselves that whatever unconstitutional, unreasonable, invalid, reckless, irregular provision has been written into these 700 and some odd codes, nonetheless it must be respected by you.

Of course, they will have a great many agencies. They have the Federal Reserve bank, which they can use. It is not an agency of the United States in one sense of the word, but in another sense of the word it may be made an agency of the United States. They have the Federal Housing Administration, which they can use. They have the Home Owners' Loan Corporation, which they can use. They have the Federal farm land bank, which they can use.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GUFFEY in the chair). Does the Senator from Louisiana yield to the Senator from New Mexico?

Mr. LONG. I yield.

Mr. HATCH. The Senator's reference to the Federal Farm Land Bank causes me to wonder whether the Senator knows that yesterday an amendment was adopted which exempted agriculture from the provisions of this particular measure.

Mr. LONG. It was? That makes the bill that much better.

Mr. HATCH. Presently I shall offer another amendment, at the request of the Farm Credit Administration, specifically exempting the agencies of the Farm Credit Administration. I think, however, it is covered by the amendment which has already been adopted.

Mr. LONG. That makes it even that much better. Every time we exempt something it makes it a better measure.

Mr. BARKLEY. Mr. President, if the Senator will yield——

Mr. LONG. I yield.

Mr. BARKLEY. Aside from any amendments, as a matter of fact the Farm Credit Administration would not have been covered anyway, because the agency must be one, all of whose stock is beneficially owned by the Government of the United States; so the bill would not apply to the Farm Credit Administration.

Mr. HATCH. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. HATCH. I am quite sure that is the intention; and the only reason for offering the amendment which the Farm Credit Administration asked me to offer this morning was to make plain just what the Senator from Kentucky has stated.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. BARKLEY. The time has already elapsed during which applications could be filed for loans from the Home Owners' Loan Corporation. When we passed, several months ago, the act extending the time, we provided that after 30 days, I think, from the effective date of that act no more applications should be received; and while there are some hang-over applications which probably have not been acted upon, as a matter of fact, the number of loans from the Home Owners' Loan Corporation that could possibly be affected by this act is so infinitesimal that it need not cause anybody any concern.

Mr. LONG. In other words, the farmers did not want to be under this proposed law. The farmers, as I understand, were not expected to be covered; but, for fear they would be covered, the Senator from New Mexico has already secured the adoption of one amendment, and will have another amendment, so that they will be excluded beyond any question. Is that correct?

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HATCH. I do not feel authorized to say what the farmers want. I took the responsibility myself. Yesterday I discovered that the bill did not exempt agriculture, and in conversation with the Senator from Massachusetts he told me it was not the intention to cover agriculture. Therefore the amendment was offered.

Mr. LONG. On behalf of the farmers of Louisiana, I desire to thank the Senator from New Mexico for having secured their exemption. I may state to him, from my knowledge of my people, that every farmer in Louisiana will feel that he owes a debt of gratitude to the Senator from New Mexico for having secured the adoption of this amendment; and I wish to assure the other Members of this body that every machinist in Louisiana will thank any Member of the Senate who secures their exclusion; that every other kind of business—storekeeper, blacksmith, everybody else in Louisiana and every other State that I know anything about—will thank them for securing their exclusion from the provisions of this particular monstrosity.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Kentucky.

Mr. BARKLEY. Ought not the Senator also to include, in the gratitude which the people may feel toward Congress, all the machinists and laborers and others who will have their wage scales and their hours of labor maintained by reason of this measure?

Mr. LONG. Labor is not going to get anything out of this bill, any more than it did out of the N. R. A.

Mr. BARKLEY. That is the Senator's alleged judgment.

Mr. LONG. That is my good judgment, based upon experience. I have only one rule to guide my feet, and that is what has happened. We have today more unemployed persons in America, N. R. A. or no N. R. A., than we ever had before. We have the smallest number of persons working that we have ever had; and while this blessed N. R. A. was in existence here in May the unemployment list grew from 1934 to 1935 by 734,000 more unemployed in 1935 than there were in 1934, and they still had the N. R. A., blackmailing people with it.

I do not want to have the Government become a blackmailing institution. I am trying to keep the United States Government from becoming what I would call, with all the charity I undertake to use, with the definition which I have previously given and would give, a "blackmailer." I am undertaking to keep the Government from blackmailing its way through on temporary expedients that it knows to be unconstitutional when it passes them. I do not believe in the kind of law or government which will put a law through here and go 2 years before it can be annulled by the Supreme Court of the United States and blackmail the people with the overpowering resources of the Government to obey it during the time before the Supreme Court finally knocks it out.

I wish to say further that I do not understand the kind of legislation or the kind of legislative activity that is under the compulsion of the mandate which comes to the Congress of the United States that, notwithstanding the fact that you believe this thing to be unconstitutional, and "however reasonable may be your belief in your opinion as to the unconstitutionality of this act", none the less it shall be passed by the Congress of the United States. I do not understand that kind of legislation. It is time for my colleagues to call a halt, because the people are calling a halt on this matter. Do not fool yourselves. Of course, we men who are politicians pay little attention to things. We give them various interpretations to suit the case; but back up here in Rhode Island and in these other States these elections are not mere accidents.

These elections mean what the election returns show. Any time you see a congressional district that renders a majority of 21,000 or 22,000 for the Democratic Party one year and then turns around a year later and renders eleven or twelve thousand majority against the Democratic Party, it means they are not satisfied with what is being done by the Democratic Party in Washington, D. C. That is the only way I interpret these things.

I have won and I have lost elections. When I win an election, I take it that I have won it because the people

want what I said we were going to do and what we have been doing; and when I lose it, I take it that we had better change our course and figure some other way around the matter.

I know that when the people of the United States, all over this country, are called upon they are going to make the same kind of response, and they are already making it, as has been made in Rhode Island and other places. Rhode Island was not the first place to put the stamp of disapproval on this administration. The State of Louisiana did that last September, and it is going to do it again in January.

Mr. President, I wish now to ask the Senate to recur to a matter which can do some good for the country. There is on every Senator's desk Senate bill 212, the Frazier-Lemke bill. This Frazier-Lemke bill is designed to take care of the foreclosures on farms now occurring by reason of the maturing of mortgages which people are unable to pay off. The Frazier-Lemke bill provides that the Federal Reserve Board shall issue $3,000,000,000, if that much be necessary, for the purpose of retiring mortgages on farms, in order to avoid foreclosures in the United States.

Farm mortgages have gone down, I should say, from nine and a half billion to around $8,000,000,000, but that has not been due to the payments which have been made on the mortgages; it is due to the fact that so many foreclosures have already taken place that there are only about $8,000,000,000 of farm mortgages in existence at this time, which have remained subject to foreclosure.

Farm foreclosures are occurring every day in the week. Hundreds of farms are being sold today under the hammer by reason of farm mortgages which cannot be paid.

The Government has spent $11,000,000,000 undertaking to do something for the farmers, I suppose, with part of it, through long processes which have not been of any help to the farmers. When you give a farmer a little increase in his purchasing power, and then raise the prices of the articles which he has to purchase more than the purchasing power is raised as represented by the increased prices of farm products, the farmer has not been helped.

The majority sentiment of the Congress of the United States is in favor of passing something on the order of the Frazier-Lemke bill. Why is it that the bill is not brought up in the House of Representatives? It is because of the fact that if the bill were brought up in the House, it would be passed. If they will bring up the Frazier-Lemke bill in the House, nearly every Member would recognize the compelling justice of the bill to such an extent that the majority would have to vote in favor of it, and they would. But I suppose the parliamentary procedure will be such that perhaps the bill will not come up in the House.

I am not responsible for anybody in this body, except myself. Someone spoke to me the other day as though I were responsible for some Members of the House. I am not responsible for what any man does in the House. I have some friends in the House, however, and every one of them has signed the petition asking that the Frazier-Lemke bill be brought up. I wish to say that the friends I have in the House of Representatives are the kind of friends who think as I do, and therefore are my political friends, and every one of them over there has put his name on the petition asking that the Frazier-Lemke bill be brought up. If the Frazier-Lamke bill comes up for a vote in the House, there is certain to be an astounding majority in favor of the passage of the bill.

Every time we undertake to get a bill brought up which would help the farmer in the deplorable, bankrupt condition in which he now found to be, unless we grant some kind of a Fascist rule so that the poor devil can be give a poorhouse allowance, we are never able to get very far with the measure through the two Houses of Congress of the United States. If the farmer is given anything, it is given to him in such a way that there is a string to it, and at any moment that string can be pulled and his livelihood taken away from him. At any moment he is liable to have the benefits upon which he depends taken away from him, and therefore he is kept on the poorhoouse, starvation allowance, and made to do the bidding of the bureaucrats and politicians, instead of having the absolute right to put a mortgage on his farm, which is good collateral, and have the Government issue what is necessary to relieve him of the threatened danger of being sold out of house and home every day and every night.

We had had presented to us the share-croppers' bill, the farm-tenant bill, and it does not do any good to the farmer, and it is not going to do any good to the farmer. Only a billion dollars was provided, and according to the estimate, if they were to issue the whole billion dollars, it would not give more than one man out of 400 the money he needs in order to get himself out of the share-cropper class. That is according to the representations made here in the various reports, that only one out of 400, even if the Government operated diligently and efficiently, could get anything out of the tenant law which has been enacted.

Why can we not get the Frazier-Lemke bill brought up? What is the objection to it? No one will rise on the floor of the Senate and fight the Frazier-Lemke bill. I do not say that is due to political fear; I say, to the contrary, that it is due to the justice of the bill. No one will rise and fight the Frazier-Lemke bill, but if these higher realms of politics, steering committees in the Senate, and a few committees over in another branch of the legislative domain—I do not particularly have to say that is the House; I happen to recall that the Vice President told me how I could mention it without coming under the insinuation of violating the rule, therefore, I say that the higher ranking realms which say what we can vote on and what we cannot vote on in this and another legislative body keep us from saying whether we are for the Frazier-Lemke bill or not. That is the purport of it.

The Frazier-Lemke bill has the endorsement and the prayers of practically every farm organization in the United States; I think every one of them.

There may be some exceptions, but so far as I know, resolutions have been passed praying for this Frazier-Lemke bill by every farm organization in the United States, beginning with the days of Herbert Hoover, until this bill became understood by the people, and there is a public demand for it now.

I may offer the Frazier-Lemke bill as an amendment to the pending bill, or some other bill. I am going to expect it to be voted into the bill, and I make this statement, that as bad as I think the pending bill is, as unconstitutional in purpose as I think it is, I am going to be a practical legislator. If those sponsoring it will put anything good into it at all, like the Frazier-Lemke bill, I will vote for it, too. I have found out that the only way by which you can get any good whatever enacted in this Congress is to attach your amendment to a measure that contains many parts bad. You cannot keep them from passing this sundry and various tangled mess, but if they should put anything on that has any possibility of good, I shall feel like voting for the bill as a whole, if it has this bill in it.

I do not know what will happen with the tax bill that is to come before us. It is very likely that the gentleman who has been empowered to speak on the matter will rise and move to table the Frazier-Lemke farm credit bill when it is offered as an amendment.

I would have waited in due course for my friend the Senator from North Dakota [Mr. FRAZIER] to offer his bill at such a time and in such a manner as he may figure it to be the most propitious, but my farmers are just as much interested in this bill as the Senator's friends in North Dakota are interested in it. The farmers in the South need this bill just as much as the farmers in the far North need the bill, and we need the bill passed in this session of Congress because if it is not passed in this session of Congress it is not going to do us any good.

We had a bill which was declared unconstitutional also. It was not an administration bill. I read the other day where the President of the United States is quoted as saying that

the Frazier-Lemke bill was an administration bill. It was not any such thing. We drove it down the throat of the administration in the last session of Congress. We crammed it down their throats, and there never was an administration or any other kind of animal which kicked any more at having to swallow something than the last administration kicked over having to swallow the Frazier-Lemke law. But we did the administration a favor. The administration finally signed the bill. The bill stopped foreclosures on farms in the United States. It gave the farmer a breathing spell. True it was declared to be unconstitutional. I am not going to argue with the Court. We presented our case, I guess, to that Court as well as we knew how—I say "we", those who spoke for the line of thought which I advocated—and the Court figured that the Frazier-Lemke farm bankruptcy measure was not valid.

I undertook to pass that bill largely on the faith and theory that the municipal bankruptcy bill was far more afield and further away from apparent constitutionality than the Frazier-Lemke bill. I more or less assumed that the municipal bankruptcy law would be declared constitutional by the Supreme Court, and if my argument should be read now, the Members of the Senate will see where I said that apparently, from the press reports mostly, the Supreme Court had taken an abdicating attitude more or less approving anything which came out of this Congress under the new deal as being necessary in an emergency, and I thereupon assumed that probably the Supreme Court, as had been the opinion of others, would give its approval to the municipal bankruptcy bill, and if it did I knew it would approve the Frazier-Lemke bankruptcy law. The municipal bankruptcy law, however, has not yet been passed upon by the United States Supreme Court. The Frazier-Lemke law came there first and that has been held to be unconstitutional, as was the N. R. A. also. The same fate will be the fate of the municipal bankruptcy bill when it comes up for consideration by the Supreme Court.

Mr. President, the Frazier-Lemke law—that is the bill which we passed last year—was to some extent made necessary because we could not have passed the bill which I am now talking about. We could not get consideration of that bill or passage of it and, therefore, we had to pass the bankruptcy bill.

I understand, Mr. President, that nearly everything which has been declared unconstitutional in substance and in purpose in N. R. A. is embraced now in the bill before the Senate. I will vote to strike out section 10 just as I will vote to eliminate the farmers, as the Senator from New Mexico has just moved. I will vote to strike out any section of this bill that anyone may desire where there is any organization which does not wish to be bound by its provisions. I do not know that the Supreme Court of the United States will ever get a chance to pass upon the constitutionality of this measure for this reason. The Government makes a loan, and the bureaucrats in the Government do not approve the man's loan unless he comes up there and proposes to bind himself first, and they bind him up in such a way that his loan can be called at any time, or they can find some other kind of way by which they can inflict some kind of indirect punishment on him, and therefore, more or less, will we be foreclosed from ever testing the constitutionality of these provisions.

My friend the Senator from Kentucky asks, "What about labor?" I do not yield to any man on a labor record. I have a labor record which would make the Senator from Kentucky ashamed of himself. There is no one in this body that I know of who has the labor record which I have in the United States Senate, in private life, and in public life. Only a few days ago I received from the American Federation of Labor a little communication bearing a testimonial from that organization that every vote that I had ever cast in this body was 100 percent favorable to labor. I do not know of anyone who has any record like that. Accompanying this letter from the American Federation of Labor was a telegram or a letter or a certificate from the Louisiana State Federation of Labor in which it said that my record for labor had been 100 percent from birth until now.

So I do not have to yield to anybody when it comes to talking about a labor record. I can go beyond the time when they had to take the statistics on how I stood toward the laboring man, back to the days before I ever held public office, for in the private practice of law I have never taken a lawsuit against a workingman in my whole lifetime. I think, therefore, that I do not owe any apology, and much less do I owe any explanation to anyone who undertakes to speak for labor, who undertakes to have labor left in the sphere of invalidity and unconstitutionality.

I do not consider that I am helping the laboring man one bit when I undertake to tell him that whatever benefit or help he gets out of the Federal Government has got to be received under the cloak of invalidity and the cloak of unconstitutionality. If I cannot find any way under the Constitution of this country to help the laboring man except to do it under some kind of ism or schism that is undertaking to break down what I know to be the Constitution of this country, then I will advocate an amendment to the Constitution to cure that kind of a defect.

I never was willing to leave it to these boards to say what labor laws ought to be. When you come in here with a labor law which the President of the United States, or any board, or commission, or any industry that he might recognize under that law, could prescribe in one field of labor 6 hours a day, in another field of labor 8 hours a day, and in another field of labor 10 hours a day, and in still another no limit at all—where he had a right to say that in one organization labor shall get $4 a day, in another organization labor shall get $4 a week, in another labor shall get $4 a month, and in still another labor shall not get even $4 a year—to ask me to put into the hands of anybody in this country that kind of a dictatorial authority which I knew was not constitutional, and I thought every Member of this Congress ought to know was unconstitutional, and tell me that that is done for labor—I will say that I know it was not done for labor, that it was not any such thing. It is done for politics.

That is the only reason for putting the N. R. A. bill in here from outside of the Senate. It is done for politics pure and simple, and the worst of all politics. Those who did it were trading and they were trafficking in the bones and sinews of human beings—of men and women. They were trafficking in favor of the element which had gotten its gain from the toil of the workingman, which had robbed the laboring man who worked by the sweat of his brow, which stole the gold from every mother's hair, which had kept the price of farm products subject to its manipulation. They were forestalling legislation which undertook to make a fundamental recovery, by vesting in the hands of these bureaucrats the authority under the N. R. A. They ought to have known it was unconstitutional the day they put it in there, and everybody with a thimbleful of sense, who took the time to look into it, did know that it was unconstitutional.

Now it has been knocked higher than a kite, and they come in with another bill. Let me have a copy of the bill. I lost mine, or rather I should say I took it home with me last night and did not bring it with me. Here is what the bill says. I want to read the bill as it stands and then I wish to substitute one line to show just what the bill really represents. I turn to page 5:

> That in connection with all or any purchases of or contracts for construction, articles, materials, supplies, equipment, or services, except professional services, made, extended, or modified on or after the effective date hereof, by any executive department, independent establishment, or other agency or instrumentality of the United States—

In other words, anyone who borrows from, trades with, associates around with, or comes in contact with anybody who has ever been in contact with the Government of the United States—that is what that means—

> or by any corporation all the stock of which is beneficially owned by the United States—

I do not know how many of them that gets. I would have to examine the list to see which that would cover.

Mr. WALSH. Seven or eight such corporations.

Mr. LONG (reading):

there shall be required to be included in the proposal or contract a representation or agreement that all persons employed by the principal contractor in classes of employment described specifically or by reference in the invitation to bid, while engaged in the construction, or the production or furnishing of articles, materials, supplies, equipment, or services, in connection with, or which may be identified as part of the subject matter of—

That language is broad enough to reach over and include every coolie in China. There is not a man under the Stars and Stripes or anyone who ever heard of the Stars and Stripes whom this bill, if enacted, would not cover—

the purchase or contract have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition and amendments thereto—

What does that mean? It means they must swear that they will do what was provided in the code, which was on that date held to be unconstitutional by the Supreme Court of the United States. That is what it means. They must swear that they will do what the Supreme Court of the United States said they could not do. Yet we call it "constitutional government."

Why do we not provide what the minimum wage shall be? If we have a right to do it, let us do it. If the Congress ought to legislate on the subject, as I claim it ought, why does it not say, "We will fix 30 hours a week as the maximum hours of labor"?

Someone says that, too, might be unconstitutional, but I will make a bet that a joint resolution proposing a constitutional amendment to enable Congress to fix maximum hours of employment can be passed through the United States Senate and through the House of Representatives, two-thirds of both Houses, so quickly it will make your head swim. That is one thing as to which there would be no trouble whatever in putting an amendment in the Constitution of the Nation. But oh, no; that is not wanted. Why? Because they want a code; they want the right to except one man and include another; they want the right to jail one man and to free another; they want the right to prosecute one man and to favor another; they want the right to lend money to one man and not lend it to another; they want the right to use this Government for the nefarious purposes for which they have been using it during the days past, purposes on which the people of the United States have frowned. That is why they want this kind of legislation.

We can understand the attitude of practically every man we meet on the street. Pass a man on the street and ask him, "Well, what about it?" I have seen many of them who were clamoring against this kind of business, and the public clamor against it is growing. The man who has been an intermediary in appointing somebody who has the power to hand out a bunch of Government money is the only one who is clamoring in favor of this kind of legislation. The opinion on the outside in favor of this kind of unconstitutional measure is almost a bought sentiment.

I do not want to be making indictments I cannot prove; so I will refer to the case of the Sewerage and Water Board of New Orleans, which has the same members it has had for many years; its members have not been changed. The Government of the United States approved a $2,500,000 project for the sewerage and water board of the city of New Orleans and sent them money; $1,800,000 was sent by the United States Government and put into a New Orleans bank to the credit of the sewerage and water board of the city of New Orleans. What happened? The Government was supposed to put up $700,000 and it did put up about $150,000, with a provision that the United States Government would put up a certain amount against what the sewerage and water board borrowed and put up. Lo and behold, while this work was going on under contract to the low bidder, supervised by the engineers of the P. W. A., or the W. P. A., whichever one or two it was, one day the sewerage and water board officially declared that it was favorable to the State administration and to HUEY LONG.

They had put up the money and it was in the bank—$1,800,000 was in the bank—to the credit of the sewerage and water board. They had already let the contracts, the contractors had been working on the project as the low bidders. The bids had been approved and sums had been paid, partly from the loan and partly from the grant of the Government, when, lo and behold, with a trestle up here and work going on there, suddenly the President and the members of the board noted that they were favorable to the State administration and that they were friendly to HUEY LONG. Then what did the Government do? The engineer received instructions, though not because of anything in connection with the contractor who was doing the work under the low bid, "No more estimates on the contracts on which you are working will be approved." The $1,800,000 was in the bank to the credit of the sewerage and water board; the contracts had been let to the low bidder; they had been approved; every estimate by their engineers had been approved, when, lo and behold, Washington says, "Woe unto you to whom we have given the money. If one of you even declare you are a Long man, although the money is in the bank, we are going to try to take it away from you."

Here is a statement from Mr. Charles Theard, a man who never spoke to me in his life, because we were political enemies all our lives. Before I ever met him I made some statements about him and he probably made some about me, and we just never did start speaking. [Laughter.]

He is a well-known conservative banker in the South; he was the head of a little bank which gave to the South the name "Dixie." Many Senators do not know where the name "Dixie" came from. They think it came from the Dixon of the Mason and Dixon's line fame, but the word "Dixie" came from the $10 bills of the Citizens' Bank of the parish of Orleans. That money was known to be good; it was issued in $10 denominations; and the bill was called a "dix", being a corruption of the French word for ten. From the expression "dix" grew up the demand, "Give me Dixie money, New Orleans money." That is where the word "Dixie" came from which was made famous by the immortal strains of the song "Dixie." This man Theard was once president of that bank, and he is a conservative citizen of the South. I quote:

Mr. Theard made the following statement on August 8—

Which was yesterday—

STATEMENT OF MR. CHARLES J. THEARD AT REGULAR MONTHLY MEETING OF THE SEWERAGE AND WATER BOARD ON AUGUST 8, 1935

After reading of the letter from the Federal Emergency Administration of Public Works, Washington, D. C., Mr. Theard made the following statement:

"I suggest that we take up the discussion of this matter at once. "If this letter means anything at all"—

The reference is to this letter which I have in my hand. Perhaps I had better read it, and I will state whence the letter came:

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS,
Washington, D. C., August 3, 1935.

Mr. A. A. MOFFATT,
Secretary Sewerage and Water Board, New Orleans, La.

DEAR MR. MOFFATT: As you are undoubtedly aware, the State of Louisiana has recently enacted a legislative program, the effect of which is to impose arbitrary restrictions on the expenditure of Federal funds within the State by the Public Works Administration.

The Louisiana legislative program had not affected this job a bit in the world—

Until Louisiana modifies its legislative policy in this respect, it will be impossible for us either to approve additional projects in the State or to advance funds for those projects which have already been approved.

Sincerely yours,

HORATIO B. HACKETT,
Assistant Administrator.

Now, Mr. Theard says:

If this letter means anything at all, it merely expresses the intention of the Federal officials not to approve additional projects in this State nor to advance funds for projects which have already been approved until Louisiana modifies its legislative

policy in this respect, which means until certain acts which the Government officials object to are repealed. Well, we are not in the position, and we would not place ourselves in the position, to say what acts should be repealed by the legislature, but since we are notified that no funds will be advanced for projects that have already been approved, I wish to say merely this:

This is a notice to us, in unmistakable terms, that the Federal Government does not intend to keep its agreement with us and give us a grant of $750,000. The agreement between the Government, the Commission Council of New Orleans for the City of New Orleans, the sewerage and water board, and the board of liquidation, was that we should receive $2,500,000 partly as a loan and partly as a grant. We have received $1,800,000 representing that part of the agreement which was the loan but we have not received (we had hoped to receive but now we know that we will never get) that part of the agreement which was the grant.

I suggest so far as the funds which we have received are concerned that we should hold a conference as soon as possible with all the parties to this agreement, I mean, the city of New Orleans, through the commission council, the board of liquidation, and the sewerage and water board, to determine what our proper course should be, and with regard to the holding up of the money that is now in the banks, which is not money of the Government, which is not P. W. A. funds, but which is our money and which is money that we owe contractors who are carrying out contracts—I do not want to say it in strong language, but it seems to me to be the height of insolence, that it seems to me to be dishonorable to try to throw obstacles in our way in the use of the money which no longer belongs to the Government but belongs to us. We will see what course we must decide upon to have these funds released as soon as possible and the contractors paid and the projects to go on and unemployment in New Orleans relieved.

Mr. President, we have all heard of the election that was held in Rhode Island. Wait until you hear about the election we are going to hold in Louisiana. You have heard about Rhode Island. They have added to the Long banner down there every vote that could have possibly meant anything. When you size up this little Rhode Island result, which turned a 21,000 Democratic majority into a 13,000 anti-Democratic majority, and then when you hear from Louisiana next January, you will not have to debate what it is all about.

We never have stood for blackmail down in that State from anybody. We would not even allow the James boys to blackmail that State, and they were more highly honorable than some of the bureaucrats who are now running the United States Government. We had a lot rather have dealt with the James boys than with some of these fellows, because I do not think anybody ever was blacker than some of these fellows. Neither one of the James boys was such a coward or such a despicable character as some of the gentlemen who have sent these letters to us. We have never been blackmailed in Louisiana, and it is not within their power to blackmail the State of Louisiana or the city of New Orleans.

They sent their $1,800,000 down there. They will spend that $1,800,000. If they send any more money down there, the State boards will have to spend that, too. We will call the legislature into another session if we have not all the laws we need, and we will enact some more laws. The Governor of that State is a man of good action, iron nerve, afraid of nobody, and particularly afraid of none of this outfit up here. The facts are that they are sending the money down there for this job. They approved the bids. They went out themselves and advertised for the bids, and their own engineers approved the bid of the low bidder, and the man is doing the work. Now they come out with this puny, putrid kind of insolent activity and with that kind of blackmail both sides and in the middle of it. But they cannot blackmail our State in that way.

Rhode Island is not the only State from which they will hear. Just as fast as the States come up with their elections they will hear from them. They will hear from them just as fast as they hold their elections, and we will be there with them in every State into which they go—if it is north or south, east or west. If it is a Presidential primary or whatever it is, they will hear from the people of the United States as fast as elections are held in the country. If this is a sample of what is going to be carried on, they can depend on it.

Either they must change that kind of policy or they will have us to meet wherever they go, whatever may be the occasion. Whenever they go out to let contracts in the name of the city and in the name of the Government, and let them to the low bidders, and the low bidder is performing the contract, doing his work, being paid his estimates from day to day, then they send down there and say, "We have suddenly decided, because of the fact that we do not like the laws you have there, that we are not going to go any further." Those laws have been on the statute books of Louisiana for some time. Laws of this kind have been a part of the statutes, and we have had our constitution for a long time and have been living under them. They have found these laws sufficient to serve under in the past, and they have put their stamp of approval on the legislation of Louisiana in the past. Nonetheless, when they discovered that they, themselves, were to be the corrupters, they wanted nothing in the way of their slimy policy which they expected to inflict and were in the course of inflicting upon our people. Louisiana will not be bulldozed or governed by them. Louisiana would not send one of them back at all.

These men are holding some conferences down there.

THE PLAN OF ROBBERY, MURDER, BLACKMAIL, OR THEFT

I have a record of an anti-Long conference held by the anti-Long Representatives from Louisiana in Congress. Someone at some time slipped a dictaphone into the room. The representatives of the President of the United States have just been to New Orleans to hold a conference. The boys did not have enough money to buy more than one dictograph, so we were able to get a record of what occurred only in one room. If we had had a lot more money we could have gotten it all. It is an expensive proposition to buy these dictographs. The Federal Government keeps one hanging around us wherever we go. Mr. Roosevelt has money enough to buy all the dictographs he needs. The one we had was a little old "dootinkered" outfit, but it was pretty good even at that.

Mr. President, you have read in the public press that the faithful Roosevelt Congressmen had gone to Louisiana to put the Long crowd out; that they had gone down there to give battle. They rented a room down there and one of our friends put a dictograph in it. I did not have anything to do with putting the dictograph there, any more than I had anything to do with the dictograph they had been putting around my rooms.

Here is what happened among the Congressmen representing Roosevelt "the Little" himself, representing Franklin Delano Roosevelt the first, the last, and the littlest:

Conference, Sunday, July 21, 1935, about 10 a. m., room 506, De Soto Hotel.

The personnel of the conference changed from time to time, but the following persons are known to have been present at various times:

Moreland Meadows; T. Semmes Walmsley; Numa Montet; John Sandlin; M. H. Sandlin; Oscar Whilden—

He is the head of the Square Deal League with which they are affiliated.

Warren Jefferson—

He was the man who distributes the Government funds and is now on the Government pay roll.

Rufus Fontenot—

He is the collector of internal revenue who tells how he will blackmail them with the income tax. It is all here, just how the blackmail is going to be carried on. This is a very important Government document. I am satisfied the President will soon send another message asking that this be printed as a public document so it can be sent out without the payment of postage.

Frank Peterman—

He is the State manager of the F. E. R. A., the man who had to resign as president pro tempore of the senate in order to avoid being thrown out under charges.

Then is given the name "Judge Sanchez." There are so many men by that name that I do not know who this particular one is.

Then there is the name "Blanc." That is a common name in our State. It may be Le Blanc and Blanc-somebody, but I do not know just who is this.

Judge Stephens; Thomas—

Major somebody. This is all the gentleman could take down over the dictograph.

Shortly after 10 o'clock discussion got under way.

Here is Oscar Whilden, who is the head of the Square Deal League, who is apparently presiding:

WHILDEN. I am out to murder, kill, bulldoze, steal, or anything else to win this election.

I wonder if the President's representatives dissented to this? In a few minutes we will find out. Here it is—the gentleman who is heading the President's conference down there. Here is what the gentleman said who is heading that conference:

I am out to murder, kill, bulldoze, steal, or anything else to win this election.

He will have a chance to do some of that, maybe. I hope not. The people of Louisiana have never been afraid of anything Mr. Roosevelt sends down there, nor anything else that may be sent down there. These Government employees undertook to keep the school children from collecting money with which to run the schools, but we managed to get by them one time, and I imagine we will get by the balance of these fellows.

I will read along further:

I am out to murder, kill, bulldoze, steal, or anything else to win this election.

We had a wonderful meeting in Gretna the other night. Lots of workingmen there—

Yes; they had about 30, and we sent 20 of them over there.

A funny thing happened—

I skip a little and read:

We had at least 2,000. We had a little trouble getting the right kind of speakers; and who do you think we had? Walmsley, Francis Williams (laughter)—

The notes which I am reading show "laughter." Walmsley and Williams are two Roosevelt leaders down there; Williams, who got beaten twice in the same year in the election. He was beaten for mayor and then for public-service commissioner, and is now on the pay roll of the Federal Government down there dispensing Federal money.

There was some talk about the meeting, and shortly afterward Walmsley came into the room. Several congratulated him on his fight. Walmsley says: "I have to go in the other room" (apparently JOHN SANDLIN's bedroom—

JOHN SANDLIN is a congressional leader down there who is in charge of things until next election, after which he will be among the missing up this way, unless he be given a Government job in the meantime—

which was on the other side, adjoining the parlor in which the conference was being held.) I will have to go in SANDLIN's room and get my coat."

A VOICE. "Why, Semmes"—

That refers to Walmsley—

"I thought HUEY LONG had gotten your coat and pants, both." (This remark caused a great deal of laughter.)

Walmsley left soon after this.

A VOICE—

They cannot identify the man—

"Gentlemen, the time was never more opportune to rid the State of LONG than it is right now. The entire resources of the United States are at our disposal."

Is not that a nice thing? Here they are, with their conference, with the Government's agents sitting in, and the Congressmen from Washington sitting in.

The entire resources of the United States are at our disposal.

And they are. If they will send them there, nobody need worry about the rest of the United States. They can spend their whole $5,000,000,000 down there and they will still need some more. They have not even got them up a ticket yet, and God pity it when they do get it up.

All we have to do is to put the right men in the jobs, and then we must be careful to account for every penny of Government money. If they are not right, don't hire them; and if they don't stay right, fire them.

This is in line with President Roosevelt's declaration that there must be no politics in the spending of the relief money—what is said by these Congressmen down there. This will put them in better standing with Mr. Roosevelt.

Then they say:

Then we have the income-tax indictments.

This is good stuff.

Then we have the income-tax indictments. There will be more indictments and there will be some more convictions. They tell me O. K. Allen will be the next to be indicted.

That is the Governor of Louisiana. Send them down these culprits and thieves and thugs who openly advocate murdering people, and who have been participants in the murder of some people, and in their undertaking to murder others—send them down these thugs and thieves and culprits and rascals who have been placed upon Government pay rolls, drawing from five to six thousand dollars a year, to carry on and wage war in the name of the sacred flag, the Stars and Stripes. That is the kind of government to which this administration has attached itself in the State of Louisiana.

Go down a little further. They go on talking about how they are going to use the income tax to blackmail the people in the State:

A VOICE. The first thing we must do is pick a candidate for Governor. We need a spokesman, and someone everybody can rally around, he to be generalissimo of everything in the State.

A VOICE. Stanley must be on the ticket.

That is the man who recently resigned as district attorney.

ANOTHER VOICE. Some of the boys from the Third District, over in MONTET's room, were for Stanley for Governor.

Peterman speaks up, the administrator of the fund:

That would be a serious mistake. Stanley would be better somewhere else on the ticket.

SANDLIN—

Here comes the Representative, the first time we have heard of him. I cannot quote his words, but I can quote the effect of them. Here comes the man who is recognized as a dispenser of the patronage:

Give the b—— hell!

I guess he is referring to me—

I have a copy of the Progress—

That is a paper that our friends put out, the American Progress—

but I have not had time to read it.

This is Representative SANDLIN talking—

You know, the people don't read newspapers, but they'll read every pamphlet LONG puts out, and they'll read the damn Progress. Hodges would make a strong candidate.

That is from Mr. SANDLIN. "The people do not read the newspapers, but they will read anything LONG puts out, and they will read the Progress." They do not need to read any more. They will take care of his case this fall.

Mr. Peterman says:

Come in, gentlemen; meet Mr. Warren Jefferson. Mr. Jefferson is connected with our New Iberia office—

Mr. Jefferson is running the thing over there; these particulars will show just how—

Sometime ago he went over to the Lafayette office. One relief worker afterward told me—

This is Peterman talking—

"That fellow (meaning Jefferson) can get anybody fired. He came in our office and talked to the boss, and I saw him count off four of his fingers, and in about 15 minutes four of us got fired." [General laughter.]

(Several expressed approval by saying, "That's the way to do it", etc.)

ANOTHER VOICE. We must tell the workers, when they get their checks, that these are Roosevelt checks, and that it is Roosevelt money, and that they have to be Roosevelt men. They have to talk Roosevelt and cuss LONG.

Well, we have them doing that now. About 85 percent of those on their pay roll are Long men right now. We have them "cussing" LONG and talking Roosevelt, but you wait until you count the votes.

A VOICE. Now, on this question of commissioners, how are we going to get our votes counted? As I understand it, the commissioners can seal up the boxes and take them to Baton Rouge without even counting the votes, and then count them in Baton Rouge.

There never was any such law as that.

Some of you gentlemen who are lawyers know more about this than I do. Can you enlighten me?

GOFF. Well, now, I'll tell you: I made a study of that law. I took all of the old acts and laid them side by side on my table, and I compared them with the latest law, and noted all the changes. There is nothing in the law that would give them that right.

SANDLIN. Well, MONTET—

That is another Representative—

and some of the others have a plan, but it is so confidential that I don't think it would be well to discuss it now.

ANOTHER VOICE. Well, that's all right. I just wanted to know it is being given some thought.

PETERMAN. I do not think we can get an even break with commissioners.

Someone asked how far the President could be expected to go. * * * One party gave it as his opinion that the only time the President can call out troops—

They are going to call out the United States Army to steal the Louisiana election, according to this conversation—

the only time the President can call out troops by Executive order is to suppress insurrection.

I skip.

ANOTHER VOICE. Gentlemen, the time was never more opportune. LONG has annihilated the old regulars for us and removed a millstone from our necks. Stanley is honest and honorable, but he has no more right to be Governor than one of us has.

Another voice says:

Williams, Walmsley, Sullivan, and Rightor are only waiting orders, and, by God, we'll give them orders, and they'll carry them out. I'm damn sick and tired of coming down here and asking what's Walmsley going to do, what's Sullivan going to do. Rightor is for anybody. All he wants is a candidate.

A VOICE. Stanley against Porterie would be under no handicap in north Louisiana.

ANOTHER VOICE. No; and if we ran him for Governor, LONG would claim Stanley was so rotten he had to put him out of office. He'd make capital of it.

As to this particular Stanley, who was in the conference, it was shown by written confessions in the file of the district attorney's office that the brother-in-law of his first assistant had robbed the Maison Blanche dry goods store, and had signed a confession as to the articles which he had stolen, and that this man had prevented the case ever going before the grand jury or the guilty person from being indicted until prescription had run; and he was made to resign the office when the time came that we passed laws making the assistants accountable to the attorney general of the State. He is about the best man they have in the gang at that. He is better than most of them.

Goff says: "HAVE DEAR"—

This is another Representative—

"HAVE DEAR to make a trip around the State to see his friends, and then announce that the people want him to run for Governor, and no one will know about this arrangement here, and make the campaign solely on returning the government to self-government; and, as you all know, we must all keep all of this a secret and not even tell our own families of what is being done."

ANOTHER VOICE. You know, it is going to take money to win this election. Someone asked if $25,000 would do it. We can't expect the President to do everything. He wants us to do what we can, and then he will help. That's why I think we should run CLEVELAND DEAR. If we put up one of their kind, then it will be up to them to raise some money. It will put them on the spot.

PETERMAN. What about DEAR's labor record?

SANDLIN. It is O. K.

ANOTHER VOICE. We should make fellows like Farley and Roosevelt and the suffering corporations like Standard Oil Co., Louisiana Refining Co., and the big lumber men cough up enough to get rid of that fellow.

Yes; we should make the Standard Oil Co. and the "suffering corporations" cough up enough. They are paying several million dollars more a year to educate and take care of the people of Louisiana; and they are "suffering corporations", says Mr. SANDLIN and this other voice that is talking there.

Then Chasez spoke, another one of the high men working there in the relief headquarters. Chasez said:

Whenever anybody comes to me and asks for a job or anything, I'll tell them to see the campaign manager for CLEVELAND DEAR and find out if they can get it.

In other words, Mr. CLEVELAND DEAR they will run for Governor; and Mr. Chasez, who is the assistant of Mr. Peterman, says:

When they come to me for a job, I will say to them: "Get your O. K. from campaign headquarters of the anti-Long campaign for Governor before you get anything here."

A VOICE. Have the Congressmen to see President Roosevelt and have the President to advise everyone in authority to give out no jobs except in this way.

PETERMAN. I was up in Alexandria and there is a very unsatisfactory situation up there.

He could have gone anywhere else and found that very unsatisfactory situation to them, I might add.

I had a conference with Dr. McDonald, and I was not satisfied. You know in that movement the Government just puts up the money. There are no Federal tick-eradication laws, and any prosecutions would have to be under the State statutes.

They cannot prosecute the farmers out there under the Federal laws, and he says it is a very unsatisfactory condition, "We have not the right to prosecute the farmers out there. Prosecutions have to be under State law", and there have been no prosecutions under State laws. "That would be dangerous", says Mr. Peterman.

VOICE. You know it is peculiar the way some of our own friends feel about that. I had a good friend of ours, a man 100 percent anti-Long, come to me and ask what was going to be done about eradication, and in the course of our conversation he said, "You know it is more important to get rid of the ticks than it is to get rid of LONG."

[Laughter.]

He said, "You know it is funny how our friends feel. Actually those damn fools up there, instead of having them all hung or put in a penitentiary, thought it was better to let HUEY LONG eradicate the ticks than not to do it, and get votes. Isn't that funny?"

No doubt they will direct another letter to the President and ask that that situation be corrected, as this record indicates.

He said, "Can you conceive of anybody feeling that way?"

It is better to get rid of the cattle ticks than it is to get rid of us.

PETERMAN. Dr. Hildreth's—

This is Peterman, the State administrator, talking:

Dr. Hildreth's plan was to advise the appointment in his department one-fourth Long men and three-fourths anti-Long men—could be arranged to give the anti-Long man 30 days' work and the Long man no work at all.

Mr. President, I am going to teach my friends in the Senate how to lick this kind of corruption. I am going to show them how to lick it to a shirt-tail finish, how to run it high and dry. I am going to try to give a lesson in this country, where they say they are coming down to murder, beg, steal, and do everything else. I am going to give you a lesson in January, if you will watch me and my friends long enough, to show you that the crookedness and rottenness and corruption of this Government, however ably financed and however many big corporations join in it, will not get to first base.

Chasez said:

Stanley told me a week or so ago, when I met him at lunch one day, that he would just as soon run against the "guy" himself—

I guess that means me—

VOICE. We want to save MONTET to beat Wade Martin.

MONTET, the Congressman, to beat Wade Martin, who is the public service commissioner on the Long ticket, who licked their man the last time to a shirt-tail finish.

VOICE. Will the President endorse our candidate?

SANDLIN speaks up, right out of the White House, right off the griddle:

He told me he would send a Cabinet officer any time to help campaign. You know Wallace hesitated to come down here. He was afraid he would have a hostile audience. He called up the President and asked him if he would come and the President told him "If SANDLIN wants you to, go ahead and go, that is, if you want to", and Wallace was agreeably surprised at his reception.

VOICE. DEAR's candidacy will give the people assurance of Washington's connection with the ticket, but if SANDLIN holds back on the Senate it will create doubt of such connection.

SANDLIN is the man they talk about to run against me. He has not yet gotten up the nerve to get his feet quite out in the water. This may help him.

If SANDLIN lacks courage to run against LONG, there is something rotten in Denmark. It is just a question of yes or no.

It takes more than courage, Mr. President. He withdrew from the race down there 2 or 3 years ago until I got down there and put him back in the race.

VOICE. Well, he could refuse to run by issuing the proper statement.

VOICE. The trouble with SANDLIN is he doesn't like to decide and he will not announce for an office until he is convinced that he can win.

(SANDLIN had apparently left the meeting before the above exchange took place. But it is not known at what part of the proceedings he left.)

Everybody left about 1:15 p. m.

Sunday afternoon, July 21, 1935, from about 2:30 p. m.

At this conference among those known to be present were: Paul Chasez, John Fred Odom, T. O. Harris, Billiken Howell, O'Rourke, Frank Peterman—

Practically all of them Government employees and Government agents.

a man named Martin, Harry Gamble, Sr., Numa Montet, one Hatcher or Thatcher—

I identify that man as being Hatcher, whom they put down there to run the school department in the State, a department of education inside of the State—

Jordan, Red River, Baton Rouge teacher, who formerly taught at Junction City.

They could not tell who he was. I have not looked him up, because he is not important.

MONTET said:

We may want to issue a statement tomorrow. You know he has drawn us into this with what he said about us. The best answer to what he said would be to announce our candidate.

VOICE. I think it would be a good idea to tell every E. R. A. worker making over $75 per month that he has to buy a shotgun and then hold regular target practice. MONTET, what would be the psychological effect of, say, a hundred men lined up with guns practicing shooting?

(If MONTET answered, it was lost in the noise.)

CHASEZ. I never saw a politician all day. [Laughter.]

Soil erosion was discussed. Someone mentioned the fact that there were some good technical jobs in the department and stated some of them paid as much as $3,300 per year.

The discussion got around to candidates and the campaign again. There was a short discussion of a candidate for superintendent of education. The names of Mrs. Merriman, Walter Burke, Fisher, of Arcadia, and Houston, secretary of Teachers' Association of Baton Rouge, a Long hater, were mentioned.

VOICE. I talked 2 hours with Stanley yesterday, and I told him to make his campaign to go around with the candidate for Governor, and use just "good old horse language", and I also talked with Ned Rightor, and Ned Rightor is for someone from the country.

VOICE. LONG doesn't have any good speakers and we ought to get good speakers, such as Val Irion, George Hardy, Vories, and Porteous.

VOICE (Thatcher?)—

I know it is Hatcher from what was said.

You know I am working on an educational program involving about $1,500,000. If the projects cannot be approved by the P. W. A., can they be transferred to the W. P. A.? Is it possible to have this done in Washington?

All educational money must be spent for politics down there.

VOICE—

This is the man they are planning to run for superintendent. I hope they run him; that is, I hope they put his name on the ballot. That will be the last of his case—

VOICE. You gentlemen miss the psychological effect of this thing. We should have the candidate blame LONG for the lack of jobs and have some good speakers on the radio like J. Y., Jr.—

That is J. Y. SANDERS, Jr., who is a Representative, whose father was the author of the Watson-Williams toll bridge, where it cost $8.40 to come in and out of the city, and I put a free bridge beside it—

and others explain to these fellows who are out of work that HUEY LONG stopped all Federal funds from coming into Louisiana and that is why their wives and children are hungry, and hold back and let them sweat. That will hurt Huey. Then you can try to get the projects transferred.

In other words, this was apparently accepted, as the letter from the sewerage and water board indicates, to hold back all things in Louisiana and blame HUEY LONG for it. This is the high council here, with the mayor of New Orleans, and the Congressman, and the man in charge of the P. W. A., and others, in a holy meeting.

O'ROURKE—

O'Rourke was the man who refused to testify on the ground that he would incriminate himself, when a man appeared and swore that he had been hired by O'Rourke to commit murder in Baton Rouge. I was the man he was to kill, so there was not much said about it, except that he refused to testify on the ground that he would incriminate himself, whereupon Roosevelt employed him. He was qualified, and he was appointed.

O'ROURKE. Put on a crusade and arouse the people.

HARRY GAMBLE. I was up in Shreveport not long ago and saw—

He refers to a man whose name I will not call, who happens to be a relative of mine—

You know he and I used to be closely associated.

I will not read the Senate four lines about members of my family of whom he speaks. If any Senator wishes to read them, I will be glad to give him the page, to show that I have nothing to conceal.

I read further:

Conference July 22, 1935, Room 506, De Soto Hotel, beginning at 10:10 a. m.

Among those known to be present at various times were the following:

Jack Williamson—

He is a State representative, then on the pay roll—

Goff, John Sandlin, Judge Stephens, Judge Calvin Schwing, Oscar Whilden—

He is the "square deal" head—

Vance Plauche, Renegar or Rendegar—

That name must be Vandegar, a man in Sabine Parish, who used to be clerk of the court—

Dear, George Hardy—

Former mayor of Shreveport, who was beaten—

Lee—

Former candidate for judge, whom we beat.

VOICE. Who is in town from the eighth district?

VOICE. Well, I know McIntosh and Vandergoff (?) are here.

That proves that was the name they had. I want Senators to get this. All of them are present whose names I have read. I have got two very fine citizens of Louisiana whose words will be accepted by 999 men out of a thousand, and I think a thousand out of a thousand, who were present and listened to this dictograph.

VOICE. I would draw in a lottery to go out and kill LONG. It would only take 1 man, 1 gun, and 1 bullet.

VOICE. Single handed?

VOICE. Yes; that's the only way to do it. I once told his brother-in-law I would do it if he interfered with my law practice—

They never were able to identify who this was—

VOICE. DEAR is satisfactory to the third district.

JUDGE. Roosevelt wants DEAR to run—

I guess they mean Judge SANDLIN there, when they put down "Judge"—

VOICE. How do you assume Roosevelt wants DEAR? Is there anything definite?

JUDGE. No.

VOICE. Then how do you arrive at your assumption?

JUDGE—

I guess that is Judge SANDLIN they are talking about—

JUDGE. Well, the four other Congressmen are for him, and they reflect Roosevelt's wishes. The President is as much interested in this election as we are, and he wants us to ask him for his support, and we have his assurance it will be forthcoming.

VOICE. LONG has never been able to beat DEAR. J. Y., Jr., is trying his best right now to get DEAR to run.

"J. Y." is a Congressman. So is DEAR—

VOICE. LONG is potentially beaten right now. Sixty percent of the people want him in the Gulf of Mexico weighted with chains. The trouble is in getting the various elements together. Many meetings have been held in Alexandria, but no results because each district has its own candidate. We must present a united front. Will all rally around DEAR?

VOICE. I think J. Y., Jr., is the best material for a candidate that we have. That's why I asked if DEAR is the only man satisfactory to Roosevelt or that Roosevelt will support. If there is another man who will make a better candidate than DEAR I think it is a mistake to settle on DEAR now.

VOICE. People object to having offices handed down, and J. Y., Jr., would have to overcome this. Gentlemen, we must win over some of LONG's following or we can't get 50 percent of the vote. Stanley will fit in better elsewhere on the ticket. DEAR's fight has not been as bitter as Stanley's and J. Y., Jr.'s. We must center on the candidate. Don't let the public know we picked him, but let him go around the State and then announce.

VOICE. All I'm interested in is beating LONG. It's touch and go with me as between J. Y., Jr., and DEAR. I'd be more enthusiastic though for SANDERS.

VOICE. What's wrong with old J. Y.? Nothing. Some of our friend's have taken up LONG's cry and if we let it influence our decision we are a bunch of G—— damn fools.

VOICE. I have the greatest affection for SANDERS, but I tell you you'll find opposition all over the State against J. Y., Jr., because of his father. DEAR does not have this handicap. We need a crusader to go out and meet them on their own basis.

ANOTHER VOICE. The main objective is to put LONG out of business. I have been for SANDERS in the past but DEAR is the best timber. I recognize the feeling against the name SANDERS and LONG will make capital of it.

(All parties agreed to DEAR and it was moved that a committee be appointed to go and get DEAR.)

George Hardy, Lee, and Judge Stephens were appointed.

Judge Calvin Schwing arrived during absence of committee.

VOICE. People vote against, not for.

I guess that was Schwing who was talking—

JUDGE. Ten percent to fifteen percent want to vote for a winner.

(Stanley was discussed and there was general praise of him.)

VOICE. I haven't the slightest doubt but that Roosevelt would pardon anyone who killed LONG.

[Laughter.]

And this gets even funnier. I want Senators to hear the succeeding line. This gets even funnier. I read the language after midnight when I was alone in my room, and got a little bit more shaky, but it is funny in daylight. I will read that line again:

VOICE. I haven't the slightest doubt but that Roosevelt would pardon anyone who killed LONG.

VOICE. But how could it be done?

VOICE. The best way would be to just hang around Washington and kill him right in the Senate.

[Laughter.]

This is a great meeting of the higher element that is sent from Washington, D. C., with assurance that they had a right to indict anybody they wanted to, to hire anybody they wanted to, to fire anybody they wanted to, with all the money they needed. It is a great meeting they held for the President of the United States down in New Orleans.

I will read that last line:

VOICE. The best way would be to just hang around Washington and kill him right in the Senate.

Now, here is where I get a lease on life. Here is something to show Senators where something comes in and gives me a break:

VOICE. I once thought that would be necessary, but I don't think it is now.

So it seems like temporarily I got a respite on this matter.

VOICE. Many will vote the first time because of the free poll taxes and we have to figure on them.

That is a new law which we passed down there which doubles our voting strength.

Caddo will be 60 percent against any Long candidate, but we must get our vote counted, and I cannot guarantee that. * * * Oh, we will get ours counted.

DEAR enters—

The Congressman comes back after the committee had been sent to escort him in—

DEAR enters. Hello, Governor (greeted thus by several of those present).

VOICE. Governor, we have voted unanimously to support your candidacy.

DEAR. Thank you, gentlemen.

(There was little enthusiasm and all left shortly after.)

AFTERNOON

VOICE. How do you do, Mr. Renegar.

That is Vandegar from Sabine Parish.

VOICE. I want you all to get first hand on this resettlement business and what it can do.

Resettlement. I understand that must mean moving persons from one place to another. I later investigated and found out that the Government was sending to Louisiana offering to move as many Long farmers as could be found, to Alaska or other places, and had assured them that if they could move out 15,000 farmers and their wives that they would take 25,000 Long votes out of the State who would materially help the ticket. Well, I want to say that 25,000 of them will not hurt us. We will give them that many more if it will help them. Just let the Long men stay there. Do not take them away to foreign lands, but give them the money and we will give them 25,000 votes to spare. We will spare them that much. If we cannot lick them more than 25,000 votes we do not want them.

VOICE. I want to see that red-headed fellow from the eighth district.

VOICE. Hello, Clarence.

I was not able to identify who that Clarence was.

Vance Plauche arrived. Oscar Whilden present. Jack Williamson also present.

VOICE. We have no bureau of publicity—

This is Monday afternoon, and I am about to conclude it—

VOICE. We have no bureau of publicity or means of disseminating information. They have.

I do not know what it is.

Why, people in my parish believe LONG tried to pass an old-age pension at the last session of the legislature. (This party mentioned St. Lantry and Evangeline.)

VOICE. Hello, Everett.

VOICE. I came down with Philo Coco.

VOICE. So long, Mr. Will, good luck to you.

VOICE. Mighty glad you've got a man in your parish that can and will whip LONG.

VOICE. Good-bye, Joe. Good luck.

So, Mr. President, I have given the benefit of this conference to the United States Senate, and, I hope, to the country. I hand these pages from which I read to the official reporter. I will give the names of the witnesses who sat in the room while these things were being taken down. The gentleman whom I first will mention is Mr. Herbert W. Christenberry, who is a brother of the secretary whom I have in my office, and the other one is a gentleman by the name of Cason, who is the secretary of the State senate; and regardless of their identification, I will venture the word of myself and everyone I know, that there is not a man in Louisiana who will in confidence tell you but what anything that either Christenberry or Cason will tell you they heard is genuine and true. Mr. Christenberry is himself a stenographer, and took these remarks down, as much as he could get them, over the dictograph in company with the others.

Furthermore, I have delayed handing these sheets in because I wanted sufficient verification to give out to the public in order that the truthfulness of them might be well ascertained. Since that time, Senators, I wish to say that they have announced having had their conference; I wish to say that they have taken their action against the sewerage and water board; I wish to say that Mr. Ickes has made his announcement in concert with their announcement and the things they have predicted, and I wish to announce further

they have sent additional inspectors and various other bureaucrats down in the State and have begun their resettlement to move certain people outside of the State of Louisiana.

There has been such verification of practically everything given, and the Congressmen who went there having now returned and taken their seats, we await their announcing this unexpected candidacy of the man who is to take the trip around the State and find out that the people want him as the candidate for Governor.

Meantime all this activity, all these various and sundry things, are occasioned by an administration, I might say, which could well have avoided it. If it would keep its pledges and its promise, it would not be worried about anyone of my standing, nor would it need to be worried that I should have a standing today, had it not violated every promise upon which it rode into office. Had it kept the word given to the people, its cohorts would not need to discuss either the personnel or the political murder or suicide of anyone connected with an opposition. It is today using these tactics, blind-sighting the true vote of the Congress on the Frazier-Lemke character of legislation which it kept from coming up in the other legislative body. That bill cannot be heard, it says. It undertook to tell the people, "We are going to deliver, we are going to employ, we are going to say"—whereas the thing goes the other way—and the expedients adopted by these men, I might say, in moments when they are not exactly sound, at least, in some of their urgings, are adopted in this atmosphere of desperation.

The State of Louisiana has no fear whatever of any kind of tactics thus agreed upon and thus imposed. The State of Louisiana will remain a State. When you hear from the election returns in the coming January, whether or not Rhode Island was sincere in its repudiation of this blackmail, nonetheless, on due notice and after due thought of the standards of democracy, Louisiana will not have a government imposed upon it that represents murder, blackmail, oppression, or destitution.

During the delivery of Mr. LONG's speech:

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LONG. Does the Senator desire to have me yield so that he may offer an amendment?

Mr. HATCH. Yes.

Mr. LONG. I yield.

Mr. HATCH. I send to the desk an amendment which I ask to have reported.

The PRESIDING OFFICER (Mr. POPE in the chair). There is an amendment pending, and the Senator's amendment would not be in order.

Mr. HATCH. An amendment is now pending?

The PRESIDING OFFICER. There is an amendment pending.

Mr. LONG. I understand there is no objection to the amendment being offered by unanimous consent.

Mr. HATCH. May I offer it by unanimous consent? I will say that I was called this morning by the general counsel of the Farm Credit Administration, who did not think that the amendment offered by me yesterday was sufficiently broad to cover all the agencies of the Farm Credit Administration, especially the cooperatives.

Mr. BARKLEY. Mr. President, the Senator can have his amendment read for the information of the Senate, and offer it when the pending amendment shall have been disposed of.

Mr. HATCH. I will ask the clerk to report the amendment, and I shall not ask that it be disposed of now.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the amendment heretofore agreed to, it is proposed to add the following section:

Nothing in this act shall be construed to apply to loans made by the Governor of the Farm Credit Administration or by any agency, corporation, or institution under the supervision or control of the Farm Credit Administration.

Mr. WALSH. Mr. President, there is another amendment pending, so this amendment would not be in order at this time.

The PRESIDING OFFICER. Is there objection to acting on the amendment at this time?

Mr. McNARY. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. McNARY. Of course, it is not proper practice to offer an amendment to be acted on at this time, but in view of the statement made by the Senator from New Mexico, I may say that I have an amendment similar to his, but broader in general scope than the one he now proposes, and when the matter comes up, I shall propose my amendment as a substitute for the one which has just been stated.

After the conclusion of Mr. LONG's speech,

STATE COMPACT TO CONSERVE OIL AND GAS (S. DOC. NO. 118)

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, ordered to lie on the table and to be printed, as follows:

To the Congress of the United States:

I transmit herewith a certified copy of the State Compact to Conserve Oil and Gas, executed in the city of Dallas, Tex., on February 16, 1935, by the representatives of the States of Oklahoma, Texas, California, and New Mexico, and recommended for ratification by representatives of the States or Arkansas, Colorado, Illinois, Kansas, and Michigan. The compact, signed by representatives of these States, has been deposited in the Department of State of the United States. I also transmit a report of the Secretary of State, from which you will observe that notification has been received by the Department of State of the ratification of the compact by the Legislatures of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas.

I recommend that the Congress enact legislation giving the consent of Congress to the State Compact to Conserve Oil and Gas, executed at Dallas, Tex., on February 16, 1935.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 9, 1935.*

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from California [Mr. JOHNSON] to strike out section 10 of the bill.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Lewis	Radcliffe
Ashurst	Costigan	Logan	Reynolds
Austin	Davis	Lonergan	Robinson
Bachman	Dieterich	Long	Russell
Bailey	Donahey	McAdoo	Schall
Bankhead	Duffy	McGill	Schwellenbach
Barkley	Fletcher	McKellar	Sheppard
Black	Frazier	McNary	Shipstead
Bone	George	Maloney	Smith
Borah	Gerry	Metcalf	Steiwer
Brown	Gibson	Minton	Thomas, Okla.
Bulkley	Glass	Moore	Thomas, Utah
Bulow	Gore	Murphy	Townsend
Burke	Guffey	Murray	Trammell
Byrd	Hale	Neely	Truman
Byrnes	Harrison	Norbeck	Tydings
Capper	Hastings	Norris	Vandenberg
Caraway	Hatch	Nye	Wagner
Carey	Hayden	O'Mahoney	Walsh
Chavez	Johnson	Overton	Wheeler
Clark	King	Pittman	White
Connally	La Follette	Pope	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present. The

question is on the amendment of the Senator from California [Mr. JOHNSON] to strike section 10 from the bill.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, I have conferred with the author of the bill, and I understand the amendment which I am about to offer to the committee amendment is satisfactory to him. On page 17, line 7, after the word "by", I move to insert the word "the."

Mr. LA FOLLETTE. May we have the amendment stated from the desk?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 17, line 7, after the words "supported by", it is proposed to insert the word "the", so as to read:

Supported by the evidence—

And so forth.

Mr. WALSH. Mr. President, I see no objection to that amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Delaware to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. McNARY. Mr. President, yesterday during the consideration of the pending measure the Senator from New Mexico [Mr. HATCH] offered an amendment eliminating certain groups from the provisions of the bill. The matter has been called to my attention by the National Cooperative Council, which has much to do with the cooperative marketing of agricultural products. I desire to amplify the amendment adopted yesterday by exempting agriculture in a larger way from the provisions of the bill. I send the amendment to the desk and ask to have it stated by the clerk.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. At the end of the committee amendment it is proposed to add the following:

Nothing in this act shall be construed to apply to agricultural or farm products processed for first sale by the original producer, nor to loans made by any governmental agency to associations of producers as defined in the Farm Credit Act of 1935, nor to any contracts made by the Secretary of Agriculture for the purchase of agricultural commodities or the products thereof.

Mr. WALSH. Mr. President, I inquire if the amendment is agreeable to the Senator from New Mexico?

Mr. HATCH. It is. The Senator from Oregon and I have been discussing it, and the amendment offered is agreeable to me.

However, I will ask the Senator from Oregon if he will object to adding to his amendment the words suggested to me this morning by the Farm Credit Administration? The language proposed was prepared by the general counsel for the Farm Credit Administration, and I am fearful that the amendment now offered might not cover everything included by it. I will send the amendment to the desk and ask the clerk to read it and ask the Senator from Oregon if he will accept it as an addition to his amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. At the end of the committee amendment it is proposed to insert as a new section the following:

Nothing in this act shall be construed to apply to loans made by the Governor of the Farm Credit Administration or by any agency, corporation, or institution under the supervision or control of the Farm Credit Administration.

Mr. HATCH. Instead of adding the amendment as a new section, I will ask that it be added to the amendment offered by the Senator from Oregon [Mr. McNARY].

Mr. McNARY. I am perfectly willing to accept the suggestion and the amendment.

Mr. WALSH. Mr. President, let me inquire of the Senator whether he intends to move a reconsideration of the vote by which the amendment offered by him yesterday was agreed to?

Mr. HATCH. No; it is an addition to the amendment offered yesterday and clears up the whole matter.

Mr. WALSH. It is an addition to the amendment offered yesterday?

Mr. HATCH. Yes; it is an addition to that amendment.

Mr. TRAMMELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Florida?

Mr. McNARY. I yield.

Mr. TRAMMELL. I desire to ask the Senator from Oregon a question. I inquire if his amendment, coupled with the amendment which the Senator from New Mexico has offered, will include Federal land banks? I am very much in sympathy with the policy of this bill, in a general way, but it does seem to me that it would not be wise to compel a person borrowing money on his farm, to relieve his property of a mortgage, to be subjected to this legislation. Why subject the farmers to such red tape?

Mr. McNARY. I may say to the Senator that the amendment applies to all loans made by Federal agencies, which I am sure would include the Federal land banks. However, I have no objection to making it more specific to meet the suggestion of the Senator.

Mr. TRAMMELL. The question arises with me whether the Federal land bank is under the Farm Credit Administration, as the Federal land bank was created prior to the creation of the Farm Credit Administration.

Mr. McNARY. The amendment I have offered expands the language of the amendment offered by the Senator from New Mexico as it covers Federal loan agencies. I should think it would include any agency which made a loan to a farmer or cooperative organization.

Mr. HATCH. I may say to the Senator from Florida that is one of the things I had in mind. The general counsel of the Farm Credit Administration assured me that is one of the reasons why he wanted the language which was incorporated in my other amendment.

Mr. McNARY. Mr. President, may I have unanimous consent to have inserted in the RECORD a letter from the National Cooperative Council?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COOPERATIVE COUNCIL,
Washington, D. C., August 9, 1935.

Hon. CHARLES L. McNARY,
United States Senate, Washington, D. C.

DEAR SENATOR McNARY: Section 2 of the Walsh bill (S. 3055) now under consideration by the Senate provides:

"In all or any contracts or agreements made, extended or modified hereafter by agencies of the United States for a loan * * * there shall be included a representation or agreement that * * * employees * * * have since the effective date of this act been paid not less than such minimum rates of pay and employed not to exceed such maximum hours as on May 26, 1935, were specified in the codes of fair competition." * * *

Cooperative associations are extensive borrowers from the banks for cooperatives set up by the Farm Credit Act of 1933.

Section 2 of the present bill would require such cooperatives to comply with the old N. R. A. codes; but there is no provision under which the competitors of these cooperatives would be required to maintain the same standards.

Obviously, this is a serious discrimination against farmer-owned and farmer-controlled cooperative associations. All the stronger cooperatives, of course, will find it advantageous to cease all business relations with the banks for cooperatives in order to avoid this discrimination. Those which are not strong enough to sever their connections will suffer, and the banks themselves will lose their best accounts.

It would seem that this matter could be handled by expanding the Hatch amendment adopted yesterday. At the same time various other difficulties could be avoided by releasing contracts made by the Secretary of Agriculture for the purchase of commodities under the A. A. A. bill. I therefore suggest the following for your consideration:

Nothing in this act shall be construed to apply to agricultural or farm products processed for first sale by the original producer nor to loans made by any governmental agency to associations of producers as defined in the Farm Credit Act of 1935 nor to any contracts made by the Secretary of Agriculture for the purchase of agricultural commodities or the products thereof.

Very truly yours,

NATIONAL COOPERATIVE COUNCIL,
ROBIN HOOD, *Secretary-Treasurer.*

Mr. WALSH. Mr. President, it is not intended that the bill should cover the subject matter excluded by the Senator's amendment. Therefore, the committee have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon, as modified at the request of the Senator from Mexico, to the committee amendment.

The amendment, as modified, to the committee amendment was agreed to.

SOCIAL SECURITY—CONFERENCE REPORT

Mr. HARRISON submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate nos. 17, 67, 68, 83, and 84 to the bill (H. R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from said amendments.

PAT HARRISON,
WILLIAM H. KING,
WALTER F. GEORGE,
ROBERT M. LA FOLLETTE, JR.,
Managers on the part of the Senate.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
ALLEN T. TREADWAY,
ISAAC BACHARACH,
Managers on the part of the House.

Mr. HARRISON. Mr. President, I desire to make a brief statement. It will be recalled that all other features of the social-security bill, with the exception of the so-called "Clark amendment", were agreed to and a partial report was submitted some weeks ago to both bodies. The only thing left in disagreement was the so-called "Clark amendment", together with the so-called "Black amendment", which dealt with the same subject matter.

The members of the conference committee have been unable to agree upon that amendment. We met many times. There was a strong difference of opinion. The Senate conferees in the best of faith tried to carry out the wishes of the Senate with reference to the Clark amendment. We made every effort to get together upon some compromise basis which would be fair to the Government, and at the same time preserve the private pension plans, but we were unable to do it.

The experts representing the committee, together with outside experts, worked for many days trying to agree upon some plan to be submitted to the conferees which might be substituted for the so-called "Clark amendment." They were unable to do this. Consequently the Senate conferees finally receded from the Clark and Black amendments. However, to the conferees, the question of preserving the private pension plan was very appealing and their desire to preserve it, if possible, was very great, but the subject was so complicated that it was realized it would take too long to solve the problem and present a rational plan to the present session of Congress. Therefore, while the Senate conferees receded, the Chairmen of the Ways and Means Committee of the House and of the Finance Committee of the Senate were authorized to appoint a committee composed of five members from each committee to study the private pension systems, together with the plan which was adopted by the House, which would be agreed to if the report should be adopted, and to try to merge the two and submit a report at the beginning of the next session of Congress.

I may say, as Chairman of the Finance Committee, that I have appointed the Senator from Utah [Mr. KING], the Senator from Georgia [Mr. GEORGE], the Senator from New Hampshire [Mr. KEYES], and the Senator from Wisconsin [Mr. LA FOLLETTE], who are members of the conference with me, and also the Senator from Missouri [Mr. CLARK], who has been most interested in the matter, to serve on such committee. I believe the chairman of the Ways and Means Committee of the House has appointed a similar committee. It would seem to me that ought to be agreeable to everyone. I hope the report may be adopted so that this very important piece of legislation may be disposed of.

Mr. CLARK. Mr. President, the Senator from Mississippi [Mr. HARRISON] has expressed the hope that the proposal that the Senate recede from the amendment may be agreeable to everyone. I have no hesitation in saying that so far as I am concerned the suggestion is not agreeable. I believe that the so-called "Clark amendment" was necessary in this bill to preserve the rights of something over 4,000,000 American workmen interested in private pension schemes, and to protect those rights in case the social-security bill itself should be declared to be unconstitutional by the Supreme Court. I believe that only by some such method as I provided by the amendment can such a result be accomplished.

On the other hand, I desire to say there could not have been a more devoted, a more intelligent, a more single-minded effort put forth on behalf of the Senate than was put forth by the Senate conferees on this matter. There have been at work for several weeks, through the kindness of the conferees, a committee of experts from the House and Senate committees, from the Treasury and Labor Departments, and from outside sources, who have made an honest, conscientious attempt to work out a measure for preserving the private pension plan which would be satisfactory to everybody and would meet the objections which were made on the floor against the amendment, and at the same time carry out the purposes of the amendment. These experts have made very great headway toward such an agreement, to the extent that they have been able to agree on practically every question of principle involved, but there are many actuarial matters to be considered, many questions of detail to be adjudicated and perfected.

Yesterday the experts reported to the conferees that, while they were in general agreement as to a proposal which ought to be satisfactory to everyone, yet they were not able at this time to set a day definite when they would be able to agree upon all the details. They believed they would be able to present a report which would probably be satisfactory to all concerned if the conference could be continued until the 19th of this month. But the conferees felt, in view of the long duration of their service and the fact that the matter had been sent back to the House on one occasion and a new appointment made, that they were not justified in longer leaving the question open.

While personally I would very much prefer to have the matter perfected at this time, yet in view of the fact that the bill itself will not go into effect until 1937, and, in view of the assurances given by the chairmen of the Finance Committee of the Senate and the Ways and Means Committee of the House of an immediate, complete, and thoroughgoing study of the subject for the purpose of affording a sufficient opportunity to preserve the rights of the employees under the private pension plan, I do not feel justified in longer holding up the passage of this very important bill.

Accordingly, with the assurance which has been given by the conferees and by the two committees, I propose to vote very reluctantly in favor of the adoption of the conference report.

I ask unanimous consent that there be inserted in the RECORD at this point the report of the committee of experts to the conferees on the social-security bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report is as follows:

AUGUST 8, 1935.

The undersigned (together with Messrs. Forster, Weaver, Turner, Latimer, and Hamilton) have met daily, beginning July 27, and have made progress toward formulating a program which we believe might result in the preservation of private annuity plans, without containing the feature of tax exemption, which was objected to in the Clark amendment as being unconstitutional and

as likely to result in financial damage to the Government old-age reserve account.

We have gone far enough to feel reasonably sure that the device of making grants to employers maintaining such plans is a workable one. We do not present a finished draft at this time. The great number of complicated questions involved has made it impossible for us to complete the task so quickly.

We feel that it is fairly likely that we could produce a draft by Monday, August 19. In the meantime, we must explore a few remaining matters in policy, must do a considerable amount of drafting, and then must have the finished product examined by some other persons, both Government men and insurance men. We have concentrated so long on this question that we should have someone who is fresh on the subject check our draft closely.

Of course, there is some likelihood that new questions will arise in this checking process, requiring redrafting and delaying us till much later than August 19.

After we finish our work, there will still be work to do; for our draft will contain several alternatives due to the fact that there are a number of points in policy with respect to which we feel in no position to reach a final conclusion. In the event that the committee is in sympathy with the general objectives of the draft, these points of policy should certainly be left to the judgment of the committee.

W. H. WOODWARD.
THOMAS H. ELIOT.
LEONARD CALHOUN.

Mr. GEORGE. Mr. President, I desire merely to add to what has already been said that the conferees on this bill have labored very diligently to bring forth an amendment or an agreement which would carry into execution the action taken by the Senate and which would preserve the private annuity plans now in existence wherever, of course, such plans could meet the approval of the Security Board.

I am especially anxious to say that the Senate conferees, the majority of whom at least supported the Clark amendment on the floor as I did, and the entire membership of the Senate conference committee labored in season and out of season in a very conscientious effort to bring out what we believed to be a valuable addition to the social-security bill.

As the distinguished Senator from Missouri has said, much valuable work has been done by the experts from the committees and from the Departments mentioned by him; and, in principle, a program is in process of evolution which undoubtedly will greatly strengthen and in no sense weaken, either from the financial point of view or the legal point of view, the social security bill.

The committee has been designated by the chairman; and it is a work which I am quite sure the committee will undertake with much hope of final and ultimate success in the perfection of the program which has been commenced by the experts who have been called in, and who themselves have labored so faithfully to solve the problem.

I may say that the conferees were appointed on the security bill on the 20th of June, as I recollect; and from that time until now the matter has had the attention of the members of the conference committee or of a committee of experts representing the two Houses, with the aid and assistance of experts from the Treasury Department and the Department of Labor. The conferees have reached the conclusion that they could not longer delay a final report upon the bill; hence, the agreement which has already been reported to the Senate.

Mr. KING. Mr. President, as a continuation of the remarks made by the chairman of the committee, the Senator from Mississippi [Mr. HARRISON], the Senator from Georgia [Mr. GEORGE], and the Senator from Missouri [Mr. CLARK], I desire to say that, as one of the conferees, I very reluctantly assented to the conclusion which was reached.

I venture to say that the private annuity plan, when fully considered, will be accepted by the House and the Senate and by the country. I believe it will be a very useful and important addition to the security bill, the report upon which has just been submitted. I have no doubt that, with a complete understanding of the beneficent provisions of the annuity plan, more and more, will it be accepted in all the industries of the United States, and less and less will be the dependence upon the provisions of the bill which impose obligations upon the Government.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PREVENTION OF FOULING OF ATMOSPHERE IN THE DISTRICT

Mr. KING submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

WILLIAM H. KING,
ROYAL S. COPELAND,
ARTHUR CAPPER,
Managers on the part of the Senate.

MARY T. NORTON,
VIRGINIA E. JENCKES,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. KING. I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

SUPPRESSION OF PROSTITUTION IN THE DISTRICT

Mr. KING submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 405) for the suppression of prostitution in the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

WILLIAM H. KING,
ROYAL S. COPELAND,
ARTHUR CAPPER,
Managers on the part of the Senate.

MARY T. NORTON,
VINCENT L. PALMISANO,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. KING. I move the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AIR-MAIL SERVICE IN ALASKA—CONFERENCE REPORT

Mr. McKELLAR. I ask the Chair to lay before the Senate the conference report on House bill 5159.

The PRESIDING OFFICER. The Chair lays before the Senate a conference report which will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5159) to authorize the Postmaster General to contract for air-mail service in Alaska, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, and in line 6 of the House engrossed bill, after the word "Alaska" and the comma, to insert the following: "at a total annual cost of not exceeding $25,000,"; and the Senate agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
THOMAS D. SCHALL,
Managers on the part of the Senate.

W. F. BRUNNER,
HARRY L. HAINES,
JOHN T. BUCKBEE,
DONALD C. DOBBINS,
FRED A. HARTLEY, JR.,
Managers on the part of the House.

Mr. McKELLAR. I move the adoption of the report.

The PRESIDING OFFICER. The question is upon agreeing to the conference report.

The report was agreed to.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee, as amended.

Mr. CLARK. Mr. President, I offer an amendment in the nature of a substitute for the committee amendment, which I send to the desk and ask to have stated; but pending the reading of the amendment I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Lewis	Radcliffe
Ashurst	Costigan	Logan	Reynolds
Austin	Davis	Lonergan	Robinson
Bachman	Dieterich	Long	Russell
Bailey	Donahey	McAdoo	Schall
Bankhead	Duffy	McGill	Schwellenbach
Barkley	Fletcher	McKellar	Sheppard
Black	Frazier	McNary	Shipstead
Bone	George	Maloney	Smith
Borah	Gerry	Metcalf	Steiwer
Brown	Gibson	Minton	Thomas, Okla.
Bulkley	Glass	Moore	Thomas, Utah
Bulow	Gore	Murphy	Townsend
Burke	Guffey	Murray	Trammell
Byrd	Hale	Neely	Truman
Byrnes	Harrison	Norbeck	Tydings
Capper	Hastings	Norris	Vandenberg
Caraway	Hatch	Nye	Wagner
Carey	Hayden	O'Mahoney	Walsh
Chavez	Johnson	Overton	Wheeler
Clark	King	Pittman	White
Connally	La Follette	Pope	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

The Clerk will state the amendment, in the nature of a substitute, proposed by the Senator from Missouri [Mr. CLARK].

The CHIEF CLERK. In lieu of the amendment of the committee, as amended, it is proposed to insert the following:

That no article or commodity shall be shipped, transported, or delivered in interstate or foreign commerce, which was produced or manufactured in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment situated in the United States, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed more than 5 days in any week or more than 6 hours in any day: *Provided*, That upon the submission of satisfactory proof of the existence of special conditions in any industry included herein, making it necessary for certain persons to be employed more than 5 days in any week or more than 6 hours in any day, the Secretary of Labor, or his duly selected representatives, may issue exemption permits with respect to such persons, relieving the employer from the provisions of this act with reference to such persons.

SEC. 2. (a) No article or commodity shall be purchased by the United States, or any department or organization thereof, from any business enterprise operating contrary to any provision of this act, or if such article or commodity was produced or manufactured in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment situated in the United States, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed, after the date this act takes effect, more than 5 days in any week or more than 6 hours in any day.

(b) Each contract made with a contractor for any public work shall contain a provision that the contractor will buy no article or commodity to use on or in any public work from any business enterprise violating any of the terms or provisions of this act, and will buy no article or commodity which was produced in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment situated in the United States, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed more than 5 days in any week or more than 6 hours in any day.

SEC. 3. (a) No governmental agency shall make or renew any loan to any employer of labor in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment situated in the United States, in which any person, except officers, executives, and superintendents and their personal and immediate clerical assistants, was employed more than 5 days in any week or more than 6 hours in any day.

(b) On and after the effective date of this act, any such employer of labor who applies for a loan from any such governmental agency shall agree at the time of making application for such loan that so long as he is indebted to the United States he will not permit any person, except officers, executives, and superintendents and their personal and immediate clerical assistants, to work more than 5 days in any week or more than 6 hours in any day. In the event that there is a violation by any such employer of his agreement, the full amount of the unpaid principal of the loan made to such employer shall be immediately payable.

SEC. 4. On and after the date this act takes effect it shall be unlawful for any employer subject to any of the provisions of this act to reduce, directly or indirectly, the daily, weekly, or monthly wage rate in effect on such date (or, in the case of an applicant for a loan from a governmental agency, on the date his application is submitted) with respect to any of his employees until a reasonable opportunity has been afforded to his employees, through representatives of their own choosing by a majority vote, to meet with the employer or his representatives and to discuss and consider fully all questions which may arise in connection with the reduction of such wage rate.

SEC. 5. Any person who violates any of the provisions of this act, or who fails to comply with any of its requirements, shall upon conviction thereof be fined not less than $200 or be imprisoned for not more than 3 months, or both.

SEC. 6. (a) This act shall become effective 30 days after the date of its enactment, and it shall not apply to commodities or articles produced or manufactured prior to its effective date.

(b) Nothing in this act shall be construed to apply to agricultural or farm products processed for first sale by the original producer.

(c) This act shall remain in force for 2 years after the date it becomes effective.

SEC. 7. If any provision, clause, or paragraph of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision, clause, or paragraph to other persons or circumstances shall not be affected thereby.

Mr. KING. Mr. President, I desire to ask a question of the Senator from Massachusetts.

I note that the provisions of the bill include the District of Columbia. As the Senator knows, about five or six million dollars of the aggregate amount expended in the ordinary operations of the District of Columbia each year comes out of the Treasury of the United States—not as a loan but as an appropriation. Does the Senator from Massachusetts interpret the bill so that those appropriations would be subject to its provisions?

Mr. WALSH. No; but the contracts made by the District of Columbia would be subject to the provisions of the bill.

Mr. KING. The District of Columbia is making contracts for sewage disposal, for building schoolhouses, and so forth.

Mr. WALSH. They would be subject to the provisions of the bill.

Mr. KING. Does the Senator think the annual contribution which the Federal Government makes to the District of Columbia could be treated as we would treat a loan which the District might obtain from the Government of the United States? It seems to me we can differentiate between the two.

Mr. WALSH. Apart from the question of loans, the District of Columbia comes under this bill whether the amounts are loans or not, because it is under the jurisdiction of the United States Government, and acts through the agencies referred to in the bill. The Congress legislates for the District of Columbia. It is its legislative body. Some States have these minimum labor requirements; why should not the District of Columbia fix, as an example to other States, these standards?

Mr. NORRIS. Mr. President, I think the Senator from Massachusetts does not understand the question which the Senator from Utah has asked him. As I understand, the Senator from Utah wishes to know whether the contribution which the Government of the United States makes every year to the District of Columbia would come under the pending bill. The Senator from Massachusetts has interpreted the Senator's question to mean whether, if the District of Columbia should go to the Reconstruction Finance Corporation or some other Federal instrumentality and borrow some money, it would come under the bill.

Mr. KING. Obviously.

Mr. NORRIS. The annual appropriation has nothing to do with it.

Mr. WALSH. Aside from whether it borrows money or not, the District of Columbia comes under the pending bill, just as the United States Government is under any contracts it makes, regardless of whether it borrows money or not.

Mr. NORRIS. I understand; but it does not apply to the annual appropriation we make every year.

Mr. WALSH. Certainly not; not at all.

Mr. NORRIS. It has nothing to do with that.

Mr. WALSH. It reads "any agency or instrumentality of the United States, by the District of Columbia, or by any corporation." The District of Columbia, of course, is an agency of the United States.

Mr. KING. Mr. President, I perhaps have not made myself clear, or I do not understand the provision.

Mr. WALSH. Any contract made by the District of Columbia, similar to contracts made by the United States Government, would come under the provisions of the bill. The Congress legislates for the District of Columbia as well as for the National Government.

Mr. KING. I do not agree with the Senator.

Mr. WALSH. How can the District of Columbia be separated from the United States Government in labor standards?

Mr. KING. How can the State of Massachusetts be separated from the Government of the United States with respect to this bill? The people of the District of Columbia pay taxes to the District of Columbia for the operation of the affairs of the District of Columbia, the same as the taxpayers of the State of Massachusetts pay taxes to the treasurer of that State for the operation of the government of that State. In view of the fact that the Government of the United States has withdrawn from taxation so much of the land within the District of Columbia for public purposes, it has been felt proper that the Government of the United States should make a contribution annually to the District of Columbia for the purpose of carrying on the operations of the District of Columbia. It is not a loan; it is not a gift; it is not a grant.

Mr. NORRIS. This bill does not apply to that.

Mr. KING. What I am trying to ascertain is whether the bill would reach the District of Columbia, so that when they make a contract for light or for any other purpose——

Mr. WALSH. Certainly the laws of the United States apply to the District of Columbia. When has it ever been proposed that in a general law the District of Columbia should be lifted out? I have never heard of such a thing.

Mr. KING. If that is the interpretation, I shall have to move to amend by striking out the words "District of Columbia", because I do not think it would be fair. If the District of Columbia makes a loan from the Government, such as a State or a municipality might make, obviously the position of the Senator is sound, but it seems to me that with respect to the situation I have just indicated there would be this situation: Suppose the Government of the United States should say, "We have withdrawn from taxation one-tenth of your property. Therefore, instead of your assessing us, we will pay into the Treasury of the District of Columbia, in order to help meet the expenses, one-tenth of your revenue, which would be partially equivalent to the taxes which would be paid upon our property." It does seem to me that the District of Columbia should not come within the provisions of this bill with respect to that amount.

The District of Columbia is, however, obtaining from the R. F. C. and from other organizations loans for the purpose of removing pollution from the river, and so on, and with respect to those loans and grants, it, of course, should come within the terms of the bill, but with respect to the contribution made by the Government I respectfully submit that the District of Columbia should not be included within the bill, and I shall protest against it, and I am sure that the Senate will share the view which I have expressed in this matter.

Mr. WALSH. All general laws which have been enacted include and embrace the District of Columbia among the agencies of the Government, and this bill does that. The District of Columbia is embraced in it, and when it undertakes to make contracts it is assumed that in the written bids it will be requested that these minimum labor conditions shall be set forth. I have not heard of any legislation of a general character where the District of Columbia has been made an exception. Can the Senator point out such a piece of legislation? Have we ever enacted a law fixing a different wage, different hours of labor for those employed by the District of Columbia government from those employed by the Federal Government?

Mr. KING. I do not know of any legislation of this character where an attempt has been made to superimpose upon the District of Columbia qualifications and obligations and restrictions such as are provided in the pending bill.

Mr. WALSH. Is there any exception in the Bacon-Davis law, leaving the District of Columbia out of it when it makes contracts for building purposes? Of course not. Is there any Federal law affecting labor different in the District of Columbia from the Federal Government?

Mr. KING. That is a different thing. Here the attempt is made, where the District of Columbia is exercising the functions merely of a sovereign State with respect to matters which belong to the internal affairs and domestic affairs of the District, to impress upon it the same obligations which would be impressed upon it if it were soliciting a loan and obtaining a loan from the Government, and it is not. The provisions of this bill are not impressed upon the State of Massachusetts. If the State of Massachusetts obtains a loan, or if any of the municipalities of the State obtain loans, then they come within the terms of the measure.

Mr. WALSH. The District of Columbia has been embraced in all general enactments by the Congress, and notably in the Bacon-Davis law, which provides for the paying of the prevailing wage in the erection of public buildings. If a public building is erected in the District of Columbia, the prevailing wage provision of the Bacon-Davis law must apply. So, by this bill it is intended to provide that in the District of Columbia a general law which applies to the United States Government shall apply to the District of Columbia.

Mr. KING. I shall move to strike out the words "District of Columbia", to eliminate them from the provisions of the bill, except insofar as the District may become the recipient of a loan.

Mr. BONE. Mr. President, will the Senator from Massachusetts yield to me for a question?

Mr. WALSH. Certainly.

Mr. BONE. The Senator from Missouri [Mr. CLARK] has offered as a substitute for Senate bill 3055 the so-called "Black bill." I know that a great many Members of the Senate are not entirely familiar with the terms of the Black bill. I want the Senator to know that I disclaim any desire to postpone a vote on the bill, but I hope the Senator will agree that we may have at least a night to read the two bills together before the final vote is taken. I do not know whether the Senator from Missouri desires to speak on his amendment or not. I certainly do not desire to have any delay. I think that we ought to have an opportunity to examine the two bills together. I know I should like to freshen my memory on the Black bill, so that I would know whether I preferred it to the pending bill.

Mr. CLARK. Mr. President, I may say to the Senator that I intend to occupy but a very little time in discussing the proposed substitute. I simply desire to point out that the bill pending before the Senate has taken the principle of the Black bill, but leaves it discretionary to some bureaucrat in the N. R. A. to set up standards, while the Black bill, which originated a method of operation, would enact into law a standard which should be in force. I shall probably not consume over 5 or 10 minutes on the amendment, as far as I am concerned.

Mr. ROBINSON. Mr. President, will the Senator from Massachusetts yield to me?

Mr. BONE. May I make a suggestion?

Mr. ROBINSON. Certainly.

Mr. BONE. May we have unanimous consent to have a vote upon the amendment of the Senator from Missouri [Mr. CLARK] immediately after we meet Monday, and then dispose of the bill?

Mr. WALSH. Not with my consent. The purpose of offering the so-called "Black bill" is apparent and clear. He who runs ought to know it. It is to kill the pending bill.

The Black bill has no chance of being enacted into law at this session. The pending bill has a chance of being enacted into law at this session, and I propose to try to keep off the bill riders or substitutes which are presented for the purpose of killing it, especially when they are offered by

those who profess their opposition to these minimum labor requirements.

Mr. CLARK. Mr. President, will the Senator from Washington yield to me?

Mr. BONE. I yield.

Mr. CLARK. I should like to say to the Senate that I resent very much the statement made by the Senator from Massachusetts. The amendment which I have offered is not in the nature of a rider, it is in the nature of a substitute.

The Senator from Massachusets well knows that the Black bill was originally passed by the Senate after very elaborate debate by a very substantial majority, that the N. R. A. was devised largely in the offices of the Chamber of Commerce of the United States for the purpose of defeating a bill which was enacted into law, rather than leave in the discretion of some bureaucrat the provisions which the Senate of the United States had indicated a desire to write into the law.

Mr. President, the amendment which I have proposed, which is the bill of the Senator from Alabama [Mr. BLACK], passed by the Senate by an overwhelming vote 2 years ago, brought down to date, is a bill which the proponents of the reforms advocated by the Senator from Massachusetts have always supported. It is a measure which would enact into law and make secure those provisions, instead of having them left to some bureaucrat in a back room at the N. R. A. to slip in all sorts of jokers and all sorts of provisions which might be unfair to one section or to one industry as against another.

I say that if the Senator from Massachusetts is sincere in his expressed desire to accomplish these ends, it can be very much better done by the Black bill than by this illegitimate measure brought in here at the last minute and sought to be slipped over.

Mr. LONG. Mr. President, will the Senator yield to a question?

Mr. CLARK. The Senator from Washington has the floor.

Mr. LONG. As a matter of fact, not only was the N. R. A. used to kill the Black bill, but at this session of the Congress Mr. William Green stated that labor would demand the 30-hour bill, and we always have this balm brought in when that demand is made.

Mr. WALSH. Mr. President, the proposal to substitute the 30-hour bill is presented by those who are against a proposal that provision for minimum wages, maximum hours of employment, no child labor, and no convict labor shall be imposed in Government contracts. The proposal in this bill is to adopt a policy in the Government's contractual relations fixing human-element conditions in Government contracts as well as material conditions. Every Senator on this floor knows that the bureaucrats labor hard and long to determine the strength of iron, the amount of steel, the amount of lumber, or the number of fibers in materials which are covered by Government contracts; but they protest against the same agencies being asked to write into written contracts a few human guaranties.

What consistency can there be upon the part of those who know, who understand, and comprehend that today in every department of the Government bureaucrats are laboring to determine what shall be the nature and kind of materials in a contract; but when we come here to try and have incorporated in that contract a few lines saying to those very bureaucrats, "When you write your contracts put in something in order to protect the men who work in the steel factories to make the steel, to protect the men who work in lumber mills to produce lumber, the men who work in the cotton mills, and the woolen mills, and the boot and shoe factories."

Oh, no; we are only concerned about the substance and the material, and the human element has no place in it.

This bill, more than any other which has been before this session of the Congress, tends to uplift and put into Government human emotions, and human feelings, and human rights. In my judgment it is the chief and principal bill promoting social justice which has been presented to this body. Of course, it is difficult of administering. Do Senators not think that the bureaucrat who is now trying to shape and put into a contract the terms and conditions under which a battleship is to be built will have many difficulties? Will he not have to change again and again the terms of the contract? Will he not have to make from time to time exceptions to it? Even the individual who builds a house cannot say, "The terms of the first contract are the only ones I shall make." Modifications and changes must come even in contracts that deal with materials. Can we expect or demand less in contracts to protect those who work on these materials?

Mr. President, this bill has one objective and one aim. I repeat, and let those who vote upon this measure know it, and those voting for a substitute in order to kill the measure, mark my words that the issue here is whether we shall in the future in the United States do what we ought to have done long before. As the Senator from Idaho [Mr. BORAH], said, even if we had never had the N. R. A. yet our record is an astounding one in that we have gone all these years, figuring, planning, scheming, conspiring to see how minute we could make the material features and elements of our contracts, and absolutely disregarding the man who toils, and his family, and their welfare.

Let it be understood this is a bill for humanity, this is a bill to promote social justice, this is a bill to protect the man who works and toils on Government materials, on Government contracts. I submit we should not have it killed and diverted by those who say, "We will not permit 40 hours on a Government contract; we will not vote for minimum wages, but we will vote for a universal 30-hour week." Think of the consistency of such a position, which means we are not willing to take the first step with respect to action which only concerns Government contracts, which only concerns the public money spent, which only concerns giving the man who toils a chance to have his right to a reasonable day's work and a minimum wage preserved and protected.

Mr. President, I ask those Members of this body who really see in this measure a movement toward perfecting and protecting the human and labor relations of the men and women who work for the Government indirectly, who believe that we ought to take this step now to support labor, not to defeat it, not to shunt it aside, not to raise a foreign question by presenting a bill here which it is known cannot pass this session of Congress, which it is known can only serve one purpose, and that is to defeat this first step toward the ending of the chiseling and the cheating and the grinding down of those who toil and work in the industries of the country, which has gone on during the past 3 months since the N. R. A. was declared unconstitutional.

I can understand a Senator being for the 30-hour law as preferable to this bill, but it is beyond my comprehension to understand the position of Senators who favor the 30-hour week being against this bill, even if they cannot get the 30-hour week. How such Senators can claim to be friendly to the toilers is beyond my understanding of their mental attitude. To deny the workers improved labor conditions and rights because some other labor measure is not acceptable to the Congress, is an inconsistency that indicates an unwillingness to fight step by step for progress and advancement for the workers.

Mr. CLARK. Mr. President, how does the Senator from Massachusetts know that my amendment could not be agreed to if given a fair opportunity to be considered, and by what authority does the Senator say that his bill, the bill reported from his committee, will pass at this session, and that the Black bill will not pass at this session of Congress? If all the Representatives in the House who have professed to be friends to labor and the establishment of minimum-wage conditions and maximum-hour conditions would vote for the Black bill there would be no difficulty in passing it through the House as it was passed 2 years ago in the Senate.

Mr. WALSH. Mr. President, let us have the Black bill as a separate issue and discuss it and vote upon it. Let us proceed in an orderly way. I submit that the orderly way is to give a petitioner his day in court. Call the roll and vote

down this bill if Senators will, but do not try to smother it, and kill it and destroy it by pretending to be for something different or for something better that cannot be realized and if realized cannot reach the benefits or extent of usefulness of this proposal.

Something has been said about the administering of this proposed law. What is more difficult than drawing the specifications for the building of a battleship, which is done by the Navy Department? Is it any more difficult to administer a law which protects human labor, which fixes a minimum wage, which prevents convict labor? I hold in my hand an Executive order issued by the President on March 14, 1934, and let me read the first few lines of it.

All invitations to bidders hereafter promulgated by or in behalf of any executive department, or independent establishment, or any other agency of the United States, including the Government-owned and Government-controlled corporations, which contain a provision to the effect that no bid will be considered unless it includes or is accompanied by a certificate duly executed by the bidder stating that the bidder is complying with and will continue to comply with each approved code of fair competition to which it is subject.

That law was administered successfully for more than a year, and that law required not the administration of only four labor conditions in a written contract, but all the conditions involved in the question of fair competition, and all the other objectionable features which have been enumerated on the floor in connection with the N. R. A.

The trouble is that prejudice and hatred against the N. R. A., which I can recognize, and for which I even can understand some justification, has been permitted to poison some of our minds so an attempt is made to destroy the bill which, I repeat, does not have anything whatever to do with the N. R. A. It merely requires the Government, when it writes out its specifications for materials to put in some specifications to protect humanity, and to consider some protection for those who toil. Now let us have the issue decided in the open and not by a subterfuge.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. LONG. Did not the Senator vote for the Black 30-hour bill?

Mr. WALSH. Frankly, I cannot at this moment say yes or no. The bill was not before my committee. It never has been before the Committee on Labor.

Mr. LONG. But the Senator is in favor of the 30-hour law, is he not?

Mr. WALSH. I am not prepared to say that I am. I am in favor of every reasonable and legitimate means to reduce the hours of labor, but I have a deep-seated feeling—and I am going to express it plainly, and I know the Senate will respect me for it—that there are possibilities in the passage of a general 30-hour law of the most destructive financial collapse this country has ever witnessed. I personally do not believe that in one fell swoop, in the midst of a depression, we can jump from a 48-hour wage scale to a 30-hour wage scale and escape a financial cataclysm.

Mr. ASHURST. It is brave of the Senator to say it, but he is right.

Mr. WALSH. The Senator says it is brave of me to say it, but I am right. I want to be right anyway. I have expressed misgivings which are my own. I know the Senator will give me credit for the honesty of my convictions and purposes. I am in favor of every reasonable means to reduce the hours of labor, but personally I believe that to attempt to fasten a general 30-hour week on the consumers of this country, the men and women who toil with a 48-hour wage charge for the things they buy, will not work and will end in disaster. That is my honest opinion.

Mr. LONG. Mr. President, if I might take a minute in my own right, I will say the Senator from Massachusetts, along with myself and 51 others—53 in all—voted for the Black bill, for the 30-hour law. I am sorry to see that anything has happened which might change his attitude now. If his attitude is that the lessening of hours, with the consequent charge for the things bought upon a 48-hour basis, will create an abnormal condition, which industry or the people cannot stand, that condition evidently existed when we voted for the Black bill. There were 53 of us then who favored the Black bill, and many Senators who voted against it are not here now. Most of those who are today absent from the Senate are to be found among those who voted "nay" on the Black bill.

I think my friend the Senator from Massachusetts, who now feels that he cannot favor the 30-hour bill, is undoubtedly going into the sea when he could stand on dry land. Every one of us could really be together, and keep together for the benefit of labor.

Mr. WALSH. I do not say that I should positively vote against the Black bill as a separate, independent measure, but I do candidly and frankly express to the Senate my fears. I should like to make the working week as few hours as possible, but my fear is that in doing anything like that evil economic results would happen. I prefer a gradual move in the direction of 30 hours rather than a sudden drop that will be disastrous.

Mr. LONG. I know the Senator is absolutely honest in what he says, but what he is proposing to do, if it were properly carried out, would mean a 30-hour week. If industry carries out what ought to be done with things as they now are in other lines the work week would be a 30-hour week. Of course, the N. R. A. did not create any better conditions of employment. One reason why it did not do so can be found, for instance, in the ice business down in my city, which was given a code which lengthened the hours of labor instead of shortening the hours of labor. The hours of employment actually grew under the N. R. A. instead of becoming less.

I do not like this system of bureaucratic government. People all over the South are against it. It is unfair to us. We cannot live under it. It is an impossible situation to have a system of government establishing 750 to perhaps 1,000 codes over us that we have to obey, when some of them conflict even one with the other.

As an example of what will happen, let me cite an instance to the Senator from Massachusetts. Here is a sawmill that has a loan. Here is another sawmill that steers clear of it, because it does not wish to have the commodity it produces interfered with by restrictions imposed by the Government. There is no question whatever that a chiseling sawmill can operate far more cheaply than the concern which is under a minimum-wage and maximum-hour regulation by the Government. Of course, if one of these enterprises comes into business relations with the Government, it must of necessity be regulated by the code, if this bill is constitutional, which it is not, any more than the last one was.

Let us say we are all pretenders. Why split even the pretending class? We all have the desire to reduce hours of labor. Mr. Green, of the Federation of Labor, does, and even certain railroad organizations have joined him. Others demand a 30-hour law. The Senate started out right for a 30-hour law. The Senate has allowed itself to be taken over on the sidetrack every time the 30-hour bill came up. We were led to pass the N. R. A. Act, which never was right and never was constitutional. We sidetracked the 30-hour bill for something else. We started out with a 30-hour-bill promise in our platform. As a party, we were going to reduce hours of labor by law instead of having it done by a commission. We decried the commission plan in our platform and in our campaign.

What would happen to the Black bill in the House? I make the assertion that if we should put the 30-hour bill in motion and it should be brought up in the other House, there would not be votes enough against it to wad a shotgun. It was not permitted to come up the last time. The Speaker of the House of Representatives made a public statement about it. That good man is now dead. After the 30-hour bill had been passed by the Senate he gave out a public statement that it would not receive consideration in the House of Representatives.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. LONG. Certainly.

Mr. WALSH. I assume the Senator was here when we passed the bill reducing the hours of labor for postal employees. Why did not someone offer this amendment to the postal employee bill?

Mr. LONG. I was not here the other day when that was done. I do not know that I would have offered the amendment if I had been here. It might have been something I would not have noticed at the time. But, as I understand, the first section of the Black bill applies to Government employees.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Utah?

Mr. LONG. I yield.

Mr. KING. I am interrupting the Senator in respect to another matter only because the Committee on Finance is meeting and I am compelled to go to that meeting.

I wish to ask the able Senator from Massachusetts [Mr. WALSH] a question, directing his attention to section 2, page 8, lines 9 and 10. I also ask the attention of the Senate. I should like to ask the Senator whether he thinks we have the right to say to the Federal Reserve banks that they may not make loans for any purpose they please. The Federal Reserve banks are not owned by the Government, but by individuals.

Mr. WALSH. We do not say that. We limit the loans of Federal Reserve banks to industrial loans, and the reason why they are included is because provision was made a year ago that loans to industry could be made by Federal Reserve banks as well as by the Reconstruction Finance Corporation, and the Government furnishes a part of the money. That is why they are included. How could we oblige the Reconstruction Finance Corporation in its loans to industry to meet these requirements, and let the person who applies to the Federal Reserve bank for a loan get it without complying with them? It is limited to loans to industry.

Mr. KING. Suppose the Senator and I should be the principal stockholders in a bank in the Federal Reserve System. The Government has not a dollar in it. It is a privately owned bank. If the Senator from Nebraska [Mr. BURKE], should come and say, "I want to build a house or I want to engage in some industrial activity, and I want to borrow $10,000", does the Senator from Massachusetts say the Congress would have the right to say to myself and to him, "You cannot make the loan to the gentleman without entering into this contract"?

Mr. WALSH. No such provision is in the bill. The Congress would have no such right. Its power to fix the terms of a contract is only where the Government's money is involved.

Mr. KING. I am afraid the bill in the language to which I have referred does impose such restrictions.

Mr. WALSH. The Solicitor General drew the bill and gave very extensive views upon every feature of the bill, and explicitly approved this provision.

Mr. KING. I think it would give some assurance to people who now have fears if it were so amended as clearly to indicate that it is not intended to go to the extreme I have indicated in the illustration which I have just submitted to the Senator from Massachusetts.

Mr. LONG. Mr. President, there is one thing upon which the Senator from Massachusetts and I agree. He will agree that a majority of the Senate and a majority of the House want the Black bill. He will agree that if the Black bill is substituted for the bill reported by the committee, it will pass in this body right now, and that if it is given a vote in the House—and I will stake my political reputation that it will be given the right to have a vote in the next House if we can get up a petition—it will pass there. It will come nearer to passing than the bill which the Senator is urging.

The Senator from Massachusetts favored the Black bill. I do not know if the Senator from Alabama [Mr. BLACK] himself is for his bill now. Perhaps other Senators have changed their minds and prefer the pending bill rather than the Black bill.

We started out right. We started out with a bill to reduce hours of labor. We started where we should have started. The only reason why the N. R. A. ever came up here was because, after we tried to tear the Black bill to pieces with amendment after amendment and tried to put the discretionary clause in the Black bill and tried to repeat the N. R. A. provision in the Black bill to authorize the President of the United States to apply the provisions of the Black bill where necessity required it, then we voted it down. The Black bill went out of here a positive ink-written law. When it was passed by the Senate, the late Speaker Rainey went to the White House and then gave out a statement that the Senate bill, imposing maximum hours of labor, would never come up for consideration in the House of Representatives, and it did not. On the contrary, the N. R. A. bill was sent to the Finance Committee of the Senate, and the next thing we knew it was said they were not going to be allowed to pass the Black bill, but the N. R. A. was their substitute for the Black bill.

A terrible substitute it was, a substitute which provided code after code, for authority in the hands of bureaucrats and others, allowing industries to annul the antitrust laws. Every kind of measure designed to be in keeping with what had been promised the people by the Democratic Party and even by the Republican Party was ditched for the N. R. A. bill, and it was crammed down our throats, and the Black bill was left on our calendar and on the calendar of the other House, and it never was even considered by a committee of the House in that session of the Congress or in any succeeding session.

We have the issue before us again. My friend the Senator from Massachusetts [Mr. WALSH] says we are going to kill labor legislation; that if we pass the Black bill it will kill all legislation on the subject. I am willing to kill it before I would be willing to have this kind of thing. There are others who may not look on the question as I do, but, at least, let us pass the Black bill. The House cannot do anything worse to us than they did the last time we passed it.

I desire to say to the Senator from Massachusetts that I do not think he is going to help the labor cause by the bill he is now sponsoring. It will do the labor cause harm. Unemployment was increased under it the last time. The little man's business was destroyed the last time. The antitrust law was ruined the last time. We now have something in the law that may restore the antitrust law. I do not know what the condition will be under the measure that is now proposed.

I am going to read, for the consideration of the Senate, some names which will show whether or not the Senate is more strongly in favor of the 30-hour bill than it was before. Who are among the missing in this body? Look at the nays on the Black bill:

Mr. Walcott voted against the Black bill. He is no longer a Member of the United States Senate.

Mr. Stephens, a Democrat, voted against the Black bill. He is no longer a Member of the United States Senate.

Mr. Reed, who voted against the Black bill, is no longer a Member of the United States Senate.

Mr. Patterson, who voted against the Black bill, is no longer a Member of the United States Senate.

Mr. Kean, who voted against the Black bill, is no longer here.

Mr. Hebert, who voted against the Black bill, is no longer here.

Mr. Hatfield, who voted against the Black bill, is no longer here.

Mr. Goldsborough, who voted against the Black bill, is no longer here.

Mr. Fess, who voted against the Black bill, is no longer here.

Ten or twelve of the thirty Senators who voted against the Black bill are now among the missing in this body; and if the Black bill should be put up for a vote here today on its merits, instead of getting 53 votes it would get 63 votes.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BURKE. Are we to understand that all the Members of the Senate who voted for the Black bill were reelected at the last election?

Mr. LONG. I think they were.

Mr. BURKE. Would the Senator mind looking, for instance, at the name of Mr. Robinson, of Indiana?

Mr. LONG. He is one who was defeated.

Mr. BURKE. I suggest that the Senator look over the list.

Mr. LONG. Did we lose anything? His successor will vote for this amendment. He probably out-Robinsons Robinson on the labor question. One of my colleagues is under the impression that the candidate who was elected against the former Senator from Indiana pledged himself to vote for the Black bill. So, on that score, there is no issue. I know the Senator who was elected, and I think I could almost swear on a stack of Bibles as high as my head that he would vote for the Black bill if it should come up as a direct issue. Mr. Robinson, of Indiana, is the only one who is out whose name I see. I looked over the list rather hastily, and I do not see that any other Senators who voted for the Black bill were defeated.

Mr. BURKE. How about Mr. Erickson, of Montana?

Mr. LONG. The Senator who is here in his stead will vote better than he did.

Mr. BURKE. I was merely raising the question whether all that a Senator had to do to be sure of being reelected was to vote for the Black bill.

Mr. LONG. No; but I should say that whoever came here instead of a Senator who voted for the Black bill was as strong for the Black bill as the Senator he defeated. Mr. Erickson went to sleep in the Vice President's chair one day, and that is what beat him. [Laughter.] From that day on, I figured that he would never come back. In other words, the Black bill, by itself, cannot save you. You have to have something else to bring you back, but it will go a long way to do it.

The 30-hour bill, by itself, will come near saving you; and the fact that the only two Senators who voted for it and are not here now were succeeded by Senators who are as strong or stronger for it than the Senators they defeated is good proof of that.

So the Senate is for the 30-hour bill; and now is the accepted and needed time, of all times that ever were, to pass the bill. If we will put the 30-hour bill through, I make the statement without fear of contradiction, even though somebody does not believe it, that it will be the only fundamentally sound, substantial progress made toward decreasing unemployment since March 1933. It will be more in the nature of real progress than anything else that has been passed by Congress since I have been sitting here.

Let us pass the 30-hour bill, and we may adjourn and go home. Though we may not know it, the best luck the Democratic administration could have would be, by some accident, for the 30-hour bill to be passed. I have had it said of myself that my enemies have elected me to every office I have ever held. I have had it said that they forced me to take positions which were so popular that they kept me in public office all my life. That may be true; but if we will pass the 30-hour bill today in the United States Senate, the greatest blessing the Democratic Party ever had will have been conferred upon it.

For one time in our lives we shall be able to say to every workingman that we have reduced the hours of labor, under this abnormal and anomalous condition, to a point where there is some sharing of employment in the United States.

The passage of the bill of the Senator from Massachusetts will not mean anything. We have had this sort of thing once. We tried it for 2 years. It did not do any good. It made everybody mad. The whole country is prejudiced against the N. R. A. In my own State I told the people to pay no attention whatever to it; that it could not stand up—top, side, nor bottom. No one down there paid any attention to it; and before anyone in the State could be prosecuted the Supreme Court declared the law to be unconstitutional. Now, we are asked to pass this prejudicial thing that bears the stamp of public prejudice ab initio. It will not do any good to labor. On the contrary, we have never given a reduction of the hours of labor a fair chance. We passed two laws, one of which was declared unconstitutional, and the other one of which never will do any good; and when we finally come back and try to pass a maximum-hour law its opponents say, "Oh, we tried that. It did not work. We tried it under N. R. A., and that did not work. Then we tried in under something else, and it did not work."

When we passed it the plan never had a chance. We never have actually tried it. Its opponents will not let us try it. On the contrary, they say we have had a chance to try it and it has not worked, when the fact is that we never have had a fair chance to try it. Never have we had anything that undertook by positive, direct, sensible law to reduce the hours of employment.

I must say that my friend from Missouri [Mr. CLARK] is a little different from my friend from Massachusetts [Mr. WALSH]. I find that the Senator from Missouri voted for the Black bill when the Black bill was up here. I find that I voted for the Black bill when the Black bill was up here. I find that the Senator from Massachusetts voted for the Black bill when the Black bill was up here. Among other proposals which came up when the Black bill was before the Senate, some Senator offered an amendment to exclude cotton gins from its operation. That was the only exception. I stood on this floor and fought excepting cotton gins. Although down in my part of the country a large number of men were telegraphing to me "Except cotton gins", I took the position that we could not afford to begin excepting industries from the bill; that it ought to apply without favoritism to every section, and to every class in every section. That position was sustained by the votes of the Senate, which decided that it would not make any exceptions whatever in the bill.

If the Senator from Massachusetts shall take advantage of the great chance he has today, and shall champion the Black bill, and it shall go out of the Senate with our favorable action, I make the prediction that it will be adopted in the other House of Congress. Public sentiment now will force its adoption. Its opponents will never be able to substitute anything for it, because the N. R. A. is a thing of the past.

I wish my friend from Massachusetts would come on back hcme, and join us on this matter, and help us pass the Black bill. We need all the help we can get right now to do something substantial.

Mr. BLACK. Mr. President, it is not my intention to speak at any length on this question. The amendment, however, has been offered as a substitute for the bill which is under consideration.

In the first place, I desire to state that the bill under consideration, with the exception that the 30-hour-week bill proposes to fix by law the hours of labor, is practically a duplicate of the principle of the 30-hour-week bill which is offered as an amendment. As a matter of fact, it will be seen upon an examination of the bill under consideration that each of the ideas included in the 30-hour-week bill which was favorably acted upon by the Senate has been adopted in the bill now under consideration, with the exception of the first clause of my bill, which includes goods shipped in interstate commerce, and with the exception of the provision in my bill which related to codes and the hours of labor under codes. In other words, the bill on the 30-hour week which had a favorable report from the Committee on the Judiciary contained, first, a paragraph making it illegal to ship goods in interstate commerce manufactured in places of business where the employees worked over 30 hours a week. That is not included in the bill under consideration.

In the next place, in my bill it was provided that the Government should not buy any goods, through its departments or organizations, from any business enterprise operating contrary to the provisions of the bill. That idea is embodied in the bill under consideration. The next paragraph of the bill provides that the Government shall not make any contract with a contractor for public works unless the contract contains a provision that the contractor will buy no

article or commodity to be used on or in any public work from any business enterprise violating any of the provisions of the act. As I understand, that idea is embodied in the bill under consideration.

The next paragraph of the bill contains a provision that no governmental agency shall make or renew any loan to any employers of labor unless they work in conformity with the provisions of the act, which provides for the 30-hour week.

The next is that when any person or corporation applies for a loan there must be an agreement made that the person securing the loan will not permit any person to work longer than 30 hours per week.

In other words, the difference between the bill which I introduced, and which has been favorably reported by the Committee on the Judiciary, and the bill which is now under consideration, is not with relation to those who would come within its scope, except as to the interstate-commerce clause. The difference is that the bill which the Judiciary Committee reported favorably fixes the hours by law. The bill which is now under consideration leaves the matter of the hours of labor to be determined by a governmental agency.

In addition, if the first clause of the bill which I have introduced should be maintained by the courts, and I still believe that it would be, it would regulate the hours of labor of those who are engaged in producing goods and commodities for interstate commerce. With reference to the other clauses of the bill, I think there can be no question or disagreement as to their constitutionality.

While I myself did not offer the bill as an amendment, I shall vote for it as a substitute for the bill which is under consideration, and I shall state very briefly my reasons.

In the first place, it is my belief that, in order that a reduction of hours in industry may have the effect which is needed to bring about increased employment, two elements must concur. First, there must be a sufficient reduction in hours actually to make it necessary to employ additional people. Secondly, the bill must apply to as many working people throughout the Nation as it is possible to reach by law, in order that there may be a spread or distribution of the work, so that, instead of having a large number of people supported on the dole or through public works, they can be employed in private business.

The next reason why I prefer the amendment to the bill under consideration, in addition to the fact that the bill under consideration does not provide sufficient employment by reducing the hours, is that personally I prefer, and always have preferred, when it is undertaken to regulate the hours of labor in any industry, to have a fair, fixed regulation by law, so that one industry will not have to compete with another industry for labor, employing people different hours in the same town, the same village, or the same city.

In the next place, I believe in the Congress itself fixing the hours of labor if the time has arrived, as I believe it has arrived, when Congress should have anything whatever to do with the hours of labor in industry throughout the Nation.

I never have believed, and I do not now believe, that a matter vitally affecting the lives and the habits of the individual citizens of this Nation, and which so vitally affects business enterprises in every section of the United States, should be left to the determination of any board vested with the power of life and death over a particular industry or a particular section. I have always believed that if we pass a law in Congress fixing the hours of labor to apply uniformly wherever Congress could reach labor, it would be good for the entire country. I realize that there are others who entertain a different philosophy, and believe it would be very bad for Congress to do it at all.

When I reach the point in my own mind when I believe that it is wise and proper for the Congress, the Federal Government, to fix the hours of labor, I cannot go the additional step and say that, while the Federal Government should take unto itself the power to fix the hours, it should delegate to subordinates sitting on some board the power to determine the hours of labor for the people throughout the country.

For these reasons, while I, myself, did not offer the substitute, I favor the substitute over the bill. In fact, I cannot vote for the bill as it is reported, entertaining the belief that it is bad.

The bill as reported, instead of fixing the hours of labor so that the Congress may know that its ideas with reference to the laboring people of the Nation will be carried out, leaves that duty and responsibility in the hands of others. It shifts the burden, which I believe to be the burden of Congress, and places it in the hands of some executive board.

Mr. President, for these reasons I favor now, as I favored when I originally offered it, the 30-hour week bill. If there are those who believe that the Congress should enact a law fixing hours, and believe 30 hours to be too few, then that could be reached by an amendment, but Congress itself would fix the law. I favor the idea of having the strong arm of the Government used in order to reduce the hours of labor. I do not take the position that because I support the 30-hour-week proposal, it is an indication that I am not favorable to lifting the standards of the men and women who work. In this very amendment will be found a provision which makes it illegal to reduce the wages of those whose hours of labor are reduced to 30 until such reasonable time shall have elapsed that it will be possible for the employer and the employee to meet on equal terms and determine whether or not wages should be reduced.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. CLARK. The same provision to which the Senator refers also preserves the right of collective bargaining, which is not contained in the pending measure.

Mr. BLACK. I simply desired to have it thoroughly understood that there can be no imputation, direct or indirect, that those who vote for the substitute do not have in mind the best interests of the men and women who work in America. It is intended to reduce the hours of labor, not only in the interest of humanity, so that people may not be required to work too long, but in the interest of humanity in order that the work may be divided up so that all who desire to do so may have an opportunity to earn a living by honest, energetic toil and labor, paid for at a fair and living wage.

In supporting the substitute, I desire to say only a few more words. It is not my intention, of course, to attempt in any way to repeat the arguments I made when the bill originally came up for consideration; but I consider the measure to be far superior to the bill which is now pending. I consider it to be better for the men and women who work. I consider it to be better for the men and women who engage in business throughout the Nation. I believe it contains a safer and more constructive idea than to leave to some one governmental agency the right, every time a contract is made, to fix the terms as to the hours of labor which must be maintained by those who engage in bidding for the contract. I do not believe in vesting such huge power in any one governmental agency.

Believing, as I do, that we need a Federal law regulating the hours of labor, and that when we enter into that field we should go the whole way or not enter it at all; believing, as I do, that the pending bill will do nothing in the way of reducing hours, but that it will bring about confusion throughout the Nation among the people who work, and in business enterprises themselves, I cannot vote for the bill which has been reported by the committee. I shall with great pleasure vote for the substitute offered by the Senator from Missouri, and in doing so I believe I shall be voting for the best interests of the men and women who work all over the United States of America.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. CLARK. The Senator will recall that some weeks ago, when the Senator from Alabama himself made a motion to make this particular bill the unfinished business, the argument was advanced on all sides that the measure ought not to be taken up at that particular time, but that

consideration would be given to it at a proper time before the adjournment of the present session of Congress. Does the Senator know any way to find out whether or not the bill can be passed during this session of the Congress except by trying it, by passing it through the Senate as we did before, and by insisting, so far as we can properly do so, that the coordinate branch of the legislative department of the Government shall pass the bill?

Mr. BLACK. I will state to the Senator that the only reason why I have not made another motion for the consideration of the bill is because I was fearful I did not have sufficient votes. Now, since it has been offered as an amendment, it is my judgment that the vote will determine to a large extent whether or not the Senate is really for the 30-hour week bill for the benefit of the men and women who work.

Mr. CLARK. Let me say to the Senator that I was very hesitant about offering the Senator's bill as an amendment to the pending measure because I was very reluctant to risk the danger of an adverse vote affecting the ultimate chance of passage of the Senator's bill; but I sincerely believe that if any real, effective effort is to be made to pass the Black bill, either in this session or in another session, the only way in which it can be done is by forcing the fighting. Otherwise, some sort of smoke screen such as the N. R. A. or the pending bill will always be introduced to prevent any real, effective legislation on the subject.

Mr. NORRIS. Mr. President, I desire to submit a few remarks on the pending motion.

In one sense I am put in a rather embarrassing situation in being called upon to vote on the pending question. If it were a simple vote between two bills, each having the same chance of becoming law, the question would not be difficult or embarrassing; but in opposing the motion of the Senator from Missouri [Mr. CLARK] I wish to say that I feel compelled to vote against it, not because I think the amendment has no merit, but because I believe, though I recognize that I may be wrong about it, that in the present parliamentary situation, with the conditions confronting us, facing adjournment which is likely to come in a few days, to adopt the substitute amendment would be a mistake—a mistake from the standpoint of labor, a mistake from the standpoint of those who desire to place on the statute books some legislation with humanity in it.

The Senate passed this substitute measure 2 years ago. It passed it after very lengthy investigation by the Committee on the Judiciary. I happened to be Chairman of the Committee on the Judiciary at that time. I was made chairman of the subcommittee which held the hearings. I heard all the argument. I heard all the evidence on both sides of the question. The matter was very fully debated by very able lawyers and others as to its constitutionality and as to the merits of the bill itself. I became very enthusiastic in favor of the Black bill. I made a favorable report upon it from the subcommittee. The entire committee discussed the bill, and reported it favorably to the Senate, and the Senate passed the bill.

As I now remember—and I am speaking entirely from memory—this was before the N. R. A. was started, or at least it was before the N. R. A. got under full headway. The bill went to the House. The N. R. A. was started then. To a very great extent the N. R. A. had the same objects in view that the 30-hour Black bill had. I think in the main the objects sought to be attained by both the N. R. A. adherents and the Black bill adherents were practically the same.

The country was confronted with 12,000,000 or 13,000,000 unemployed. Something had to be devised, we thought, to relieve the country from the terrible depression. The Black bill was introduced, considered, and passed with the object of meeting that situation. I do not know that I ought to take the time now to discuss its objects, but they were objects which touched the human heart, the human impulses, to try to do something to save the terrible situation in which we found ourselves at the time.

I thought that was the best way to meet the situation. There were some misgivings, as I think every honest advocate had to admit if he was honest with himself. The Senator from Massachusetts [Mr. WALSH] mentioned one today. It was wondered whether, even though it was proper, it would do to plunge the country at once onto a 30-hour-week basis. I was not afraid of it. I am not now afraid of that proposition, but a great many honest students of the subject had misgivings and were afraid of it. They thought we ought not to make that big jump at once.

Then the question of constitutionality came into consideration. If Senators have not studied it and will proceed to do so honestly and fairly, they will have to reach the conclusion that there will have to be many exceptions to any law which undertakes to limit the hours of labor in a week or in a day.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. I yield.

Mr. WAGNER. I think that same apprehension of providing an inflexible rule was reflected in a bill before the Senate the preceding year, of which bill I happened to be the sponsor, providing for loans by the Reconstruction Finance Corporation to self-liquidating projects, private and public, and also under the public-works program. The bill provided that there must be a 30-hour week, though the words "wherever practicable" were included, because at that time it was the opinion of a majority of the Senate that it would be rather risky to impose an inflexible 30-hour-week rule.

Mr. NORRIS. It would be risky. I have never contended that we could enforce, without ruination, an inflexible rule which would apply to all occupations and all businesses. Just the moment we admit that, which I think everyone must admit, we are confronted with the question as to how shall the exceptions be made. Who is going to decide whether they shall apply here or there, and what the differences shall be? A dozen questions enter into consideration.

We must reach the conclusion that no matter what we do, we have to confide and give the power to somebody to look after the exceptions, and that somebody must be a human being, and no human being is perfect. If he happens to be one who is selfish he might do a great amount of injury. But somewhere, either in one bill or another, we have to contend with the human element which is liable to be mistaken, liable to be wrong, and liable to be corrupt.

Wherever we go, if we are going to meet the social question, which we will have to meet if we are going to save the situation, we will have to give some power to somebody to whom we never gave such power before, and power of a nature that we have never before given to anyone. We must surrender some of our boasted liberties for the good of all. I do not see how it can be done otherwise.

Mr. LONG. Mr. President——

The PRESIDING OFFICER (Mr. MALONEY in the chair). Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. NORRIS. I yield.

Mr. LONG. We did not do it in the railroad 8-hour bill, and we voted down an amendment of that nature which was offered to the Black bill.

Mr. NORRIS. The railroad 8-hour bill applied only to one industry. That is an entirely different thing. If we had nothing to do but regulate the hours of labor of railroad employees, we could see daylight in a few moments. But here we have all kinds of businesses. For instance, in the canning business, nature enters into the situation. The cannery has to be run at capacity for a short time and then it is idle the remainder of the year. That is an instance of the many kinds of questions we have to consider.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. I yield.

Mr. WAGNER. In the very measure to which I referred a moment ago, it was provided, as to self-liquidating proj-

ects, that the director of the Reconstruction Finance Corporation should be the judge of whether or not the 30-hour law should be imposed. In the case of public works that duty was imposed upon the Secretary of the Treasury. As I recall, in those instances, the 30-hour week was provided; but, as a result of investigation, there were discovered some cases where it was obviously impracticable to apply the 30-hour week.

Mr. NORRIS. Absolutely. There are some instances where the 6-hour day would not be practicable and would not work. I think we have to regulate hours of labor in some way and put the working men on a shorter basis before we can ever get permanently out of this depression. I shall not go into that matter tonight, but I think I could demonstrate it from statistics and from the knowledge that every man must have.

Now, I come to the bill reported by the Senator from Massachusetts. It does not go as far as the Black bill went. It does not do as much as I should like to see it do, but if we are now going to start on this program and commence on the basis of Government operations, it goes as far as it can properly go.

Mr. President, the bill which the Senator from Massachusetts is now advocating is an attempt to put some humanity into the statute books; and we must do that if we are ever to get out of the trouble we are in and stay out permanently. When we undertake to do that, we come in contact with some of the cold decisions based on law without any humanity in them. All of this proposed legislation is an attempt to do something which, if we should undertake to do directly, we could not do because of our Constitution. No man in these days dare suggest an amendment to the Constitution without being classified as a Communist and an enemy of his country; and yet we are legislating all the time on these bills in an endeavor to find some way to do indirectly what the Constitution will not permit us to do directly.

If we should pass an inflexible law fixing 30 hours a week as the hours of labor and stop right there, it would not stand up. Senators realize that. It would have to be confined to interstate commerce. Some people think, and some good lawyers think, that as the Black bill was framed, it was unconstitutional. I thought it was unconstitutional, and I heard the legal argument on both sides and gave it as much attention as I could. Every lawyer realizes, however, that when he starts out on a disputed legal proposition, he never knows just what the law is until he gets the last word from the majority of the Supreme Court.

I have heard eminent lawyers in the Senate argue that such and such a bill that was pending at the time was unconstitutional, and then, later on, have found the Supreme Court of the United States saying that it was constitutional. The same thing is true when the reverse side is taken. So, while I felt satisfied on the question, I realized that I was not the Supreme Court, that the Senate was not the Supreme Court, and we ought to have some respect for those who do not agree with us on these legal questions.

I do not believe, however, that there is any question about the constitutionality of this bill. We are dealing with governmental business.

Mr. BONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. In a moment I will yield.

We are setting up here a system which I should like to see adopted all over the country, in all lines of business; but we are setting it up in a government activity, which I think everybody must admit we have a right to do. We have a right to impose the conditions we wish to impose, representing the Government as we do. So I think that doubt is removed. We are faced also with the fact that the probabilities are, as I see it—I may be wrong about that; if I were sure of it I should perhaps take a different attitude—but, as I see it, there is not any chance on earth for the Black bill to pass both Houses of Congress at this session. I know that statement may be disputed, and I know I may be wrong, as I have said, and I am not sure there is any chance for the pending bill to pass; but I think the chances are much more in favor of its passing, and I should like to take that step. It is a humane step. We must take it, and take other steps far beyond it, before we shall make of our country a model just as it ought to be, and before we shall meet the unemployment situation, as I see it.

I think the pending bill is a great step in the right direction. If it shall go into effect, public sentiment will have a wonderful effect on private business, as our 8-hour law did when we passed it, when a great many manufacturing establishments were working their men 12 hours a day under conditions which sometimes were almost loathsome. We set the example. I think it will be a noble effort to pass the pending bill, and put it on the statute books, and establish this model. If we do it, we shall carry the flag quite a way in advance. It is quite a big step, but it is a step in favor of struggling humanity. It is a step which will help the under dog. It is a step which will help the poor man. It will help those who have to work, and who are now out of employment. It will spread employment; and that is not one of the least things in it. It will make it possible to put into contracts provisions by which men will not be treated as machines, as cogs in a great big wheel, but will be treated as human beings; and that means something. That means more than we can say in language; and we shall have to do that.

Men who toil and labor in a cold-blooded way are treated just like machines. This bill will take a step in favor of putting some humanity into their employment. While I am just as much in favor of the Black bill as I ever was, and desire to see the time come when we may put it on the statute books, I think it is a mistake as a parliamentary matter to try to put it on this bill, just as I should be opposed to putting on this bill some other legislative proposals of which I am very much in favor. I do not believe it is fair. It is not quite the thing to do. These proposals ought to stand on their own merits. It is true that I have sometimes favored doing things of this kind when we were desperate; but we have already passed the Black bill once. I am willing to vote tomorrow to pass it again, but I think the result would be as it was before; it would not go any further.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CLARK. I suggest to the Senator from Nebraska that the proposal to substitute the Black bill for the pending bill is not at all in the nature of a rider. It is not on an extraneous subject. It is not like offering as an amendment the Frazier-Lemke bill, the bonus bill, or some other extraneous measure of which some Senator may be in favor. It is on precisely the same issue.

Mr. NORRIS. I realize that.

Mr. CLARK. It represents the difference between establishing by law the right which is sought to be set up, and leaving it to the discretion of a bureaucracy. In other words, the amendment is not at all in the nature of a rider. It is in the nature of a substitute.

Mr. NORRIS. It is a substitute.

Mr. CLARK. The question is whether we shall again permit a red herring to be drawn across the trail and prevent the passage of the Black bill, or whether we shall go forward with the Black bill. Unquestionably the establishment of the N. R. A. was an effort to divert and prevent the passage of the Black bill.

Mr. NORRIS. Oh, no!

Mr. CLARK. There has been a tremendous pressure of public opinion throughout the country in behalf of the passage of the Black bill at this session of Congress. Instead of taking up the Black bill for consideration, however, the suggestion is now made, at the last moment, at the eleventh hour and the fifty-ninth minute, that we pass something else which will be considered just as good.

Mr. NORRIS. No, Mr. President; I am not willing to agree to the statement that the N. R. A. was enacted to kill the Black bill. So far as I know, that was not the case at all. I think those who favored the N. R. A. were actuated by the highest of motives. For one reason or another they feared that the Black bill would not work. If they had thought it would work, and had thought there was not any question about its constitutionality, I do not believe we should have had any trouble in enacting it; but there were those who honestly believed the Black bill to be unconstitutional, and there were those who believed that if we should take that step at once it would be such a shock to business that before we could adjust ourselves to it the country would go to ruin.

I did not agree with that; I did not agree with either of those propositions, and I do not now; but I have to concede that many people as good as I did believe in them. Far be it from me to make any criticism against the Senator from Missouri or any of those who favor the substitution of the Black bill. I concede that they are moved by the highest motives. I admit, to start with, that we are confronted with a condition. As I see it, no man can tell what is on the other side of us. I myself may be wrong. I am only taking the course which seems to me to be the practical one, the one which may do some good along this line before the final adjournment of Congress.

Mr. BONE. Mr. President, will the Senator yield?

Mr. NORRIS. I will say to the Senator that I am ready to yield the floor.

Mr. BONE. I merely wanted to ask the Senator a question. I preface the question by saying that I have no quarrel at all with what I think is a very sincere and wholly realistic approach to this problem by the Senator from Massachusetts. I stated yesterday that I felt that the elimination from the bill of a provision to which I called attention had removed what seemed to me to be at least a dangerous provision.

There is a further consideration. I know the Senator from Nebraska will realize that some members of the Senate, including myself, have talked with the greatest sincerity with the people of our respective States about what seems an impelling necessity for a shorter work week, not sharing work, as it is commonly understood, but by some process, even though it be suggestive of some type of legislative coercion, to reemploy the vast army of unemployed who, in my judgment, constitute a very deadly menace to the peace and welfare and happiness and prosperity of the entire country.

I know that in my own case I discussed this question very frankly, and I hope very sincerely, with the people of my State, and I preached to them the doctrine of the absolute necessity of reemploying this somber and tragic army of unemployed if we hope to preserve this Republic.

I find in the bill something which impinges on what the Senator had to say about hours. It provides—and in this respect I should like also to direct a question to the Senator from Massachusetts—that the Government in calling for bids, for instance, for certain material or equipment, might in the call for bids settle the question of hours. I am wondering whether that might not cause very great confusion. For instance, the Government might buy automobiles at one time and require an 8-hour day in one instance and perhaps finding that to be illogical it might stretch it to a 9-hour day in another case.

I do not want to be understood as being in opposition to this measure. I realize that it is a realistic approach to the question, and I fully appreciate the weight of the argument of the Senator from Nebraska, but I am wondering whether that might not cause some trouble.

Mr. WALSH. Mr. President, may I answer the Senator?

Mr. NORRIS. I yield the floor.

Mr. WALSH. What more trouble would it cause to put in a request for bids a provision in reference to the hours and wages in connection with the work to be done, than to define the kind of rubber, or the kind of iron, or the kind of steel, or the kind of bolts, or the kind of leather, or the other details that may enter into the manufacture of automobiles?

Mr. BONE. I am merely seeking light.

Mr. WALSH. When a bid is called for there may be conditions stated, the material conditions and the labor conditions. We have the material conditions stated now, without the labor conditions. Why not have labor or human rights named in Government contracts?

Mr. BONE. The Senator does not have to convince me of the desirability of providing for fair and just labor and wage conditions.

Mr. BLACK. Mr. President, if the Senator will yield to me, when we talk about fixing the hours on each separate bid, it is not left to any down-trodden or fallen individual to fix them. They are fixed by some smooth-tongued orator, such as those with whom Washington is filled, who finds that a factory works certain hours, and then instead of having a law, or even a general regulation issued by a bureau, a stipulation is drawn up on the suggestion of the smooth-tongued orator, and he sells the goods.

Mr. AUSTIN obtained the floor.

Mr. ROBINSON. Mr. President, I understand that the Senator from Vermont takes the floor with a view to discussing the bill. If he will yield, I should like to submit a request for unanimous consent, with a view to moving a recess.

Mr. AUSTIN. I yield for that purpose.

Mr. ROBINSON. I ask unanimous consent that when the Senate concludes its labors today it take a recess until 12 o'clock noon on Monday next, and that after the hour of 2 o'clock on Monday no Senator shall speak more than once or longer than 15 minutes on the bill or more than once or longer than 10 minutes on any amendment which may be pending or which may be offered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WALSH. Mr. President, in view of what has been said by the Senator from Nebraska [Mr. NORRIS], and notwithstanding the fact that no constitutional question has been raised, in the committee or on the floor, as to the constitutionality of the pending bill, I should like to have inserted in the RECORD for the information of Senators a memorandum on the law in regard to Senate bill 3055, discussing the power of Congress to require covenants and impose penalties in contracts.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MEMORANDUM OF LAW IN REGARD TO S. 3055

I. POWER OF CONGRESS TO REQUIRE COVENANTS AND IMPOSE PENALTIES IN CONTRACTS

The United States Supreme Court, in considering the act of August 1, 1892 (27 Stat. 340), used the following language:

"The provision in the act of August 1, 1892 (27 Stat. 340), limiting the hours of laborers and mechanics employed by the United States for any contractor or subcontractor upon any of the public works of the United States to 8 hours per day except in cases of extraordinary emergency, and imposing penalties for the violation thereof, are constitutional and within the powers of Congress. In this respect Congress has the same power as a State has over the construction of its public works" (*Atkin* v. *Kansas*, 191 U. S. 207; *Ellis* v. *United States*, 206 U. S. 246).

The case of *Atkin* v. *The State of Kansas* (191 U. S. 207), cited above, is one of the leading cases decided by the United States Supreme Court on the question of legislative acts relating to public contracts. This case involved the validity under the Constitution of the United States of the statute known as the "Eight-hour law of Kansas of 1891", chapter 114, being pages 3827, 3828, and 3829 of the General Statutes of 1901 of that State. This statute made it a criminal offense for a contractor for public work to permit or require an employee to perform labor upon that work in excess of 8 hours each day. The Supreme Court of the United States in upholding the statute as being constitutional uses the following language:

"It may be that the State, in enacting the statute, intended to give its sanction to the view held by me, that, all things considered, the general welfare of employees, mechanics, and workmen, upon whom rest a portion of the burdens of government, will be subserved if labor performed for eight continuous hours was taken to be a full day's work; that the restriction of a day's work to that number of hours would promote morality, improve the physical and intellectual condition of laborers and workmen, and enable them the better to discharge the duties appertaining to citizenship. We have no occasion here to consider these questions, or to determine upon which side is the sounder reason; for whatever may have been the motives controlling the enactment of the statute in question, we can imagine no possible ground to dispute the power of the State to declare that no one

undertaking work for it or for one of its municipal agencies should permit or require an employee on such work to labor in excess of 8 hours each day, and to inflict punishment upon those who are embraced by such regulations and yet disregard them. It cannot be deemed a part of the liberty of any contractor that he be allowed to do public work in any mode he may choose to adopt without regard to the wishes of the State. On the contrary, it belongs to the State, as the guardian and trustee for its people, and having control of its affairs, to prescribe the conditions upon which it will permit public work to be done on its behalf, or on behalf of its municipalities. No court has authority to review its action in that respect. Regulations on this subject suggest only considerations of public policy. And with such considerations the courts have no concern."

The above decision closes with a broad statement on the subject as follows:

"We rest our decision upon the broad ground that the work being of a public character, absolutely under the control of the State and its municipal agents acting by its authority, it is for the State to prescribe the conditions under which it will permit work of that kind to be done. Its action touching such a matter is final so long as it does not, by its regulations, infringe the personal rights of others; and that has not been done."

It is also interesting to note the following cases on the subject:

"It is also well established by the decisions of this Court that such liberty (to enter into and carry out contracts in respect to property and private affairs) is not absolute or universal and that Congress may regulate the making and performance of such contracts whenever reasonably necessary to effect any of the great purposes for which the National Government was created (*Ellis* v. *United States*, 206 U. S. 246; *B. & O.* v. *Interstate Commerce Commission*, 221 U. S. 612; *Second Employers' Liability Cases*, 223 U. S. 1; *Great Northern Railway* v. *Sutherland*, 273 U. S. 182; *Highland* v. *Russell Car & Snow Plow Co.*, 279 U. S. 253).

"The courts cannot inquire as to the motive prompting the acts of other departments of Government; their knowledge and good faith are not open to question. Nor can the expediency or wisdom of those acts be questioned by the courts. * * * It does not come within the province of this Court to consider why agreements to sell shall be subject to stamp duty and agreements to buy not. It is enough that Congress in this legislation has imposed a stamp duty upon the one and not upon the other (*Treat* v. *White*, 181 U. S. 264).

"Congress has unlimited power to prescribe such rules and regulations as it sees fit regarding the public works of the United States, and for work for which its funds are to be expended (*Ames & Co.* v. *Wallace, Secretary of Agriculture*, Feb. 1, 1935, Supreme Court, District of Columbia).

"* * * It (the United States) has the right to prescribe the conditions under which the orders will be paid, including the right to define what dealers may supply the goods, what persons may receive them, and what goods may be supplied" (*Atkin* v. *Kansas*, 191 U. S. 207; *Ellis* v. *United States*, 206 U. S. 246; *Heim* v. *McCall*, 239 U. S. 175; *Crete Mills Corporation* v. *Elmore et al.*, No. 509 Equity, U. S. District Court for the District of Nebraska).

Other cases bearing on the same subject are the following: *Heim* v. *McCall* (239 U. S. 206); *Crane* v. *New York* (239 U. S. 196); *Nebbia* v. *New York* (1934) (78 L. ed. 563 at 578).

II. POWER OF CONGRESS TO ESTABLISH STANDARDS

Congress not only has the power to fix standards and provide for a certain amount of flexibility but such standards are necessary to avoid an unlawful delegation of legislative power. (See *A. L. A. Schechter Poultry Corporation et al.* v. *United States*. Decision rendered May 27, 1935.)

From time to time Congress and the legislatures of the various States have passed laws setting certain standards with regard to various subjects, such as labor, food, oil, and other subjects. In setting these standards the law, in many cases, has usually provided a certain amount of flexibility in order that the law might be fairly and properly administered without undue hardship on the public or persons concerned. The following cases are of interest under this subject:

"In an emergency arising from a Nation-wide dispute over wages between railroad companies and their train operatives, in which a general strike, commercial paralysis, and grave loss and suffering overhang the country because the disputants are unable to agree, Congress has the power to prescribe a standard of minimum wages, not confiscatory in its effect but obligatory on both parties, to be in force for a reasonable time in order that the calamity may be averted and that opportunity may be afforded the contending parties to agree upon and substitute a standard of their own" (act of Sept. 3, 5, 1916, 39 Stat. 721, ch. 436).

Being of the opinion that Congress had the power to adopt the act in question, whether it be viewed a direct fixing of wages to meet the absence of a standard on that subject resulting from the dispute between the parties or as the exertion by Congress of the power which it undoubtedly possessed to provide by appropriate legislation for compulsory arbitration—a power which inevitably resulted from its authority to protect interstate commerce in dealing with a situation like that which was before it—we conclude that the court below erred in holding that statute was not within the power of Congress to enact and in restraining its enforcement and its decree therefore must be and it is reversed and the cause remanded with direction to dismiss the bill (*Wilson, U. S. Attorney for the Western District of Missouri*, v. *New et al., Receivers of the Missouri, Oklahoma & Gulf Railway Company*, 243 U. S. 332 (Mar. 19, 1917)).

It is deemed advisable to call attention to the case of *Connally* v. *General Construction Co.* (269 U. S. 385), in connection with that portion of the bill fixing standards of wage and hour provisions.

This was an action involving an Oklahoma statute requiring "laborers, workmen, mechanics, or other persons employed by contractors or subcontractors in the execution of any contract or contracts with the State" to be paid by the contractor or subcontractor "not less than the current rate of per diem wages in the locality where the work is performed. * * *" The statute provided a penalty of fine or imprisonment for violations. A dispute arose as to the amount of the current rate of per diem wages being paid labor in the locality where the particular work was being performed, and the commissioner of labor having determined, after investigation, that $3.60 was such current rate of wage in the locality, and contractor insisting upon and paying only $3.20 per day, contractor was threatened with prosecution in the event there was not paid the rate of wage so determined by the commissioner of labor, and applied for injunction to restrain the State officials from enforcing the statute because unconstitutional. In affirming the decree of the lower court granting injunction relief the Supreme Court said:

We are of opinion that this provision presents a double uncertainty, fatal to its validity as a criminal statute. In the first place, the words "current rate of wages" do not denote a specific or definite sum, but minimum, maximum, and intermediate amounts, indeterminately, varying from time to time and dependent upon the class and kind of work done, the efficiency of the workmen, etc., as the bill alleges is the case in respect of the territory surrounding the bridges under construction. The statutory phrase reasonably cannot be confined to any of these amounts, since it imports each and all of them. The "current rate of wages" is not simple but progressive—from so much (the minimum) to so much (the maximum), including all between; and to direct the payment of an amount which shall not be less than one of several different amounts, without saying which, is to leave the question of what is meant incapable of any definite answer. (See *People ex rel. Rodgers* v. *Coler*, 166 N. Y. 1, 24–25.)

Nor can the question be solved by resort to the established canons of construction that enable a court to look through awkward or clumsy expression, or language wanting in precision, to the intent of the legislature. For the vice of the statute here lies in the impossibility of ascertaining, by any reasonable test, that the legislature meant one thing rather than another, and in the futility of an attempt to apply a requirement which assumes the existence of a rate of wages single in amount, to a rate in fact composed of a multitude of gradations. To construe the phrase "current rate of wages" as meaning either the lowest rate or the highest rate or any intermediate rate or, if it were possible to determine the various factors to be considered, an average of all rates, would be as likely to defeat the purpose of the legislature as to promote it. (See *State* v. *Partlow*, 91 N. C. 550, 553; *Commonwealth* v. *Bank of Pennsylvania*, 3 Watts & S. 173, 177.)

In the second place, additional obscurity is imparted to the statute by the use of the qualifying word "locality." Who can say, with any degree of accuracy, what areas constitute the locality where a given piece of work is being done? Two men moving in any direction from the place of operations would not be at all likely to agree upon the point where they had passed the boundary which separated the locality of that work from the next locality. It is said that this question is settled for us by the decision of the criminal court of appeals on rehearing in *State* v. *Tibbetts* (205 Pac. 776, 779). But all the court did there was to define the word "locality" as meaning "place", "near the place", "vicinity", or "neighborhood." Accepting this as correct, as of course we do, the result is not to remove the obscurity, but rather to offer a choice of uncertainties. The word "neighborhood" is quite as susceptible of variation as the word "locality." Both terms are elastic and, dependent upon circumstances, may be equally satisfied by areas measured by rods or by miles. (See *Schmidt* v. *Kansas City Distilling Co.*, 90 Mo. 284, 296; *Woods* v. *Cochrane and Smith*, 38 Iowa 484, 485; *State ex rel. Christie* v. *Meek*, 26 Wash. 405, 407–408; *Millville Imp. Co.* v. *Pitman, etc., Gas Co.*, 75 N. J. Law 410, 412; *Thomas* v. *Marshfield*, 10 Pick. 364, 367.) The case last cited held that a grant of common to the inhabitants of a certain neighborhood was void because the term "neighborhood" was not sufficiently certain to identify the grantees. In other connections or under other conditions the term "locality" might be definite enough, but not so in a statute such as that under review imposing criminal penalties. Certainly the expression "near the place" leaves much to be desired in the way of a delimitation of boundaries; for it at once provokes the inquiry, "how near?" And this element of uncertainty cannot here be put aside as of no consequence, for, as the rate of wages may vary—as in the present case it is alleged it does vary—among different employers and according to the relative efficiency of the workmen, so it may vary in different sections. The result is that the application of the law depends not upon a word of fixed meaning in itself, or one made definite by statutory or judicial definition, or by the context or other legitimate aid to its construction, but upon the probable varying impressions of juries as to whether given areas are or are not to be included within particular localities. The constitutional guaranty of due process cannot be allowed to rest upon a support so equivocal.

PROPOSED JOINT COMMITTEE ON REVENUE AND EXPENDITURES

Mr. GORE. Mr. President, I submit a concurrent resolution and ask its reference to the Committee on Finance. I desire to say that the concurrent resolution proposes to create a joint committee of the two Houses on revenue and expenditures. The committee would be constituted of 5 members of the Finance Committee, 5 members of the House Ways and Means Committee, and 5 members of the House and Senate Appropriations Committees, respectively. The duty of the joint committee would be to make a thorough study of our entire fiscal system, and to recommend such legislation for revising our revenue laws and reducing expenditures as ultimately, and as soon as practical, to bring expenditures and revenues into balance—in other words, balance the Budget. The concurrent resolution has no direct or necessary relationship to the tax bill now before the Finance Committee of the Senate.

There being no objection, the concurrent resolution (S. Con. Res. 23) was referred to the Committee on Finance, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of 10 Senators and 10 Members of the House of Representatives. Such committee shall consist of the Chairmen of the Committees on Appropriations of the two Houses, the Chairman of the Senate Committee on Finance, the Chairman of the House Committee on Ways and Means, and four members of each such standing committees, to be appointed by the respective chairmen of such standing committees. The committee is authorized and directed to make a full and complete study of the present fiscal system of the United States and to submit a report to the two Houses of Congress on or before ———, recommending (1) such legislation as it may deem necessary or advisable to place such fiscal system on a sounder and more scientific basis, and (2) such changes in the revenue laws as will effectuate a more equitable distribution of the burdens of taxation, and such increases in taxation, based primarily on ability to pay, together with such decreases and retrenchments in public expenditure as will ultimately and at the earliest practicable date bring revenues and expenditures into balance.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Seventy-fourth Congress, to employ such experts, and clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $———, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the committee.

PROPOSED SANITARY CONVENTION WITH ARGENTINA

Mr. COSTIGAN. Mr. President, a few days ago I received a telegram from the Livestock Exchange of Denver expressing serious concern over the proposed sanitary convention with Argentina. The telegram was referred to the Department of State with a request for comments. An informative letter has been received giving the views of the Department on this important question. In that communication the Acting Secretary of State, Mr. Phillips, says in part:

The proposed convention with Argentina does not deprive this Government of the right to impose the most rigid sanitary embargo against every foot of territory which this Government judges to be affected with or exposed to foot-and-mouth disease. The convention provides merely for the correction of what is regarded as an unfair trade practice, namely, the utilization of sanitary regulations to embargo imports from areas in which the foot-and-mouth disease does not occur and in which no exposure to that disease is suspected.

Mr. President, I ask that the telegram and response of Under Secretary Phillips be incorporated in the RECORD as a part of my remarks.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

DENVER, COLO., *July 24, 1935.*

Hon. EDWARD P. COSTIGAN,
United States Senate, Washington, D. C.:

Secretary Hull's renewed campaign for Argentina convention greatly alarms our livestock industry and we request you to utilize every means of preventing treaty which will open avenue into this country for foot-and-mouth disease germs below Equator. Frightful experiences in American outbreaks of 1914 and 1924 and vast expense to taxpayers should be a warning against any relaxation of sanitary guards.

DENVER LIVESTOCK EXCHANGE.

———

DEPARTMENT OF STATE,
Washington, August 1, 1935.

The Honorable EDWARD P. COSTIGAN,
United States Senate.

MY DEAR SENATOR COSTIGAN: I have received your letter of July 27, 1935, transmitting for my comment a telegram received by you from the Denver Livestock Exchange protesting against the Argentina convention on the grounds that it involves danger of introduction of foot-and-mouth disease into this country. The telegram apparently refers to the proposed Sanitary Convention with Argentina, signed on May 24, 1935, which is now before the Senate Committee on Foreign Relations, and concerning which much misinformation has been circulated and undue apprehension aroused.

The proposed convention with Argentina does not deprive this Government of the right to impose the most rigid sanitary embargo against every foot of territory which this Government judges to be affected with or exposed to foot-and-mouth disease. regarded as an unfair-trade practice, namely, the utilization of sanitary regulations to embargo imports from areas in which foot-and-mouth disease does not occur and in which no exposure to that disease is suspected.

The first sanitary embargo was imposed by our Department of Agriculture in January 1927 under order 298, which authorized the prohibition of imported meats from any part of the world, whether from a country or a region or area of a country, but which permitted imports from uninfected areas of a country. This order of the Department of Agriculture continued in operation until the Smoot-Hawley Act wrote it into law, but so enlarged that it required embargoes against every part of a country, even though well-defined areas of the country were known never to have been affected with or exposed to the foot-and-mouth or any other objectionable disease. The effect of the convention with Argentina will be to restore the provisions of the former order of the Department of Agriculture.

I may point out that this convention was negotiated with the assistance of experts of the Bureau of Animal Industry and the Division of Plant Quarantine of the Department of Agriculture. The Department of Agriculture stated that there is understood to be "nothing in the convention which will materially affect import regulations of the Department aside from those based upon section 306 (a) of the Tariff Act of 1930, relating to fresh and frozen meats, and that in respect to these ratification of the convention would merely remove from the prohibition of that section such meats originating in the remote region known as 'Patagonia', which at present is considered to be free from dangerous diseases of livestock."

Foot-and-mouth diseases, I am reliably informed by the experts of the Department of Agriculture, has never been known to occur in Patagonia. That territory is amply protected from exposure to the disease by deserts, mountains, and the sea. Control is simple, because of the few points of export. It is planned that the experts of the Department of Agriculture will periodically reexamine the situation in all territories in Argentina to determine their freedom from and absence of exposure to diseases.

The situation of Patagonia, in other words, is a special one of unusual freedom and protection from foot-and-mouth disease. Exports therefrom would not pass through infected or exposed areas. In spite of this situation, it was believed desirable to exempt shipments of live cattle from the benefits of this convention, and imports into the United States of live cattle from Patagonia or any other section of Argentina would therefore continue to be prohibited, as provided in section 306 (a) of the Tariff Act of 1930.

The effect of the convention upon imports into the United States from Patagonia would be negligible. This section is almost exclusively a sheep-raising territory which has never in any normal condition exported or seriously attempted to export any large or substantial amount of meats to the United States. In connection with the convention, a study was made of the possibility of exporting Patagonian mutton and lamb to the United States, and the investigation showed that such exports under present price and other conditions were not commercially practicable.

The use of sanitary measures as a disguised means of economic protection is an indefensible and undesirable barrier to international trade. Our exports of meat products and fruits to other countries have been injured in this subtle and unfair method. We can scarcely object to such unfair practices abroad when we ourselves have a section in the tariff act which appears to foreign countries to be a glaring example of such legislation.

This convention would remove a persistent and serious cause of ill will and retaliation in Argentine relations with this country. A large part of Argentine resentment to the continuance of section 306(a), which this convention would clarify and modify, is the example and encouragement it gives to other countries which are important Argentine markets to apply unscientific sanitary regulations with the real purpose of excluding Argentine products. It is my considered belief that opposition to this convention would be a short-sighted policy which would in the long run prove of grave cost to American agriculture as a whole. The failure to ratify this convention and the persistence in a complete embargo on

sanitary grounds, which the experts of the Department of Agriculture recognize as being without foundation so far as Patagonia is concerned, would be taken as notice that this Government does not intend to deal fairly or frankly in trade matters. We cannot afford such a reputation.

In conclusion, let me invite your attention to the situation of our trade with Argentina. Prior to 1930 Argentina was one of the most important of our foreign markets. In 1929 our exports to that country were valued at $210,288,027, while our imports of Argentine products amounted to $117,581,273. The tariff increases and the sanitary embargo in the Tariff Act of 1930 reduced Argentine exports to the United States. Since that act, Argentina has changed her former policy of opening her markets on equal terms to all countries to a policy of "buy from those who buy from us." The carrying out of this policy has naturally adversely affected American exporters. Our ill-considered tariff and extreme quarantine action of 1930 are importantly responsible for the present plight of our trade with that country. Exports from the entire United States to Argentina in 1934 were valued at only $42,686,263, as against imports of $29,487,327. American exporters to Argentina have lost millions of dollars of potential orders in the last 2 years, which would have meant increased employment and consequent increased consumption of American food and other products. In such a situation, the danger of opposition to every possible Argentine import into the United States is obvious.

American cattle raisers have a vital interest in efforts being made to remove the unreasonable barriers which impede a return to the freer flow of international trade which formerly obtained. Over the 10-year period, 1924–33, exports of veal, beef, and beef products from the United States were over twice as great as were imports (an average of 131,000,500 pounds per year for exports, 62,000,000 pounds for imports). In 1934 the trade was nearly balanced, with 90,000,100 pounds of exports and 92,000,600 pounds of imports. While it is recognized that the total production and consumption within this country, they do indicate that the beef-cattle industry in the United States has, on balance, a direct interest in the expansion of, rather than in the contraction of our international trade. This balance is further increased when it is realized that a large part of our imports consist of canned beef, of which little is produced in this country, and, which, to a large extent, goes into markets and uses in which it is not competitive with the fresh meat and other forms in which it is found most economical to market domestic beef.

In compliance with your request, the telegram from the Denver Livestock Exchange is returned herewith.

Sincerely yours,

WILLIAM PHILLIPS, *Acting Secretary.*

EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, will the Senator from Vermont yield to me to move an executive session?

Mr. AUSTIN. I yield for that purpose.

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MALONEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion, or for appointment by transfer, in the Regular Army.

Mr. TRAMMELL, from the Committee on Naval Affairs, reported favorably the nomination of Pay Director Charles Conard to be Paymaster General and Chief of the Bureau of Supplies and Accounts in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

He also, from the same committee, reported favorably the nominations of sundry officers in the Marine Corps.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, reported favorably the nomination of Lawrence W. Cramer, of New York, to be Governor of the Virgin Islands, vice Paul M. Pearson.

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Paul D. Shriver to be State administrator in the Works Progress Administration for Colorado.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

RECESS TO MONDAY

Mr. ROBINSON. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate, in legislative session, under the order previously entered, took a recess until Monday, August 12, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 9 (legislative day of July 29), 1935

CONSUL GENERAL

Hugh H. Watson, of Vermont, now a Foreign Service officer of class 3 and a consul, to be a consul general of the United States of America.

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL ADMINISTRATIVE CORPS

To be second lieutenants with rank from August 1, 1935

Staff Sgt. William Cyrille Lizotte, Medical Department.
Sgt. Frank Stepczyk, Medical Department.
Staff Sgt. Jacob Bruce Martin, Medical Department.
Pvt. First Class Harry John Nelson, Medical Department.
Sgt. James Thomas Johnson, Medical Department.

PROMOTIONS IN THE REGULAR ARMY

DENTAL CORPS

To be captains

First Lt. Howard Newton Burgin, Dental Corps, from August 6, 1935.

First Lt. Robert Earl Hammersberg, Dental Corps, from August 6, 1935.

VETERINARY CORPS

To be first lieutenant

Second Lt. Russell McNellis, Veterinary Corps, from August 1, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 9 (legislative day of July 29), 1935

POSTMASTERS

CALIFORNIA

Joseph Freitas, Atwater.
Richard J. Wallace, Brentwood.
Ivy E. Reynolds, Byron.
George W. Hull, Camino.
Minnie O. Bauhaus, Carpinteria.
Walters R. McCutchen, Coachella.
Edna M. Shelley, Dorris.
Richard J. Homan, Encinitas.
John W. Winton, Fowler.
David S. Mason, Sr., Ione.
Toss W. Brown, Lemoore.
Carl J. Hase, Ontario.
Martin E. Collins, Pinole.
Elizabeth S. Pelle, Pleasanton.
Katharine A. Creedon, Rodeo.
Lloyd S. Pringle, Soquel.

GEORGIA

Sara K. Polk, Moreland.
Ivey M. Cox, Newton.
Hugh J. Alderman, Pavo.
Grover C. Alston, Richland.

KANSAS

Edward H. Malleis, Halstead.
Matilda E. Albright, Hope.
John W. Vancil, White Water.

KENTUCKY

Emily B. Ison, Benham.
Darwin N. White, Hazel.

MARYLAND

Herman W. Hurst, Vienna.
Howard H. Wiley, White Hall.

NEW YORK

Curtis Van Valkenburgh, Arkville.

WISCONSIN

John H. Hillberry, Blue River.
Virgil R. Hines, East Ellsworth.
Tony W. Schuh, Elcho.
Andrew J. Clark, Milltown.
George Lincoln Abraham, Minocqua.
John R. Bernard, Necedah.
Francis J. Kugle, Reedsville.
John W. Kelley, Rhinelander
William F. Garvin, Rio.
Herman S. Morris, Sharon.
Aaron R. White, Wonewoc.

WYOMING

John Barwick, Superior.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 9, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord of life, whose right is to reign and whose power is everlasting, we pray that our fitness for the public service may be demonstrated by the fervor and passion of our patriotism. Help us that we may never forfeit the honor and miss the garland of victory. We thank Thee for the accent and inspiration of the certainty of Thy words: "Be strong and of good courage, for the Lord thy God is with thee." Keep us from all hardness of heart and from the spirit contempt of Thy teaching. Spare us from the surge of sin and the undertow of its remorse and lead us evermore. Bless us with the strength of brave men, with the joy of work well done, and with the laughter of happy children; these constitute a heaven amid the shadows of the present age. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On August 5, 1935:

H. R. 5382. An act to provide for advancement by selection in the Staff Corps of the Navy to the ranks of lieutenant commander and lieutenant; to amend the act entitled "An act to provide for the equalization of promotion of officers of the Staff Corps of the Navy with officers of the line" (44 Stat. 717; U. S. C., Supp. VII, title 34, secs. 348 to 348t), and for other purposes;

H. R. 5920. An act to authorize the conveyance of certain Government land to the borough of Stroudsburg, Monroe County, Pa., for street purposes and as a part of the approach to the Stroudsburg Viaduct on State Highway Route No. 498;

H. R. 6768. An act to authorize the Secretary of War to lend War Department equipment for use at the Seventeenth National Convention of the American Legion at St. Louis, Mo., during the month of September 1935;

H. R. 6983. An act to provide for the transfer of certain land in the city of Anderson, S. C., to such city;

H. R. 7575. An act to legalize a bridge across Black River on United States Highway No. 60 in the town of Poplar Bluff, Butler County, Mo.;

H. R. 7591. An act granting the consent of Congress to the cities of Donora and Monessen, Pa., to construct, maintain, and operate a bridge across the Monongahela River between the two cities;

H. R. 7620. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 7809. An act to extend the times for commencing and completing the construction of certain free highway bridges across the Red River from Moorhead, Minn., to Fargo, N. Dak.;

H. R. 7902. An act to provide a right-of-way; and

H. R. 7980. An act to protect the revenue of the United States and provide measures for the more effective enforcement of the laws respecting the revenue, to prevent smuggling, to authorize customs-enforcement areas, and for other purposes; and

On August 6, 1935:

H. R. 6656. An act to authorize the Pennsylvania Railroad Co., by means of an overhead bridge, to cross New York Avenue NE.; to extend, construct, maintain, and operate certain industrial sidetracks; and for other purposes; and

H. R. 8400. An act providing for the loan by the War Department of certain material and equipment to the Veterans of Foreign Wars 1935 Encampment Corporation, and for other purposes.

On August 7, 1935:

H. R. 373. An act for the relief of the American Surety Co. of New York;

H. R. 419. An act for the relief of Ruth Relyea;

H. R. 670. An act conferring jurisdiction in the Court of Claims to hear and determine the claim of George B. Gates;

H. R. 1540. An act for the relief of Lester I. Conrad;

H. R. 1541. An act for the relief of Evelyn Jotter;

H. R. 1864. An act for the relief of Henry Dinucci.

H. R. 2122. An act for the relief of William Seader;

H. R. 2480. An act for the relief of Charles Davis;

H. R. 2606. An act for the relief of the estate of Paul Kiehler;

H. R. 2611. An act for the relief of John E. Fondahl;

H. R. 2679. An act for the relief of Ladislav Cizek;

H. R. 3337. An act for the relief of James Akeroyd & Co.;

H. R. 3506. An act for the relief of George Raptis;

H. R. 3558. An act for the relief of Capt. Walter S. Bramble;

H. R. 3612. An act to provide for adjusting the compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended;

H. R. 3760. An act for the relief of Capt. Arthur L. Bristol, United States Navy;

H. R. 3826. An act for the relief of John Evans;

H. R. 4029. An act for the relief of Thomas Enchoff;

H. R. 4146. An act for the relief of Mrs. Olin H. Reed;

H. R. 4274. An act correcting the date of enlistment of Elza Bennett in the United States Navy;

H. R. 4290. An act for the relief of Harriet V. Schindler;

H. R. 4406. An act for the relief of Anna Farruggia;

H. R. 4718. An act for the relief of Yamato Sesoko;

H. R. 4812. An act for the relief of Mrs. Carlysle Von Thomas, Sr.;

H. R. 4814. An act for the relief of Lt. Col. Russell B. Putnam, United States Marine Corps;

H. R. 4815. An act for the relief of Jasper Daleo;

H. R. 4820. An act for the relief of Lawrence S. Copeland;

H. R. 4824. An act for the relief of Capt. George W. Steele, Jr., United States Navy;

H. R. 4828. An act for the relief of John L. Summers, disbursing clerk, Treasury Department, and for other purposes;

H. R. 4833. An act for the relief of Ciriaco Hernandez and others;

H. R. 2449. An act for the relief of Floyd L. Walter;

H. R. 2487. An act for the relief of Bernard McShane;

H. R. 3167. An act for the relief of Louis Alfano;

H. R. 4822. An act for the relief of Thomas F. Olsen;

H. R. 4838. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

H. R. 4850. An act to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army;

H. R. 4901. An act to authorize appropriations to pay the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions;

H. R. 4974. An act for the relief of Rabbi Isaac Levine;

H. R. 5041. An act authorizing and directing the Secretary of the Treasury to reimburse Lela C. Brady and Ira P. Brady for the losses sustained by them by reason of the negligence of an employee of the Civilian Conservation Corps;

H. R. 5532. An act to provide for the acquisition of a portrait of Thomas Walker Gilmer;

H. R. 6549. An act for the relief of Horton & Horton;

H. R. 6673. An act providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee on Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee;

H. R. 6825. An act for the relief of Mrs. Clarence J. McClary;

H. R. 7909. An act to amend the act creating a United States Court for China and prescribing the title thereof, as amended; and

H. J. Res. 335. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Texas Centennial Exposition and celebrations to be admitted without payment of tariff, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 7349. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 348. Joint resolution authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States on its bonds and other similar obligations; limiting the use of certain appropriations; and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3383. An act to grant extension of time in payment of crop loans where the borrower has suffered from crop failure in 1935.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1024. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3311) entitled "An act to amend an act entitled 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain', approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. PITTMAN, and Mr. NORBECK to be conferees on the part of the Senate.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, is there any business pending that could be considered tomorrow?

Mr. TAYLOR of Colorado. Yes, of course, we could do some business tomorrow, but I may say to the gentleman that the Members almost unanimously hope they may be given that day to clear up their office work and possibly to attend to some departmental matters. It will not be a lost day at all, and as a matter of fact, it is necessary for the orderly transaction of our business.

Mr. BOILEAU. I do not know of any of the departments here that are very busy on Saturday afternoons and I do not know that you can see very many people down there on Saturday afternoon.

I may say further that I do not propose to object because I realize that even if I did object, although I might be able to keep the House in session tomorrow, the House would simply meet and adjourn if that were the wish of the House. However, I do desire to enter my feeble protest against adjourning over when there is some business that could be attended to.

Mr. TAYLOR of Colorado. I may say that I believe the wish of the leaders on both sides of the House is to adjourn over Saturday, and I feel confident we express the wish of practically all the Members of the House.

Mr. BOILEAU. I may say I believe there is some business we could be doing, for instance, considering the omnibus bills on the Private Calendar. As I understand it, those bills could be disposed of tomorrow.

Mr. TAYLOR of Colorado. Today is to be given over to considering bills on the Private Calendar.

Mr. BOILEAU. But the omnibus claims bills are still pending.

Mr. TAYLOR of Colorado. The bills contained in the omnibus bills have been considered once, while there are a very large number of Members of the House who have bills on the Private Calendar that have not yet had any chance of consideration at all this session.

Mr. BOILEAU. I am perfectly willing that the bills that have not had a chance should be considered, and I am also willing that those interested in the omnibus bills might have tomorrow for their consideration.

Mr. TAYLOR of Colorado. We have already arranged for an extra day on Monday for the consideration of the Consent Calendar, and I am trying to give all the Members an opportunity to have their bills on both of these calendars considered before we adjourn.

Mr. BOILEAU. I simply want to enter my protest against this continual policy of adjourning over.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. BLANTON. I want to say to my friend from Wisconsin there is no more important work that any Member can do than answering the requests we receive from our constituents, and this is what we are going to do tomorrow. Our tables are piled up with these personal requests coming from our home folks and they want us to transact this business for them.

Mr. BOILEAU. I may say to the gentleman from Texas that from my experience and from talking with other Members, the mail is not anywhere near as great now as it was a few months ago. I understand the mail of the Members is light compared with what it has been before.

Mr. BLANTON. I wonder how that could be the case with any Member. My mail has not decreased any. My desks are piled up with it every day. And when our constituents write us about matters, they are entitled to have their business attended to promptly. And by adjourning over Saturday, it will give us an opportunity to catch up with our mail.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. COLDEN. I wish to say to the majority leader that I am heartily in accord with his request, because it is the only chance I have to get caught up with the work at my desk.

Mr. TAYLOR of Colorado. I think that is the sentiment of the Members generally.

Mr. HOEPPEL. Mr. Speaker, I reserve the right to object in order to answer the gentleman from Wisconsin. The gentleman asked to be informed whether or not there is any business we can do tomorrow. I may say to the gentleman that there is some very important business we can do tomorrow in the event the President sends down a veto of the Spanish War veterans' bill. We can override the veto, and I hope the Members will do this.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

THE A. A. A. BILL

Mr. JONES. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tomorrow night to file a conference report on the bill H. R. 8492, and I desire to ask in this connection that in the consideration of the report, points of order be considered as waived on the report proper.

The SPEAKER. The gentleman from Texas asks unanimous consent that the conference committee on the Agricultural Adjustment Act may have until midnight tomorrow night to file a conference report and that points of order on the report be considered as waived. Is there objection?

Mr. TARVER. Mr. Speaker, reserving the right to object, the Members of the House will have no opportunity to study the report of the conferees. It is very important in view of the information we have as to the contents of the conference report that we have an opportunity to read it and study it before it is called up for consideration in the House.

Mr. JONES. I may state to the gentleman that it is our purpose to file the report Saturday night. It will be printed and available Monday morning, and I had hoped to ask the Speaker to recognize me to bring it up Tuesday, which will give a full day to study the report.

Mr. TARVER. Then the gentleman will not bring it up before it has been available for 1 day?

Mr. JONES. It is my purpose to bring it up on Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE IMPORTANCE OF EDUCATION IN INTERNATIONAL AFFAIRS

Mr. KNUTE HILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech made over the radio last night.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. KNUTE HILL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address which I made yesterday over the radio:

I have the privilege to speak to you tonight on the importance of education in international affairs. Education is a vital force in all the affairs of life, domestic and public, those of the small community, the State, the Nation, the world at large. Education merely means that we understand. When we understand we sympathize, we cooperate, we fully succeed. When the people of a community thoroughly understand one another, there is very little cause for friction. The same is true of States and nations. After all, a substantial majority of the people of the world have common purposes and similar aspirations. The human family springs from the same root, and it must have been, and I believe is, the intention of a kind Providence that the members thereof should live in peace and harmony and happiness. We should cooperate to attain the common welfare regardless of creed or race or nationality. To accomplish this end it is necessary to study carefully one another's problems and get a broad and friendly viewpoint of our neighbor's purposes and difficulties.

Statistics show that crime and lawlessness prevail as a result of ignorance and economic pressure. Education will eliminate the former and solve the latter. When individuals understand that they have not only certain inalienable rights but also definite responsibilities to all other members of the social structure they will cease to insist on absolute rights—something entirely incompatible with the fact of human companionship. Moreover, a sincere study of the problem should bring realization and conviction to the mind of any reasonable human being that just and certain punishment comes eventually to all wrongdoers. This is as applicable to national wrongdoers as to individuals.

International understanding should have a threefold purpose. In this modern era with its swift modes of communication and transportation no nation can live unto itself. Economically, morally, and politically we are interdependent on one another. We have a surplus of domestic products which other nations need and cannot produce. They in turn have a surplus of native products which we need and cannot produce. I need only mention the silks and teas of the Orient and the coffee of Brazil. A friendly attempt to study these needs and surpluses will easily and naturally result in a mutual solution of this economic problem. The determination of our present administration to deal with this question on an amicable and neighborly basis is the first great step in its solution.

A second purpose of international understanding is to foster the spirit of peace in our schools and colleges and extend this spirit through the students from other countries attending our colleges and through our exchange professors with colleges of other countries. Our public schools and colleges should be real centers of education. As a convincing argument to the other countries that our purposes are friendly, let us substitute universal physical culture for young women as well as young men instead of compulsory military training in our land-grant colleges. This would be both beneficial to all the youth of our country and also an assurance to the peoples of other nations. It would be conclusive to them that our aim is not to train for destructive and competitive purposes but for constructive and cooperative accomplishments. Our exchange professors should not only emphasize the splendid features of our own culture and Government but also be willing to assimilate those phases which are valuable and acceptable in the culture and government of our sister nations. In short, our aim should be to excel not necessarily in our own conceited nationalism but to excel in all that is good and noble and true from whatever source. Here may I quote a splendid thought from the pen of Bishop G. Ashton Oldham, vice chairman of the National Council for Prevention of War:

AMERICA FIRST

Not merely in matters material, but in things of the spirit.

Not merely in science, invention, motors, and skyscrapers, but also in ideals, principles, character.

Not merely in the calm assertion of rights, but in the glad assumption of duties.

Not flaunting her strength as a giant, but bending in helpfulness over a sick and wounded world like a good Samaritan.

Not splendid in isolation, but in courageous cooperation.

Not in pride, arrogance, and disdain of other races and peoples, but in sympathy, love, and understanding.

Not in treading again the old, worn, bloody pathway which ends inevitably in chaos and disaster, but in blazing a new trail, along which, please God, other nations will follow into the new Jerusalem where wars shall be no more.

Some day some nation must take that path—unless we are to lapse once again into utter barbarism—and that honor I covet for my beloved America.

And so, in that spirit and with these hopes, I say with all my heart and soul, "America first."

The third purpose of international understanding is to promote peace and good will among the nations of the earth

Prior to the establishment of our Republic, the Thirteen Colonies and their citizens were jealous of one another and were too ready to fight for what they conceived to be their sovereign and individual rights. Under a flexible constitution and a splendid form of government, through mutual understandings and concessions, the struggling colonies and their straggling inhabitants have grown to be the most powerful nation on earth and a great people. Mistakes—ofttimes very grevious mistakes—have been made. On the whole we have been—we are—moving forward to a more complete government of the people, by the people, for the people. It needs only understanding, determination, patience. The outcome is inevitable.

Our entry into the World War was the result of misinformation and false propaganda. No nation and no people benefited from that war. No nation and no people ever benefit from any war. We all lose. War is always destructive—never constructive. Not only during its immediate terrors and sufferings but also for

decades following. Another world war will not only destroy the lives of millions of people both participants and noncombatants but also plunge the whole world back into the superstition and ignorance of the Dark Ages. To prevent such a cataclysm, full understanding—education, if you please—among the peoples of all nations is absolutely necessary. The common people of Italy and Ethiopia may rush at each others' throats in their ignorance to please the whim of a Mussolini but the peoples of the other nations and their leaders—their servants, if you please—must brand such action as folly and a crime.

Alexander Pope wrote:

"Vice is a monster of so frightful mien
As to be hated needs but to be seen;
Yet seen too oft, familiar with her face,
We first endure, then pity, then embrace."

Those words might have been appropriate in the days of duels and wars. In this day and age of enlightenment and discovery, we cannot, we dare not, yield to our baser instincts. The perpetuity of our Government, of our institutions, of our very civilization itself demands that we follow the instincts of our better natures and let understanding, peace, and good will rule the world.

CHIPPEWA INDIAN COOPERATIVE MARKETING ASSOCIATION

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6228) authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, after the word "or", insert the word "so."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Senate amendment was concurred in.

LEAVE OF ABSENCE

Mr. HALLECK. Mr. Speaker, my colleague, Mr. COLE of New York, has asked me to secure for him indefinite leave of absence because of illness in his family.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMERICA SELF-SUSTAINED

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEMKE. Mr. Speaker, our Department of Agriculture is still engaged in destroying and restricting agricultural production in the midst of hunger, want, and rags. It still believes that there is overproduction, while every intelligent person knows that our problem is underconsumption and maldistribution—that in fact there is a scarcity. There never was an overproduction. On the other hand, our Department of State is still selling the American farmer and the American laborer in foreign market places. It is still seeking foreign concessions—still chasing the elusive rainbow, the will-o'-the-wisp of international trade. It is selling our domestic markets to foreign horse traders.

This is done by means of the so-called "reciprocal trade agreements." These agreements are largely suggested by the international bankers and manufacturers, who have investments in foreign countries, and who now desire that the American people should pay those investments indirectly, by permitting the balance of trade to be against them sufficiently to service the foreign debt. These two departments of Government are now engaged, one in restricting and destroying the agricultural production, and the other in entering into trade agreements with other nations in which agreements the best interests of this Nation and of our people are entirely forgotten.

During the last session, Congress passed the reciprocal-tariff law, which gave to the President the right, by agreements with foreign nations, to reduce tariffs 50 percent. The Constitution provides that the President "shall have power, and with the advice and consent of the Senate, to make treaties providing two-thirds of the Senators present concur * * *." This law attempts to take that power from the Senate, and lodge the entire power with the President. This law was passed largely because the American Manufacturers Export Association, financed by the Chase and City National Banks of New York, and by international manufacturers, such as General Motors and the International Harvester Co., through a well-organized lobby and publicity machine, succeeded in misleading the administration and the majority in Congress.

That same Congress also passed a bill creating free zones within our country at important ports of entry where the foreign nations can store their agricultural and manufactured products within our borders for one year, without paying any duty, thus putting our foreign competitors in a position to flood our markets with their commodities at the opportune moment.

As a result of this un-American policy, our country is now being flooded with foreign agricultural and manufactured products as never before in its history, products produced and manufactured in foreign countries, with the lowest possible standard of living. At present we have restricted the immigration of European races and have excluded the immigration of Asiatic races, in order to protect our American standard of living. But now we import, under trade agreements and otherwise, hundreds of millions of dollars' worth of manufactured articles from Asiatic nations, articles produced by human slavery and human misery. We exclude the Asiatic because of his low standard of living, and at the same time we permit the articles that his labor produces, under insanitary, brutal, and inhuman conditions, to be sold in competition with articles manufactured by labor under the American standard of living. In fact, by importing these goods we invite, we import the oriental, the lowest standard of living, for Americans.

Last winter we had 21,000,000 on Federal relief, and about 13,000,000 out of employment, and yet we import the very things that these men and women should be producing under an American standard of living—not under an Asiatic standard. Why prevent our own people, who are in want and misery, from producing and manufacturing these articles, in order to enrich a few importers and international dealers? We submit that this is the work of madmen. It is the work of men that know not what they are doing, and who do not understand or know the foundation upon which the greatness of this Nation has been built. It is the work of bureaucrats who lack vision, and of incompetents. We challenge not only the fallacy of this policy, but we challenge its continuation. The President must repudiate this un-American doctrine. He must surround himself with men who know and represent real America—America self-maintained.

It is self-evident that we cannot borrow or tax ourselves out of the depression, nor can we buy ourselves into prosperity by buying agricultural and manufactured products from other nations which our own people ought to and can produce. Everyone knows that we cannot satisfy hunger, want, and poverty by scarcity. We cannot restrict or destroy ourselves into recovery. Neither can we gain anything by selling goods produced or manufactured by our own people on credit to bankrupt nations that already owe us $26,000,000,000, and that have refused and have no intention of ever paying it. Such a stupid policy will not bring recovery, but will bring devastation and destruction.

A farmer who is capable of producing all he needs but who persists in destroying and restricting his production to part of his needs, and then sells on credit what he produces to a bankrupt neighbor and buys for cash what he needs from that same neighbor will ultimately himself become a bankrupt. A manufacturer that has all the material and equipment to supply his own wants, but who buys part of the things that he is equipped to and ought to manufacture himself, and then sells his own products on credit to a bankrupt concern will in turn become a bankrupt.

Likewise a nation that destroys and restricts production so that it may buy from foreign and bankrupt nations, and then insists on selling its own products to these same nations on credit will in the end become a bankrupt. In other words, a nation that insists upon buying products which its own people can, and should produce, and then sells its own

labor and natural resources on credit to other nations who already owe more than they are able to pay cannot long succeed. Neither can it maintain a high standard of living when it forces its people to compete with the low standard of orientals. We repeat, the American farmer, manufacturer, and laborer cannot compete with the serf, peon, or oriental laborer of foreign countries that is satisfied with a bowl of rice, and who manages to get by without shoes, covers his body with about 50 cents' worth of rags, and lives under the most insanitary conditions. We maintain that our American standard requires us to eat, drink, wear, and buy American products—America for Americans.

The absurdity of our policy is shown when we realize that during the first 6 months of this year, ending June 30, we imported $984,450,197 worth of foreign goods. About $680,000,000 of this amount represents agricultural imports. This means that if we import an equal amount for the next 6 months, that we will import in all $1,968,900,394 of foreign commodities in 1935. About $1,360,000,000 of this will represent agricultural products. These figures are so large, so staggering, that it is hard for us to comprehend what they really mean. We are now so accustomed to talking of millions and billions that we feel as if we were talking about molehills, in place of mountains.

It is only about a billion minutes since the day that Christ was born, and yet we import foreign goods in 1 year to the amount of approximately $2,000,000,000. This vast and incomprehensible sum, if it were equally distributed among the 125,000,000 people of this Nation, would mean $16 for every man, woman, and child. If this sum paid to foreign nations in 1 year were distributed, and used as a revolving fund, it would pay off at least fifty billions of the three hundred billion public and private debts of this Nation. Most of these debts were incurred under the highest standard of living, during and shortly after the war. They will never be paid under an oriental standard—all things are relative. If this vast sum that we are now paying for imports were to be paid at one time, and in cash, it would take every dollar of money in actual circulation. In fact, it could not be done, because there is only about $800,000,000 of actual money in all the banks and trust companies of the United States.

This gives us some idea of the extent to which our domestic markets are being sold to international horse traders, at the expense of the great mass of American people, in order to please a few international manufacturers and international bankers. These, though unbeknown to the Secretary of State, are responsible for this policy, and the Department of State is simply used as their pawn, to accomplish this destructive purpose. All this is done under the mistaken idea that foreign trade is essential to progress, a trade that, because of chemical discovery and development, is gone forever, never to return—dead and buried. All aggressive and progressive nations from now on will, because of these developments and discoveries, be able to become more or less self-maintained.

If the $984,450,197 that we have spent the last 6 months in foreign countries for agricultural and manufactured products had been spent in our own country, fewer of our people would be unemployed and less on a dole system. Every dollar spent to buy articles produced or manufactured by cheaper labor abroad is lost to the American people forever, and means a lower standard of living. Out of these total imports, all but perhaps $80,000,000 was spent for agricultural or manufactured products which could and should have been produced by ourselves. We, rather than the people of foreign countries, should have been given the opportunity to supply our Nation's wants.

This $2,000,000,000 paid for foreign imports, spent at home and used as a revolving fund, would give many billions of purchasing power. That purchasing power would have resulted in a larger demand for manufactured articles. Why should we give this purchasing power to foreign nations, in order to satisfy the greed and grasping instinct of a few international bankers and international manufacturers? The fallacy of such a policy is so self-evident that we are sure the American people will not tolerate it, once they know the facts.

The $680,000,000 that we spent in buying imported agricultural products during the first 6 months of this year should have been paid to our own farmers. In place of destroying and restricting crop production, we should have increased it. In place of decreasing our agricultural acreage 40,000,000, we should have increased it by over a hundred million. We, and not foreign people, should have supplied our people with these products. If this $680,000,000 had been equally distributed among our 6,000,000 farm families, each family would have received $113; or if we had distributed it equally among the 30,000,000 composing our farm population, it would have amounted to $22.60 for every man, woman, and child. In place of that, we made a present of it to other nations, who have already short-changed us over $26,000,000,000.

In 1934 the gross proceeds received by the farmers for farm products was $5,500,000,000. This does not include the amount received as a result of the processing tax, the largest part of which the farmer himself pays. In other words, it is taken out of his right pocket, goes through several hands, and only a small part of it returns to his left pocket. Worse still, the American public is fooled, and made to believe that the farmer is getting something for nothing. If to this $5,500,000,000 were added the one billion three hundred and sixty million that we are spending this year for agricultural imports, it would increase the farmers' income by over one-sixth, and would have increased their purchasing power by $1,300,000,000. That one billion three hundred million, used as a revolving fund, would have increased the purchasing power of the American people as a whole by many times $1,300,000,000.

It is time that we realized that money spent in America continues to be spent in America; and that money spent in foreign nations will continue to be spent in foreign nations. Our Federal Reserve Banking System, and our Treasury Department, by giving credit to foreign nations, are in fact financing foreign competitors to sell their products in this country. But this same Federal Reserve Banking System, and this same Treasury Department, have consistently refused to do for our people that which they are doing for foreigners. They have failed to finance agriculture and industry. The truth is, we are getting altogether too internationally minded.

If the $528,000,000 that we will have spent by the end of this year in buying of articles other than agricultural in foreign nations were paid to our own people, then we would have made some real progress toward recovery. Every dollar spent to get articles manufactured by cheaper labor abroad that we could have produced at home is a positive detriment to this Nation. It just means more unemployed. Out of the total importations of $984,450,197 for the first 6 months of this year, all but $80,000,000 was spent for products which could have and should have been produced by ourselves. We should have been given the opportunity to do so.

During the first 5 months of this year we imported 74,000 tons of steel. This steel should have been produced by our own mills and by our own labor. The American steel workman receives 65½ cents per hour; the Belgian worker, 17 cents per hour. Why should we buy steel from Belgium and other foreign nations who underpay their labor in order to lower the standard of living of our own? This 74,000 tons of steel would have provided 4,445,245 work-hours of additional employment and increased the earning and purchasing power of steel workers by approximately $2,477,000. Why should we not have given employment to some of the unemployed to manufacture this steel from ore mined in our own country?

We know that we cannot successfully, and to the advantage of our people, trade away our domestic agricultural market to other nations any more than we can successfully, and to the advantage of our people, trade away our domestic manufacturing markets. Whenever we trade either one at the expense of the other the Nation as a whole suffers. "American domestic markets for Americans" must ever be our slogan.

Let international trade take care of itself. It has meant nothing but humiliation and loss to us in the past. We have no objection to that part of the international trade that is the natural result of our civilization and of our intercourse among nations, that which comes to us naturally and necessarily. But why buy products produced in foreign nations that we can produce ourselves? Why make a laughing stock of ourselves and trade away our domestic markets in order that the international manufacturers may sell a little more machinery and electrical equipment in foreign markets on credit—all at the ultimate expense of this Nation.

Our foreign trade has not added to the wealth or benefit of our people. In fact, it has sapped our resources. In 38 years, we sold twenty-six billion more to foreign nations than they have paid for. Our total foreign trade is only 6 percent of our total commerce, and if we eliminate the interlocking international manufacturers, who have plants in foreign lands, it is only 3 percent. Again, our foreign trade no longer represents goods, but largely represents trading in international debts, bonds, and securities. In 1933, 41.8 percent of our total foreign trade represented trading in bonds and stocks, in international debts, and not goods. During recent years, we have lost less than 4 percent of our volume of business through the collapse of foreign trade, but we did lose from 45 to 55 percent in our home market. Why not pay more attention to again developing our own markets?

From the above, it is clear that while, on the one hand, our Department of Agriculture asks the farmers to destroy and restrict crop production, on the other hand the Department of State surrenders our domestic market to foreigners. This policy is incomprehensible to thinking people, who have the welfare of their country at heart.

The United States, because of its great natural wealth and unlimited resources of raw material, has, through inventions and ever-increasing discoveries of its people, become self-sufficient, and able to develop economic freedom for all. It can, and will, abolish poverty, not by mingling it with the poverty of other nations but by an ever-increasing and higher standard of living, not of the few but of the many. This Nation need no longer concern itself with international shopkeeping; it is all sufficient unto itself. It will trade with its friends, for friendship's sake, as far as essential and necessary for their mutual well being, but it will not drive bargains, or sell part of its people in foreign market places.

For the benefit of those who may read my remarks, I am inserting two tables, the first showing, by groups, the amounts of importations during the first 6 months of this year—1935—and the second showing some of the same imports by items:

Animal and animal products, edible	$39,305,928
Animal and animal products, inedible	70,381,248
Vegetable food products and beverages	298,000,898
Vegetable products, inedible	136,862,212
Textile fibers and manufactures	135,925,916
Wood and paper	89,755,987
Metallic minerals	47,124,985
Metals and manufactures	89,731,801
Chemical and related products	38,637,201
Miscellaneous	38,724,012

Product		Quantity	Value
Cattle	head	223,825	$5,832,074
Hogs	do	46,734	
Meat and meat products	pounds	58,600,296	10,941,979
Animal oils and fats	do	6,954,254	488,996
Butter	do	21,500,146	3,372,563
Cheese	do	23,904,588	5,127,728
Fish	do	138,208,900	11,961,341
Poultry and poultry products	do		1,300,000
Hides and skins	do	136,500,246	20,203,516
Leather	do	13,295,000	3,170,635
Furs			23,798,814
Barley	bushels	4,404,284	3,430,607
Rye	do	7,550,800	3,771,039
Corn	do	17,620,195	9,261,488
Oats	do	10,054,861	2,917,168
Rice and rice preparations, over	pounds	42,000,000	840,015
Wheat (about $3,630,000 bonded)	bushels	12,178,644	9,283,938
Barley, malt	pounds	172,328,344	5,107,798
Vegetables and vegetable preparations			10,347,385
Fruit and fruit preparations			19,950,758
Nuts			5,480,834
Vegetable oils and fats			$14,407,292
Sugar, sirup and related products			81,120,999
Oil seeds, including flax	bushels	8,994,439	16,967,397
Cotton, unmanufactured	pounds	25,811,516	3,601,195
Cotton, manufactured			16,360,481
Jute and jute manufactures			21,324,468

All of these products could, and should, have been produced by our own people.

WORLD WAR VETERANS IN CONGRESS APPROVE WAR REFERENDUM

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement by four of my colleagues.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, four Members of the House of Representatives, soldiers of the Great War, have advised the Committee on the Judiciary that they are standing with me in support of House Joint Resolution No. 167, the resolution which I have introduced to minimize the possibility of America becoming involved in war.

I place a high value on the testimonials of these colleagues of ours, who were tested in the crucible of the world's greatest war. Certainly they are qualified witnesses, for who has a better knowledge of what war means than those who speak from vivid personal experience?

These four outstanding World War veterans of the House of Representatives believe that the Congress should adopt, and the States should ratify, the constitutional amendment which I propose. That amendment provides that except in the case of invasion, war shall be declared only by the people in a Nation-wide referendum in which the question shall be decided by a majority of all votes cast. It also provides that, in the event of war, all war properties, munitions plants, and so forth, shall be taken over for use of the Government during the period of the emergency, thus removing the profit incentive to war.

By unanimous consent of the House I am privileged to insert in the CONGRESSIONAL RECORD the statements made by these four veterans on my war referendum resolution. Their expressions make an interesting symposium on this vital subject.

Representative WILLIAM P. CONNERY, JR., of Massachusetts, whom we all know and love for his fine human qualities, his bon homme fellowship, and the admirable courage and persistency with which he fights the battles of the common man, has submitted the following statement to the Judiciary Committee:

STATEMENT OF CONGRESSMAN WILLIAM P. CONNERY, JR.

I am in hearty agreement with the provisions of House Joint Resolution 167, introduced by Congressman LUDLOW, providing that except in the event of invasion the authority of Congress to declare war shall not become effective until confirmed by a majority of all votes cast thereon in a Nation-wide referendum.

My colleague, Mr. LUDLOW, rightly states that this resolution, if enacted, will be a real preventive to war.

Munitions dealers and international financiers have too often engendered strife between nations for their own avaricious gains, without the slightest compassion for the young manhood of our country slain in battle, the mothers' broken hearts, nor the children who are made orphans. While the people of our Nation are still suffering the aftermath of the war, the depression through which we are now passing, these professional war makers are busy in other quarters of the world agitating strife there, so that they may continue to pile up their bloody profits. I do not think that we should again permit these greedy profiteers to force war upon us, but that, if necessary, this solemn declaration should be made through the war referendum of the ballot box by those people who have to suffer and pay the awful costs of the war. War would then only be declared in the cause of righteousness, and not to satisfy the selfish and unprincipled objectives of the few.

Representative MAURY MAVERICK, of Texas, one of the bravest men who ever wore a uniform, who was wounded in France and cited for "gallantry in action and extremely meritorious service", has expressed his views on the efficacy of the amendment I propose in the following letter:

WASHINGTON, D. C., *July 1, 1935.*

Hon. LOUIS LUDLOW,
House of Representatives, Washington, D. C.

DEAR MR. LUDLOW: As a soldier of the Great War, I am very pleased to endorse your House Joint Resolution No. 167, which is designed to minimize the possibility of America being dragged into unjustifiable wars. It proposes a constitutional amendment; and I believe the purposes are just and good. It does not prevent us from waging war to defend our own land, nor does it prevent us from engaging in war at all. It merely means that if we are to go into offensive wars away from our own territory, that the people shall have a right to say whether they desire to do so and whether or not they wish to send their sons off to be killed.

It is always difficult to have constitutional amendments passed. You know that as well as I do. I will say, however, that your resolution has already done a great deal of good in this country to let the people know the difference between an offensive and a defensive war. Your resolution has brought about wide-spread national discussion and it demonstrates not only your ability to represent the people of your district, but to represent all the people of the United States of America.

The purposes of your joint resolution, which call for a new amendment to the Constitution, appear to me to be extremely valuable and I shall be glad to give you whatever support I am able.

Very truly yours,

MAURY MAVERICK, M. C.

Hon. JOHN M. HOUSTON, of Kansas, a splendid representative of the people, who belonged to the fighting marines and who was honor guard to President Wilson for 8 weeks during the World War, a position that gave him a close-up view of war's horrifying picture, declares that the people should rule in deciding whether or not America shall enter future wars. His views are interestingly set forth in the following letter:

WASHINGTON, D. C., *July 3, 1935.*

Hon. LOUIS LUDLOW,
House of Representatives, Washington, D. C.

DEAR COLLEAGUE: I am pleased to acknowledge receipt of your letter of June 29 relative to the resolution introduced by you known as "House Joint Resolution No. 167."

While it is generally agreed that war should be abolished and while sober thinkers realize that there is little possibility that any nation of the world not under the control of madmen would attempt armed invasion of another in the near future, it is too much to hope that another terrible world conflict is not inevitable. No, of course, we do not want war, but we cannot help but recall the post-war remark of that war-time English statesman, Lloyd George, who said: "No country really wanted war in 1914 but we gradually slid into it."

No country really wants war today but once the conflagration starts and patriotism is fired up with martial music and propaganda the demands of the mass of people will be such that sober reflection and calm judgment will be forced to give way to the feverish desire to annihilate the enemy. War is inevitable; even with all of its gruesome aspects, its vile frightfulness and brutality forever engraved on the minds of those who participated in the last one; with the horrors of human conflict, murderous and fatal, dimmed by a few intervening years, those who yesterday swore they would never again bear arms will be among the first to come forward to fight to the tune of "save democracy" or "down with tyrants" or another catch phrase of like ring.

Why is war inevitable?

While the answer to this question may easily be complicated by examination of historical precedent, it finally narrows down to the bare fact that the cause of war is economic, and as long as the ambitions of men direct them toward progress in trade and commerce just so long will the desires of the nationals of one land conflict with those of another and ultimately lead to inhuman warfare among humans. The inception of war is motivated by the desire for human gain, in the first instance, and is always followed by a synthetic patriotism, fostered and nurtured into the actual and necessary patriotic fervor which is the prerequisite of the murder and suicide of war. This, we well know. We also know that when war is imminent these facts are obscured as reason vanishes in the face of blind unreason.

Even in peace time we appear to find it difficult to get together on methods of minimizing war hazards. I am supporting the Ludlow House Joint Resolution 167, because it is designed to take the profits out of war and to obtain a referendum of the people as to whether or not they favor or disfavor our entering into conflict. I believe the people should rule. I heartily endorse the Ludlow movement.

Very truly yours,

JOHN M. HOUSTON, M. C.

In addition to the above, I wish to present the views of Hon. GLENN GRISWOLD, my friend and colleague of the Hoosier State, a forthright, straight-thinking, hard-hitting champion of the people, a soldier and legionnaire. Mr. GRISWOLD has submitted the following statement to the Judiciary Committee:

STATEMENT OF HON. GLENN GRISWOLD, MEMBER OF CONGRESS, FIFTH DISTRICT OF INDIANA

Mr. Chairman and members of the committee, I am highly pleased to be able to use any influence that I may have in support of the resolution of my colleague, Mr. LUDLOW, of Indiana, now pending before your committee. By this resolution our entry into war would not be decided by the vote of a few of we old men here on the floor of the House and the Senate, but under his resolution some voice would be given to those who will be required to fight our wars and who now have no voice in creating the war to which they must give their time, effort, and in many instances their lives.

In my opinion, there are just two causes of war—the avariciousness of the rich and the patriotism of the poor. Without these two factors working in conjunction there would be no war. When Congress votes a declaration of war the next thing to do thereafter is to determine who shall fight the war. In the past the membership has gazed at one another and discovered that the vast majority of the Members of the House were beyond 45 years of age and immediately reached the conclusion that the actual fighting should be done by men under 45 years of age. I submit that this is not fair nor just. We older men, by our votes, shove the young men into the battle line.

A few days ago, during the Shrine Convention, I, with thousands of others, viewed the parade. Band after band and unit after unit passed with its flags. Each time a flag passed I noticed that the Boy Scouts, who were acting as ushers in the grandstand, stood at attention and saluted. I was proud of those boys and their evidence of patriotism and respect for the flag, standing each time almost alone, while we, their elders, remained seated. But I was deeply moved when I thought that in later life when these boys would have grown into their very prime that that same spirit of patriotism might force them, because of a vote of Congress, into the front lines, to become cannon fodder and crippled by devastating gas.

We talk much of the cost of war in dollars. I am interested more in the cost of war that cannot be measured in dollars—the cost of war that is evidenced in the loss of brain power to the Nation. In my district is located, at Marion, Ind., the largest Veterans' Bureau mental hospital in the United States. If you would know the greatest cost of war, then you should view the dead minds in living bodies that reside in that hospital.

In this a Government of majorities, in such a vital thing as war, I think it is just and right and proper that the men who are to suffer the loss of their minds, the men who are to have twisted bodies as a result of the war, and the parents who must bear the anguish and torture of awaiting the casualty list should have some vote in the declaration of war.

I sincerely hope that the committee can see fit to make a favorable report to the House on the resolution of Mr. LUDLOW.

These statements by four of the leading World War veterans in Congress are worth pondering over. Certainly they present food for thought. These men, who have seen war at close range and know all about it, are unanimous in hoping and praying that the Congress will adopt House Joint Resolution No. 167, the war-referendum resolution, which they regard as a real preventive of war.

THE REVENUE ACT OF 1935 AND THE NEW DEAL

Mr. ECKERT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

Mr. ECKERT. Mr. Speaker, the new deal is under fire. It is being bombarded from all fronts. This is a happy augury. As long as the vested interests remained quiescent there was a just suspicion that the Roosevelt proposals were regarded as ephemeral and ineffective. But at last the "beast", as an eminent reformer some years ago styled the monopoly and predatory interests, has become aroused, and like a wild animal of the jungle is on a rampage to kill and devour everything and everyone that happens to cross his path in his mad desire to exploit his prey. This is an indication that at last the new-deal proposals are drawing fire; that the predatory interests are fully aware of its full meaning; that to enjoy their priviliges in the future as in the past, the new deal and all it stands for must be destroyed.

It is well that such is the case. The people must be made conscious of the fact that a mighty struggle is in the making; that the rumblings in the legislative halls of the Capital of the Nation and the capitals of the various States of the Union are the repercussions of a struggle that will not subside until privilege in all its ramifications is abolished and social justice established. Either this, or our institutions and our civilization will be destroyed. What the American people are now witnessing is the beginning of a war that the people are determined to wage against privilege—their common enemy. Let there be no mistake. It will be a struggle

of titanic proportions, in which all the forces of privilege will be mustered into service. The people of America will be called, as never before, to prove their mettle. In the years gone by they met crisis after crisis with high courage and indomitable will. These crises were always overcome. The crisis now on must be met and won in the same heroic fashion, for while much was at stake in the crises of the past, much more is involved in the crisis now pending. Then it was a question of repelling a foreign tyrant; of establishing an independent nation; of saving the Union; of abolishing slavery.

But in the crisis now pending it is not merely a question of protecting the integrity of the American Republic but of saving a civilization. This is the meaning of the new deal. The program of the new deal can be interpreted in no other language. The immediate proposals of the new deal may be far removed from the essential social needs for a nation of free men. Be it so. As the program unfolds and develops, the futility of unwise proposals will become apparent and others must be substituted whose foundations are laid upon the eternal rock of social justice and human freedom. Nothing short of this will satisfy a liberty-loving people. President Roosevelt seems to be in accord with this objective. In his annual message to the Congress he said:

We have not yet weeded out the overprivileged.

This statement can have no meaning short of the abolition of privilege. The Democrats in 1932 had the same purpose in mind. In the platform adopted at Chicago in 1932 the party declared:

In conclusion, to accomplish these purposes and to recover economic liberty, we pledge the efforts of a great party whose founders announced the doctrine which guides us now in the hour of our country's need "Equal rights to all, special privileges to none."

The meaning of this is clear. It is a promise and a pledge that the Democratic Party, if commissioned by the people to administer the Federal Government, will use the powers of Government toward the establishment of a social order freed from the burden of private privilege. If there are some who enjoy privileges that enable them to levy tribute upon production, the party is pledged to reform such conditions. This is the plain meaning of the closing paragraph of the Democrat platform of 1932.

How, by all that is logical and sound in reason, can economic liberty be established and the citizen insured equal rights without the eradication, root and branch, of every vestige of privilege now existing in the present economic order?

"Privilege" at law is defined as—

A special advantage conferred by special grant to and enjoyed by some to the exclusion of others.

Our present economic order is an inheritance of the feudal system of the Old World. Many privileges of feudalism have been destroyed, but a few still remain in the present economic order. And before America can boast of real economic freedom so that all may enjoy those inalienable rights of "life, liberty, and the pursuit of happiness", set forth in the Declaration of Independence, the remaining elements of feudalism must be eliminated. Any grants or power of Government granted to individuals or corporations, such as franchises, title to valuable land sites and natural resources, or other concessions of Government are some of the elements of feudalism still remaining.

Who are the privileged?

Are those who enjoy public-utility franchises privileged?

Are those who enjoy title to valuable natural resources privileged?

Are those who enjoy title to valuable land sites privileged?

Are those who enjoy any other concessions or grants of Government in derogation of common right privileged?

Obviously these constitute some of the overprivileged, and, according to the declaration of the Democratic Party platform of 1932, their privileges must be abolished.

How is this to be accomplished? That is the task ahead for the Democrats and the new deal. To fail in this is to proclaim incompetence and defeat. But there need be no defeat. The task, though simple, will be long and weary and arduous.

The privileges enjoyed by the public-utility companies deserve special attention. President Roosevelt has a clear understanding of the nature of the privileges enjoyed by the public-utility companies. In his book, Looking Forward, he says:

A false public policy has been spread through the land, through the use of every means, from the innocent school teacher down to others far less innocent.

Let us go back to the beginning of the subject. What is a public utility? Let me take you back 300 years to King James, of England. The reign of this King is remembered for many great events, two of them in particular. He gave us a great translation of the Bible and the inception of a great public policy. It was in the days when Shakespeare was writing and when the English were settling Jamestown that a public outcry arose in England from travelers who sought to cross the deeper streams by means of ferryboats. Obviously these ferries, which are needed to connect the highway on one side with the highway on the other, were limited to specific points. They were, therefore, monopolistic in their nature. The ferryboat operators, because of their privileged position, had the chance to charge whatever the traffic would bear, and bad service and high rates had the effect of forcing much trade and travel into long detours or to the dangers of attempting to ford the streams. The greed and avarice of some of these ferryboat owners remained a public issue for many years, until in the days of Lord Hale a statement of public policy was set forth by the great chief justice.

The law lord said that the ferrymen's business was quite different from other businesses, that the ferry business was, in fact, vested with a public character, that to charge excessive rates was to set up obstacles to public use, and that the rendering of good service was a necessary and public responsibility.

"Each ferry," said Lord Hale, "ought to be under a public regulation, to wit, that it gives attendance at due time, a boat in due order and take but reasonable toll."

In those simple words Lord Hale laid down a standard which, in theory at least, has been the definition of common law with respect to the authority of government over public utilities from that day to this.

With the advance of civilization many other necessities of a monopolistic character have been added to the list of public utilities—such necessities as railroads, street railways, pipe lines, and the distribution of gas and electricity. This principle was accepted, firmly established, and became a basic part of our theory of government.

It will be observed that all public utilities are vested with a public character and therefore are engaged in the administration of public functions. The managers of public utilities are agents of the Government and subject to governmental control and supervision. If a public utility fails in the administration of its proper function, or if its administration is inefficient or corrupt and dishonest, the people have a moral right to assume the functions administered by the utilities. There are those who complain bitterly if the Government makes the slightest gesture at strict regulation or public ownership of public utilities, and cry out in holy horror that the Government is going into private business. The reverse is the truth. Private business, when it enters the utility field, embarks in Government business. Any good and efficient government is bound to provide the people with public-utility service.

In my home town of Beaver, Pa., the municipality owns and operates its own water system. What is true of Beaver is true of many other cities and towns. The Government may, if it sees fit, delegate such functions to a private individual or corporation. Frequently this is done, but in every such instance the natural or artificial person delegated is the agent of the Government, subject to its control and supervision. This is a well-recognized principle of American jurisprudence. It is well expressed in Hale's Rule that "any business affected with a public use is subject to public regulation and control." This principle was exhaustively discussed by Jeremiah S. Black, eminent jurist and statesman, in a speech before a Pennsylvania Senate committee in 1883. Judge Black said:

It is the duty of every commercial, manufacturing, or agricultural State to open thoroughfares of trade and travel through her territory. For that purpose she may take the property of citizens and pay for the work out of her own treasury. When it is done she may make it free to all comers, or she may reimburse the cost by levying a special tax upon those who use it; or she may get the road built and opened by a corporation or an individual, and pay for it by permitting the builder to collect tolls or taxes from those who carry and travel on it. Pennsylvania has tried all these

methods with her turnpikes, canals, and railroads. Some have been made at her own cost and thrown open; on others made by herself she placed officers to collect a special tax; others have been built for her by contract, in which some natural or artificial person agreed to do the work for the privilege of appropriating the taxes which she authorized to be levied.

But in all these cases the proprietary right remained in the State and was held by her in trust for the use of the people. Those who run the railroads and canals are always public agents. It is impossible to look at them in any other light or to conceive how a different relation could exist, because a railroad which is not managed by public agents cannot be a public highway.

At that time Black discussed the railroad problem, as it was the one outstanding public utility. Since that time other public necessities of a monopolistic character have been added to the list of public utilities. But the principle is the same as in the case of the railroads. When the Government enters the field of rendering public-utility service, it is not invading the field of private enterprise. It is attending to its own business. On the contrary, if private enterprise enters the public-utility field, it is engaging in public business and performing a government function, and because of this fact government not only has the right but is in duty bound to regulate and control public utilities operated by a natural or artificial person and, if necessary, assume its normal and natural function of rendering such service to the people directly.

This necessarily is due to the fact that in those fields of human endeavor where competition is impossible the people as a whole, through their government, must assume control or operation. Louis F. Post, in his Ethics of Democracy, truly says:

Where monopoly is inevitable the service which is subject to it must be assumed by the public to the end that in other vocations competition may be freed. Private monopoly in anything tends to destroy competition in all things.

Regulation thus far has been more or less of a failure. Public ownership is proving successful in many localities. The simplest method, however, would be to tax for public use the full value of the franchises enjoyed and capitalized by the public-utility companies. But whatever method may be employed, the objective must be the abolition of the burden of private privilege, not only as it relates to public utilities but to all other concessions of government that enable the possessors to exact tribute from labor and industry.

There are those who Bourbon-fashion and Torylike are condemning the new deal, and in this pastime it is becoming quite popular to invoke the protection of the Constitution of the United States. This has been the fashion and practice of the favorites of privilege and their spokesmen throughout the years of our national life. The Constitution of the United States is introduced with a preamble that reads as follows:

We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

Since the preamble breathes the very soul of our free institutions, it would seem that all the inhabitants of the Thirteen Original States were embraced and protected under the Constitution. Yet at the time of the adoption of the Constitution only a privileged group of the people inhabiting the Thirteen Original States enjoyed the rights and privileges as citizens. In the celebrated Dred Scott case it is asserted that—

The words "people of the United States" and "citizens" are synonymous terms and mean the same thing. They both describe the political body, who, according to our republican institutions, form the sovereignty and who hold the power and conduct the Government through their representatives. They are what we familiarly call "the sovereign people", and every citizen is one of this people and a constituent member of this sovereignty.

The population of the United States, at the time of the adoption of the Constitution, was approximately 3,000,000 people. The population consisted mainly of members of the white, or Caucasian race, but it also included members of the Negro race. Only the male population of the white or Caucasian race enjoyed the full rights of citizenship. The white female members of the population were denied their political freedom for more than 100 years of our existence as a nation, and members of the Negro race were even denied the status of a human being. All this under a state document that has been hailed as a paragon of virtue and one that provoked encomiums from the greatest and wisest statesmen of the nations of the earth.

What is the explanation of such incongruities?

Here is a nation, established under the aegis of freedom, and yet under its protecting care there are found human beings in slavery, and a large portion of the white race, whose political freedom and status are limited and restricted. Looking back over the years, it seems like a dream, yea, a nightmare, that a supposedly intelligent, fair, just, and free people could have been guilty of moral lapses such as the history and development of the American Nation reveal. Yet the explanation is simple. Right conduct on the part of individuals, as of nations, is based upon morals, and morals are a matter of growth and development. They are those intangible things that emanate from the spirit. They are not fixed and definite quantities, but change with time and the progress of ideas.

The reason that Negro slavery was tolerated in the Nation that was "conceived in liberty and dedicated to the proposition that all men are created equal", is due to that lack of moral growth and development that ought to characterize a civilized people and that must go hand in hand with material progress if civilization is to endure. In the Dred Scott case Justice Taney in his opinion said:

They—

Referring to the Negroes—

had for more than a century before been regarded as beings of an inferior order, and altogether unfit to associate with the white race, either in social or political relations; and so far inferior, that they had no rights which the white man was bound to respect; and that the Negro might justly and lawfully be reduced to slavery for his benefit. He was bought and sold, and treated as an ordinary article of merchandise and traffic, whenever a profit could be made by it. It was regarded as an axiom in morals as well as in politics, which no one thought of disputing, or supposed to be open to dispute; and men in every grade and position in society daily and habitually acted upon it in their private pursuits, as well as in matters of public concern, without doubting for a moment the correctness of this opinion.

It was the common opinion of mankind at the time the American Nation was founded that a white female was incompetent to exercise the right of franchise, and, likewise, that a Negro was an inferior being that had no rights that the white man was bound to respect. This, as Justice Taney says, was an axiom in morals as well as in politics, that no one thought of disputing. I refer and quote from Justice Taney's opinion in the Dred Scott case to emphasize the importance of correct thinking based upon proper moral concepts. In order that our present economic ills may be corrected by proper social reforms, it is necessary that popular opinion and the feeling in relation to existing wrongs and social institutions be changed. Lincoln, in speaking of the Dred Scott decision, said:

Somebody has to reverse that decision and we mean to reverse it.

Every schoolboy is familiar with the story as to how that decision was reversed. The more humane, civilized, and orderly way of reversing decisions of the Supreme Court or changing fundamental law is through the process of education. One of the essentials of good citizenship is active, clear thinking. An eminent American has well said that social reforms are only secured by the awakening of thought, by the progress of ideas, and made the very striking observation that—

Until there is correct thinking there cannot be right action, and when there is correct thinking right action will follow.

For 50 years or more the American people have been confronted with a very serious problem—the problem of the honest and equitable distribution of the products of labor and industry. Statesmen, philosophers, and educators have grappled with this problem in vain for many years. But if our civilization and our institutions are to endure, the prob-

lem must be solved and solved right. And for the right solution of this problem, the accepted and prevailing opinion as to some of our social institutions must be changed. Wealth is distributed inequitably because of the unjust exactions of privilege. The plundering of privilege today, as the denial of women's rights and Negro slavery in the days past, has the protection of the Constitution and the sanction of public opinion. This protection and sanction are unfounded in good morals, sound economics, or sound law.

The United States News, a Washington weekly paper and severe critic of the new deal, carries on its editorial page a saying of George Washington to the effect that:

> In proportion as the structure of a government gives force to public opinion, it is essential that public opinion should be enlightened.

This is fine. But if public opinion is to be enlightened, then the truth, the whole truth, and nothing but the truth must be told. And so let us get down to brass tacks as to the cause of our present-day economic ills.

Recently this paper discussed the iniquities of the new deal in an editorial under the caption "Share the Loot." This, it would seem, is an unhappy reference to the American tax fund. It would be more in keeping with the truth to refer to the tribute that privilege collects from labor and industry as loot. But, be this as it may, the unjust distribution of the products of labor and industry is the primary cause of our social and economic troubles. Therefore let us look into the problem and see how wealth is distributed under present methods of distribution.

As a piece of so-called "constructive criticism" the United States News offers as a simple alternative to the new deal's effort to correct our present economic ills the following:

> Repeal the spoils system and introduce the merit system; to prevent the concentration of the Nation's wealth in political hands; and to give willing men a chance to work in industry.

What is the value of this gesture of reform?

If the merit system were substituted for the spoils system, if government—municipal, State, and Federal—were administered honestly and economically so that not a dollar were stolen or wasted, would that give men a chance to work in industry? No one would so contend. The problem of giving men a chance to work in industry is involved in the problem of distributing the products produced by labor honestly and equitably among those whose toil produced them. It is axiomatic that he who makes should have. Wealth is produced by the application of labor to the natural resources. This is the only way wealth can be brought into existence. There is no other, and since labor is the creator of all wealth, natural justice decrees that it belongs to labor. Lincoln, in his day, said:

> Inasmuch as most good things are produced by labor, it follows that all such things belong to those whose labor has produced them. But it has happened in all ages of the world that some have labored and others, without labor, have enjoyed a large proportion of the fruits. This is wrong and should not continue.

This is sound logic. Lincoln's Emancipation Proclamation struck the shackles from 3,000,000 bondsmen. But it did not insure to the Negro or any other worker the full share of the products of his toil. The laborer today, as in all the ages past, is still deprived of a large portion of the fruits of his labor.

It happens that under the operation of our economic set-up there is a more pronounced and intensive share the loot enjoyed by the privileged few than during any period in the history of the world. This is made possible by improved methods of production and the operation of the feudal principles remaining in our present-day economic system. Albert Jay Nock, in an article published in the Atlantic Monthly, explains the operation in this wise:

> So long as the State stands as an impersonal mechanism which can confer an economic advantage at the mere touch of a button, men will seek by all sorts of ways to get at the button, because law-made property is acquired with less exertion than labor-made property. It is easier to push the button and get some form of State-created monopoly like a land title, a tariff, concession, or franchise, and pocket the proceeds, than it is to accumulate the same amount by work.

By virtue of the power enjoyed by those who, by the mere touch of a governmental button, obtain concessions, call upon labor and industry to place annually a large quantity of the products of industry in their hands. Such concessions consist of valuable land sites, tariffs, franchises, and other powers and grants of government in derogation of common right. In addition to the tribute labor and industry are called upon to pay privilege, they also are called upon to pay a huge sum to government as taxes, with this difference, however, that the wealth placed in political hands maintains our schools, our highways, our courts, our fire and police departments, our Army and Navy—in short, all the services of government—municipal, State, and Federal, as well as feeding the hungry and unemployed; while the wealth paid to the few as exactions of privilege is tribute—loot, if you please—pure and simple, for which labor and industry do not receive one penny in return either in services or goods.

And it is well to bear in mind also that, while the wealth placed in political hands as taxes is approximately $12,000,000,000 or $13,000,000,000 annually, the wealth taken as tribute by the privileged is approximately one-third of the national income.

Now what are the facts about share-the-wealth and share-the-loot proposals, about which so much is heard these days?

Those who are guided by principles of right and justice have no sympathy whatever with any share-the-wealth schemes. They want the rich to have every penny that rightfully belongs to them, just as they want the laborer to receive and enjoy the full fruits of his toil. And under a just government there will be no occasion to share the loot. What all of us ought to be concerned about is the distribution of the products of labor honestly and equitably, and in the consideration of this problem, we might with profit recall the straight and simple logic of Abraham Lincoln, when he said:

> Since wealth is the product of labor, it ought to belong to those whose labor has produced it.

And also remind ourselves of the further observation he made that—

> To secure to each laborer the whole product of his toil as nearly as possible is a worthy object of any government.

It would seem that the Tories and the Tory press of today, as in the days gone by, are more concerned about maintaining and perpetuating the privileges that enable some to plunder the producers of wealth rather than enlighten the public mind as counseled by George Washington.

Since January 1 last I have been living at the Hotel Washington in this city. The Hotel Washington is one of a group of buildings constituting a city block, bounded on the north by F Street, east by Fourteenth Street, south by Pennsylvania Avenue, and west by Fifteenth Street. The land upon which this group of buildings is located contains 89,973 square feet, or approximately 2 acres. Upon these 2 acres of land there are employed upward of 1,000 people. A large percentage of the employed is in the service group, such as are found in hotels and restaurants. Having been a guest of one of the hotels for the last 6 months, I very naturally became acquainted somewhat with the operation of the different enterprises in this particular city block, and here is the one oustanding fact: The activity on these 2 acres of land consists of the labor of the men and women who manage and perform the necessary work incident to the operation of the different enterprises. In short, it is the labor—the toil—of the men and women employed on the 2 acres of land in question that is responsible for the services offered and rendered to the public, and it, and it alone, with the aid of capital—that is, the buildings and equipment necessary to carry on the different enterprises—produces the earnings or income of the various businesses located in this city block.

Now, let us see who gets the earnings or income. How is the income distributed? These 2 acres of land, irrespective of the improvements, are assessed at $4,346,309 for tax purposes. The owners of the land naturally would expect a net return of not less than 6 percent per annum on the capitalized value of the 2 acres, say $5,000,000, which would amount to $300,000 per year. This income might very easily

advance to $400,000 or $500,000, depending upon the general condition of business. Now, what contribution, either in the form of capital or labor, has been made by the owners of the 2 acres—as landowners—toward the income of the different enterprises located in this city block? The land is not the product of labor nor the creation of any man or group of men. It is the gift of nature or God. The value attaching to the 2 acres is not the result of the labor of the owners. It is due to the presence and activity of the people and the services rendered by Government.

For all practical purposes, the owners might be residents of some far-off land, and yet in spite of their absence, their incomes, without contributing even so much as a penny toward the earnings or income of the enterprises on the 2 acres of land, are probably receiving $300,000, or perhaps $400,000, or maybe $500,000 annually.

The simple story of this city block as a unit in our economic structure discloses these facts:

First. That the city block contains approximately 2 acres of land that are assessed for tax purposes at $4,346,309.

Second. That on the 2 acres of land are several large buildings and a number of smaller ones and are assessed for tax purposes at $2,467,200.

Third. That there are employed on the 2 acres of land approximately 1,000 men and women.

Fourth. That it is the labor of the 1,000 men and women that makes the 2 acres of land an active wealth-producing unit in the economic structure.

Fifth. That out of the gross earnings and income due to the labor of the 1,000 men and women, it is fair to assume that the owners of the 2 acres of land receive, without lifting a finger, $300,000 or $400,000, or perhaps $500,000 annually.

In the light of these facts it is clear that both labor and capital are called upon to make a very substantial contribution to private privilege. It goes without saying that, as long as this practice prevails, labor will be deprived of a large share of its fruits and in a large measure explains the poverty of the working masses. Manifestly, if the burden of private privilege were removed from the backs of the workers, their wages would be materially increased, and with the wages of each worker increased, their purchasing power and consumption of goods in turn would likewise be increased. With the increase of consumption, industry would revive and business and trade in general take on new life and vigor.

Our economic troubles will not be solved until the exactions of private privilege will be effectively arrested. The simple and natural way to bring about this desirable consummation is by using the taxing power sanely and wisely. It has been said that the power to tax is not only the power to destroy but also the power to keep alive. The new-deal tax program is a crude attempt to bring about a fairer adjustment of the tax burden. In order to accomplish the ends sought, the present tax program of the new deal, as well as the tax systems of the various States, must be fundamentally reformed. A sane and just tax system must conform to the well-settled canons of taxation, to wit:

First. That it bear as lightly as possible on production.

Second. That it be easily and cheaply collected.

Third. That it be certain.

Fourth. That is bear equally.

Such a system demands the exemption of the products of labor and industry from taxation, and in lieu thereof contemplates the collection of the profits issuing from privileges as represented by titles to valuable land sites, public-utility franchises, and other governmental concessions for public revenue. Such a program is not only in keeping with sound, just, and natural taxation, but will go far toward weeding out the overprivileged and solving the problem of want in the midst of plenty.

Let us ever bear in mind that the new deal has not fulfilled its mission nor accomplished its purpose so long as the overprivileged are not weeded out, nor the pledge and promise of the Democratic platform of 1932 redeemed, unless economic liberty is restored to our people and the doctrine of "equal rights to all, special privileges to none" made part and parcel of our national policy and social institutions.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, several people have left the city and asked me to ascertain, if I can, and inform them as to what might be done in case the President vetoes the Spanish War veterans' bill. We have agreed to adjourn over until Monday, and that leaves only between now and 5 o'clock this afternoon to get that information. Can the Speaker give us any information about it?

The SPEAKER. The Chair expresses his ignorance on the subject.

Mr. JENKINS of Ohio. Would it be proper for me to interrogate the leader on the majority side whether he has any information on that?

Mr. TAYLOR of Colorado. I am not a mind reader. [Laughter.]

The SPEAKER. Under the special order, the Chair recognizes the gentleman from Oklahoma [Mr. MASSINGALE] for 15 minutes.

Mr. MASSINGALE. Mr. Speaker and Members of the House, it is my purpose to use the time allotted to me to discuss the Frazier-Lemke bill. I realize that this bill may not be, and probably is not, of very great concern to a number of you Members. But to me and to the people of my part of the country it is of vital importance.

My opinion is, from my experience in the House, that the great trouble here is that the Congress does not know its country. I gather that notion from speeches that are made by various Members from different parts of the country.

Now, to me, for instance, I cannot visualize anything about conditions in New England. I cannot imagine those idle smokestacks standing as monuments over the erstwhile great textile industries. Neither can these people visualize the conditions that exist down in my part of the country.

Sometimes it has occurred to me that it would be a good idea to have a kind of peripatetic Congress to divide Members into groups and send them around over the country to see what the conditions are. I know from what you have said that you do not know the conditions that exist down with us.

I want to try to give you some reasons why, in my judgment, this Congress is doing a dangerous thing in not bringing up for consideration in this House the only bill that is before the people now, before Congress, that will give the great relief that is so necessary to the farming industry of America. [Applause.]

I say that notwithstanding the fact that I have introduced a bill for the cost of production; but the immediate necessity is the enactment of the Frazier-Lemke refinance bill, and I am going to tell you why. To begin with, I do not want to censure anybody. I concede to the members of the Rules Committee the same high purpose in endeavoring to discharge their duties as I do to the average Member of the House. We can gain nothing by harsh criticism in any event, but we want to bear this in mind: If the Rules Committee is unwilling to report this bill, that does not relieve the Membership of one particle of their responsibility of seeing to it that they do report it. Let us see where we are. To begin with, the President of the United States has said in a number of speeches and messages that the farming population in the United States—that is, those who derive their living from the farms—amounts to 50,000,000 people. That is nearly half the people of the United States. What condition are they in? Fifty million of them, according to the records, are working day and night for less than they can raise the crops for. Tables have been introduced in hearings before the Committee on Agriculture which disclose that, taking the United States over, the farmer lacks 35 percent of getting as much for his farm produce on the average as it cost him to raise it. That is an intolerable condition. What else have we? The record further discloses that since 1919, which seems to have been the peak year of success for the farmer in America, farm values have decreased better than 50 percent throughout the country. It further discloses that the percentage of the normal income of the farmer has de-

creased from 28 percent in 1919 to about 10 percent in 1934, even with the stimulus which has been given by the A. A. A. to agriculture. During this time, from 1919 to 1934, the farmer has served at a loss. He has furnished the bread and meat of America at less than it cost him to produce it. He has not been able to pay his taxes; he has not been able to pay his interest; he has not been able to pay anything on his mortgage indebtedness. Bear in mind that the farmer is exactly like we are. In 1919, when farm values were high, when farm products were bringing a good price, when trade was good, the farmer went into debt. He mortgaged the lands he had then and he bought other lands. He was not more improvident than you are, but he has been the victim of unusual conditions of circumstances.

He incurred these debts when land was worth, say, $100 an acre. He could easily borrow $50 an acre on those lands, and now, by either action or inaction on the part of the Congress of the United States, the farmer has been deprived of half his property in land values alone. Those mortgages are due. You cannot go out now and borrow the difference between his old debt and what the Federal land bank can let him have under its authority. As I stated, the farmer cannot get the difference between the old debt and what is required of him under the new set-up through the Federal land bank. What does that mean? There is only one avenue of financial aid to the farmer in America now, and that is through the Federal land bank. What is he going to do? He has no money. His property has been wiped out. It means that he is facing certain foreclosure.

In the last 3 or 4 years it is said that better than 2,000,000 foreclosures have been had in this country. That means that about 10,000,000 farm folk have been thrown out into the section lines, and most of them have drifted to the centers of population. Ultimately, of course, they have landed on the dole. Immediately now it is said that at least 600,000 foreclosures are pending or are imminent. What are you going to do about it? The farmer cannot have any benefit under the bankruptcy law. Of course, he can become a bankrupt, but there is no benefit of receivership for him as there is in the case of corporations. He simply has to throw the farm in and everything else. The corporation can have a receivership and try to save its property. The farmer cannot. In the face of these foreclosures, are we going to try to do anything for him, or are we going to sit here and say that we cannot do anything because we are afraid of flat money; we are afraid of expansion?

I have sat here in this Congress since the 3d day of January and have voted with other Members billions of dollars for relief of building and loan associations. We voted $4,880,000,000 at one time for public works, and I am glad we did. You have voted practically $5,000,000,000 in the last Congress and in this for the relief of mortgage companies, building and loan companies, and yet when you come down to the point of passing some legislation which will give immediate relief to the distressed farmers in America, you will not do anything. I tell you that the Congress cannot afford to close its eyes and ears to the demand of 50,000,000 people in America and do nothing about it. These foreclosures are a bad omen. I remember one time to have read an article or a speech delivered by Robert G. Ingersoll on this subject. I do not remember how long ago it was, 20 or 30 years.

At that time they were having a lot of foreclosures in the country during some panic. It was not very long before he died, and he used this homelike illustration. He said, "The greatest danger confronting America is the fact of wholesale foreclosures that are going on at this time. Foreclosures on farms." He said, "I want to tell you this: You give a man a home, put him on a farm, give him the protection of the Constitution and the laws of the United States of America, make that his castle; he knows that it is an asylum to which he can repair in any kind of stress, and that man comes to believe that there is a kind of partnership existing between him and the Government of the United States, and that man will fight and, if necessary, die in defense of the Government with which he is in partnership." He said, "You drive him to the boarding house, and where are you going to get the men to bear arms in cases of war?"

The SPEAKER pro tempore (Mr. FADDIS). The time of the gentleman from Oklahoma [Mr. MASSINGALE] has expired.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma may have five additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MASSINGALE. Now, that is the condition. It is no more the fault of the Rules Committee than it is our fault that this bill is not brought out. I think every man in this Congress ought to feel the urge to come up to the Speaker's table and sign that petition, and it will give courage and support to the Rules Committee. Let us bring it out and let the people of the United States know and realize and understand we intend to do something for the farmers of this country. Thirty-two States have memorialized this House to pass this bill. One branch in the legislature of other States has done the same thing. The entire Membership of perhaps 20 States have signed this petition, and a majority of the membership from other States, so why not do the square thing and come up here and sign this petition and give the farmers a hearing so that the Congress of the United States may keep the confidence of the people of the country and the vast army that makes a living on the farms? It is going to be necessary that we do this. Unless we do it we are telling them that representative government in America exists in name only.

Mr. McFARLANE. Will the gentleman yield?

Mr. MASSINGALE. After I conclude.

Now, I say we have no right to censure the Rules Committee. We have got no right to censure anybody else who may be opposed to this legislation. I say that the members of the Rules Committee and other Members of this House who have not signed this petition are just as earnest in their desire to bring about a good condition in America as I am, and I believe they want to do the fair thing by the people of this country, but I say to you there is danger in overlooking and ignoring the demands of this vast army of people who live upon the farms. They are not alone in their demands that the Congress of the United States give ear to them.

Down in my district I think practically 100 percent of the entire citizenship are for this bill. They are for it because they do not want to see their neighbors kicked out onto the section lines and driven to the cities to enlarge the dole. You have to consider them, and if we do not consider them, if we do not have the courage to consider them, another Congress ought to be put in our place which will give them consideration.

Mr. TRUAX. Will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. TRUAX. Does not the gentleman believe that it does not make any difference how high the price of hogs or how high the price of cattle, when a particular farmer loses his farm he is out for the balance of his life? There are a half million going to lose their farms because of the failure of this Congress to enact the Frazier-Lemke Law.

Mr. MASSINGALE. I think the gentleman is entirely correct.

Mr. Speaker, I ask unanimous consent in this connection to read a letter that I received from a farmer in my district. It is a short letter, but it is just typical of hundreds of letters that I have received from down there.

I ask unanimous consent to read it as a part of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. TAYLOR of Colorado. Reserving the right to object—and I am not going to object—but I do feel that we ought to get at the Private Calendar. I will feel constrained to object to other extensive speeches, at least until we can give

the 200 people who are interested in this Private Calendar an opportunity to be heard.

Mr. MASSINGALE. This is a short letter, but it just shows the sentiment over the country.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MASSINGALE. This was written on July 22, 1935. I am going to read it in the language in which it is written:

I am writing you for information relative to the rehabilitation program——

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has again expired.

Mr. AYERS. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes. This is more important than all the private bills in this House. [Applause.]

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MASSINGALE (reading):

BLAIR, OKLA., *July 22, 1935.*

HON. SAM MASSINGALE,
Congressman Seventh District Oklahoma,
Washington, D. C.

HONORABLE SIR: I am writing you for information relative to the rehabilitation program for relief clients. In order that you may better understand my case, I will give you a brief statement of particulars and facts. I am a married man, 46 years of age; have a wife and six children at home to provide for. Have farmed all my life, except about 3 years, when I was in business. I have had college training in Draughon's Practical Business College, at Fort Worth; have kept books and been associated in several different kinds of business; can give good references for most any position, and am qualified. Seven of my family are members of the Baptist church. When the reduction deal started in 1933, I was farming on shares and making a living for my family. But the reduction deal ousted me, as you can readily see—that as long as the Government pays the landowners to let their land lay idle they will not rent it. In other words, they can take a part of the governmental rentals and hire all their land worked and get all it produces, instead of just the rent. So you can see why they won't rent as it is at present.

Now, here is the proposition, or rather condition: I am just as much a farmer as anyone; and while the landowners are getting big money from the Government, I am getting nothing, not even a place to farm and live. I have been a taxpayer in this part of Oklahoma for some 20 years; have owned three farms and some city property, which I lost during the depression. I have been a resident of Jackson, Tillman County, for 35 years, and produced 1,000 bales of cotton and other farm products, and now I am on the relief rolls. It is embarrassing and humiliating and sounds like bad judgment on my part. But it would take too much space to explain how and why I am broke at the present time. Now, Mr. MASSINGALE, what I want to know is if there is any way I can procure money from the Government to buy a farm. I understand there has been a bill passed making it possible for tenants and share-croppers to buy their own homes and become self-sustaining, which, if true, is a mighty good thing; and that is all I ask for, a chance to live; and I am sure I can do that if given a chance to get back on the farm. I am called an expert farmer, but since '33 I have been on the relief and received as compensation for my work for the past 20 months a total of about $80 for my family of eight dependents, and have been able to earn for work outside relief work only about $70; so you see I have lived on a very scant sum. However, I sold all my salable property before I would come to the relief, but the last 10 months I have had to live on about $5 a month pay, and had to go in debt a little over $100 for groceries to live. We have bought no clothes the past year. Mr. MASSINGALE, I am asking for information on two things: If it is possible for me to buy a farm through Government aid, or if you can use your position and influence to get me a job, at once, as I said I am competent to hold most any job? Am pretty thorough in commercial papers, soliciting, supervising, investigating, or directing; am acquainted with roadbuilding—have been road overseer and foreman. I prefer, more than anything else, to get back on farm for another year, but at present if I could get the supervision of some road project near Blair that would pay me a decent salary so I may live and pay up the $100 I owe Mr. Dennis at Blair for groceries I will appreciate very much. Mr. MASSINGALE, anything you may be able to do in my behalf, thanking you for any assistance or favors you can direct toward me, I beg to remain,

Faithfully yours,

C. A. DAVIDSON, *Blair, Okla.*

THE NEW DEAL

Mr. KNUTSON. Mr. Speaker, on Tuesday last the people of the First Congressional District of Rhode Island sat in judgment on the new deal and, after having done so, repudiated it by a most substantial and impressive majority. The verdict is one of the outstanding political events in many years.

The present first district of Rhode Island was created following the 1930 census and held its first election in 1932, when the district went Democratic by 16,000. Last fall the Democrats in that district increased their majority to 21,000. On Tuesday the Democratic new deal was repudiated by a majority of 12,969, a complete turn-over of over 34,000 votes in favor of the Republican Party.

The Democratic candidate in the First District of Rhode Island based his campaign on the slogan, "Go forward with Roosevelt", and stressed the new deal as the greatest political and economic achievement in all the ages. The Republican candidate openly and constantly voiced his opposition to the new deal, lock, stock, and barrel, so the voters were thoroughly informed of the issues involved.

It would seem that by their vote on Tuesday the people of Rhode Island are fed up with the new deal. They have proclaimed to the Nation and to the world that they are tired of the dole, that what they want is a chance to earn an honest living for themselves and their families.

What is true of Rhode Island is true of the whole country. The American people do not want to live off the Government. They demand an opportunity to work and to sell the products of their toil at a price that will enable them to maintain American standards of living.

For almost a year we have seen our home market being given away to foreign countries. Under the Roosevelt reciprocal tariff agreements the textile workers of New England and of the South have been forced into idleness through the failure of the Roosevelt administration to protect them against the devastating influx of Japanese textiles, produced by workers who toil 12 and 15 hours a day, for which they receive from 30 to 40 cents.

The coal miners of Pennsylvania, West Virginia, Ohio, and Kentucky are resentful because of the administration's failure to protect them against the large importations of coal from Russia and other European countries. The same holds true of the thousands of iron miners in Minnesota and other States.

The farmers of Minnesota and the entire Mississippi Valley are resentful because of the fact that huge importations of butter, eggs, beef, pork, and of rye, corn, and other grains have depressed the American market to a point where they are not going to get cost of production for their 1935 crop.

Take the case of butter and rye for example: Last winter, but for a few days only, rye hovered round the dollar mark, and butter passed the 40-cent mark. Then prices began to slip as a result of butter importations from New Zealand and Argentina, and enormous importations of rye from Europe.

I contend that those prices would have been maintained as a result of the drought and resultant scarcity had it not been for these enormous importations from abroad. The administration sat by and made no effort to protect the American producer. On the contrary, the new dealers began negotiating trade agreements with other countries to further increase imports, in every one of which we got the short end. In Minnesota and in 34 other States iron mines are closed down because we are buying our manganese ores from Brazil and Russia. In our agreement with Brazil we agreed to cut the duty 50 percent on manganese and communistic Russian received equal treatment.

Paper mills all over the United States are either shut down or operating part time due to free paper importations from Canada and Europe. In the East cement and glass factories are closing down because the Roosevelt administration knocked the props from under them in the Belgium trade agreement. But the greatest travesty is the commercial agreement that we recently concluded with communistic Russia. We have turned over to that country the home market for matches, granite, manganese ores, print paper, coal, timber, and a number of other items, all of which are produced by forced labor, working long hours

at low wages and under unwholesome conditions. In return we only get an indefinite, unbinding, and probably empty promise to increase substantially purchases from us, which only amounted to 12 millions last year.

My friends, do you wonder that there are 11,000,000 American men and women who are yet idle and on the dole simply because they cannot work in competition with the cheap labor of competing countries, while 22,000,000 are on the dole?

The Roosevelt administration has proceeded upon the fallacious premise that we can regain our foreign market by giving away the home market. In connection with this situation it ought not to be forgotten that we have never enjoyed foreign markets to the extent of more than 7 percent of our entire production in continental United States. At the present time our home market is down 43 percent. In other words, we are today supplying approximately but little more than 50 percent of the potential domestic market. It must be perfectly obvious that even though we were to restore our foreign markets to what they have been in years gone by, when we sold the maximum abroad, we only sold them 7 percent of our total production, and when we find that even though we again reach that level, which is improbable, it will be as far as we can go; and when we further realize that within our own borders, if we properly conduct our affairs, we can bring our own consumption of American products up to a normal level and thereby increase the home markets for our products by 43 percent, how can anyone advocate that we ought to surrender our domestic market in order to capture a mere additional 5 percent in foreign countries, the credits of which are dubious, to say the least? Our foreign market, save in the case of automobiles and some machinery, is lost forever. We have lost it because other countries have been able to go into that market and undersell us. This administration forgets that foreign commerce is based upon necessity and price. The foreigner will buy from us only what he must have, providing we can meet the highly competitive prices of the world market. When we could no longer meet the competitive prices of the world market, we lost that trade. This being the situation, and no one can deny it, it would seem that the thing for us to do is to forget the foreign market, for the time being, at least, and to concentrate every energy upon the preservation of the American market for the American producer, whether he be on the farm or in the factory.

During the past 2 years we have paid out hundreds of millions of dollars to American farmers to reduce production of corn, wheat, and hogs, but at the same time the Roosevelt administration has made no effort to prevent other countries from shipping to us millions and millions of bushels of wheat, rye, and corn, and millions of pounds of beef and pork.

Is there anyone within the sound of my voice who can justify a policy which calls for the expenditure of hundreds of millions of dollars of the people's money in order to reduce domestic agricultural production and at the same time opens wide the doors to the farmers of other countries, giving them an opportunity to fill the slack? Have you ever heard anything more asinine and indefensible?

I note in the returns from Rhode Island that in the Statewide balloting on Tuesday the voters overwhelmingly rejected the Governor's program for large bond issues for reforestation, a park system, public buildings, and so forth, in spite of the fact that the Federal Government would pay 45 percent. And so we may conclude that the people of Rhode Island are tired of useless and needless expenditures which must be paid by the sweat of the taxpayers of future generations.

The election in Rhode Island is one of the first signs of returning sanity, and the good people of the first district of that State are to be congratulated in having the manhood and forthrightness to declare that their votes are not for sale, and that they do not propose to become cogs in a socialized state such as they have in Italy, Germany, and Russia. I venture the prediction that as other constituencies are given an opportunity to express themselves, they will follow in the footsteps of the people of Rhode Island, who are Americans all.

Let me say this to my good Republican friends: The campaign of 1936 will be based upon the proposition that the Republican Party stands for a profitable job for everybody as against the dole, and also for the fullest protection to the American farmer and laboring man. When we are returned to power in January 1937 the first task to which we shall apply ourselves will be to plug up the holes through which foreign importations are now coming in and flooding the country. I refer to such commodities as we can and should produce here at home. That will provide work at good wages for those who want to work. The American people do not want the dole; they want work at wages that will enable them to live in decency and in comfort. They are getting tired of being compelled to go to the relief office every time they need a sack of flour or a pair of shoes. [Applause.]

DENATURED ALCOHOL

Mr. LORD. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LORD. Mr. Speaker, during recent weeks we have heard much of the desire of the Treasury Department to protect the Government tax interest in beverage alcohol. This same Treasury Department is charged with the administration of the tax-free industrial-alcohol law of 1906.

It is unfortunate that the Treasury Department has, during the past few years, been compelled so often to admit that its industrial-alcohol formulas have proven unavailing in resisting the manipulations of the bootlegger, and in consequence, have been used to deprive the Government of its rightful revenue.

In my district there are located a number of hardwood distillation plants which produce wood alcohol, a substance recognized by practically every civilized country as a denaturant in industrial alcohol that is generally distributed to the public without restriction. It serves them well. One must wonder why this wood alcohol, a distinctively American product, is not found in our completely denatured alcohol. To be sure it is found in a special formula subject to careful restriction. Why is it not generally used as is the case, for example, in Canada and most European and South American countries? They find it desirable for protecting their alcohol-tax interest; they buy large quantities from this country notwithstanding the fact that they have in many cases available denaturants prescribed by our Government and which are here proving unsatisfactory or inadequate. Why do we turn our backs on a product that is right at hand?

Denaturing grade wood alcohol was used in this country for almost a quarter of a century. This was at the behest of Congress. Its use was discontinued because of the prohibition tangle. Prohibition has been repealed, yet the Treasury Department is apparently wandering about in the fog of that confused discussion and refuses to let the tail go with the hide. It clings to arguments and beliefs that, never substantial, are now completely archaic.

Denaturing grade wood alcohol was eliminated from completely denatured alcohol formulas as of January 1, 1931. There was substituted a formula described by the Treasury Department as adequate protection against unlawful manipulation. The formula lasted 7½ months; the next one, also considered manipulation proof, ran for 11½ months; the third substitute has just been revoked after 3 years of service. Compare this with the 25-year unblemished record of denaturing grade wood alcohol! Also remember that this denatured alcohol is an important ingredient in many manufacturing enterprises, and that each change in formula compels the manufacturer to revise his process. To me it seems that these changes in the authorized completely denatured alcohol formulas are breaking down the effect of the tax-free alcohol law.

There is no evidence that completely denatured alcohol containing a substantial amount of wood alcohol was manip-

ulated by bootleggers. There are indications that they left it severely alone. Statements by Treasury authorities show that the only reason for discontinuing the use of wood alcohol is concern for the health of the lawbreaker who drinks it. It is admitted that later non-wood-alcohol formulas were abused.

Owing to the clandestine nature of bootleg operations, no one can supply accurate figures. We know that bootlegger and moonshiner still flourish despite repeal. The revenue loss to the Government runs into many millions; and yet, in this regard, the Treasury Department shapes its policies so as to protect the chiseler, penalize the taxpaying business, and keep woodsmen from their jobs.

What does the law require?

The act of Congress of June 7, 1906, provides that alcohol, before it is offered to the public free of tax, must be mixed—

With methyl alcohol or other denaturing materials, or admixture of the same, suitable to the use for which the alcohol is withdrawn, but which destroys its character as a beverage.

After the adoption of the eighteenth amendment Congress passed the National Prohibition Act, approved October 28, 1919, title III of which, entitled "Industrial Alcohol"—still in full force and effect—provided that the Commissioner shall issue regulations—

To secure the revenue, to prevent diversion of the alcohol to illegal uses, and to place the non-beverage-alcohol industry and other industries using such alcohol as a chemical raw material or for other lawful purpose upon the highest possible plane of scientific and commercial efficiency consistent with the interests of the Government, and which shall insure an ample supply of such alcohol and promote its use in scientific research and the development of fuels, dyes, and other lawful products.

Note that in each of these measures there is imposed on the administration the double duty of protecting the tax interests of the Government and of furthering the non-beverage-alcohol industry. The record of formula changes just presented gives convincing evidence that the administration has entirely overlooked the latter requirement.

The statistics on industrial and beverage alcohol for the fiscal year ended June 30, 1934, published by the United States Treasury Department, Bureau of Internal Revenue, Alcohol Tax Unit, confirms this assumption. I read the following paragraph (p. 2):

In contrast to the increased use of specially denatured alcohol the consumption of completely denatured alcohol, which is marketed chiefly as an antifreeze solution, reached a new low in the downward trend that has been evident for the past few years.

Consumption of antifreeze solutions in general has been increasing for many years with the development of winter driving of automobiles. Producers of antifreeze methanol, the leading competitor of completely denatured alcohol for this purpose, report greatly increased business. The manufacturers of completely denatured alcohol who are supposed to be under the protection of the Treasury Department, must see their business dwindling away.

The Treasury Department is ignoring the oft-repeated requests of a legitimate tax-paying industry. On June 30, 1934, manufacturers, distributors, and users of completely denatured alcohol filed a petition requesting authorization of a methanol formula. Following a hearing the technicians of the Treasury Department recommended that the request be granted. For some reason not yet disclosed, the Secretary of the Treasury has ignored the recommendation of his own experts.

Chemical trade journals, the editors of which may surely be credited with a desire not to injure the health of the people, unanimously supported the petition for a methanol formula. They received news of the unfavorable action of the Secretary with manifest disappointment.

The Oil, Paint, and Drug Reporter, dedicated to the interests of chemical manufacturers and users, in its issue of July 15, 1935, devoted the leading editorial to this subject. I quote as follows:

It is obvious that the policy of the Treasury Department, with reference to the purpose of tax-free, industrial-alcohol law is a serious economic handicap, affecting not only the alcohol industry but the consumers of completely denatured alcohol as well. This policy is not in keeping with either the letter or the spirit of the law. It must be admitted that the Department officials face conditions which were not foreseen in 1906 when the industrial-alcohol law was enacted. It is not admissible, however, that their efforts to cope with these conditions manifest due regard for the purposes of the law or for its economic effects.

The law was designed to promote the industrial use of alcohol. The Treasury Department was instructed to regulate this use in a manner that would maintain the revenue from alcoholic beverages. It was not authorized to defeat the prime purpose of the act; but its policy has done and is doing exactly that. The Department was not instructed to protect the individual from negligence in the procuring of an alcoholic beverage—even the prohibition law delegated no such duty—but the official policy has been more largely concerned with the welfare of the careless drinker than with that of industrial users of alcohol.

I submit that it is high time for the Treasury Department to forget fears born of the prohibition controversy; to remember that its primary duty is to the Government whose tax interests must be preserved and not to the bootlegger and his customer who wish to deprive the Government of rightful revenue; to remember, moreover, that its next duty is to the law-abiding, tax-paying citizen who is obviously hampered by the policy of the Treasury in repeatedly changing its formulas. In other words, it is time for the Treasury Department to go back to a formula that served the Government faithfully for a quarter of a century. It is time for the Treasury Department to restore denaturing grade wood alcohol to its rightful place in our economic picture. [Applause.]

THE USE OF METHANOL AS DENATURANT

Mr. DRISCOLL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the same subject discussed by the gentleman from New York [Mr. LORD] and include therein a copy of a memorandum that has been filed with the Treasury Department on behalf of the manufacturers, distributors, and users of completely denatured alcohol.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DRISCOLL. Mr. Speaker, we have just listened with attentive interest to the remarks of the gentleman from New York [Mr. LORD] on the use of methanol (commonly known as wood alcohol) as a denaturant. He has told us of the importance of that industry in his district and in many other districts, and how, because of certain rulings of the Treasury Department, many hundreds of men are out of work in his district.

My district is probably the largest hardwood-distillation region in the United States. The unemployment mentioned by the gentleman from New York [Mr. LORD] is even more marked in northwestern Pennsylvania, where hardwood distillation has been a major industry for more than 40 years.

Because of the loss entailed on the industry and its workmen in my district, I want to discuss the matter at length.

Recent congressional debate on the question of alcohol control revolved almost exclusively around the complex matter of alcoholic beverages. Owing to the difficult nature of this subject it was but natural that little note was given to another and tremendously important phase of alcohol distribution. I refer to industrial, completely denatured alcohol.

Alcohol has a dual character—it serves as the base of beverages and is also an essential ingredient in chemical manufacturing processes. There is scarcely a manufacturer in the country who does not use alcohol in the production of his goods. From the cradle to the grave in apparel, food, paint, and automobiles, alcohol is needed. This fact must not be forgotten in our preoccupation with the beverage phase. While beverage alcohol as a luxury can easily bear a heavy tax burden, industrial alcohol must be available at a price so low that no excise tax is tolerable.

England, ever an industrially minded nation, was the first to solve the difficult question involved. In 1856 Parliament provided for methylated spirits, a mixture of grain alcohol and wood—or methyl—alcohol. Other countries gradually

followed suit. Our tax-free alcohol law was enacted June 7, 1906. It provides that alcohol—

> May be withdrawn from bond without the payment of internal-revenue tax for use in the arts and industries and for fuel, light, and power, provided such alcohol shall have been mixed with methyl alcohol or other denaturing materials or admixture of the same suitable to the use for which the alcohol is withdrawn, but which destroys its character as a beverage.

Let me point out the salient features of this legislation.

First. Alcohol may be withdrawn without the payment of internal-revenue tax for use in the arts and industries, and so forth;

Second. The alcohol shall previously have been mixed with methyl alcohol or other denaturing material or materials, or admixture of the same.

The selection of the denaturing material is of prime importance. Congress set up two requirements:

First. It must be suitable to the use for which the alcohol is withdrawn;

Second. It must destroy the character of the alcohol as a beverage and render it unfit for liquid medicinal purposes.

Congress designated the denaturant to be used—methyl alcohol. If perchance the use of methyl alcohol should prove impracticable, other denaturing material or materials may be permitted, but we must not forget that methyl alcohol is set up as a standard, as the first choice.

Methyl alcohol at the time of this legislation was produced exclusively by the distillation of hardwood. The term in common use at the beginning of the century was "wood" alcohol. In effect Congress commanded the use of wood alcohol as the denaturant. In so doing our Government acted in accordance with the best chemical knowledge of the world, the leading countries of which used and still use wood alcohol as the chief denaturant.

The Treasury Department, which has been charged with the administration of the act, did not proceed in a perfunctory or lackadaisical manner. It gave serious thought to the selection of denaturants. It recognized its duty to discover the best denaturants known to science and made practical tests of various formulas. I give you a record of completely denatured alcohol formulas approved by our Treasury Department from the time of authorization of tax-free denatured alcohol to date.

The original formula—formula no. 1—contains 10 parts of wood alcohol. With a short interruption in 1920 this formula was in effect until January 1, 1931.

There were other formulas containing a very small percentage of wood alcohol or no wood alcohol whatsoever. These were no. 2, no. 3, no. 4, no. 6, and no. 7. All of them were discontinued, either because they were undesirable from an industrial point of view or because they lent themselves to unlawful manipulation by bootleggers. After much experimenting the list of formulas settled down to two: Formula no. 1 and formula no. 5. The latter became the favorite for antifreeze purposes. Its history is interesting.

Originally authorized December 29, 1919, it called for only two parts of wood alcohol. To circumvent unlawful manipulation it was modified October 8, 1926, to contain four parts of wood alcohol. This modified formula successfully resisted the efforts of bootleggers and was also acceptable to industry.

Under stress of prohibition discussion, which brought forth the spurious poison-liquor argument, the formula was modified December 12, 1930, so as to eliminate wood alcohol. This modification was unsatisfactory to industry and lent itself to cleaning, so it was again changed June 25, 1931; once more it was modified, June 30, 1932. As of July 1, 1935, it was completely abolished.

Within 18 months there were three different formulas, all with the same formula number, but each containing different ingredients. Imagine the confusion that existed in the industries that use denatured alcohol as a manufacturing raw material.

None of the substitute formulas was satisfactory. Under date of June 30, 1934, manufacturers, distributors, and users of completely denatured alcohol rebelled and formally petitioned the Treasury Department for a new formula containing seven parts by volume of approved methanol. (The term "methanol" has been generally adopted during the past few years by the alcohol-using industries; it is chemically the same as wood alcohol.) This petition was so convincing that under date of August 2, 1934, the Treasury Department issued for immediate release Press Service No. 2–43, the first paragraph of which read as follows:

> The use of wood alcohol as a denaturant in the formula for completely denatured alcohol, was authorized today (Aug. 2) by Guy T. Helvering, Commissioner of Internal Revenue, in a decision approved by the Secretary of the Treasury. In accordance with this decision the alcohol tax unit, having immediate supervision over plants manufacturing completely denatured alcohol, will review the existing formula and regulations.
>
> Decision to restore wood alcohol as a denaturant was reached after a petition, prepared by 16 representative manufacturers, distributors, and users of completely denatured alcohol, urging its commercial utility as a denaturant, had been filed with the Treasury Department, and hearings were conducted.
>
> Business men, in protests against the existing formula, asserted it was not satisfactory for antifreeze purposes because of disagreeable odors of denaturants used and that these odors interfered with the utility of this type of industrial alcohol in manufacturing processes. They claimed that nonodorous substitutes were supplanting denatured alcohol for antifreeze purposes.

For some as yet unexplained reason the Treasury Department on August 10, 1934, issued a release, Press Service No. 2–50, retracting the original announcement.

The record of formulas issued and revoked, together with the petition of June 30, 1934, supplies convincing evidence of the following:

First. Wood alcohol, as the standard denaturant of the world, adequately protects the Government-tax interest in alcohol.

Second. Wood alcohol as a denaturant is satisfactory to and desired by industry; all substitutes so far introduced have failed to measure up to the standard set in the original act of Congress.

The poison-liquor argument has no foundation in either science or vital statistics. It was evolved in the heat of prohibition discussion when reason was so largely subordinated to emotion. The prohibition matter itself has been disposed of by the Federal Government. It is illogical and a betrayal of public interest further to penalize legitimate industry by insisting on a position that is now obsolete. On behalf of not only producers and consumers of industrial alcohol and of the owners of hardwood-distillation plants, but more particularly of the thousands of laborers employed in cutting and processing hardwood, the Treasury Department should restore denaturing grade wood alcohol to the place in which it served so efficiently for a quarter of a century.

COMPLETELY DENATURED ALCOHOL FORMULAS

An act of June 7, 1906, authorized the production and distribution of tax-free denatured alcohol from and after January 1, 1907. Since that time formulas for completely denatured alcohol have been in effect as follows:

Formula no. 1

	Parts by volume
Ethyl alcohol	100
Wood alcohol	10
Benzine (kerosene)	0.5

Authorized September 29, 1906; suspended January 8, 1920; reauthorized November 16, 1921.

This formula was modified April 11, 1928, to permit the optional use of gasoline instead of benzine. On December 12, 1930, it was suspended, effective January 1, 1931.

Formula no. 2

	Parts by volume
Ethyl alcohol	100
Wood alcohol	2
Pyridin	0.5

Authorized December 10, 1906; revoked July 2, 1926.

Formula no. 3

	Parts by volume
Ethyl alcohol	100
Sulphuric ether	5
Benzine	2
Pyridin	1

Authorized October 3, 1917; on January 30, 1922, it was modified to permit the optional use of aniline oil instead of pyridin. Revoked September 15, 1926.

Formula no. 4

	Parts by volume
Ethyl alcohol	100
Benzol	2.5
Nitrobenzol	0.5
Pine oil	0.2

Authorized June 3, 1919; on December 5, 1921, it was modified to permit the optional use of ortho-nitrotoluol instead of nitrobenzol. Revoked September 15, 1926.

Formula no. 5

	Parts by volume
Ethyl alcohol	100
Wood alcohol	2
Pyridin	0.25
Benzine (kerosene)	0.50

Authorized December 29, 1919; on July 2, 1926, there was required as additional denaturant 0.50 parts of gasoline. On October 8, 1926, it was modified, effective January 1, 1927, to read as follows:

Option 1

	Parts by volume
Ethyl alcohol	100
Wood alcohol	4
Aldehol	0.75
Benzine (kerosene)	0.5

Option 2

Same as option 1, except that 0.25 part of pyridin were permitted instead of 0.75 aldehol. This option expired April 1, 1927. The formula was again modified November 24, 1930, effective to January 1, 1931, permitting the following option:

	Parts by volume
Ethyl alcohol	100
Wood alcohol	2
Aldehol	1
Kerosene	0.5

The formula was again modified December 12, 1930, effective January 1, 1931, to read as follows:

	Parts by volume
Ethyl alcohol	100
Aldehol	1
Alcotate	1.25

The formula was again modified June 25, 1931, effective July 15, 1931, to read as follows:

	Parts by volume
Ethyl alcohol	100
Isopropanol	5
Aldehol	0.75
Alcotate	.75
Alpha terpineol	.25

The formula was again modified June 30, 1932, effective July 1, 1932, to read as follows:

	Parts by volume
Ethyl alcohol	100
Isopropanol	5
Aldehol or denatol	0.75
Calorite	1.25
Alpha terpineol	.25

The formula was entirely revoked as of July 1, 1935.

Formula no. 5–A

	Parts by volume
Ethyl alcohol	100
Isopropanol	2.5
Pontol	3
Aldehol or denatol	0.5
Calorite	.5
Alpha terpineol	.25

Authorized June 30, 1932; effective July 1, 1932.

Formula no. 6

	Parts by volume
Ethyl alcohol	100
Benzol	2
Pyridin	0.25
Benzine (kerosene)	.5

Authorized September 13, 1920, revoked December 12, 1925, as of February 1, 1926.

Formula no. 7

	Parts by volume
Ethyl alcohol	100
Benzol	2
Benzine (kerosene)	2
Aniline oil	1

Authorized November 15, 1923; revoked August 10, 1926.

Formula no. 10

	Parts by volume
Ethyl alcohol	100
Tecsol	5
Pontol	2.5
Isopropanol	2.5
Gasoline	.5

Authorized June 30, 1932; effective July 1, 1932.

BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE

Mr. ALLEN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN. Mr. Speaker, in these most hectic days when the various branches of our Government are endeavoring to bring this Nation back to a normal condition, I rise to bring the attention of this body to the accomplishments of a department which has silently done its work well. Without any ballyhoo, without a great deal of publicity, this department has gone forward rendering a very important service to all law-abiding citizens. A department that is justly entitled to receive the commendations of all of us. I speak of the Department of Justice, Bureau of Investigation, under the able direction of John Edgar Hoover.

I am wondering how many of us know that since the approval of the Federal kidnaping statute on June 22, 1932, which gave the Federal Government jurisdiction over kidnapings wherein interstate features were present, the Federal Bureau of Investigation has participated in the investigation of 50 cases involving actual kidnapings and plots to kidnap. In these cases, 126 persons have been convicted and 22 persons are now in custody awaiting trial. Sentences totaling 1,675 years 11 months and 2 days have been imposed in addition to 24 life sentences and 4 death sentences. Two kidnapers were lynched, 3 committed suicide, 3 were murdered, and 4 were killed by officers. With such a record by the Department of Investigation is it any wonder that there has been very little kidnaping the past 2 months.

Between the time the Bureau entered the investigation of extortion cases, when the Federal Extortion Act was approved July 8, 1932, and the end of the fiscal year June 30, 1935, 699 extortion cases had been investigated, 155 persons had been convicted and 42 persons were at the end of the fiscal year in custody. These convictions have resulted in sentences totaling 1,002 years 11 months and 7 days being imposed. Four extortionists have been killed, 6 adjudged insane, and 1 has committed suicide. Is it any wonder that this practice of robbing innocent people has been on the decline the past 2 months.

The Federal bank-robbery statute was approved by the President on May 16, 1934, making robbery of national banks of the Federal Reserve System a Federal offense. Since that date there have been 126 robberies of such institutions reported to the Federal Bureau of Investigation. As a result of investigations conducted into these robberies, there are at the present time 65 individuals in custody awaiting prosecutive action in connection with these robberies, 69 have been convicted for complicity in these robberies, 3 received life sentences, and others have received sentences totaling 1,616 years and 31 days, one indeterminate sentence of 5 to 10 years, and fines totaling $34,506 have been assessed. Is it any wonder that the robbery of banks has declined greatly the past few months?

The Federal bank-robbery statute does not restrict prosecution exclusively to the Federal courts, and there have been

tried in State courts cases which resulted in 24 convictions with two life sentences against persons who robbed national and Federal Reserve banks, in addition to 13 indeterminate sentences totaling 136 years and 6 months, and $1,000 in fines. Most of this evidence was gathered by special agents of the Federal Bureau of Investigation. During this period 7 bank robbers have been killed and 1 adjudged insane.

During the month of November 1934 a total of 16 bank robberies was reported to the Federal Bureau of Investigation. Since that time there has been a steady decline in the number of bank robberies until the month of June 1935, during which month but one bank robbery was reported.

During the fiscal year 1935, 3,706 convictions were secured in cases handled by the Bureau. Convictions were secured in 93.49 percent of all cases investigated by the Bureau, which were brought to trial during the year. Sentences imposed during the fiscal year 1935 included seven life sentences and total over 10,647 years. Fines imposed during the same period totaled $333,974.68. The total savings and recoveries effected by the Bureau for the year amounted to $38,481,486.17. During the same period 1,027 Federal fugitives from justice were located, an average of between 2 and 3 daily.

During the fiscal year ended June 30, 1935, identifications were made in 47.8 percent of the criminal fingerprints received during that period. There were effected 304,033 criminal identifications, of which number 4,403 were fugitives from justice who were located as a result of these identifications. The number of criminal fingerprints received and retained at the Identification Division during the fiscal year 1935 totaled 638,012. At the end of the fiscal year the total number of criminal fingerprints in the possession of the Bureau was 5,078,566, which is the greatest collection of factual criminal data in history. The contributors to this large repository numbered 8,479 from whom, in addition to the 68 foreign countries that contribute to the Bureau files, there are received approximately 3,000 fingerprints daily.

Although of a comparatively recent beginning, the civil identification division holds at present approximately 20,000 fingerprints of respectable persons who voluntarily had their fingerprint impressions placed in the Bureau's noncriminal file to assure their identification in the event of loss of memory, fatal accident, or other unpredictable accident.

The question that confronts us as Members of Congress: What can be done to assure the continuation of this Bureau of Investigation that has rendered such efficient services? To me the most important contribution is to place the director, Mr. Hoover, in a position free of politics. For many years Mr. Hoover has worked untiringly in this field of work. He possesses information, he possesses certain knowledge, that it would take a new man many years to acquire. He is especially adapted to this type of work. He has the respect and confidence of the great majority of our citizens.

For the past few months I have been studying the advisability of introducing a bill which would give Mr. Hoover, as Director of Investigation, Department of Justice, a 15-year term, along the lines of Mr. McCarl, Comptroller General of the United States. After thorough study I am convinced that such a bill would be meritorious. It is my intention to introduce such a bill the next session of Congress. I feel sure that it will receive favorable support.

PERMISSION TO ADDRESS THE HOUSE

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TAYLOR of Colorado. Mr. Speaker, in view of the fact that semiconsent has already been given, so to speak, I shall not object at this time, but I am going to object from now on.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, there is an old maxim, "Never bite the hand that feeds you." I am sure that the stalwart farmers of Minnesota will not endorse one single criticism of the administration that was uttered this morning by the gentleman who represents the Sixth Congressional District in that State [Mr. KNUTSON].

Why, during the gentleman's Republican administration farmers everywhere almost starved to death, and thousands of them lost their homes, and wheat was selling for almost nothing, while wheat raised by the stalwart farmers of Minnesota has been selling and is today selling for two and a half times what it brought under the gentleman's last administration.

Take the corn raised by those splendid farmers of Minnesota; what is it worth today? It is bringing two and a half to three times what it sold for under the gentleman's last administration.

Take the hogs which the farmers of Minnesota raise; what about them? The hog market yesterday reached the maximum high price that hogs have brought for many years.

Mr. Speaker, I am speaking the sentiments of the stalwart farmers of Minnesota when I tell the gentleman that this administration has done more for the farmers of Minnesota and of the United States than all of his preceding Republican administrations put together. Take the Harding administration, the Coolidge administration, and the Hoover administration. What did they do for the farmers? Absolutely nothing! The farmers were starving to death and not one move was made to save them.

I want to tell the gentleman from Minnesota [Mr. KNUTSON] another thing in connection with this sound maxim, "Never bite the hand that feeds you." What has been going on in Minnesota for the last 2 years? It has been the Government of the United States through the present administration that has been feeding the needy people of Minnesota. They have been on the relief rolls of this country and I want to say that Minnesota has received its full proportionate share of the relief money that has been paid out of the generous exchequer of the Government.

What are they doing now in Minnesota? The needy in Minnesota right today are clamoring for jobs that this generous Government is giving them. When work could be had for the good people of Minnesota and elsewhere, the Government has generously provided, through this administration, beneficent public work for them to do, which pays the needy people of Minnesota sufficient to keep the wolf from the door.

I repeat, "Never bite the hand that feeds you." I am surprised that the gentleman from Minnesota [Mr. KNUTSON] would make a speech of that kind. When the distinguished gentleman from New York seemed to think he recognized something he had heard before and asked the gentleman facetiously if that was his speech, and the gentleman said it was, in very polite language, why, we took it for granted it was his speech. It is going out to the Minnesota newspapers as coming from his pen. Tomorrow it will be published in the gentleman's string of newspapers out in Minnesota. The stalwart farmers of Minnesota are going to be ashamed of the gentleman from Minnesota.

Mr. Speaker, I came to Congress with the gentleman from Minnesota. The first day we reached Washington, he, Graham of Illinois, and myself straggled down Pennsylvania Avenue SE. on a long walk. I then heard him tell lots of interesting things about Minnesota. I repeat, "Never bite the hand that feeds you."

[Here the gavel fell.]

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF THE ADOPTION OF THE CONSTITUTION OF THE UNITED STATES

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution No. 59, providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention, establishing a commission to be known as the "Sesquicentennial Constitution Commission", which I send to the desk.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the consideration of the Senate joint resolution?

Mr. RICH. Mr. Speaker, reserving the right to object, does the gentleman think that if we adopt this resolution it will cause Members of Congress to think they ought to uphold the Constitution from now on and that we ought not to do things that are unconstitutional, such as have been done during the present administration? If it will, then we certainly ought to adopt it; but if not, I would be disposed to oppose the resolution.

The SPEAKER. Is there objection to the consideration of the Senate joint resolution?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas on September 17, 1937, will occur the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; and

Whereas the time covered by the period since its adoption is the longest period of continuous operation under one written instrument with fewer changes in the organic law known to history; and

Whereas during the 150 years since the adoption of the Constitution there has been notably great progress in civilization, and the importance of the Constitution has grown continuously; and

Whereas this progress in constitutional government justifies official and proper celebration: Therefore be it

Resolved, etc., That the President of the United States of America is hereby authorized and requested to issue a proclamation calling upon public officials to display the United States flag on public buildings, and the people of the United States of America to display the flag at their homes and other suitable places, on September 17, 1937, in honor of the adoption of the Constitution of the United States of America.

SEC. 2. That September 17, 1937, shall be designated and known as "United States Constitution Day" and celebrated as hereinafter provided, and the President of the United States of America is authorized to request its observance as provided in this resolution.

SEC. 3. That there is hereby established a commission, to be known as the "United States Sesquicentennial Constitution Commission", to be composed of 9 commissioners, as follows: 5 persons to be appointed by the President of the United States, 2 Senators by the President of the Senate, and 2 Representatives by the Speaker of the House of Representatives, with the President of the United States, the Chief Justice of the United States, the President of the Senate, and the Speaker of the House as ex-officio members.

SEC. 4. The Commission is hereby authorized and directed to arrange an appropriate celebration to take place during the month of September 1937 of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States; said Commission is authorized to participate in such other celebrations on said anniversary in such manner as it deems proper; said Commission is further authorized to cooperate with the several States and their political units, including cities, villages, towns, and hamlets in suitable commemoration of the event.

SEC. 5. The official celebration shall be held in the city of Washington in the Chamber of the House of Representatives at the hour of high noon on September 17, 1937.

SEC. 6. The Commission is further authorized to recommend such permanent memorial or memorials as in its judgment would merit the consideration of Congress.

SEC. 7. The commissioners shall serve without compensation; vacancies in the Commission shall be filled in the same manner as the original appointments.

SEC. 8. The Commission shall organize by electing a chairman from among its members. It shall also appoint from its members an executive committee of five to carry out the details involved in the celebration; the Commission further is authorized to appoint an executive secretary who shall also be secretary of the executive committee and fix the salary for his services.

SEC. 9. There is hereby authorized to be appropriated the sum of $10,000 to defray all necessary expenses.

SEC. 10. Upon the completion of the celebration to be announced by the President of the United States, he shall issue an order declaring the Commission dissolved.

Mr. BLOOM. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLOOM: Strike out all after the enacting clause and insert the following:

"That there is hereby established a commission, to be known as the 'United States Constitution Sesquicentennial Commission' (hereinafter referred to as the 'Commission') for the celebration of the one hundred and fiftieth anniversary of the formulation of the Constitution, and to be composed of 18 commissioners, as follows: The President of the United States, the President of the Senate and the Speaker of the House of Representatives, ex officio; 5 persons to be appointed by the President of the United States; 5 Senators to be appointed by the President of the Senate; and 5 Representatives by the Speaker of the House of Representatives.

"SEC. 2. The commissioners shall receive no compensation for their services, but shall be paid their actual and necessary traveling, hotel, and other expenses incurred in the discharge of their duties out of any moneys contributed.

"SEC. 3. The Commission shall select a chairman and appoint a Director, who shall appoint, with the approval of the Commission, such assistants and subordinates as he deems necessary.

"SEC. 4. That it shall be the duty of the commissioners, after promulgating to the American people an address relative to the reason of its creation and of its purpose, to prepare a plan or plans and a program for the adequate celebration of the sesquicentennial anniversary, and to give due and proper consideration to any plan or plans which may be submitted to them; and to take such steps as may be necessary in the coordination and correlation of plans prepared by State's commissions, or by bodies created under appointment by the Governors of the respective States, and by representative civic bodies.

"SEC. 5. That the Commission shall, on or before the 20th day of January 1936, make a report to the Congress, in order that enabling legislation may be enacted.

"SEC. 6. That the Commission hereby created shall expire December 31, 1939.

"SEC. 7. That the Commission may receive from any source contributions to aid in carrying out the general purpose of this resolution, but the same shall be expended and accounted for in the same manner as any appropriation which may be made under authority of this act."

Mr. MICHENER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it seems to me that at a time when the Private Calendar is to be considered and when the Members of the House have been given to understand we would consider the Private Calendar only, a bill creating a commission of this kind, which is far-reaching, should not be brought up for consideration. This bill provides, as I heard it read, that this commission is to report back to next Congress, and the legislation is to be made the basis for future action. Now, we are starting on a celebration here which should be equal, at least, if we start on it, if not superior, to the George Washington celebration, because we are going to celebrate the adoption of the Constitution of the United States. We are going to have a plan, we are going to have writers, we are going to have publicity, we are going to have appropriations, and we are going to have a commission. We are starting upon an adventure here that will not end for a long, long time, and one that will cost a vast sum of money.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. O'CONNOR. May I state to the gentleman that this resolution arises in this manner. There was a resolution reported from the Rules Committee and the resolution was passed by the House. The Senate, instead of taking up the House resolution, adopted a resolution different in some respects and what is being done here today is to take the Senate resolution, strike out all after the enacting clause and insert the House resolution which has already been passed upon by the House.

Mr. BLOOM. Yes; this resolution was passed by the House under a rule.

Mr. MICHENER. Is the language of the amendment the same as the House resolution?

Mr. BLOOM. Yes.

Mr. MICHENER. Of course, I took exception to the resolution when it was up before.

Mr. BLOOM. This is exactly the same resolution that passed the House the same day that the Senate resolution was introduced. The Senate resolution contained certain statements that are not correct historically. We are now inserting the House resolution which was passed February 14.

Mr. MICHENER. My only purpose is to impress upon the House just what we are doing. I know the gentleman will do a good job, and I know this will be a splendid thing.

Mr. BLOOM. I thank the gentleman.

Mr. MICHENER. But I do feel that in these days we should devote more effort to recovery than to centennials.

Mr. BLOOM. I agree with the gentleman.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. RICH. Does the gentleman believe we will last long enough to conduct this celebration if we continue going into the red as the statements issued by the Treasury Department

indicate? The statement of yesterday shows that we went into the red $2,534,945.43, and every day we are going into the red by millions of dollars. If we do not hurry up we will not be able to celebrate this sesquicentennial.

Mr. MICHENER. I hope this commission may help us to balance the Budget. But if we continue many of the policies which we have been pursuing during the last 2 years, we will be holding a memorial over the Constitution. What we want is more respect for the Constitution by constituted authority. The people should have an example set by our officials.

The amendment was agreed to.

Mr. BLOOM. Mr. Speaker, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. BLOOM: Page 1, strike out all of the preamble.

The amendment was agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read as follows: "Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the formulation of the Constitution of the United States."

COMMITTEE ON FLOOD CONTROL

Mr. WILSON of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Flood Control may have permission to sit during sessions of the House.

Mr. RICH. Mr. Speaker, is the request asked just for today?

Mr. WILSON of Louisiana. No; at any time the committee may desire to meet.

Mr. RICH. Mr. Speaker, I object. I would not object if the request were for today.

Mr. WILSON of Louisiana. Then, Mr. Speaker, I ask unanimous consent that the Committee on Flood Control may have permission to sit during sessions of the House today and Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PROSTITUTION IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the conference report on the bill (S. 405) for the suppression of prostitution in the District of Columbia, and ask unanimous consent that the statement may be read in lieu of the report.

There being no objection, the Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 405) for the suppression of prostitution in the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

MARY T. NORTON,
VINCENT L. PALMISANO,
EVERETT M. DIRKSEN,
Managers on the part of the House.

WILLIAM H. KING,
ROYAL S. COPELAND,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 405) for the suppression of prostitution in the District of Columbia submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate recedes from its disagreement to the amendments of the House.

MARY T. NORTON,
VINCENT L. PALMISANO,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. MICHENER. Are the Republican members agreeable to this action?

Mr. PALMISANO. Yes; the Senate has receded from its disagreement to the House amendment.

The conference report was agreed to.

FOULING OF ATMOSPHERE IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the conference report on the bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia, and ask unanimous consent that the statement may be read in lieu of the report.

There being no objection, the Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

MARY T. NORTON,
VIRGINIA E. JENCKES,
EVERETT M. DIRKSEN,
Managers on the part of the House.

WILLIAM H. KING,
ROYAL S. COPELAND,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying report:

The Senate recedes from its disagreement to the amendments of the House.

MARY T. NORTON,
VIRGINIA E. JENCKES,
EVERETT M. DIRKSEN,
Managers on the part of the House.

The conference report was agreed to.

COMMITTEE ON WAYS AND MEANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on H. R. 4464, to amend an act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930.

The SPEAKER. Is there objection?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—GEORGE BRACKETT CARGILL (H. DOC. NO. 268)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return, without my approval, H. R. 4623, entitled "An act for the relief of George Brackett Cargill, deceased."

This bill provides that in the administration of any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Navy, George Brackett Cargill, deceased, shall be held and considered to have been discharged under honorable conditions as a seaman, second class, United States Navy, on July 22, 1918.

Enactment of H. R. 4623 into law would, in effect, constitute a legislative reversal of the considered action of the authorities charged with the execution of the laws enacted for the government and control of the naval forces, and would place a man with an unsavory naval record on a par with those who, during a period of war, rendered services that were honest and faithful and whose discharges were honorable, in view of which and because of the facts set forth in the accompanying report of the Secretary of the Navy, I do not feel justified in approving this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 9, 1935.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. VINSON of Georgia. Mr. Speaker, I move that the bill and message be referred to the Committee on Naval Affairs and be printed.

The motion was agreed to.

STOCKBRIDGE AND MUNSEE TRIBE OF INDIANS (H. DOC. NO. 269)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return, without approval, H. R. 5230, "An act to confer jurisdiction upon the Court of Claims to hear claims of the Stockbridge and Munsee Tribe of Indians."

The bill involves a claim for an unexpended balance of $48,823.61 out of an appropriation of $95,000 made by the Indian Appropriation Act of 1916. The facts in connection with the claim are set out in Senate Report 1091 (74th Cong.).

The Court of Claims was given jurisdiction over the claims of this tribe by the act of June 7, 1924 (43 Stat. L. 644). The claims were filed under said act, and a decision adverse to the contentions of the Indians was rendered by the Court of Claims. The same claims were again filed and were dismissed by the court on demurrer for the reason that the issues involved were controlled by its prior decision and the case was res judicata.

No other claims have been asserted by these Indians against the United States, and there appears to be no reason why the Court of Claims should again be burdened with a retrial of the case.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 9, 1935.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. ROGERS of Oklahoma. Mr. Speaker, I move that the bill and message be referred to the Committee on Indian Affairs and ordered printed.

The motion was agreed to.

STATE COMPACT TO CONSERVE OIL AND GAS

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

I transmit herewith a certified copy of the State Compact to Conserve Oil and Gas, executed in the city of Dallas, Tex., on February 16, 1935, by the representatives of the States of Oklahoma, Texas, California, and New Mexico, and recommended for ratification by representatives of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan. The compact signed by representatives of these States has been deposited in the Department of State of the United States. I also transmit a report of the Secretary of State, from which you will observe that notification has been received by the Department of State of the ratification of the compact by the Legislatures of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas.

I recommend that the Congress enact legislation giving the consent of Congress to the State Compact to Conserve Oil and Gas, executed at Dallas, Tex., on February 16, 1935.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 9, 1935.*

JOHN J. O'CONNOR (H. DOC. NO. 270)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I am returning herewith, without approval, H. R. 1951, entitled "An act for the relief of John J. O'Connor."

This bill provides that, in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John J. O'Connor who was a member of Company K, Forty-third Regiment United States Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a corporal of that organization on the 15th day of November 1899.

The official records of the War Department show that this ex-soldier after having been honorably discharged as a private of the Hospital Corps, United States Army, reenlisted as a single man, when in fact he was a married man with a dependent wife. Had these facts been known at the time of reenlistment, the soldier could not have been enlisted without special authority, and under the approved regulations in force at the time he was necessarily discharged without honor on account of fraudulent enlistment.

Enactment of H. R. 1951 into law would, in effect, constitute a legislative pardon for a man whose status is now that of one discharged without honor, and would place him on a par with those who rendered services of a character which earned for them honorable discharges.

The Secretary of War strongly recommends that this bill be not favorably considered and I find nothing in the facts in the case which would justify different action on my part.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 9, 1935.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. WILCOX. Mr. Speaker, I move that the bill and the message be referred to the Committee on Military Affairs and ordered printed.

The motion was agreed to.

Mr. MITCHELL of Tennessee. Mr. Speaker, I ask unanimous consent to speak out of order for 5 minutes.

Mr. TAYLOR of Colorado. Mr. Speaker, I feel constrained to object.

TRANSPORTATION OF SENTENCED PRISONERS

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter written by Col. C. A. Seoane to the Attorney General of the United States with respect to the war on crime.

The SPEAKER. Is there objection?

There was no objection.

Mr. KENNEY. Mr. Speaker, under leave to extend my remarks, I include the following communication of my friend, Colonel Seoane, of the United States Army, addressed to the Attorney General of the United States, having to do with an important penal matter:

HEADQUARTERS THIRD CORPS AREA,
UNITED STATES ARMY,
OFFICE OF THE SIGNAL OFFICER,
Baltimore, Md., June 20, 1935.

The Honorable the ATTORNEY GENERAL OF THE UNITED STATES,
Department of Justice, Washington, D. C.
(Through The Adjutant General, U. S. Army.)

DEAR SIR: 1. Pursuant to the general invitation extended by the Attorney General at the opening session of the crime conference in Washington in December 1934, to enlist the active support of citizens against the crime wave and the break-down of law and order throughout the country, attention has been given to formulating a plan in support of the above-mentioned policy. The following is an outline:

TRANSPORTATION OF SENTENCED PRISONERS

2. Persons sentenced to imprisonment beyond 5 or 10 years are to be sent to a point remote from the scene of their crime. Such a point should be constituted into a penal colony, and if an island be selected, it is quite possible that this colony could be made free of jails and prisons as such. The individuals sent there could have the same freedom to work out their existence as persons in a new land. The island should be under exterior boat guard, but without interfering in the daily life of the prisoners. There should be no citizens or free people on the island. There are a number of islands under United States dominion that could be made suitable for this purpose.

3. Location.—For the present it will be convenient to discuss the two western groups of the Aleutian Islands. The farthest group is called Near Islands—being 3 or 4 in number and having an area of about 1,000 square miles. The next western group—the Rat Islands—4 in number—also have a total area of about 1,000 square miles. This area is almost identical with the size

of Rhode Island, which State contains a population of over 600,000. These islands lie over a thousand miles from the mainland of Alaska. The Rat Islands pertain to the public domain and are uninhabited except for 1 or 2 fox ranchers on each island who supervise the raising of blue foxes. In addition to fox growing, the islands are suited to sheep and goat raising and fishing. They are washed by the Japan current; lie in the same latitude as does London, England, and their climate is very much the same as that of the Shetland and Orkney Islands. These British Islands are smaller in size than the Rat Islands but have a population of between 50,000 and 60,000 and produce Shetland ponies, pigs, native cattle that give a plentiful supply of milk, and native sheep with fine wool. Geese and poultry thrive; rabbits are numerous; water and fuel are in abundance; barley, potatoes, turnips, and cabbage are raised; and the density of population is over 50 to the square mile. The mean temperature of the Shetland Islands is 39 degrees for March and 54 degrees for August, and is about identical for all of the Aleutian Islands. Moreover, in the Aleutian Islands snow seldom falls, the lowest temperature for the winter months is 12 degrees above zero, and the highest in summer is 70 degrees. The average, however, in the winter months is about 39 degrees and 54 degrees in summer. On the Near Islands there are about 200 Aleuts, or natives, who could easily be transferred to some larger island of the Aleutian group lying more to the east, for instance, the island of Atka where there are several villages of native people and many herds of reindeer. More to the east, on the island of Unmak there are 12,000 sheep. The Aleutian Islands as a whole once maintained a population of 30,000 Aleuts, but at present they exist to the extent of only a few hundred.

4. By proper enactment of law it would be the purpose of this plan to send all male prisoners to the Rat Islands who receive sentences in the United States courts in excess of 5 or more years. If policy dictates, the matter of excluding certain types of offenders could be left to the discretion of the court imposing sentence. Once there they should take up residence, have the entire freedom of the islands, and be required to provide their own sustenance through their own endeavors, the United States assisting in the beginning through a minimum supply of foodstuffs and other supplies as might be necessary in establishing the colony. They would be on the same basis as the gold seekers who went to the Yukon in 1897. Once on the islands, the only guards that would be necessary would be in the form of a limited amount of offshore sea vigilance, to be provided by one of the Government services, possibly the Coast Guard. The islands lie 2,000 miles from the nearest point in the continental United States and more than 2,000 miles from Hawaii. There is no danger of escape, because this distance could never be negotiated in an open boat. The islands have no tree growth, and such small boats as might be furnished for fishing purposes could never be used as a means of escape. Once there, they would be entirely safe so far as this problem is concerned. They could organize their own community government.

5. In time, as prisons in the United States gradually become evacuated, such prisons would be discontinued. Persons sentenced by the United States courts for terms less than 5 years would be transferred to State institutions.

6. This measure also proposes that the United States will assist the several States in curbing the existing crime wave by receiving from any and all States such of their prison population as they might desire to turn over to United States custody. This, of course, would mean the transfer of such persons to the Rat Islands. In other words, each State needs but to pass a State law authorizing the transfer of such types of prisoners as it may designate to United States custody for deportation.

7. The simplicity of this measure is such that it merely requires a simple statutory enactment in our penal code to the effect that prisoners receiving sentences in the United States criminal courts in excess of 5 or 6 years shall be transported beyond the continental limits of the United States, to such regions or distances as may be set aside by Executive order, and there to remain during the period defined in the term "transportation." (See par. 10 below.)

8. The prison population of the United States is, in round numbers, 120,000. It is stated that about 10 percent of these have no employment in prison. Federal prisoners total around 12,000; rearrested parolees total about 7,000. Such a movement as this would have to be put into effect gradually and it would be sufficient to commence with any of the categories above mentioned. In other words, the proposition might well be tried out on about 10,000 prisoners until the system proved entirely a success.

9. The next step in this measure is that the President be authorized to set aside Rat Islands or such other possessions of the United States as he may designate, as penal settlements, to be administered by the Department of Justice, assisted by such other departments as might be necessary for carrying out this proposition. He probably possesses sufficient legal authority already.

10. It is suggested that another clause in such a code place a time limit on deportation. It is recommended that this be made 16 years. It is advanced that the philosophy behind this is that persons so exiled from the United States would not be in the category of prisoners in a jail but through enforced residence in a remote region, over this term of years would become completely changed individuals; there would be very little chance of their becoming repeaters. The age factor alone would take them well out of that time of life when criminals are active. Another factor is that their life on the islands, working for a livelihood with their hands and not with their wits—as most criminals do—over a long period of years, would change their mentality almost completely. For purposes of public appeal, the policy of "rats to the Rat Islands" would cause every newspaper and every reader throughout the country to understand that the Government was putting chains (catena perpetua) around the gangster. Another and most important point against the criminal, as part of this plan, is the mental or psychological factor where he will realize that he is leaving home for a long time—not going to prison near the scene of his crime, as is now the rule, and carrying little fear in the prisoner's mind or even in that of his family. He believes, they believe, his friends believe, that in some way or another his term of confinement will be less than the sentence implies. He hopes for parole, he hopes for pardon, and he also plans escape. The majority of our criminals seem to make one of these three plans work in their favor. Going to Rat Islands would mean a long goodbye without hope of pardon, parole, or escape. Herein lies the secret of what is believed would become an effective damper on the crime wave of today.

11. Historical: Banishment, under the name of exile transportation, penal colonies, or exile, dates from ancient times. It has never completely disappeared, and in different countries it has been introduced and discontinued according to circumstances. In 1850 when "our churches were full and our jails empty" it would not have been needed. Today, the gangster and the racketeer have made it necessary, and it is believed that this system would have a peculiar deterrent effect upon these types of criminals. In any case it would be a simple thing to try out and a simple thing to discontinue.

12. Cost: It is estimated that the cost per capita of maintaining prisoners on Rat Islands should run generally less than for prisoners in the United States. The colony should be started with a supply of bricks and other simple building materials sent to the islands and there constructed into huts or other form of shelter by the prisoners themselves where they could live either individually or in groups. Living individually, or at most in couples, is the simplest. Cost of shelter, with the Government buying materials but sending it in Government-owned transportation, and prisoners doing the work, based on C. C. C. camp cost, should not exceed $50 per man, approximately $500,000 for 10,000 men. A committee should look over the site beforehand. Their living necessities could well be restricted to a minimum much after the fashion of settlers in the early West or in the Klondike in 1897. For the first year it might be necessary to supply uncooked rations, consisting of flour, canned meat, and vegetables, something on the order of the field ration for the soldier. An issue of blankets and clothing would be necessary, simple cooking utensils, and certain tools. Medical attention would be supplied by visits from an official boat that would patrol the islands, or a medicine chest supplied to prisoners with medical knowledge. The guard vessel could very well come from any of the existing services, Coast Guard, etc. On the credit side it might be possible for these men to develop a fishing industry, which product could be sent to other prisons in the United States and credited to them. As already stated, there was once a large Aleutian population, and there is no reason why prisoners sent there should not, with a small amount of help in the beginning, reach a self-sustaining basis.

13. This plan, as outlined above, has been discussed by me before public groups widely scattered through several States. These presentations have been favorably received in every instance. From this the opinion is deduced that if announced by the Government as part of its policy it would meet with public approval. The way to find out whether public opinion is behind such a move is to introduce it in the form of proposed legislation. This would quickly set the press to working and the people to thinking, and the reaction would provide the necessary answer. In addition, the Government could announce at the same time as legislation was proposed that this procedure would mark a forward step in curbing crime. Next, this plan would prove a solution to the eternal problem of prison-made goods, and also provide a solution for the social side. Under our present system, a community will not accept back into its folds—not even a family will receive a person after he or she has received the stamp of an ex-convict. Probably these people would not care to return to their past haunts and might develop a life for themselves, settling in adjacent islands, like the Near Islands, where there would be free land, to take up the life to which they would have become accustomed. This, after all, is the key to the plan.

14. Acknowledgement: It is desired to acknowledge that Brig. Gen. W. C. Brown, U. S. Army, retired, has worked on a similar problem and that he and the undersigned have corresponded and cooperated for some years on this subject. It is understood he will present his views in a separate paper.

Respectfully submitted.

C. A. SEOANE,
Colonel, Signal Corps, U. S. Army.

THE PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

MICHAEL A. M'HUGH

The Clerk called the bill (H. R. 5811) for the relief of Michael A. McHugh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Michael A. McHugh, Pittsburgh, Pa., in full settlement of all claims against the Government of the United States, as a reward to which he was entitled under the postal regulations, had the funds not lapsed, for his services in connection with the arrest and conviction of Donald R. Leeson for theft of mail from the post office at Pittsburgh, Pa., on June 23, 1925: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$1,000" and insert "$200."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

K. S. SZYMANSKI

The Clerk called the bill (H. R. 5870) for the relief of K. S. Szymanski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to K. S. Szymanski the sum of $5,000 in full settlement of all claims against the Government of the United States for personal injuries sustained as a result of being struck by a motor truck operating under the jurisdiction of the Pittsburgh (Pa.) post office: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. COSTELLO: Page 1, line 6, after the words "sum of ", strike out "$5,000" and insert "$3,500."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WINT ROWLAND

The Clerk called the bill (H. R. 6267) for the relief of Wint Rowland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Wint Rowland, Calvin, Ky., in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by him on August 16, 1934, when the automobile in which he was riding was struck and completely demolished by an ambulance operated by employees of the Civilian Conservation Corps stationed at Putney, Harlan County, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert "$5,000."

Mr. HOPE. Mr. Speaker, I offer the following amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment by Mr. HOPE: Page 1, line 6, strike out "$5,000" and insert "$2,500."

The SPEAKER. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The amendment, as amended, was agreed to; and the bill as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

W. C. WRIGHT

The Clerk called the bill (H. R. 6268) for the relief of W. C. Wright.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to W. C. Wright, Hulen, Ky., in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by him on August 16, 1934, when the automobile in which he was riding was struck and completely demolished by an ambulance operated by employees of the Civilian Conservation Corps stationed at Putney, Harlan County, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert in lieu thereof "$2,000."

The amendment was agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

W. H. KEYES

The Clerk called the bill (H. R. 6269) for the relief of W. H. Keyes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to W. H. Keyes, Hulen, Ky., in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by him on August 16, 1934, when the automobile in which he was riding was struck and completely demolished by an ambulance operated by employees of the Civilian Conservation Corps stationed at Putney, Harlan County, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert in lieu thereof "$3,000."

Mr. COSTELLO. Mr. Speaker, I offer the following amendment to the committee amendment, which I send to the desk.

The Clerk read as follows:

Amendment to the committee amendment by Mr. COSTELLO: Strike out "$3,000" and insert "$2,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. THOMAS J. BERRY

The Clerk called the bill (H. R. 6944) for the relief of Maj. Thomas J. Berry.

Mr. McFARLANE and Mr. COSTELLO objected, and the bill was recommitted to the Committee on Claims.

HEIRS OF JOHN SCHRODL

The Clerk called the next bill, H. R. 7076, for the relief of the heirs of John Schrodl.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of John Schrodl, formerly a rural letter carrier out of Gibbon, Minn., remuneration for the loss of 1 year's retirement pay at the rate of $1,200 per annum less the statutory deduction of 3½ percent for the retirement fund.

With the following committee amendments:

Page 1, line 7, after the word "Minnesota", strike out the word "remuneration" and insert "the sum of $1,158 in full settlement of all claims against the United States."

Page 1, line 11, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH M. CLAGETT, SR.

The Clerk called the next bill, H. R. 7093, for the relief of Joseph M. Clagett, Sr.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph M. Clagett, Sr., the sum of $15,000 for injuries to his son, Joseph M. Clagett, Jr., on December 27, 1934, caused by a fall down an open elevator shaft in a building in Philadelphia, Pa., owned by the United States Government and under the jurisdiction of the Treasury Department, Procurement Division.

With the following committee amendment:

Page 1, line 5, after the word "appropriated", strike out "to Joseph M. Clagett, Sr., the sum of $15,000 for injuries to his son, Joseph M. Clagett, Jr.", and insert "to the guardian of Joseph M. Clagett, Jr., the sum of $15,000, in full settlement of all claims against the United States for injuries sustained by him."

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Page 1, line 8, after the words "the sum of", strike out "$15,000" and insert "$5,000."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The Clerk read the next committee amendment, as follows:

Page 2, after line 2, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Joseph M. Clagett, Jr."

BELL OIL & GAS CO.

The Clerk called the next bill, H. R. 7140, for the relief of the Bell Oil & Gas Co.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,964.79 to the Bell Oil & Gas Co., of Tulsa, Okla., for the purpose of reimbursing said Bell Oil & Gas Co. for Federal tax on gasoline delivered under contract with the War Department, dated June 20, 1932, said Department having contracted to pay said tax and said payment having been refused by the Comptroller General of the United States.

With the following committee amendments:

Page 1, line 6, after the word "Oklahoma", strike out "for the purpose of reimbursing", and insert "in full settlement of all claims against the United States of the."

Page 2, line 2, insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 5, after the words "the sum of", strike out "$5,964.79" and insert in lieu thereof "$5,470.85."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOE RENO

The Clerk called the next bill, H. R. 996, for the relief of Joe Reno.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Joe Reno, of Anchorage, Alaska, to reimburse the said Joe Reno on account of a departure bond paid by him in the sum of $500 to the United States of America, on behalf of one Luigia Rainieri, an alien, who entered the United States from Vancouver, British Columbia, Canada, on the 12th day of January 1921, and who died in the United States on October 12, 1921, before the time so fixed for her departure by said bond.

With the following committee amendments:

Page 1, line 5, after the word "appropriated", insert "and in full settlement of all claims against the United States"; page 2, at the end of the bill, on line 3, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDICAL COLLEGE OF VIRGINIA AND OTHERS

The Clerk called the next bill, H. R. 1871, for the relief of the Medical College of Virginia, and others, of Richmond, Va.

The SPEAKER. Is there objection?

There being no objection the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named persons, all of Richmond, Va., the sums hereinafter specified in full satisfaction of their claims against the United States for services rendered and materials furnished in the hospitalization, medical care, and treatment of Philip J. Joyce and John Knapp, United States Navy, and Carl A. Lunk, late of the United States Navy, such hospitalization, care, and treatment having been authorized on August 21, 1931, by the Bureau of Medicine and Surgery, Navy Department, but payment for which has been refused by the Comptroller General on the ground that such action was unauthorized due to the fact that such Philip J. Joyce, John Knapp, and Carl A. Link were at the time on leave of absence from duty: Medical College of Virginia, Hospital Division, $1,285.51; the J. W. Bliley Co., $7.50; R. C. Bryan, $898; Mary C. Gale, $264; Edna Mashburn Armentrout, $690; W. B. Porter, $126; Sabra Sturt, $432; and J. T. Tucker, $479.

With the following committee amendments:

On page 1, line 9, strike out "Philip J. Joyce and."

Page 1, line 10, strike out the words "and Carl A. Lunk, late of the United States Navy."

Page 2, line 5, strike out all of lines 5 and 6 and down to and including the word "duty" and insert "unauthorized."

Page 2, line 8, strike out "$1,285.51" and insert "$1,053.51."

Page 2, line 9, strike out "$898", and insert "$550."

Page 2, line 11, strike out "$126" and insert "$30."

Page 2, line 11, strike out "Sturt" and insert "Stuart."

Page 2, line 12, strike out "$479" and insert "$329, in all $3,356.01: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ITALIAN STAR LINE, INC.

The Clerk called the next bill, H. R. 2148, to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claims of the Italian Star Line, Inc., against the United States.

The SPEAKER. Is there objection?

Mr. COSTELLO, Mr. McFARLANE, Mr. HOPE, and Mr. HANCOCK of New York objected, and the bill, under the rule, was recommitted to the Committee on Claims.

CLARENCE F. JOBSON

The Clerk called the next bill, H. R. 5558, for the relief of Clarence F. Jobson.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. McFARLANE. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill as follows:

Be it enacted, etc., That the President of the United States is hereby authorized to summon Clarence F. Jobson, late captain of the Quartermaster Corps, Regular Army, before a retiring board to inquire whether, at the time of his discharge, December 26, 1922, he was incapacitated for active service, and whether such incapacity was a result of an incident of service, and if, as a result of such inquiry, it is found that he was so incapacitated, the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said Clarence F. Jobson a captain of the Quartermaster Corps and place him immediately thereafter upon the retired list of the Army with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said Clarence F. Jobson shall not be entitled to any back pay or allowances by the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAKHA SINGH GHERWAL

The Clerk called the next bill, S. 447, conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon any suit in equity brought by Rakha Singh Gherwal against the United States for the purpose of setting aside the default decree of such court rendered November 21, 1924, canceling the certificate of naturalization no. 1649806 of such Rakha Singh Gherwal.

SEC. 2. Such suit in equity may be instituted at any time within 6 months after the enactment of this act, notwithstanding the lapse of time or any statute of limitation. Proceedings for the determination of any such suit shall be had, and appeals from any judgment or decree entered therein shall be taken, in the same manner as in the case of suits in equity over which such court has jurisdiction under paragraph (1) of section 24 of the Judicial Code, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAUDE L. DALLY (PETTY)

The Clerk called the next bill, H. R. 1371, to provide for the retirement of Maude L. Dally (Petty), disabled former Army nurse.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Military Affairs.

WALTER W. JOHNSTON

The Clerk called the next bill, H. R. 3790, for the relief of Walter W. Johnston.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

T. D. RANDALL & CO.

The Clerk called the next bill, S. 2520, for the relief of T. D. Randall & Co.

The SPEAKER. Is there objection?

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

FAY A. CUSHMAN

The Clerk called the next bill, H. R. 2308, for the relief of Fay A. Cushman.

The SPEAKER. Is there objection?

Mr. HANCOCK of New York, Mr. HOPE, and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Military Affairs.

FRANK P. ROSS

The Clerk called the next bill, S. 1186, for the relief of Frank P. Ross.

The SPEAKER. Is there objection?

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on the Public Lands.

EARL A. ROSS

The Clerk called the next bill, S. 1490, for the relief of Earl A. Ross.

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on the Public Lands.

The SPEAKER. The next bill, Calendar No. 622, is the omnibus bill. The Clerk will report Calendar No. 623.

HENRY IRVING RILEY

The Clerk called the next bill, H. R. 5475, for the relief of Henry Irving Riley.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summons Henry Irving Riley, former first lieutenant, United States Air Service of the Regular Army of the United States, before a retiring board for the purpose of hearing his case, and to inquire into and determine all the facts bearing on the nature of his disabilities, and to find and report the disabilities which in its judgment have produced his incapacity, and whether his disabilities are an incident of service: *Provided*, That, upon the findings of such a board, the President is further authorized, in his discretion, either to confirm the order by which said Henry Irving Riley was discharged or, in his discretion, to nominate and appoint, by and with the advice and consent of the Senate, the said Henry Irving Riley, former first lieutenant, Air Service, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or hereafter may be provided by law and regulations for officers of the Regular Army: *And provided further*, That the said Henry Irving Riley shall not be entitled to any back pay or allowances prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN W. BECK

The Clerk called the next bill, S. 457, for the relief of John W. Beck.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon John W. Beck, a first lieutenant, United States Army, retired, before a retiring board, to inquire whether at the time of his retirement, under section 24b, National Defense Act, as amended, he was incapacitated for active service, and whether such incapacity was a result of an incident of service, and if, as a result of such inquiry, it is found that he was so incapacitated, the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said John W. Beck a first lieutenant, Regular Army, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said John W. Beck shall not be entitled to any back pay or allowances by the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARINO AMBROGI

The Clerk called the next bill, S. 886, for the relief of Marino Ambrogi.

The SPEAKER. Is there objection?

Mr. HOPE, Mr. HANCOCK of New York, and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Military Affairs.

JAMES A. HENDERSON

The Clerk called the next bill, H. R. 820, for the relief of James A. Henderson.

The SPEAKER. Is there objection?

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

PETRA M. BENAVIDES

The Clerk called the next bill, H. R. 1363, for the relief of Petra M. Benavides.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Petra M. Benavides, of El Paso, Tex., the sum of $10,000 in settlement of her claim against the United States Government on account of the killing of her husband, Antonio J. Benavides, by Immigration Patrol Inspector Chloe J. McNatt.

With the following committee amendments:

Line 6, strike out the figures "$10,000" and insert in lieu thereof the figures "$5,000."

At the end of the bill, add:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SARAH L. SMITH

The Clerk called the next bill, H. R. 1435, for the relief of Sarah L. Smith.

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

LT. R. G. CUNO

The Clerk called the next bill, H. R. 2115, for the relief of First Lt. R. G. Cuno.

Mr. HANCOCK of New York and Mr. HOPE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CITIZENS' STATE BANK OF MARIANNA, FLA.

The Clerk called the next bill, H. R. 2435, for the relief of the Citizens' State Bank of Marianna, Fla.

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

POWELL & GOLDSTEIN, INC.

The Clerk called the next bill, H. R. 2526, for the relief of Powell & Goldstein, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Powell & Goldstein, Inc., of Hanover, Pa., the sum of $100. Such sum represents the amount of internal-revenue stamps on cigars lost in the United States mail on April 11, 1930.

With the following committee amendment:

On page 1, line 6, strike out "$100. Such sum represents the amount of internal-revenue stamps on cigars lost in the United States mail on April 11, 1930" and insert in lieu thereof "$100, in full settlement of all claims against the United States for 400 internal-revenue cigar stamps either lost in the United States mail or stolen by Government employees, on or about April 12, 1930: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NACIONAL DESTILERIAS CORPORATION

The Clerk called the next bill, H. R. 2617, for the relief of the Nacional Destilerias Corporation.

Mr. HANCOCK of New York and Mr. HOPE objected, and, under the rule, the bill was recommitted to the Committee on Claims.

SADIE WILKINSON

The Clerk called the next bill, H. R. 2620, for the relief of Sadie Wilkinson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sadie Wilkinson the sum of $7,500. Such sum shall be in full settlement of all claims of Sadie Wilkinson against the Government because of the death of her husband, Reuben Wilkinson, on December 11, 1933, when the car in which he was traveling was struck by a Civilian Works Administration truck.

With the following committee amendments:

On page 1, line 6, strike out "$7,500" and insert "$5,000."

At the end of the bill insert the following:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOM L. GRIFFITH

The Clerk called the next bill, H. R. 2621, for the relief of Tom L. Griffith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Tom L. Griffith the sum of $2,500. Such sum shall be in full settlement of all claims of Tom L. Griffith against the Government for personal injuries sustained by him on December 11, 1933, when the car in which he was traveling was struck by a Civilian Works Administration truck.

With the following committee amendment:

At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMANUEL LIEBERMAN

The Clerk called the next bill, H. R. 2702, for the relief of Emanuel Lieberman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there be paid out of the Treasury of the United States, to Emanuel Lieberman, of Cleveland, Ohio, the sum of $5,000 damages for injuries received July 4, 1919, when a United States mail truck collided with him.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emanuel Lieberman, of Cleveland, Ohio, the sum of $3,500, in full settlement of all claims against the United States for injuries sustained on July 4, 1919, when struck by a United States mail truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

R. W. JONES

The Clerk called the next bill, H. R. 3408, for the relief of R. W. Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,063 to R. W. Jones, father of Rufus Jones, a minor, for permanent injuries sustained by the said Rufus Jones, when the car in which he was a passenger was sideswiped by a Government vehicle operated in connection with the Civilian Conservation Corps, while said vehicle was on official business, on July 10, 1934, on United States Highway No. 64, near Lamar, Ark.

With the following committee amendments:

Page 1, line 6, after the word "minor" insert the words "in full settlement of all claims against the United States."

Page 2, at the end of the bill, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO:

Page 1, line 6, strike out "to R. W. Jones, father of Rufus Jones, a minor", and insert the following: "to the guardian of Rufus Jones, a minor", and amend the title to read: "A bill for the relief of Rufus Jones, a minor."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BERNARD V. WOLFE

The Clerk called the next bill, H. R. 3673, for the relief of Bernard V. Wolfe.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bernard V. Wolfe the sum of $12,500. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Bernard V. Wolfe, who was struck and seriously injured on September 7, 1930, by an airplane owned by the United States and operated by an employee of the Department of Commerce.

With the following committee amendment:

On page 1, line 5, at the end of the line, strike out "$12,500" and all of lines 6 to 10, inclusive, and down to and including the word "Commerce", in line 11, and insert in lieu thereof the following: "$5,000 for permanent personal injuries, and to the Dixon Implement Co. the sum of $119.33 for damage to its tractor, in full settlement of all claims against the United States for such injuries and damage sustained when said tractor, driven by Bernard V. Wolfe, was struck by an airplane owned by the United States, and operated by an employee of the Department of Commerce, at the Dixon (Ill.) Airport, on September 17, 1930: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 1, line 11, strike out "$5,000" and insert in lieu thereof "$2,500."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Bernard V. Wolfe and the Dixon Implement Co."

HERALD PUBLISHING CO.

The Clerk called the next bill, H. R. 3777, for the relief of the Herald Publishing Co.

Mr. COSTELLO and Mr. McFARLANE objected and, under the rule, the bill was recommitted to the Committee on Claims.

THOMAS MARINE RAILWAY CO., INC.

The Clerk called the next bill, H. R. 4148, for the relief of the Thomas Marine Railway Co., Inc.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Thomas Marine Railway Co., Inc., the sum of $974, such sum being in full settlement of all claims against the Government. The said Thomas Marine Railway Co., Inc., sustained damages to the extent of $974 due to negligent handling of the United States Lighthouse Service tug *Sprigg Carroll* by United States Coast Guard patrol boats *CG–232* and *CG–196* on April 22, 1932, at Morehead City, N. C., while in possession of the Thomas Marine Railway Co., Inc., enroute Fort Moultrie, S. C., to Norfolk, Va., for repairs.

With the following committee amendment:

Page 2, line 5, after the word "repairs", insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SACHS MERCANTILE CO., INC.

The Clerk called the next bill, H. R. 4655, for the relief of the Sachs Mercantile Co., Inc.

Mr. McFARLANE and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

ELINORA FAREIRA

Th Clerk called the next bill, H. R. 4770, for the relief of Elinora Fareira.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Elinora Fareira, of 79 Linden Avenue, Flushing, Long Island, New York, the sum of $325, which was the amount of the sale of her Buick car by the United States Government on or about April 8, 1930.

With the following committee amendments:

Page 1, line 6, strike out "which was" and insert in lieu thereof "in full settlement of all claims against the United States for."

Page 1, line 9, after "1930", insert:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connction with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. T. SLAYBACK

The Clerk called the next bill, H. R. 4784, for the relief of J. T. Slayback.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. T. Slayback, the sum of $2,131.20 in full settlement of all claims against the United States for destruction of personal property resulting in damage to his crops, which damage and destruction was caused by the negligence of employees of the Government acting within the scope of their employment in the construction of a Civil Works Administration project.

With the following committee amendments:

Page 1, line 6, strike out "$2,131.20", and insert in lieu thereof "$892.25."

In line 9, after the word "by", strike out the remainder of the line and all of the lines 10 and 11, and the word "project" in line 1, on page 2, and insert:

"Employees of the Government in the construction of the Rouse Hill Truck Trail, a Civil Works Administration project under the direction of the Forest Service, Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH LEIDING

The Clerk called the next bill, H. R. 5245, for the relief of Elizabeth Leiding.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth Leiding the sum of $3,000 in payment for injuries sustained through a collision with a United States mail truck.

With the following committee amendments:

Page 1, line 6, strike out "$3,000 in payment" and insert "$2,000 in full settlement of all claims against the United States."

In line 8, after the word "truck", insert "in Pittsburgh, Pa., on July 6, 1932: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO to the committee amendment: Page 1, line 6, strike out "$2,000" and insert in lieu thereof "$1,000."

Mr. PITTENGER. Mr. Speaker, I would like to be heard on the amendment. I do not see the member of the Claims Committee who reported this measure, but speaking on behalf of the Claims Committee, I may say that they made every effort to determine a fair and reasonable figure in connection with these claims. I listened a while ago to a motion to strike out and reduce the amount in the bill. You men of the House who have claims here are interested and you ought to preserve the integrity of the Claims Committee.

You should either follow their findings or get a new committee. I am talking loud enough so that everybody can hear.

I do not presume to question the judgment of other men who devote their time and attention in an effort to be fair to a claimant against the United States, and then come in here and sit still when someone else comes along and undoes all the work of the committee. This amendment ought to be rejected just as the other amendment should have been rejected. [Applause.]

Mr. COSTELLO. Mr. Speaker, it is true that the Committee on Claims has done a great deal of work, and it is not the part of the objectors here before this House to question at all the work which the Committee on Claims and the various other committees are doing in connection with these private bills. On the contrary, we come in here with the idea of trying to supervise this work and look the bills over and save all the Members of the House the trouble of individually studying each one of these bills. Under the system which has been inaugurated a few of us do the work of checking up on all the bills that come in here. You will notice that the number of this bill is 643. There are over 800 bills on the Private Calendar, there are over 600 on the Consent Calendar, and we who act here as objectors have assumed the duty of reviewing these measures.

In this particular instance, this woman suffered a nervous injury. Apparently her injuries are not of a serious nature. She was an elderly woman, 51 years of age, and I do not believe that her injuries are such to warrant the payment by the Government of $2,000.

With that belief I feel the amendment that I have offered of $1,000 is sufficient remuneration for the injuries suffered.

The question has been raised as to one individual being allowed to overrule the Committee on Claims. I want to call attention to the fact that after committees have spent considerable time studying the bills, the President of the United States has sent down numerous messages vetoing those bills. We have had three at the beginning of the session this morning. They were bills that had been considered by the committee, and the objectors had let them go through. I do not believe that my amendment is improper. I think $1,000 is adequate.

Mr. PITTENGER. Mr. Speaker, there is nothing personal in my remarks, but it does seem to me that the purpose of having objectors is to find whether bills reported from committees have any lack of merit in them that the committee probably overlooked, rather than to deal with the question of the amount involved.

In regard to vetoes, the President of the United States calls on the department heads, and frequently the department heads are wrong more times than they are right. The fact that the President has vetoed some bills is no indication whatever that he was properly advised by the department or bureau involved. The Committee on Claims is in better position to correctly advise the President on these matters. What the committee does is approved by the House Membership.

Mr. TAYLOR of Colorado. Mr. Speaker, I would like to say to the gentleman that these objectors on each side of the aisle are appointed by the respective majority leaders of the House and to personally and carefully examine all these bills. Mr. Monasco is the lawyer appointed by Mr. BANKHEAD to assist them, and he works hard and does a splendid job. He examines the reports that are made on each bill and looks up the law and their background and furnishes copies of his findings to these gentlemen, and they go over them fairly, carefully, and conscientiously, and they render a great service to the House and to the country. They save this Government a great many thousands of dollars every session of Congress. They are doing this work purely for the public welfare, and to protect the Federal Treasury.

They get no thanks or even appreciation for it. They are criticized and condemned for rendering a great public service. None of them have sought that position at all. In fact we have a hard time inducing these men to accept that very hard, tedious, and unpleasant work. They spend many of their nights studying those bills and the House ought to thank them instead of denouncing them.

Mr. PITTENGER. Mr. Speaker, why cannot the Committee on Claims have a lawyer to assist them?

Mr. TAYLOR of Colorado. I do not want to criticize the Committee on Claims. The members of that committee have a hard and thankless work heaped on them. Nevertheless, from the large number of bills that these official examiners disapprove of and the large number that the President vetoes it is self evident that many bills come out of that committee that should never be reported out.

Mr. PITTENGER. I take exception to that remark.

Mr. QUINN. Mr. Speaker, in answer to the gentleman, I want to say that the Committee on Claims have investigated this matter thoroughly. Originally the bill provided for $3,000. We thought that too large. This amendment is offered without knowing the circumstances of the case.

I wish the gentleman had a committee like the Committee on Appropriations, which would investigate as carefully as your committee has investigated this little claim for an old lady who has been painfully injured and brought to a nervous condition. She will never recover. This committee has cut it to $1,000. I would rather accept nothing than that meager sum.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. QUINN. Yes.

Mr. LUCAS. I desire to make a statement in connection with the Claims Committee. When I became a Member of Congress I was assigned to the Committee on Claims. Many claims have been assigned to me as a member of subcommittees. I spent hours on many of them in looking carefully over the evidence, attempting to reach a conscientious conclusion with respect thereto. As a practicing attorney for some 20 years in Illinois I feel that I know something about the rules of evidence and the law applicable thereto. After spending this time upon the claim assigned to me I would then dictate an opinion to my secretary in order that I might bring that opinion to the Committee on Claims in proper form, but I later came before this House only to find that the claim or claims were objected to by the objectors. That resulted in this: Insofar as I was concerned as a member of the Committee on Claims in the last two or three meetings of that committee when claims were assigned to me, I did nothing with them in attempting to reach an honorable and just conclusion, but simply said yes or no, and passed them on to the objectors here. The whole procedure is an insult to the intelligence of the Committee on Claims.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. QUINN. Yes.

Mr. O'CONNOR. I agree with what the gentleman has said, and I stated before that there is no justification and no authority whatsoever for objectors. It would be just as sensible to have objectors appointed to go over the action of the Committee on Appropriations or any other standing committee in the House. It is an insult to the committee whose work they review, and the point will come where no self-respecting Member will serve on these committees.

Mr. QUINN. I merely want to say that the Committee on Claims is thorough in its investigations and I have nothing but the highest respect for their judgment.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

The question is on the amendment offered by the gentleman from California to the committee amendment.

The question was taken; and on a division (demanded by Mr. MCFARLANE) there were ayes 15 and noes 32.

So the amendment to the committee amendment was rejected.

Mr. HANCOCK of New York. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The Chair will count. [After counting.] Evidently there is not a quorum present.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

Mr. MAPES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAPES. Is it not an automatic call?

The SPEAKER. The gentleman from New York did not object to the vote, he simply made a point of no quorum.

Mr. HOPE. Mr. Speaker, if it is still in order, I object to the vote on the ground that a quorum is not present.

Mr. PITTENGER. Mr. Speaker, a point of order. The objection comes too late.

The SPEAKER. The Chair thinks the gentleman from Minnesota [Mr. PITTENGER] is correct; the objection comes too late.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 160]

Adair	Dunn, Miss.	Lewis, Md.	Scott
Andrew, Mass.	Eicher	Luckey	Sears
Andrews, N. Y.	Ekwall	McClellan	Seger
Arnold	Faddis	McGroarty	Shannon
Bacon	Farley	McKeough	Sirovich
Bankhead	Fenerty	McLean	Smith, Va.
Beam	Ferguson	McMillan	Smith, W. Va.
Berlin	Fernandez	McReynolds	South
Binderup	Fish	McSwain	Stack
Bolton	Fitzpatrick	Maas	Steagall
Brennan	Flannagan	Maloney	Stefan
Brooks	Gassaway	Martin, Mass.	Stewart
Brown, Mich.	Gifford	Meeks	Stubbs
Buckley, N. Y.	Gildea	Miller	Sullivan
Bulwinkle	Gillette	Mitchell, Ill.	Sumners, Tex.
Burdick	Gingery	Monaghan	Sutphin
Cannon, Wis.	Goodwin	Montague	Sweeney
Cartwright	Granfield	Montet	Taber
Cavicchio	Gray, Ind.	Moran	Tarver
Celler	Gray, Pa.	Moritz	Thom
Chapman	Greenwood	Murdock	Thomas
Claiborne	Griswold	Nichols	Tinkham
Clark, Idaho	Halleck	Norton	Tobey
Clark, N. C.	Hamlin	O'Malley	Treadway
Cochran	Hancock, N. C.	Oliver	Truax
Cole, N. Y.	Hartley	Parks	Turpin
Connery	Hess	Perkins	Underwood
Corning	Higgins, Conn.	Peyser	Wadsworth
Crosby	Hoffman	Ransley	Walter
Crowther	Hollister	Reece	Weaver
Culkin	Hook	Reilly	Whelchel
Darrow	Huddleston	Rich	Wigglesworth
Deen	Keller	Richardson	Wilcox
Dempsey	Kelly	Robinson, Utah	Wilson, Pa.
Dickstein	Kennedy, Md.	Robsion, Ky.	Wolfenden
Dietrich	Kerr	Rogers, N. H.	Wolverton
Ditter	Kimball	Romjue	Woodruff
Dockweiler	Kleberg	Rudd	Zimmerman
Doutrich	Kniffin	Russell	
Driver	Lamneck	Schaefer	
Duncan	Lea, Calif.	Schulte	

The SPEAKER pro tempore (Mr. O'CONNELL). Two hundred and sixty-eight Members have answered to their names, a quorum.

On motion of Mr. SABATH, further proceedings under the call were dispensed with.

THE PRIVATE CALENDAR

ELIZABETH LEIDING

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. R. 5603 TO PROVIDE HOMES AND FARMS FOR FARM TENANTS AT A LOW RATE OF INTEREST, AND FOR OTHER PURPOSES

Mr. WOOD. Mr. Speaker, I ask unanimous consent to extend my own remarks on the bill H. R. 5603.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WOOD. Mr. Speaker, on February 12, 1935, I introduced H. R. 5603 to provide homes and farms for tenant farmers of the United States.

I introduced a similar measure in the Seventy-third Congress, and I am told that this was the first bill that has been introduced for the purpose of assisting tenant farmers to acquire the ownership of farms and homes since the enactment of the homestead law.

In all of the vitally essential administration measures that have been proposed and enacted by this administration, no legislation has been enacted that is designed especially in the interest of the tenant farmer. Certainly, he has been the recipient of general benefits along with all other citizens in the recovery measures that have been passed, but the farm tenants are the only group for which special recovery legislation has not been enacted. He can, indeed, be truthfully termed as the "forgotten man", and I do not believe this session should close until suitable legislation is passed for the direct benefit of the tenant farmer and which may enable him to acquire the ownership of a farm and home.

Our homestead laws recognize the virtue of land ownership. Men have penetrated a wilderness and braved the danger of encountering the beasts of the field and the denizens of the forest to erect log cabins on our frontiers. No sentiment in all music is so moving as the strains of Home, Sweet Home. Homesickness, the desire to have and to be at home, to reap where you have planted, to gather where you have sown, to sit in the shade of a tree you have set out, and to gather vegetables in a garden you have tilled—all these things are of the joy of life.

One month after the introduction of my bill H. R. 5603, Senator BANKHEAD, on March 13, introduced a farm-tenant bill, and on March 26, Representative JONES, Chairman of the House Agricultural Committee, introduced a companion bill.

The Bankhead bill passed the Senate on June 24 and has since been languishing in the House Committee on Agriculture.

I have made numerous attempts to get a hearing upon my bill, without avail. In view of the fact that the House Agricultural Committee has been in possession of the Bankhead bill since June 24, I feel it is the duty of the Agricultural Committee either to report out the Bankhead bill or substitute the Jones bill, and give the Members of the House an opportunity to vote upon this important legislation.

I am not so particular about who gets the credit for this legislation. The thing I am interested in is results. There has never been more meritorious legislation presented to Congress, and in justice to the tenant farmers of the Nation and the thousands who have lost their farms since 1929, this Congress owes it as a duty to the tenant farmers and dispossessed farmers of our Nation that this important legislation be enacted before the Seventy-fourth Congress adjourns.

The point of difference between the Wood bill and the Bankhead bill is not necessarily material. While I feel that my bill more nearly meets the situation at hand than the Bankhead bill, I realize that the Bankhead bill has passed the Senate and is the only one that now has a chance of passage, and under the circumstances I am giving my wholehearted support to the Bankhead bill. The question at issue, the welfare of the tenant farmers, is greater than any question of persons or personal gain, or who shall be first or sit at the right hand.

The tenant farmers need the relief and the cooperation of the Government in again becoming landowners. As early as Micah 4: 4, the prophet sang of the day when every man shall dwell under his own vine and fig tree, and none shall make them afraid, for the mouth of the Lord of Hosts had spoken it. It is my opinion that we will fall far short of our duty to our constituents if we do not enact this legislation before the close of this session, which will bring that necessary relief to which the tenant farmers are so justly entitled.

Mr. Speaker, may I at this time again urge the Agricultural Committee to report out the farm-tenant legislation so that the Members of the House may have an opportunity to vote upon this legislation which I know is the desire of the farmers of this Nation, who have the moral right to be accorded the privilege of refinancing their loans and financing the ownership of farms at a low rate of interest, which has all these many years been accorded industrial and other groups of the Nation.

THE PRIVATE CALENDAR

BALTIMORE RENOVATING CO.

The Clerk called the next bill, H. R. 5634, for the relief of the Baltimore Renovating Co.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Baltimore Renovating Co., of Washington, D. C., the sum of $575, which sum shall be in full satisfaction of all claims against the United States for painting and repairs to building occupied by the Court of Claims of the United States in Washington, D. C., as per various estimates submitted by the Architect of the Capitol and the Chief Clerk of the said Court of Claims of the United States during the period from July 7, 1929, to September 4, 1930, both dates inclusive.

With the following committee amendment:

At the end of the bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. C. WILLIS

The Clerk called the next bill, H. R. 5867, for the relief of E. C. Willis, father of the late Charles R. Willis, a minor.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. C. Willis, father of the late Charles R. Willis, a minor, the sum of $5,000 in full settlement of all claims against the Government of the United States for fatal injuries suffered by the said Charles R. Willis as a result of a Government-owned truck operated by an employee of the Government striking an automobile operated by the said Charles R. Willis near Sikes, La., November 18, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

In line 6, strike out the figures "$7,500" and insert in lieu thereof the figures "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NACIONAL DESTILERIAS CORPORATION

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to return to Calendar No. 632, and consider the bill (H. R. 2617) for the relief of the Nacional Destilerias Corporation.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2666) may be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Nacional Destilerias Corporation, a corporation organized under the laws of the State of Indiana, the sum of $2,530, in full satisfaction of its claim against the United States for a refund of tariff duties assessed and paid by such corporation during the year 1934 on 1,265 gallons of Popular gin, inadvertently shipped to such corporation from the Philippine Islands, although manufactured for shipment to France: *Provided*, That the said Nacional Destilerias Corporation shall first return all such Popular gin to the original shipper in the Philippine Islands: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 2617) were laid on the table.

CAL SETTLES

The Clerk called the next bill, H. R. 5905, for the relief of Cal Settles.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cal Settles, of Speedwell, Claiborne County, Tenn., rural route no. 2, the sum of $500, in full settlement of all claims against the United States Government for bodily injuries sustained by him on December 24, 1933, when an automobile in which he was riding collided with an ambulance of the United States Civilian Conservation Corps, same being ambulance license no. 7262, in the city of Clinton, Anderson County, Tenn., at the intersection of Depot Street with Jacksboro Street or United States Highway No. 25 W.

Amend the title so as to read: "A bill for the relief of Cal Settles and Rhoda Settles."

With the following committee amendments:

In line 5, strike out the comma after the name "Settles" and insert the words "and Rhoda Settles,".

In line 7, strike out the words and figures "the sum of $500" and insert in lieu thereof the words and figures "the sums of $500 and $1,000, respectively, in all, $1,500,".

In line 9, strike out the word "him" and insert "them."

In line 10, strike out the words "he was" and insert "they were."

At the end of the bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Amend the title of the bill by adding the words "and Rhoda Settles."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended.

JOE BRUMIT

The Clerk called the next bill, H. R. 6057, for the relief of Joe Brumit.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to pay to Joe Brumit, Honey Grove, Tex., out of any money not otherwise appropriated, the sum of $200 as reward for catching and arresting John Lee for robbing a rural mail box at Nevada, Tex., on November 9, 1928.

With the following committee amendments:

Strike out all of lines 3, 4, 5, and the figures "$200", in line 6, and insert in lieu thereof the following: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Brumit, of Honey Grove, Tex., the sum of $200 in full settlement of all claims against the United States."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM K. CALEY

The Clerk called the next bill, H. R. 6394, for the relief of William K. Caley.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William K. Caley the sum of $875 to compensate him for losses incurred in preparing, by the purchase of equipment and otherwise, to perform service under the contract awarded him for carrying the mail on star route no. 68241, Bisbee to Bisbee Junction, Ariz., from September 1, 1927, to June 30, 1930, the award of such contract having been revoked before any service was performed thereunder.

With the following committee amendments:

In line 6, strike out the figures and words "$875 to compensate him", and insert in lieu thereof "$575 in full settlement of all claims against the United States."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof an account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. ZAPPONE AND W. R. FUCHS

The Clerk called the next bill, H. R. 6889, for the relief of A. Zappone and W. R. Fuchs.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow in the accounts of A. Zappone and W. R. Fuchs, former disbursing clerks of the Department of Agriculture, respectively, the sum of $1,948.30 and $529.71, representing the amounts of $1,347.99 and $1,130.02 disallowed in the travel and subsistence expense accounts of W. R. McKinley and J. H. Williamson, respectively, while prosecuting the work under the Yorktown (Va.) road project.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHEYENNE RIVER RESERVATION

The Clerk called the next bill, H. R. 6892, for the relief of certain Indians on the Cheyenne River Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Superintendent of the Cheyenne River Agency, S. Dak., the sum of $253.13, for distribution to certain Indian lessors in full settlement of their claim against the United States, arising out of failure of a bank upon which cashier's checks had been obtained and a decision in the case rendered by the Federal court adverse to the contention of the Government in fixing responsibility.

With the following committee amendment:

On page 2, after line 1, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RALPH P. KELLOGG

The Clerk called the next bill, H. R. 7393, for the relief of Ralph P. Kellogg.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. McFARLANE. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Ralph P. Kellogg, of Oakland, Calif., out of any money in the Treasury not otherwise appropriated, the sum of $79.39 as compensation for the use of his automobile while superintendent and inspector of tools for the Alameda County unit of the Civil Works Administration.

With the following committee amendment:

On page 1, line 6, after the word "appropriated", insert the following: "and in full settlement of all claims against the United States."

In line 10, after the word "Administration", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID A. TROUSDALE

The Clerk called the next bill, H. R. 7520, for the relief of David A. Trousdale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to David A. Trousdale, formerly of Maury County, Tenn., but now of San Antonio, Tex., out of any money in the Treasury not otherwise appropriated, the sum of $1,000 as a reward for having prevented the robbery of the United States mails near Dryden, Tex., on the night of March 12, 1912.

With the following committee amendments:

On page 1, line 7, after the figures "$1,000", insert "in full settlement of all claims against the United States", and in line 10, after the figures, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. W. M'PETERS

The Clerk called the next bill, H. R. 7616, for the relief of the estate of W. W. McPeters.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. UMSTEAD. Mr. Speaker, I ask unanimous consent to substitute the Senate bill, S. 1735, for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of W. W. McPeters, late of Madison County, N. C., the sum of $2,500, in full satisfaction of its claim against the United States for the death of such W. W. McPeters, who was fatally injured through the negligence of employees of the Civil Works Administration while said employees were engaged in the construction of a road in Madison County, N. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7616) was laid on the table.

WALTER C. PRICE AND JOSEPH C. LESAGE

The Clerk called the next bill, H. R. 7819, for the relief of Walter C. Price and Joseph C. Lesage.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. There is a similar Senate bill (S. 2751) which, without objection, will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That former Postmaster Walter C. Price and former Assistant Postmaster Joseph C. Le Sage, both of Huntington, W. Va., be released from the claim of the United States Government against them in the settlement of the shortage of approximately $10,428.24, caused by the defalcation of Samuel T. Shawver, in the post office, at Huntington, W. Va.

SEC. 2. The Comptroller General of the United States is authorized and directed to credit the account of Walter C. Price, former postmaster at Huntington, W. Va., with the sum of $10,428.24, which amount is charged against said account as the result of embezzlement of money-order funds by Samuel T. Shawver, former clerk in charge of the money-order section at said post office.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 7819) was laid on the table.

GRIER-LOWRANCE CONSTRUCTION CO., INC.

The Clerk called the next bill, H. R. 7962, for the relief of Grier-Lowrance Construction Co., Inc.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. There is a similar Senate bill (S. 2808) on the subject, which, without objection, will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the claim of Grier-Lowrance Construction Co., Inc., for losses and damages suffered under contract no. AMB 28, dated May 16, 1929, for the construction of the foundation for the several structures of the Arlington Memorial Bridge project be, and the same is hereby, referred to the United States Court of Claims with jurisdiction to hear the same to judgment, said claim to be adjudicated upon the basis of all losses and/or damages suffered by the said company due to acts of the Government and/or to delays caused by the Government and/or subsurface conditions unknown to the contractor and not disclosed by the Government before contract was entered into, notwithstanding failure on the part of the claimant company to file written protests, and/or any, finding or decision heretofore made by any Government official with reference to said claim or any other technical defense: *Provided*, That suit hereunder is instituted within 4 months from the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 7962) was laid on the table.

JOSE R. REDLHAMMER

The Clerk called the next bill, H. R. 8020, for the relief of Jose R. Redlhammer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to issue to Jose R. Redlhammer, of Kingston, Pa., one permanent United States coupon bond in the denomination of $50 of the fourth Liberty Loan 4¼-percent bonds of 1933–38, with coupon due April 15, 1921, and coupons to maturity attached thereto, in lieu of United States temporary coupon bond no. 7338453 of the same loan in the denomination of $50, the upper portion of which bond has been presented to the Treasury Department without coupons, the lower portion being alleged destroyed: *Provided*, That the lower portion of the said bond shall not have been previously presented or ascertained to be in existence, and that no payment shall be made hereunder for any coupons which may have been attached to the temporary bond: *And provided further*, That the said Jose R. Redlhammer shall first file in the Treasury Department a bond in the penal sum of double the amount of the bond and the interest thereon from October 15, 1920, until the principal becomes due and payable, in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the mutilated bond hereinbefore described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH J. BAYLIN

The Clerk called the next bill, H. R. 8089, for the relief of Joseph J. Baylin.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Joseph J. Baylin, of Baltimore, Md., out of any money in the Treasury not otherwise appropriated, the sum of $1,000, which sum was forfeited to the United States by Joseph J. Baylin on the bail bond of Berkely Morseberger, afterward produced in court through the efforts of said Joseph J. Baylin.

With the following committee amendments:

On page 1, line 6, after the word "appropriated", insert "and in full settlement of all claims against the United States"; page 1, line 10, after the word "Baylin", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BLANCHE L. GRAY

The Clerk called the next bill, H. R. 8127, for the relief of Blanche I. Gray.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. There is a similar Senate bill (S. 2818) on the subject, which, without objection, will be submitted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Blanche L. Gray, wife of Paul Judson Gray, late third Secretary, Department of State, the sum of $3,000, being 1 year's salary of her deceased husband, who died while in the Foreign Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill (H. R. 8127) was laid on the table.

CONSOLIDATED ASHCROFT HANCOCK CO., INC.

The Clerk called the next bill, S. 208, for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of the Consolidated Ashcroft Hancock Co., Inc., for an amount not exceeding $1,705.98 as liquidated damages deducted by the Navy Department in making payments under contract no. 28225, dated August 23, 1932, for certain valves when the contractor was delayed in the completion of delivery for the reason that valves superior to contract requirements were developed and delivered by the contractor. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum not to exceed $1,705.98 for payment of the claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HAZEL B. LOWE ET AL.

The Clerk called the next bill, S. 280, for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to pay, out of current appropriations for salaries and expenses of the Veterans' Administration, the sum of $68 to Hazel B. Lowe, $91.80 to Tess H. Johnston, and $91.80 to Esther L. Teckmeyer, in full settlement of all claims against the Government of the United States, for services rendered in the Veterans' Administration and the Department of Justice.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BEATRICE I. MANGES

The Clerk called the next bill, S. 283, for the relief of Beatrice I. Manges.

Mr. COSTELLO and Mr. McFARLANE objected and, under the rule, the bill was recommitted to the Committee on Claims.

ROBERT A. WATSON

The Clerk called the next bill, S. 373, conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson.

Mr. McFARLANE and Mr. COSTELLO objected and, under the rule, the bill was recommitted to the Committee on Claims.

F. T. WADE AND OTHERS

The Clerk called the next bill, S. 490, for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named persons the sums hereinafter specified, in full satisfaction of their claims against the United States for services rendered as employees of the Department of Justice, such services having been rendered at the request of, and in the office of the United States attorney for the State of Oregon after the expiration of a 30-day temporary appointment issued to said persons: F. T. Wade, $202.90; M. L. Dearing, $110.84; E. D. Wagner, $110.84; and G. M. Judd, $115.41: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED LUSCHER

The Clerk called the next bill, S. 540, for the relief of Fred Luscher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fred Luscher, of Bridal Veil, Oreg., the sum of $227.50, in full satisfaction of his claim against the United States for damages resulting from the loss of cattle that died in September 1932, from eating wood preservative applied to poles installed by the Department of Commerce at airways beacon sites nos. 2 and 25R at Bridal Veil on the Portland-Spokane airway: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

K. W. BORING

The Clerk called the next bill, S. 658, for the relief of K. W. Boring.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to issue to K. W. Boring, post-office box no. 2271, St. Petersburg, Fla., a duplicate in lieu of United States registered bond no. G–00012777 for $1,000 of the Treasury 4¼ percent bonds of 1947–1952, inscribed "K. W. Boring", said bond having been lost or destroyed after being assigned in blank, but not witnessed, as required by the regulations of the Treasury Department, said duplicate to be of like amount, and bearing like interest and marked in a like manner as the original bond: *Provided*, That the said bond shall not have been previously presented to the Treasury Department by a bona fide holder in due course for transfer, exchange, or redemption: *Provided further*, That the said K. W. Boring shall first file in the Treasury Department a bond of indemnity in the penal sum of double the amount of the principal of the bond alleged lost or destroyed and the interest which would accrue thereon to the date of maturity, with such corporate surety as may be acceptable to the Secretary of the Treasury to indemnify and save the United States harmless from any loss on account of the bond alleged to be lost or destroyed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ATLANTIC WORKS, BOSTON, MASS.

The Clerk called the next bill, S. 895, to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.

Mr. McFARLANE, Mr. HOPE, Mr. HANCOCK of New York, and Mr. COSTELLO objected and, under the rule, the bill was recommitted to the Committee on Claims.

HUDSON BROS., NORFOLK, VA.

The Clerk called the next bill, S. 985, for the relief of Hudson Bros., of Norfolk, Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby directed to pay to Hudson Bros., of Norfolk, Va., out of any money in the Treasury not otherwise appropriated, the sum of $620.60 for damages sustained by said Hudson Bros. on account of a collision between the United States revenue cutter *Apache* and barge *C. T. Rowland*, owned by said Hudson Bros., April 30, 1907, the collision being caused by the fault in handling the United States revenue cutter *Apache*, as determined by board of inquiry in the case: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the figures "$620.60", insert "in full settlement of all claims against the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. CYRIL CRILLEY

The Clerk called the next bill, S. 1045, for the relief of A. Cyril Crilley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the settlement of the accounts of A. Cyril Crilley, assistant trade commissioner and a special disbursing officer of the Bureau of Foreign and Domestic Commerce, in the sum of $113 for amount paid as freight on the shipment of an automobile of Henry B. Pentland, deceased trade commissioner, from Panama to Hollywood, Calif., upon the specific direction and authority of the Bureau, dated July 8, 1932.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. JEANMONOD

The Clerk called the next bill, S. 1046, for the relief of E. Jeanmonod.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. Jeanmonod, undertaker, Paris, France, an amount sufficient to purchase 14,670.38 francs, in full satisfaction of his claim against the United States for services and expenses incurred in connection with the preparation and transportation of the body of Marcus Smith Cruikshank, a World War veteran, who died in Paris, France.

With the following committee amendment:

Page 1, line 11, after the word "France", insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM A. THOMPSON

The Clerk called the next bill, S. 1070, for the relief of William A. Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William A. Thompson, of Des Moines, Iowa, the sum of $750 in full satisfaction of all claims of such William A. Thompson against the United States for damages resulting from injuries to himself when run over by one Claude Rideout on November 21, 1932, near Creston, Iowa, while such William A. Thompson was assisting Harry Elliott, United States prohibition agent, to arrest such Claude Rideout: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLIVER B. HUSTON, AND OTHERS

The Clerk called the next bill, S. 1214, for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oliver B. Huston and his three minor daughters, Anne, Jane, and Harriet Huston, all of Salem, Oreg., the sum of $750, in full satisfaction of their claims against the United States for damages for personal injuries resulting from a collision when the car in which they were riding was struck by an Indian school bus at the intersection of Hood and Winter Streets, Salem, Oreg., on September 17, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$750" and insert "$856.60."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, a motion to reconsider was laid on the table.

ROBERT A. DUNHAM

The Clerk called the next bill, S. 1326, for the relief of Robert A. Dunham.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. B. Dunham, of Washington D. C., father and next friend of the minor child Robert A. Dunham, the sum of $1,000, in full satisfaction of all claims against the United States for damages resulting from personal injuries received by the said minor child when struck, at the intersection of Seventh Street and North Carolina Avenue SE., in the city of Washington, D. C., by a United States Treasury fuel truck driven by one Isaac W. Travers, an employee of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL BAKING CO.

The Clerk read the next bill, S. 1409, for the relief of the General Baking Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized and directed to pay, out of the revenues of the District of Columbia not otherwise appropriated, to the General Baking Co., a corporation organized under the laws of the State of New York, the sum of $1,007.25, in full satisfaction of the claim of such corporation against the United States for a refund of overpayment of taxes on lots 16 to 22, both inclusive, 801, 802, 814, 815, and 816, in square 576, in the District of Columbia: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 9, strike out the words "United States" and insert in lieu thereof the words "District of Columbia."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SKELTON MACK M'CRAY

The Clerk called the bill (S. 1577) for the relief of Skelton Mack McCray.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $535.51 to Skelton Mack McCray, to reimburse him for money he expended and time he lost as a result of injury he received while in the service of the United States at Fort Leavenworth, Kans.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, after the word "him", insert "in full settlement of all claims against the United States."

The committee amendment was agreed to.

The bill as amended was ordered to be read the third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DAN MEEHAN

The Clerk called the bill (S. 1640) for the relief of Dan Meehan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $150, covering items eliminated by the General Accounting Office from vouchers nos. 10604, 10605, 10606, 10607, and 10608, covering periods February 17 to 28, March 1 to 15, March 16 to 31, April 1 to 15, and April 16 to May 17, 1934, respectively: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "appropriated", insert "to Dan Meehan, of Tyler, Tex."

On page 1, line 6, after the figures "$150", strike out the word "covering" and insert in lieu thereof "in full settlement of all claims against the United States for."

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MARY SKY NECKLACE

The Clerk called the bill (S. 1696) for the relief of Mary Sky Necklace.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the county of Bon Homme, S. Dak., the sum of $314.43 in full settlement of taxes assessed against lots 10 and 11, block 42, in the city of Springfield, S. Dak., purchased for, and with trust funds of, Mary Sky Necklace, or Mrs. Amos H. Necklace, said property having been purchased with the understanding on her part that the said property would be nontaxable.

With the following committee amendments:

In line 6, strike out the figures "$314.43" and insert in lieu thereof the figures "$374.43."

In line 7, after the word "of", insert "its claim against Mary Sky Necklace for."

At the end of the bill add: "*Provided*, That payment hereunder shall constitute full settlement of all claims of said Mary Sky Necklace against the United States for such taxes: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORIDA NATIONAL BANK & TRUST CO.

The Clerk called the bill (S. 1960) for the relief of the Florida National Bank & Trust Co., a national banking corporation, as successor trustee for the estate of Phillip Ullendorff, deceased.

The SPEAKER. Is there objection?

Mr. McFARLANE and Mr. COSTELLO objected.

The bill was recommitted to the Committee on Claims.

DOMENICO POLITANO

The Clerk called the bill (S. 2076) for the relief of Domenico Politano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Domenico Politano the sum of $2,000, in full settlement of all claims against the Government of the United States for a bond deposited as security and filed with the inspector in charge of immigration at Niagara Falls and later forfeited because of his failure to depart from the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMOS D. CARVER ET AL.

The Clerk called the bill (S. 2119) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and

W. A. Blanchard, and/or the widows of such of them as may be deceased.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected.

BELL TELEPHONE CO., OF PENNSYLVANIA

The Clerk called the bill (S. 2168) for the relief of the Bell Telephone Co., of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Bell Telephone Co. of Pennsylvania, Pittsburgh, Pa., the sum of $53.55, on account of damages to its telephone pole and wires as a result of an accident involving a truck operated in connection with the Civilian Conservation Corps at Strattonville, Pa., on November 4, 1933.

With the following committee amendment:

On page 1, line 7, after the figures "$53.55" strike out the words "on account of" and insert "in full settlement of all claims against the United States for."

At the end of the bill insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WESTERN UNION TELEGRAPH CO.

The Clerk called the bill (S. 2225) authorizing adjustment of the claim of the Western Union Telegraph Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust, settle, and pay the claim of the Western Union Telegraph Co. for not to exceed $10,657.57, being the amount which that company paid to the United States as a part of the tariff for messages dispatched by American officers in Russia and forwarded to this country through the Western Union Telegraph Co. for which the company has failed to receive any payments due to the collapse of the Russian Government. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,657.57, or so much thereof as may be necessary, for the payment of this claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WESTERN CONSTRUCTION CO.

The Clerk called the bill (S. 2312) for the relief of the Western Construction Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $1,634.56 to the Western Construction Co., of Seattle, Wash., to cover additional work not covered by the contract entered into by said company for the construction of a Weather Bureau station on Tatoosh Island, Wash.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY JARRETTE

The Clerk called the bill (S. 2373) for the relief of Harry Jarrette.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Harry Jarrette, of Portland, Oreg., in full settlement for all claims against the Government resulting from injuries sustained when struck by a United States Forest Service truck on November 21, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ELLIOTT H. TASSO AND EMMA TASSO

The Clerk called the bill (S. 2374) for the relief of Elliott H. Tasso and Emma Tasso.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elliott H. Tasso and Emma Tasso, of Colony, Okla., the sum of $3,500 in full settlement of all claims which they may have against the Government of the United States, due to the death of their child, an infant 10 days old, by reason of an accident caused by negligence of the nurse at the Cheyenne and Arapaho Hospital, in October 1932, when said nurse placed the infant child on a table in the bathroom for the purpose of bathing it, and left the room, leaving the child unattended, and during her absence it fell from the table to a hot radiator and thence to the floor, being badly burned and injured in the fall from which it died 3 weeks later: *Provided*, That in the discretion of the Secretary of the Interior the amount herein appropriated may be held as individual Indian money by the superintendent of the Cheyenne and Arapaho Agency, Oklahoma, and be disbursed in accordance with regulations governing such funds: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$3,500" and insert in lieu thereof "$2,000."

The amendment was agreed to and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WIDOW OF RAY SUTTON

The Clerk called the bill (S. 2393) for the relief of the widow of Ray Sutton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, Ray Sutton, a United States prohibition officer who disappeared without further trace on August 28, 1930, shall be held and considered to have been killed on August 28, 1930, while in the performance of his duties as such officer; and the United States Employees' Compensation Commission is authorized and directed to pay to the widow of the said Ray Sutton compensation for his death in the manner and to the extent provided in such act, as amended. Such compensation shall be payable from August 28, 1930, and shall be paid out of funds heretofore or hereafter appropriated for the payment of awards under the provisions of such act, as amended.

SEC. 2. That in the administration of the Civil Service Retirement Act of May 29, 1930, as amended and supplemented, the said Ray Sutton shall be held and considered to have been killed on August 28, 1930, while in the performance of his duties as such officer; and the United States Civil Service Commission is authorized and directed to pay to the person or persons whom such Commission determines, pursuant to such act, to be entitled thereto, the total amount of deductions made from the salary of the said Ray Sutton pursuant to such act, as amended, together with interest on such deductions, as provided in such act, to the date of enactment of this act.

SEC. 3. The Secretary of the Treasury is authorized and directed to pay to Mrs. Ray Sutton upon presentation by her to the Treasury Department, two Treasury checks payable to the order of said Ray Sutton in the amounts of $92.95 and $152.32 for salary and expenses, respectively, of the said Ray Sutton for the last half of August 1930. Such checks shall be paid out of funds in the Treasury placed to the credit of the said Ray Sutton in the account designated "outstanding liabilities."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SUDDEN & CHRISTENSON, INC.

The Clerk called the bill (S. 2635) authorizing the appropriation of funds for the payment of the award in claim of Sudden & Christenson, Inc., and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of $78,025.83 for the payment to Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest, upon receipt by the Secretary of State of satisfactory releases from the respective claimants of all claims for damages resulting from the capture on January 27, 1916, and subsequent use by the British Government of the steamship *Edna*, as recommended in the decision rendered on December 22, 1934, by the arbitrator, John Clark Knox, judge of the United States District Court for the Southern District of New York.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $78,025.83, with interest at the rate of 4 percent per annum from May 19, 1927, to the date of the approval of this act, jointly to Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest, upon receipt by the Secretary of State of satisfactory releases from the respective claimants of all claims for damages resulting from the capture on January 27, 1916, and subsequent use by the British Government of the steamship *Edna*, as recommended in the decision rendered on December 22, 1934, by the arbitrator, John Clark Knox, judge of the United States District Court for the Southern District of New York: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read as follows: "An act for the relief of Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest."

DISCRIMINATORY FREIGHT RATES AGAINST THE SOUTH ATLANTIC STATES

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, prior to the war of 1861–65 the South was fairly prosperous and our people were happy. Unfair taxation placed upon our people and the extreme jealousy on the part of the North toward our happy situation no doubt was largely responsible for this war. We of the South are located in that section of the United States where God has given us the best climate to be found in the world, and a section abundant in untold natural resources, wonderful possibilities for agriculture and industry.

After the War of 1861–65, my people found their homes burned out and their property, in many instances, destroyed by Sherman and his ungodly men. My people were broke financially, and thereby very much handicapped in rebuilding and developing the South. The people of the South because of this situation were hog-tied with a credit system which has lasted largely through the years. Farmers, all of those years, have been forced to buy on a credit, paying what is commonly known as time prices—profits over an above actual cost from 25 to 50 percent on the dollar. Industry and business either bought on time, paying fixed prices, or paying unreasonable interest rates and charges on loans to eastern bankers.

During all these years the Federal Government, practically all the time under a Republican administration and controlled largely by well-organized and well-financed groups, has not given much thought to the agricultural South as well as agriculture in other sections of the country. These selfish groups have been able to have passed legislation in their own interest through Congress and have, as stated, been able to keep down the passage of legislation helpful to agriculture and the South.

These same selfish groups have been able to name as well as control largely all governmental administrators, boards, and commissions. The agricultural South and consumers everywhere have been forced to pay millions annually under a one-sided tariff policy. Tobacco farmers pay into the Treasury of the United States around a half billion annually as tax on their tobacco. During all these years farmers of the South have had to pay these penalties while being forced to sell their products on an open, unprotected market. They have been forced to compete with the cheap labor of foreign countries, all of which has not given them a proper standard of living in line with the standard of the industrial East.

Now that we have a man in the White House who is interested in humanity and who is interested in a new deal and a square deal for every section of this great Republic, it is high time that those of us who represent the South and other agricultural sections of this country demand that discrimination among the various sections of the country be wiped out.

We have at last given equality to agriculture as to the tariff under the Agricultural Adjustment Act. We are gradually setting up agricultural credits on an easy as well as a long-term basis, with reasonable interest rates, but we are being fought to the last ditch in so doing. New England has been shouting from the housetop that the farm program as applied to cotton, especially the processing tax—the farmers' tariff—is destroying the textile industry. They are demanding more tariffs on foreign textiles, but they are against farmers being fed out of the same spoon.

Everybody knows or should know that the trouble with the textile industry today is overproduction and extravagant salaries to those high up in the industry. What the textile industry needs today is a dictator, pure and simple. The textile industry is well posted as to their trouble and a number of their representatives have been outspoken as to their trouble. I want to warn the textile interests of the South as well as you who represent the South here in Con-

gress that the nigger in the woodpile is the wage-scale differential that is now in favor of the South. This fight is simply another Yankee trick whereby it is hoped to further hog-tie the cotton mills of the South.

I want it thoroughly understood that I am for fair wages. I do not think that labor has been given a square deal either under the tariff policy or the N. R. A. I have not heard of any of that great class of citizens, because of increased wages, being able to buy homes, send their boys and girls to college, or even buy many of the good things in life that they have never been privileged to buy and to which they are clearly entitled. However, fair wages does not mean that wages in the South should be in line with wages in New England. The climate and living cost in the South have a distinct advantage over New England. Mill employees in the South usually have gardens, chickens, and many of them milk cows. They have many advantages in the South that they do not have in New England.

Mr. Speaker, what I have been speaking about is not what I want to get before the Congress and the country particularly at this time. I have been really leading up to what I believe to be an unjust discrimination against the South that should be corrected, and corrected at once. What I want to call to your attention is the very unfair discriminating freight-rate differential against the South. Shippers located within the large northern consuming area not only have the advantages in distance in reaching this area with similar products but are also accorded lower rate levels, distance considered.

Mr. Speaker, for the normal progress of a united country there must be no discrimination or arbitrary rate walls or barriers to the distribution of products of the various sections. The progress of the Southern States, in keeping with the uniform development of the country as a whole, is being retarded by a policy of discrimination in the making of freight rates. This, of course, subjects the shippers of southern manufactured goods and natural resources to a penalty charge in the nature of transportation cost higher than that charged for the competitive movement of the same products in the northern section of the country. The Southern States should be and are now in a position to go forward with a tremendous development of their resources and should be accorded the right to distribute their products to all important consuming markets at a transportation cost on an equal basis with the rest of the country.

THE MOST IMPORTANT MARKETS ARE IN THE NORTH

The principal and most populous consuming section of the United States is the territory east of the Mississippi River and north of the Ohio and Potomac Rivers. To reach that important consuming territory goods must necessarily move for long distances from the South. Southern shippers, therefore, have the disadvantage of longer time in transit and higher actual transportation charges, even if freight rates are exactly even per mile.

THE SOUTHERN SHIPPERS ARE PENALIZED BY RATE-MAKING POLICIES

This distance handicap of the Southern States is being intensified by a policy of rate making which places upon the South an additional penalty charge of higher rates per mile. This increases the disparity of the amount which Southern shippers must absorb before their products can move to the principal consuming area in the North in competition with shippers within that territory. I want to give you a few concrete cases:

1. Cincinnati, Ohio, is 563 miles from Macon, Ga., and is 571 miles from Syracuse, N. Y. However, the first-class rate is $1.69 per 100 pounds from Macon to Cincinnati compared with $1.16 from Syracuse to Cincinnati. Thus, while the distance is shorter from Macon the rate is 46 percent higher.

2. Richmond, Va., is 568 miles from Macon, Ga., and 573 miles from Boston, Mass. The rate to Richmond from Macon is $1.69 and from Boston $1.20. The Macon rate is 41 percent higher although the distance is less.

3. Chicago, Ill., is 980 miles from Boston, Mass., and the same distance from Charleston, S. C., yet the first-class rate to Chicago is $1.54 from Boston and $2.26 from Charleston. The Charleston rate is 72 cents, or approximately 47 percent higher than from the equally distant point of Boston.

4. Baltimore, Md., is 438 miles from Gastonia, N. C., and 447 miles from Manchester, N. H. The first-class rate to Baltimore is $1.47 from Gastonia and $1.06 from Manchester. The Gastonia rate is 41 cents or 39 percent higher than from the more distant and competitive origin of Manchester, N. H.

5. Detroit, Mich., is 813 miles from Lewiston, Maine, and the same distance from Columbia, S. C. The first-class rate is $2.03 from Columbia to Detroit and is only $1.38 from Lewiston to Detroit. Thus the rate from Columbia is nearly 50 percent higher than the rate for the same distance from a competitive New England shipping point.

6. To Indianapolis, Ind., the distance is 502 miles from Birmingham, Ala., and 516 miles from Rochester, N. Y. The first-class rates to Indianapolis are $1.12 from Rochester and $1.61 from Birmingham, the Birmingham rate being 44 percent higher although the distance is 14 miles less.

7. To Pittsburgh, Pa., the distance from Atlanta, Ga., is the same as from Lewiston, Maine, 772 miles. The first-class rates to Pittsburgh are $2.08 from Atlanta and $1.37 from Lewiston, the Atlanta rate being 71 cents or 52 percent higher than from an equally distant shipping point in northern territory.

This situation exists to the same or a lesser degree on many classes of traffic destined to the most important consuming sections and to the areas of greatest population in the United States.

The present freight-rate policy is, in effect, that if the South cannot ship as much traffic as the North, a penalty will be imposed that will further handicap the South and prevent it from increasing its shipments to the volume in the North. This policy of rate making is to require that a man lift himself by his bootstraps.

Under this policy the South must first increase its business in spite of the freight-rate handicap, and build up the movement to the same volume as within the North before this handicap will be removed.

If the southern shippers cannot compete with those in the North, due to this penalty handicap to the cost of distribution, the volume of traffic will become less in the South and greater in the North. Applying the same principle of relating rates to the volume of traffic the vicious circle would be continued and the southern penalty charge would be further increased in proportion to the increased disparity in volume of traffic.

The policy of waiting for the volume of freight traffic in the South to increase to the same volume as in the North before providing for equalization of freight rates is obviously wrong in principle and retards the development of the southern section and the movement of traffic therein.

THIS BARRIER TO THE MOVEMENT OF SOUTHERN TRAFFIC ADVERSELY AFFECTS THE REVENUES OF THE RAILROADS IN THE SOUTHERN STATES

Experience has proven that this policy of applying a penalty charge to retard the movement of traffic from the South has failed to produce adequate transportation revenue for the railroads in the Southern States. The prosperity of Southern railroads depends upon the adoption of a rate policy that will increase the volume of traffic by promoting the development of the Southern States.

I contend that unreasonable freight and passenger rates have brought about competition of truck and bus lines. This competition has been especially stimulated because of unreasonable rates on short hauls, which has driven farmers and shippers into this new field of transportation in self-defense. When the railroads had a monopoly on transportation they paid very little attention to the public or anything that might prove to be helpful to shippers, which naturally would be helpful to the consuming public.

Farm products from the South, as is the case in every agricultural section, are naturally heavy and bulky. Think what it would mean if farmers of the South had a proper and reasonable rate on sweetpotatoes. We could take up millions of acres now planted in cotton for sweetpotatoes, supplying many States that cannot produce this fine food. I have been trying for the past 5 or 6 years to secure consideration on a bill proposing that the Interstate Commerce Commission shall give preferential freight rates on high-density gin-compressed cotton. Under the present time-worn policy of baling cotton at the gins, bales are pressed to a density of only 12½ pounds to the cubic foot in a package 30 by 48 by 56 inches, so that you can only place about 35 bales in a box car. This cotton, when shipped, travels to some large interior point and is compressed to a density of about 25 pounds to the cubic foot, for the purpose of sale to domestic mills. If this cotton finally goes into export, it is then shipped to some port where it is compressed to a density of about 33 pounds to the cubic foot, which could have been done in the first instance at the gin, and which would permit placing 100 bales in the same box car now used for 35 bales. Certainly this would enable the railroads to cut rates on cotton. But the railroad officials have not opened their mouths in behalf of this legislation.

Why? Because under the monopolistic rate-making system wherein they have been able to make a rate to take care of the type bale now put on the market they have apparently been satisfied. Because of this attitude in the past practically all cotton is now transported by trucks, especially short hauls. Railroads have been able to call on the Interstate Commerce Commission in the past for increased rates to place them in a profit-making status or to help wipe out any deficit, apparently not having the business ability or common sense to understand that volume at lower rates would mean more to them in the way of revenue and in the meantime be helpful to farmers and shippers. I think it is high time that a thorough investigation should be made and the present policy of rate making changed.

The principles underlying the union of the States and the formation of the Constitution were designed to prevent tax or tariff walls or barriers which interfere with the interchange of commerce among the various States. No preference, prejudice, or discrimination should be permitted, but the national policy should promote the interchange of commerce among all of the States on an equal basis.

THE RESULTS OF THIS RATE-MAKING SYSTEM

Under this system of rate making, the rates on various products from the South, in practically all recent general revisions, have been made on substantially higher levels than those from competing shipping points in the North.

On building stone the Interstate Commerce Commission sustained the contentions of northern railroads and competing shippers in that territory that rates from the South should be made on a higher level and prescribed southern rates ranging from 109 percent to 125 percent of the northern level, depending upon the degree of finishing.

On glass from a manufacturing point in the South rates were prescribed 125 percent of the northern level.

On coal and wood stoves and furnaces, the southern rates prescribed were approximately 125 percent of the northern level.

Rates from the South higher than those within the North were prescribed on coke, and on many other commodities such as furniture, tobacco, and so forth.

General revisions of rates on other commodities are now pending, including rates on paper and paper articles, rates on textile products, and rates on chemicals. In each case proposals have been made by the northern railroads and by competitive shippers to apply to shipments from the South at rates substantially higher than the northern level, thus adding to the southern disadvantage of longer distance an additional disadvantage of relative higher rates per mile.

EFFECT IF THIS POLICY IS CONTINUED

If the policy applied in revising rates on other commodities should be continued and likewise applied in the cases now pending it would, in some instances, increase by approximately 50 percent the existing disadvantage of southern shippers.

DISADVANTAGE OF SOUTHERN TEXTILE MILLS

The existing disadvantage of southern textile mills in manufacturing raw cotton into finished cloth and distributing their products to the large consuming areas in the North is shown by tables I am inserting in the RECORD at this point. I especially want to call the attention of the Representatives from New England to these tables.

TABLE 1.—*To New York, N. Y.*

Representative rates on compressed cotton to mill from—	Mill point at which cotton is manufactured into cotton piece goods	Rates in cents per 100 pounds: Average of inbound rates on compressed cotton to mill	Outbound rates on cotton piece goods to New York	Total transportation cost on cotton to mill and on goods from mill to destination
Texas (Dallas, Waco, Austin, Navasota, Jacksonville, and Lufkin used as representative origins).	Birmingham, Ala.	58	79½	137½
	Macon, Ga.	64	79½	143½
	Atlanta, Ga.	64	79½	143½
	Greenville, S. C.	72	74	146
	Charlotte, N. C.	72	69	141
	Greensboro, N. C.	77	61½	138½
	New Bedford, Mass.	46	24	70
Oklahoma (Oklahoma City and Altus used as representative origins).	Birmingham, Ala.	60	79½	139½
	Macon, Ga.	66	79½	145½
	Atlanta, Ga.	65	79½	144½
	Greenville, S. C.	72	74	146
	Charlotte, N. C.	72	69	141
	Greensboro, N. C.	77	61½	138½
	New Bedford, Mass.	79	24	103
Arkansas (Little Rock used as representative origin).	Birmingham, Ala.	43	79½	122½
	Macon, Ga.	50	79½	129½
	Atlanta, Ga.	48	79½	127½
	Greenville, S. C.	54	74	128
	Charlotte, N. C.	54	69	123
	Greensboro, N. C.	60	61½	121½
	New Bedford, Mass.	54	24	78
Mississippi (Brookhaven used as representative origin).	Birmingham, Ala.	35	79½	114½
	Macon, Ga.	42	79½	121½
	Atlanta, Ga.	41	79½	120½
	Greenville, S. C.	50	74	124
	Charlotte, N. C.	50	69	119
	Greensboro, N. C.	55	61½	116½
	New Bedford, Mass.	43	24	67

TABLE 2.—*To Chicago, Ill.*

Representative rates on compressed cotton to mill from—	Mill point at which cotton is manufactured into cotton piece goods	Rates in cents per 100 pounds: Average of inbound rates on compressed cotton to mill	Outbound rates on cotton piece goods to Chicago	Total transportation cost on cotton to mill and on goods from mill to destination
Texas (Dallas, Waco, Austin, Navasota, Jacksonville, and Lufkin used as representative origins).	Birmingham, Ala.	58	83	141
	Macon, Ga.	64	83	147
	Atlanta, Ga.	64	83	147
	Greenville, S. C.	72	98	170
	Charlotte, N. C.	72	97½	169½
	Greensboro, N. C.	77	97½	174½
	New Bedford, Mass.	46	74	120
Oklahoma (Oklahoma City and Altus used as representative origins).	Birmingham, Ala.	60	83	143
	Macon, Ga.	66	83	149
	Atlanta, Ga.	65	83	148
	Greenville, S. C.	72	98	170
	Charlotte, N. C.	72	97½	169½
	Greensboro, N. C.	77	97½	174½
	New Bedford, Mass.	79	74	153
Arkansas (Little Rock used as representative origin).	Birmingham, Ala.	43	83	126
	Macon, Ga.	50	83	133
	Atlanta, Ga.	48	83	131
	Greenville, S. C.	54	98	152
	Charlotte, N. C.	54	97½	151½
	Greensboro, N. C.	60	97½	157½
	New Bedford, Mass.	54	74	128

TABLE 2.—*To Chicago, Ill.*—Continued

Representative rates on compressed cotton to mill from—	Mill point at which cotton is manufactured into cotton piece goods	Rates in cents per 100 pounds: Average of inbound rates on compressed cotton to mill	Outbound rates on cotton piece goods to Chicago	Total transportation cost on cotton to mill and on goods from mill to destination
Mississippi (Brookhaven used as representative origin).	Birmingham, Ala.	35	83	118
	Macon, Ga.	42	83	125
	Atlanta, Ga.	41	83	124
	Greenville, S. C.	50	98	148
	Charlotte, N. C.	50	97½	147½
	Greensboro, N. C.	55	97½	152½
	New Bedford, Mass.	43	74	117

TABLE 3.—*To Philadelphia, Pa.*

Representative rates on compressed cotton to mill from—	Mill point at which cotton is manufactured into cotton piece goods	Rates in cents per 100 pounds: Average of inbound rates on compressed cotton to mill	Outbound rates on cotton piece goods to Philadelphia	Total transportation cost on cotton to mill and on goods from mill to destination
Texas (Dallas, Waco, Austin, Navasota, Jacksonville, and Lufkin used as representative origins).	Birmingham, Ala.	58	77	135
	Macon, Ga.	64	79½	143½
	Atlanta, Ga.	64	79½	143½
	Greenville, S. C.	72	74	146
	Charlotte, N. C.	72	69	141
	Greensboro, N. C.	77	61½	138½
	New Bedford, Mass.	46	43½	89½
Oklahoma (Oklahoma City and Altus used as representative origins).	Birmingham, Ala.	60	77	137
	Macon, Ga.	66	79½	145½
	Atlanta, Ga.	65	79½	144½
	Greenville, S. C.	72	74	146
	Charlotte, N. C.	72	69	141
	Greensboro, N. C.	77	61½	138½
	New Bedford, Mass.	79	43½	122½
Arkansas (Little Rock used as representative origin).	Birmingham, Ala.	43	77	120
	Macon, Ga.	50	79½	129½
	Atlanta, Ga.	48	79½	127½
	Greenville, S. C.	54	74	128
	Charlotte, N. C.	54	69	123
	Greensboro, N. C.	60	61½	121½
	New Bedford, Mass.	54	43½	97½
Mississippi (Brookhaven used as representative origin).	Birmingham, Ala.	35	77	112½
	Macon, Ga.	42	79½	121½
	Atlanta, Ga.	41	79½	120½
	Greenville, S. C.	50	74	124
	Charlotte, N. C.	50	69	119
	Greensboro, N. C.	55	61½	116½
	New Bedford, Mass.	43	43½	86½

TABLE 4.—*To Detroit, Mich.*

Representative rates on compressed cotton to mill from—	Mill point at which cotton is manufactured into cotton piece goods	Rates in cents per 100 pounds: Average of inbound rates on compressed cotton to mill	Outbound rates on cotton piece goods to Detroit	Total transportation cost on cotton to mill and on goods from mill to destination
Texas (Dallas, Waco, Austin, Navasota, Jacksonville, and Lufkin used as representative origins).	Birmingham, Ala.	58	83	141
	Macon, Ga.	64	83	147
	Atlanta, Ga.	64	83	147
	Greenville, S. C.	72	92	164
	Charlotte, N. C.	72	92	164
	Greensboro, N. C.	77	92	169
	New Bedford, Mass.	46	77	123
Oklahoma (Oklahoma City and Altus used as representative origins).	Birmingham, Ala.	60	83	143
	Macon, Ga.	66	83	149
	Atlanta, Ga.	65	83	148
	Greenville, S. C.	72	92	164
	Charlotte, N. C.	72	92	164
	Greensboro, N. C.	77	92	169
	New Bedford, Mass.	79	77	156

TABLE 4.—*To Detroit, Mich.*—Continued

Representative rates on compressed cotton to mill from—	Mill point at which cotton is manufactured into cotton piece goods	Rates in cents per 100 pounds: Average of inbound rates on compressed cotton to mill	Outbound rates on cotton piece goods to Detroit	Total transportation cost on cotton to mill and on goods from mill to destination
Arkansas (Little Rock used as representative origin).	Birmingham, Ala.	43	83	126
	Macon, Ga.	50	83	133
	Atlanta, Ga.	48	83	131
	Greenville, S. C.	54	92	146
	Charlotte, N. C.	54	92	146
	Greensboro, N. C.	60	92	152
	New Bedford, Mass.	54	77	131
Mississippi (Brookhaven used as representative origin).	Birmingham, Ala.	35	83	118
	Macon, Ga.	42	83	125
	Atlanta, Ga.	41	83	124
	Greenville, S. C.	50	92	142
	Charlotte, N. C.	50	92	142
	Greensboro, N. C.	55	92	147
	New Bedford, Mass.	43	77	120

All of these tables show the total transportation charges via the routes over which the lowest rates are available on cotton to the mill points and the manufactured products shipped to the four largest cities in the United States, which are the most important markets for textile products. The Chicago figures are very interesting. In the movement of cotton from the producing area to New England mills and then the manufactured cotton goods to Chicago, the total distance for which transportation is necessary is from 900 miles to 1,300 miles greater than when the manufacturing is performed at mills in the South, but table no. 2 shows that the total transportation charges on the movement via the New England mills are less than when via the southern mills.

The Detroit table no. 4 shows a similar situation. To that point the total distance involved in the transportation of cotton and cotton goods via the New England mills is 700 to 1,100 miles greater than via the southern mills, but the rates for the longer distances via New England mills are lower in practically every instance.

I contend that many codes under the N. R. A., as written by the large representatives of industries of the North were so written as to stop a great industrial move to the South. The labor-wage "ruckus" on the part of New England is for the sole purpose of further hamstringing industrial development in the South. Certainly any fair-minded man should readily understand that laborers can live more cheaply in the South than in New England. The tariff policy, which is very unfair as administered, has given a wonderful advantage to the industrial centers in the North where most of the industries have been located. These industries have certainly received preferential treatment at the hands of the great banking interests of the East because of their location and special benefits received by them at the hands of the Government about which I have been talking.

We have now placed agriculture on an equal basis, or will have done so when the agricultural program has been fully worked out. If we succeed in wiping out this discrimination in rate making, I am sure that it would mean much in the way of an increased revenue for the southern railroads by the enormous volume of inbound and outbound traffic to and from industries which may be located on their lines if the freight rate disparity is removed. This would permit the development of the country as a whole, and on an equal and fair basis.

The Southeast has been very unfairly treated in that this great section of the United States does not have a representative member on the Interstate Commerce Commission. We now have 1 member from the first land-bank district, from the State of Massachusetts; 3 from the second land-bank district, 2 from the city of Washington, and 1 from the

State of Pennsylvania; none from the third land-bank district, which embraces the States of North Carolina, South Carolina, Georgia, and Florida; 1 from the fourth land-bank district, from the State of Kentucky; none from the fifth land-bank district, which embraces the States of Alabama, Mississippi, and Louisiana; none from the sixth land-bank district, which embraces the States of Illinois, Missouri, and Arkansas; 1 from the seventh land-bank district, from the State of Wisconsin; 1 from the eighth land-bank district, from the State of Iowa; none from the ninth land-bank district, which embraces the States of Colorado, Kansas, Oklahoma, and New Mexico; 1 from the tenth land-bank district, from the State of Texas; none from the eleventh land-bank district, which embraces the States of Nevada, Utah, California, and Arizona; and 2 from the twelfth land-bank district, from the States of Oregon and Idaho; with one vacancy at this time.

You will see from this that land-bank districts 3 and 5, covering the Southeast, are without representation, as stated, while the second land-bank district has three members, all of which is unfair to the Southeast. You will note that this section, New England, is the one section that has been and is now receiving preferential treatment.

Now, I have introduced a bill to take care of this situation, and certainly no Member of Congress can deny that this bill is not a fair and just bill. The bill is very short and I am placing same in the RECORD at this point.

A bill to limit appointments hereafter made to the Interstate Commerce Commission so that not more than one individual from any one Federal land-bank district shall serve thereon.

Be it enacted, etc., That section 24 of the Interstate Commerce Act, as amended, is amended by adding immediately before the last sentence thereof a new sentence as follows: "Not more than one Commissioner shall be appointed from any Federal land-bank district."

My contention is in line with the President's policy—a new deal and a square deal to all classes and to every section of this great Republic.

New England is not satisfied with the many advantages given her in that she is complaining about the processing tax and the wage differential. I think it is high time that we of the South meet her complaints, which are largely selfish, with real facts and demand equal rights and equal opportunities—our rightful place in the picture.

THE PRIVATE CALENDAR

CARRIE PRICE ROBERTS

The Clerk called the bill (S. 2993) for the relief of Carrie Price Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Carrie Price Roberts, out of any money in the Treasury not otherwise appropriated, the sum of $7,500 in full settlement of all claims against the Government on account of the death of her husband, Lapold S. Roberts, a contract mail carrier between Goldsboro and Wilmington, N. C., who was held up and killed in the early morning hours of March 15, 1931, while in the performance of his duties: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$7,500" and insert "$5,000."

The amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CECELIA CALLAHAN

The Clerk called the bill (H. R. 2156) for the relief of Cecelia Callahan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay the sum of $475.20 to Cecelia Callahan, being a gratuity of 6 months' pay under the act of June 4, 1920, compensating her for the death of her nephew, Joseph Francis O'Neil, who died as the result of an injury received while serving in the United States Navy, on the United States ship *Gilmore*.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HALLIE COFFMAN

The Clerk called the next bill, H. R. 5864, for the relief of Hallie Coffman.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers and sailors Hallie Coffman, who was a commissary steward, United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States as a member of that organization on the 20th day of July 1931: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES EDWARD POOLE

The Clerk called the next bill, H. R. 3856, for the relief of Charles Edward Poole.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Charles Edward Poole, who served in the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States on the 5th day of September 1929: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT N. WALLACE

The Clerk called the next bill, H. R. 5405, for the relief of Robert N. Wallace.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Robert N. Wallace, who served as a pharmacist's mate, first-class, United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service in July 1920: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILEY H. NANNEY

The Clerk called the next bill, H. R. 6205, for the relief of Wiley H. Nanney.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged seamen Wiley H. Nanney, AS, seaman, second-class, United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States as of the 7th day of September 1917: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PETER HAAN

The Clerk called the next bill, H. R. 5768, for the relief of Peter Haan.

There being no objection the Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, their widows, or dependent relatives, Peter Haan, late of Company F, Thirty-fourth Regiment United States Volunteer Infantry, who enlisted July 26, 1899, for the period ending June 30, 1901, shall hereafter be held and considered to have been honorably discharged from the military service of the United States: *Provided*, That no pay, pension, or other emoluments shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CASIMER F. BRYLSKI

The Clerk called the next bill, H. R. 1476, to correct the military record of Casimer F. Brylski.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and the bill, under the rule, was recommitted to the Committee on Military Affairs.

GEORGE K. SHULER

The Clerk called the next bill, H. R. 7030, to place George K. Shuler on the retired list of the United States Marine Corps.

The SPEAKER. Is there objection?

Mr. COSTELLO. Mr. Speaker, I object.

The SPEAKER. Is there further objection?

There being no objection the Clerk read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to appoint George K. Shuler, formerly a captain, United States Marine Corps, a captain in the United States Marine Corps, and to place him upon the retired list of the Marine Corps as a captain, with the retired pay of that grade or upon the active list in the rank and grade entitled: *Provided*, That before retiring him a duly constituted marine retiring board finds that the said George K. Shuler incurred physical disability incident to the service in the line of duty: *And provided further*, That no back pay, allowance, or emoluments shall become due because of the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. WILBUR ROGERS

The Clerk called the next bill, H. R. 5648, for the relief of Maj. Wilbur Rogers.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That notwithstanding any provision of law to the contrary, Maj. Wilbur Rogers, United States Army, retired, shall be advanced on the list of retired officers of the United States Army to the place on that list which he would now hold if he had never been put in class B and had never been retired until May 9, 1934, the date of his restoration to class A: *Provided*, That no bounty, back pay, pension, allowance, or any payment provided under the World War Veterans' Act, 1924, as amended, the World War Adjusted Compensation Act, 1924, as amended, or other benefit whatsoever to which said person may be or become entitled by law, shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CASIMER F. BRYLSKI

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to return to Calendar No. 696, H. R. 1476, to correct the military record of Casimer F. Brylski.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. O'BRIEN. Mr. Speaker, I object.

WARD FUNERAL HOME

The Clerk called the next bill, H. R. 8032, for the relief of the Ward Funeral Home.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to pay, out of any money available under the appropriation for conservation of health among Indians, 1935, to the Ward Funeral Home, Talihina, Okla., the sum of $535.50. Such sum shall be in full payment of the claims of the said Ward Funeral Home against the United States on account of burial services rendered by it between June 13, 1931, and March 4, 1933, inclusive, in connection with eight Indians who died while patients in the Choctaw-Chickasaw sanatorium.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Ward Funeral Home, Talihina, Okla., the sum of $332.10, in full and final settlement of its claims for burial services performed for five Indian patients who died at the Choctaw and Chickasaw sanatorium between June 13, 1931, and March 26, 1932, inclusive."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CASIMER F. BRYLSKI

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to return to Calendar No. 696 (H. R. 1476), to correct the military record of Casimer F. Brylski.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers and sailors, Casimer F. Brylski, who served on the United States steamship *Cuyama* in the United States Navy, shall be held and considered as having been honorably discharged from the naval service of the United States: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VICTORIA ARCONGE

The Clerk called the next bill, S. 2388, authorizing and directing the Secretary of the Interior to cancel patent in fee issued to Victoria Arconge.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to cancel the patent in fee no. 527856 issued to Victoria Arconge under date of May 8, 1916, covering her allotment of land on the Yankton Sioux Reservation, S. Dak., described as follows: Lots 582, 583, 586, and 587 of the Yankton Indian Reservation, S. Dak., containing 160 acres, and to issue to her a trust patent in lieu thereof covering the same land to be held in trust for her sole use and benefit or, in case of her decease, for the sole use and benefit of her lawful heirs or devisees for the same period under the same conditions as other trust allotments are held on that reservation as extended by the last proclamation of the President relating to the said reservation: *Provided*, That any valid encumbrances now resting against any of said land shall not in any manner be affected by the provisions of this act, but any of such land so encumbered, if still owned by the allottee, heirs, or devisees, shall, when such encumbrances have been removed, become subject to the provisions of this act as fully and to the same intent as if such land were now unencumbered.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIRST LT. CLAUDE W. SHELTON, RETIRED

The Clerk called the next bill, S. 1497, to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized, by and with the advice and consent of the Senate, to appoint and commission Claude W. Shelton, first lieutenant, United States Army, retired, to the grade of captain, United States Army, retired, said grade being effective as of July 1, 1920, with the retired pay of captain, said pay to be based as is that of officers of like status and service: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL AGENTS, DIVISION OF INVESTIGATION, DEPARTMENT OF JUSTICE

The Clerk called the next bill, S. 2488, for the relief of the widows of an inspector and certain special agents of the Division of Investigation, Department of Justice, and operative in the Secret Service Division, Department of the Treasury, killed in line of duty.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 each to the following-named widows of an inspector and certain special agents of the Division of Investigation of the Department of Justice killed in line of their official duties:

LaVon C. Cowley, widow of Inspector Samuel P. Cowley, killed near Chicago, November 28, 1934;

Regina Caffrey, widow of Raymond J. Caffrey, special agent, killed at Kansas City, Mo., June 17, 1933;

Gladys Gage Surratt, widow of Rupert V. Surratt, special agent, killed near Landis, N. C., October 8, 1933;

Mary E. Baum, widow of W. Carter Baum, special agent, killed in Rhinelander, Wis., April 23, 1934; and

Genevieve Hollis, widow of Herman E. Hollis, special agent, killed near Chicago, November 27, 1934, and Ann Godby, widow of Robert L. Godby, operative in the Secret Service Division, Treasury Department, who was killed in line of duty, at Buffalo, N. Y., on May 24, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA M'DONALD

The Clerk called the next bill, H. R. 1618, for the relief of Anna McDonald.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommended to the Committee on War Claims.

ELLA B. KIMBALL

The Clerk called the next bill, H. R. 4059, for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommended to the Committee on War Claims.

JOSEPH G. GRISSOM

The Clerk called the next bill, H. R. 6356, to carry out the findings of the Court of Claims in the case of Joseph G. Grissom.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. McFARLANE objected, and, under the rule, the bill was recommended to the Committee on War Claims.

Mr. TAYLOR of Colorado. Mr. Speaker, the committee whose duty it is to investigate these claims, especially the minority Members, feel that this is about as far as they can go today. They have not examined them further than this. I ask unanimous consent, therefore, to suspend the call of the Private Calendar.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEPORTATION OF CERTAIN ALIEN SEAMEN

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5380) to provide for the deportation of certain alien seamen, and for other purposes.

The Clerk read the title of the bill.

Mrs. KAHN. Mr. Speaker, I object.

Mr. SCHULTE. Mr. Speaker, will the gentlewoman from California withhold her objection for a moment?

Mrs. KAHN. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. SCHULTE. The only thing this bill does is to prohibit shipping companies from bringing into this country undesirable aliens from across the ocean.

Mrs. KAHN. Mr. Speaker, I have had a number of protests against this bill. I do not think it should be brought up under these conditions. I think it is a bill which should be discussed.

Mr. SCHULTE. I know the gentlewoman is in favor of deporting undesirable foreigners.

Mrs. KAHN. I certainly am; but I think this bill should be discussed. I think it is a bad plan to bring up important bills under the circumstances in which this bill is brought up.

The regular order was demanded.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mrs. KAHN. Mr. Speaker, I object.

PROVED VIOLATIONS OF AMERICAN RIGHTS IN MEXICO

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 1½ minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOYLAN. Mr. Speaker, on the floor of the House yesterday afternoon, the gentleman from Texas [Mr. BLANTON] made several statements which cannot be substantiated in fact. Among other things he asserted:

> The people of Mexico are better treated, are happier, and are making greater strides for improvement and civilized enlightenment than ever before in 150 years. * * * An American citizen today is just as safe anywhere in the United States of Mexico as any Mexican citizen is safe in the United States of America. This is all buncombe about interference with Americans there.

It is indeed astounding to hear that the persecution of religion and oppression of individual conscience makes for improvement and enlightenment. I prefer to believe with Mr. William Green, president of the American Federation of Labor, speaking on this problem that—

> There can be no true political, economic, or social liberty unless it is founded upon religious freedom.

Passing over this first assertion of the gentleman [Mr. BLANTON], I wish to direct my particular attention to his claim that "this is all buncombe about interference with Americans there", and proceed to prove that the statements of the gentleman [Mr. BLANTON] are like the claims of the Mexican Government, founded upon nothing more substantial than hit-and-miss assertions that are in direct contradiction to legal evidence.

It is my duty as an American citizen and an elected Representative of the people to expound the truth. Furthermore, it is an obligation to refute foreign propaganda when it is in direct contradiction to the unprejudiced testimony of American citizens of the highest character who have visited Mexico within recent months and described the extremes of religious persecution to which members of all faiths and creeds are subjected, including our own American nationals.

In my refutation of the gratuitous assertions that have been made, I am going to offer evidence, cogent, convincing and legal, which will bear more weight than my own unsupported word. This evidence should be considered in conjunction with the numerous sworn statements of American citizens of unimpeachable integrity which were submitted to the House of Representatives by Congressman JOHN P. HIGGINS, of Massachusetts, on June 10, 1935. Permit me to add to that record.

SWORN TESTIMONY

In order to show that they are American citizens who have suffered in the exercise of their religious rights and have had their rights denied them by the unjust legislation of the Mexican Government, I submit the following affidavit

from an American citizen who was eager to worship God according to the dictates of her conscience, as recently as May 25, 1935, and, due to the iniquitous Mexican laws, was unable to do so. Let it be observed that there are numerous other American citizens, either resident in or visiting the state of Nuevo Leon, and that they, if desirous of participating in religious services, would encounter the same unjust situation that is described by the witness I have produced. What is more important, it should be noted that this is contrary to international law and what has been commonly sanctioned for hundreds of years under the law of nations.

AFFIDAVIT

JUNE 11, 1935.

LAREDO, WEBB COUNTY,
State of Texas, ss.

I, the undersigned, an American citizen, was in Linares, state of Nuevo Leon, Mexico. I could not enter the church (Catholic), the same being padlocked. It was about 10 a. m., May 25, 1935.

ETHEL W. MATTHEWS.

ACKNOWLEDGMENT

Before me, the undersigned authority, this 10th day of June 1935, personally appeared Ethel W. Matthews, known to me to be the person making this affidavit, who declares that it was made voluntarily, and that the statements therein are true to the best of her knowledge and belief.

[SEAL]

J. E. ESSING,
Notary Public in and for Webb County.

FURTHER VIOLATION OF AMERICAN RIGHTS

I now submit an affidavit from an American citizen of good standing who has not been permitted to receive a Mexican visa from the consul's office in San Antonio, Tex. Some years ago such a refusal would have aroused great resentment in the United States Department of State and among all American lovers of liberty. Now it is an offense that seems to pass practically unnoticed. For that reason I am obliged to state that there are numerous American citizens of good character and friendly purpose who have been denied Mexican visas under similar conditions.

How long, Mr. Speaker, are we to tolerate this unreasonable interference with the international rights of our own American citizens. The following affidavit is also important because it furnished clear evidence to the fact that there are numerous American citizens in the Mexican State of Coahuila who are not able to practice their religion in that State. Indeed, these American citizens, in order to follow the law of God and the dictates of their conscience, are forced to drive, often at great inconvenience and expense to themselves, from Coahuila to the American side of the border:

AFFIDAVIT

STATE OF TEXAS,
County of Maverick, ss:

I, Jesús Prieto, O. M. I., an American citizen, and a resident of Eagle Pass, Tex., make the following declaration of my own volition and without compulsion of any sort whatever.

As the pastor of Our Lady of Refuge Church at Eagle Pass, Tex., a city which is just across the river from Piedras Negras, Coahuila, Mexico, being constantly in touch with Catholic people from both sides, am familiar with the religious persecution in Mexico.

I may affirm that in the State of Coahuila the Federal Government of Mexico has committed many outrages against justice and morality. For instance, without any reason, they limited the number of priests to 9 out of 45 who were for the service of the entire State. Besides, this is one of the largest in the country, the second or third largest State in the Mexican Republic.

In Allende the Government has tried several times to take away from the hands of Rev. Epifanio Ocampo his own house, built with his own money, earned during many, many years of work. This house is in the name of his sister. The Government officials wanted to use it for a post office, and the matter was in court for many months. I know that the teachers of catechism couldn't teach as before. They refused to take the oath, which declares them atheists, and therefore they were dismissed.

I affirm also that the resident priest of Piedras Negras, in order to perform the sacred marriages according to the prescriptions of the church, has to send the future consorts to the American side of the border to prepare them for the sacrament, because the parochial church unfortunately burned down to the ground 2 years ago and the religious crisis became more acute. Having only for the ministry a small sacristy, which he saved and converted into a chapel accommodating about 100 persons, he is not permitted to use this for services. I might add, nevertheless, that even under these circumstances the local military and municipal authorities have been rather kind toward the church in Piedras Negras, but not as good as in Musquiz.

I know of the case of one priest who obtained permission from the mayor of a city in Mexico to hold a marriage ceremony in the home of the bride, outside of the church. During the ceremony, which was held with sanction of the civil authorities, the officers swooped down and arrested this priest. He was later fined. He was held in jail. His sentence was 15 days in jail, but I do not know whether he served the entire term or was liberated when part of it had been served.

As for the teachers in the Mexican Federal schools, it is a fact that they are not permitted to hold their jobs unless they take the official oath—declaring them not to be Catholics, that they will not permit any member of their family to participate in any religious ceremonies, and that they are atheists. Also most of them were practicing Catholics—active ones—before this oath went into effect.

Although I am an American citizen, my parish is within 200 yards of Mexican territory, and I have never in any way participated in any politics of any sort, I am forbidden to set foot on Mexican soil. I have applied through the consul's office in San Antonio, Tex., and through the regular channels in Mexico City for permission to visit Piedras Negras, and each time I have been refused.

In spite of the fact it costs each Mexican person approximately 1 peso to come to the American side each Sunday to attend masses in Eagle Pass, there are hundreds who cross, because they are eager to practice their religion and there are no facilities to do so at home.

I know of my own personal knowledge that the great mass of the Mexican people is eager to practice its religion, and that it is not interested in any type of political system which deprives them of their religion, and that they tolerate the present so-called "Socialist-communistic program" because they are powerless to do anything about it.

I know of numerous American citizens who have business interests in Piedras Negras or in the State of Coahuila, and who are unable to practice their religion in that State and must come into the United States at great inconvenience to fulfill what their conscience dictates as their duties. I know of my own personal knowledge that the statements of the Mexican officials that there is no persecution in Mexico are a myth, and that Americans and other foreigners practice their religion—whatever it may be—only with difficulty and inconvenience and often at considerable risk to themselves and their interests.

In witness whereof I have hereunto set my hand this 18th day of June 1935, at Eagle Pass, Tex.

REV. JESÚS PRIETO, O. M. I.

ACKNOWLEDGMENT

Before me, the undersigned authority, at Eagle Pass, Tex., this 18th day of June, A. D. 1935, personally appeared Jesús Prieto, O. M. I., known to me to be the person making this affidavit, who declares that he makes it voluntarily and that the statements therein are true to the best of his knowledge and belief.

[SEAL]

PETER ROSSI,
Notary Public in and for Maverick County.

ATHEISTIC OATH REQUIRED IN MEXICO

Over and above the violation of American rights which are enumerated with such great clarity and earnestness in this affidavit, furnished by an American citizen, whose truthfulness is above question, it is declared that many teachers in the Mexican Federal schools, who were unwilling to make a solemn profession of atheism, were dismissed from their positions. Mr. Speaker, I beg that this sworn testimony be placed side by side with the unsupported claim of the Mexican consul general in New York, Mr. Eduardo Villaseñor, who in his radio address from station WOR, on May 15, 1925, alleged that no employees of the Mexican Federal Government had ever been discharged because of his or her religion.

I wish to bring to the attention of the Members of the Congress a sworn statement by an American citizen as related by Manuel Villar, a resident of Laredo, Tex. According to this statement it appears that residents of the Saltillo in Mexico are compelled to go to great discomfort and inconvenience in any effort to practice their religion. It would also appear that American citizens who profess Christianity are subjected to certain unreasonable delay, inquiries, and embarrassments, which have no discernible reason for existence other than religious affiliation.

MEXICAN ESPIONAGE IN AMERICAN SIDE OF THE BORDER

It is particularly distressing to find that particular agents of the Mexican Government are exercising a species of surveillance and espionage along the American side of the Mexican border. Let me repeat the words of this statement:

This sort of espionage is practiced at all times in Laredo, Tex., with the consent, knowledge, and connivance of the Mexican Gov-

ernment, through its consulate in Laredo, Tex. It is a well-known fact among business men in Laredo that other forms of spying, officially sanctioned by the Mexican Government, are practiced all the time on the soil of the United States, in Laredo, and in other American cities along the border.

AN INVESTIGATION IS NECESSARY

If this is substantially correct it would certainly appear that a congressional inquiry is in order to determine the extent to which the Mexican Government, or its agents, is endeavoring to exercise a reign of terror or a species of overlordship on the American side of the Mexican border.

AFFIDAVIT

State of Texas,
County of Webb, ss:

I, Manuel Villar, a resident of Laredo, Tex., relate the following incident, told me by an American citizen, a resident of Laredo, Tex., and a business man, who, because of fear of reprisals if his name is used, because of his connections in Mexico, cannot permit the direct use of his name:

"When I was in Saltillo, Mexico, early in March, I found that the practice of all religion was under great suppression. As a Catholic I learned that there was only one church open and that the priest in charge there was under registration by the Government, and strict surveillance. It was impossible for this church to serve all the hundreds endeavoring to attend the services, and, great inconvenience was experienced by all because the priest was not permitted to carry the sacraments from the church to those who were ill or confined because of old age.

"Thousands of persons, American citizens resident in Saltillo, as well as other foreigners and native Mexicans, were at great discomfort and inconvenience in their efforts to practice their religion. Many remained away from the church because of the impossibility of finding a place in the crowds, and others, I was informed, remained away because of the fear that they might be inconvenienced in their business if they were seen attempting to worship in a Catholic church. I refer to American citizens in Mexico, in this connection, as well as Mexicans. In short, American citizens often fear to practice their religion because of the trouble they expect to result from it.

"The statements of the Mexican Government that there is no religious persecution in Mexico are ridiculous, as are the official statements that the churches are open and that there is no interference with free worship.

"I have suffered serious inconvenience on recent trips to Mexico, although I have done business in that country many years, unmolested, and no reason has been given for these delays and inquiries. I am informed, however, in confidence, that these delays were caused because of my Catholic connections, and I expect in the future that these so-called 'charges' will cause me more difficulty in future trips.

"On the 5th of May (cinco de mayo—a holiday) I refused to take part in a Knight of Columbus parade in Laredo, Tex., because I feared it would reflect upon my business activities in Mexico. I found later that my suspicions were correct, for during the parade Juan Garza Gongora, at that time chancellor of the Mexican consulate at Laredo, Tex., and now under indictment in Laredo, Tex., in the forty-ninth district court of Texas, for embezzlement of over $22,000 from the Mexican consulate, was standing at the corner of Hidalgo and Flores Streets, making a list of all members of the Knights of Columbus and their candidates. Remember that this was on the soil of the United States. Beside him stood another man, unknown to me, who at the direction of the said Gongora, took photographs of the American citizens marching in the parade, so that they could be identified when they attempted to do business in Mexico, as Catholics, and therefore persons to be blacklisted.

"This sort of espionage is practiced at all times in Laredo, Tex., with the consent, knowledge, and connivance of the Mexican Government, through its consulate in Laredo, Tex. It is a well-known fact among business men in Laredo that other forms of spying, officially sanctioned by the Mexican Government, are practiced all the time, on the soil of the United States, in Laredo, and in other American cities along the border.

"I know of a Mexican man who belonged to the Laredo Council of the Knights of Columbus, who ran for mayor of Nuevo Laredo, Tamaulipas, Mexico. During the campaign, although he was a popular candidate, the opposition, supported by the official Government, published a picture of the Knights of Columbus in which Sr. Enrique Resendez's picture appeared, with an arrow pointed at him and a circle drawn about his head, to show that as a Knights of Columbus member of a chapter in the United States he was not fit to hold a public office and public trust in Mexico. And, I repeat, he was very popular with the Mexican people. Needless to say, Mr. Resendez was not elected."

In witness whereof, I, Manuel Villar, declare under oath that the foregoing is a true and accurate account of the information given me by an American citizen, living in Laredo, Tex., who cannot reveal his name for fear of reprisals against him by the official Mexican Government, and I hereunto set my hand in testimony this 14th day of June, A. D. 1935.

REV. MANUEL VILLAR.

ACKOWLEDGMENT

Before me, the undersigned authority, at Laredo, Tex., this 14th day of June 1935, personally appeared Manuel Villar, known to me to be the person making this affidavit, who declares that he makes it under no compulsion, and that the statements therein are true, to the best of his knowledge and belief, and I certify that the above interview was had in my presence, and that the facts were as set forth above.

[SEAL] R. E. ESSING,
Notary Public in and for Webb County.

INFRINGEMENT ON MARRIAGE RIGHTS

An extremely interesting situation is revealed in the affidavit of Philip Stoeber, an American citizen, who is highly respected in his own community in Laredo, Tex. According to his sworn testimony, there are numerous American citizens of both sexes who, in their desire to have their marriage celebrated by religious ceremonies, are forced to spend much time and money in order to drive from the interior of Mexico to the United States at Laredo, Tex., where on American soil the facilities for divine worship and sacramental marriage are guaranteed by the law of the land. Why should our own American people be put to this grave inconvenience and trouble? Why is our State Department supine in the face of a situation that is a travesty on justice and a blow on the Magna Carta of human liberty? Even a modicum of statesmanship on the part of Mr. Cordell Hull should be sufficient to ameliorate this situation in behalf of our American men and women who desire to be united in holy wedlock by means of a religious service.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Philip Stoeber, an American citizen, a resident of Laredo, Tex., make the following declarations of my own volition and without any compulsion of any nature:

In the course of my duties as pastor of St. Augustine Church at Laredo, Tex., there are many couples who come to me from Mexico as far south as Laredo in order that they may be married in their church, since during the religious persecution in Mexico it is almost impossible for them to be married in the church.

Among these couples there are Americans and other foreigners residing in Mexico.

In spite of the protestations of the Mexican Government that there is no religious persecution and that there is freedom of worship, so inadequate is the sham of the "open church" that those seeking the sacraments must cross the border, in many cases, to receive them in peace and without fear of persecution.

In witness whereof I have hereunto set my hand this 15th day of June, A. D. 1935, at Laredo, Tex.

PH. STOEBER, O. M. I.,
Assistant Pastor.

ACKNOWLEDGMENT

Before me, the undersigned authority, this 1st day of June 1935, at Laredo, Tex., personally appeared Philip Stoeber, known to me to be the person making this affidavit, who declares that it is made voluntarily, and that the statements therein are true, according to the best of his knowledge and belief.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

THE EVIDENCE IS CUMULATIVE

In order to elucidate this point still further and to offer cumulative proof that the incidents above described are not isolated cases, I desire permission, Mr. Speaker, to read into the RECORD the affidavit of Patrick Ward, a native of Tennessee, now residing in Eagle Pass, Tex. From his sworn testimony it is clear that there are many American citizens who are forced to travel from Mexico to the city of Eagle Pass, Tex., in the United States, in order to offer divine worship to God according to the dictates of their conscience. Each of these affidavits, it may be noted in passing, furnishes abundant evidence on the general conditions of the persecution which will make the Mexican Government a byword among liberty-loving people of the world.

AFFIDAVIT

STATE OF TEXAS,
County of Maverick, ss:

I, Patrick Ward, O. M. I., a native of Tennessee, and a resident of Eagle Pass, Tex., make the following declaration of my own free will and without compulsion of any sort:

I have been a resident of Eagle Pass for 4 years, and I have made numerous visits across the Rio Grande, in disguise, because I have not been able to cross in my clerical garb. I am, therefore, very well acquainted with the political and religious situation over there.

I know of my own personal and intimate knowledge that there is no religious freedom in Mexico for Mexicans themselves or for Americans or any other kind of foreigners who live, work, or visit in that country.

Since the one church of Piedras Negras, Our Lady of Guadalupe, burned down 2 years ago, the Government has not permitted the

rebuilding of it. Although the small sacristy has been salvaged and prepared for services, to accommodate about 100 persons, the priest in charge is not permitted to say masses there and is forced to go 3 kilometers—about 1 hour's walk—to Villa Fuente, where he says two masses. The third mass which he says each Sunday is said in one of the towns nearby, where formerly there were priests in charge of parishes. It must be remembered that Piedras Negras is a city of approximately 23,000 persons, practically all of whom are Catholics. Altogether, in the eight towns which he serves he is the only pastor for about 35,000 people.

This makes it clear why hundreds cross the border, at much inconvenience and expense to themselves, each Sunday to attend masses in Eagle Pass, Tex. Among these are Americans, as well as Mexicans.

I know also that there is a colony of Mormons who have a place of worship in Piedras Negras. This place is now closed, and these Mormons, all American citizens, are obliged to come across the border to worship according to their creed.

Many calls have come to me—many appeals—to cross the border to administer the sacraments to the sick and dying and to perform Christian burials, but, to my regret, I could not go because I would be arrested immediately. Even the Mexican priests who have permission cannot go out of the church to bury the dead—not even to bless the tomb. No foreign priest can cross into Mexico, under any consideration, to administer any of the rites of the church.

In witness whereof I have hereunto set my hand this 18th day of June 1935, at Eagle Pass, Tex.

Rev. PATRICK J. WARD.

ACKNOWLEDGMENT

Before me, the undersigned authority, at Eagle Pass, Tex., this 18th day of June, A. D. 1935, personally appeared Patrick Ward, O. M. I., known to me to be the person making this affidavit, who declares that he makes it of his own volition, and that the statements therein are true to the best of his knowledge and belief.

[SEAL] PETER ROSSI,
Notary Public in and for Maverick County.

AMERICANS ARE DENIED THEIR RELIGIOUS RIGHTS

Further evidence on this point is available in the following affidavit by Margarita Moreno, a resident of Laredo, Tex., in the following significant declaration:

I know, of my own personal observation and knowledge, that both American and Mexican citizens, and all foreigners, are forced, for the most part, to practice their religion clandestinely, that there is no religious freedom, as the Mexican Government claims before the world, and that Americans and all other foreigners practice their religion, in reality, at their own risk, and without any sense of security whatever.

A CHALLENGE TO MR. NÁJERA

Other circumstances with regard to the general conditions at Monterrey in the State of Nuevo Leon are submitted as part of this affidavit. It is hard to understand how a cultured, self-respecting gentleman like the Mexican Ambassador, Mr. Francisco Castillo Nájera can, parrotlike, repeat the mechanical denials of persecution required by his tyrannical government when we learn from this affidavit that the chapel in a religious community—

Was changed into a dance hall, filled with drunken prostitutes who entertained all men who came, free.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Margarita Moreno, a resident of Laredo, Tex., formerly connected with San Angel, social school, now known as "Villa Obregon", since its confiscation by the Mexican Government, do make the following statement, voluntarily, and without compulsion of any kind whatsoever:

During the last elections of May 1935 for the Governor of Nuevo Leon, our house at Monterrey, Nuevo Leon, was seized by the Calles faction and turned into a brothel for the entertainment of voters. The chapel was changed into a dance hall, filled with drunken prostitutes who entertained all men who came, free. All drinks of any kind requested by the rowdy crowd, which held the place for 3 days, were served free. There was a rumor that one of the women was killed, and several reliable persons testified to this fact, although I did not see it myself.

The so-called "party" was so shameless and wanton that it could be compared really to one of the Roman orgies.

The streets on both sides were barricaded, so that only voters could gain admission. After these voters had drunk and had a good time dancing with the women in the chapel they were taken to the polls. There were innumerable fights with the usual shooting and knife-handling. The scandal was so great that the perpetrators themselves afterward were frightened at what they had done, but they did not make any effort to apologize or make any reparation.

This house, which was operated originally by the Salesian Sisters as a school for social training for Mexican girls, is now in the hands of the Calles government, and has been turned into one of the socialistic and communistic schools.

I know, of my own personal observation and knowledge, that both American and Mexican citizens, and all foreigners, are forced, for the most part, to practice their religion clandestinely, that there is no religious freedom, as the Mexican Government claims before the world, and that Americans and all other foreigners practice their religion, in reality, at their own risk, and without any sense of security whatever.

In testimony whereof I have affixed my signature to this statement this 10th day of June 1935, at the city of Laredo, Tex.

Sister MARGARITA MORENO.

ACKNOWLEDGMENT

Before me, the undersigned authority, personally appeared Margarita Moreno, known to me to be the person making this affidavit, this 10th day of June 1935, who declares that she makes it voluntarily and that the statements therein are true, to the best of her knowledge and belief.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

AMERICAN PROPERTY RIGHTS ARE VIOLATED

That American property has been taken in Mexico is evident from the affidavit of the American citizen of Laredo, Tex., named Leon Rudnik, who has an outstanding reputation for truthfulness among those of his own community. He also relates that an American seminarian was considerably embarrassed on entering Mexico because of his ecclesiastical status. It is also important to note in view of official denials of the Mexican Embassy at Washington that public employees are prohibited from contracting marriage in the Catholic Church and are threatened with the loss of their positions. Two such cases, it is declared, took place in one week. Finally, Mr. Speaker, I call attention to the fact that the socialistic and sexual education now imposed upon the Mexican public is clearly anti-God.

AFFIDAVIT

STATE OF TEXAS,
County of Webb:

I, Leon Rudnik, an American citizen, a resident of Laredo, Tex., make the following statements of my own volition, and without any compulsion or duress:

The existence of the socialistic education in the schools of Nuevo Laredo, Tamaulipas, Mexico; this education has for its object to destroy all religious ideals and dividing the social class demonstrating to the poor children against the rich.

In the secondary school (high school) no. 2, of Nuevo Laredo, Tamaulipas, Mexico, have been placed edicts of the secretary of public education in which it attacks harshly the Catholic clergy. The clergy has been, as it is stated in these edicts, the instrument of capitalism, and, therefore, it is made to be seen that it is necessary to do away with the clergy.

In the cultural conferences that are given each Saturday in order to direct the professors of the socialistic education in this city and all the cities of the Republic, it is made to see that it is necessary to teach the children that no God exists and the only God is "work."

In the documents that the professors are obliged to sign under the threat of losing their position, they must promise to teach socialistic teachings and to accept the books that are ordered in the sexual and socialistic teachings.

The public employees are prohibited to contract matrimony in the Catholic Church, being threatened to lose their positions. I am witness to two such cases that have happened in one week.

In the classes of civics of the secondary school (high school) no. 2 in Nuevo Laredo, Tamaulipas, Mexico, they have constantly attacked the Catholic Church and her clergy with many vile and base words. I cannot find a word in English that is strong enough to explain or express the words they use against the Catholic Church and the clergy in these classes.

I have seen many religious communities coming to take refuge in our country, the same for priests and even bishops; I have seen personally the sufferings of the priests and bishops who disguise themselves in many ways in order to enter their country (Mexico) when they see that it is not possible to remain here to earn their living.

I know that the Colegio Barat in Monterrey, Mexico, is American property and the Government of Mexico has declared as national property and they are waiting the decision of the supreme court.

I am witness of the piety of the Mexican people and how much they suffer in their zeal to practice their faith. Being but one priest in large populations and districts it is very, very difficult to practice it also with fear of many other torments which the Government threatens them with.

I am witness of the poor priests, the faithful, and especially the public employees are molested for their belief and are afraid to sign many affidavits that they could do but for fear of damaging themselves later on.

I know of an American seminarian, who being suspected of being a seminarian, was detained many times from passing into Mexico, being asked many questions of which he knew nothing about.

I know and have seen the American tourists who pass to Mexico that they could not attend to their religious duties on Sunday because of the great crowds in the church. I know also that they

have closed many seminaries in Mexico, and the Government taking the buildings even if rented as national property.

I testify on the 11th day of June 1935 that all written herein I have heard from persons, being professors or pupils, in the said schools above who did not wish to sign any affidavit for fear of losing their positions or being spied as a seditious person and have been eye witness of the rest.

LEON RUDNIK.

ACKNOWLEDGMENT

Before me the undersigned authority this 11th day of June 1935 personally appeared Leon Rudnik, known to me to be the person making this affidavit, who declares that it was made voluntarily and that the statements therein are true to the best of his knowledge and belief.

[SEAL] AUGUST MARTINEZ,
Notary Public, Webb County, Tex.

INDIRECT EFFECT OF MEXICAN PERSECUTION

Other effects of the persecution in Mexico as it affects American interests within or without the Republic are clear from the sworn statement of Sister Mary Edward, of the noble Ursuline Order, a community of religious women which has attained a wide reputation for sanctity and learning among millions of non-Catholics as well as Catholics. Although the injury in this case is indirect it is none the less real, and should be sufficient to elicit the friendly offices of the United States Department of State.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Sister Mary Edward (Murray), of the Ursuline Order at Laredo, Tex., make the following statement, of my own will and volition:

I am an American citizen, a teacher in a high school for girls, operated by this order at Laredo:

About the 1st of April 1935 the children of our school, who live in Nuevo Laredo and cross the border to attend school, about 40 in number, came to me and told me that they had been stopped by the Mexican officers and asked to give the names and residences of their parents. They were told the officers knew they were coming to the United States to attend a Catholic school and that they intended to stop the practice. One of the girls was the daughter of a very prominent Mexican Government official, who was reprimanded for permitting his daughter to attend a Catholic school.

Every one of the children of our school were kept in continual fear. They were told innumerable times that it was against the law, and they lived in a state of terror most of the time. They begged the Sisters who instructed them never to reveal to anyone the things they had told them or even preserve for a day any papers they had written.

On the occasion of the graduation, the invitations, which were printed in Guadalajara, Mexico, were permitted to cross the border when they were sent to us, duty free. But when one student took her invitations back to her parents in Nuevo Laredo to have them addressed and mailed to her friends, she was stopped by an officer at the Mexican end of the international bridge, who demanded to know why she was attending a Catholic school, what she was learning, and he charged her $3 duty on the invitations, although the girl told him they had been printed in Mexico. He alleged that his reason for charging duty was that the invitations were printed in English. I was given the receipt for $3 which the girl brought me. This is typical of the innumerable inconveniences which students crossing the border are subjected to.

I know it to be a fact that one of our graduates, operating a private school in Nuevo Laredo, was forced to close her work, on the charge that she was teaching catechism. No religious school, Catholic or otherwise, is operating in Nuevo Laredo.

Witness my hand, this 10th day of June 1935, at Laredo.

Sister MARY EDWARD, O. S. U.
(nee ALICE B. MURRAY).

ACKNOWLEDGMENT

Before me, the undersigned authority, this 10th day of June 1935 personally appeared Sister Mary Edward (Murray), known to me to be the person making this affidavit, who declares that she makes it voluntarily and that the statements therein are true, to the best of her knowledge and belief.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

ANOTHER QUESTION FOR MR. NAJERA

While I am speaking of the devoted and self-sacrificing lives that are led by religious women, I cannot pass over the statement of the mistress of the Order of the Religious of the Sacred Heart as related to an American citizen, Carmen Tranchese, whose patriotism, integrity, and apostolic zeal have endeared him to thousands of his fellow countrymen in the great State of Texas. Consider the grief of these cultured, high-minded, and talented women, devoted to the service of God, when they recently received information that their chapel, the heart and center of their devotion while they were in Mexico, had been opened, desecrated, and converted into a motion-picture theater. Does Mr. BLANTON, the unofficial spokesman for Mexico, deny this statement or this fact?

AFFIDAVIT

STATE OF TEXAS,
County of Bexar, ss:

I, Carmen Tranchese, S. J., an American citizen and resident of San Antonio, Tex., make the following affidavit, voluntarily, and without compulsion of any sort:

On June 10, 1935, in the presence of witnesses I interviewed the mother superior of the community of Les Dames du Sacre Couer at Laredo, Tex., who made the following statement:

"For 14 years I have been Mistress-General of the Order of the Madames of the Sacred Heart. For 14 years this order operated a very flourishing college in Mexico City.

"The house was operated by the order, but the property was in the name of two young ladies who were British subjects, since in Mexico it is forbidden by law for religious communities to be the owners of any property. There were 300 pupils in the school.

"In 1926 there were from 60 to 80 Sisters besides the pupils in that house. It was a magnificent building. The chapel was a work of art. There was an altar of marble, which was a real gem, and which was sent from Paris, France, as a gift from the French novitiate. When those infamous laws were passed we were forced to disband our pupils, disband our community in the face of great indignities and abuses, and since then we have moved to the United States, to Laredo, where we have maintained ourselves.

"I recall that at the same time there were some priests who were forbidden to practice any religion, and that they just limited themselves to saying a few prayers in a chapel near our house. Mexican citizens were not the only ones deprived of the right to their religion under these conditions. Americans and all other foreigners suffered, too.

"For the small reason that they said prayers, these priests of whom I speak were expelled from Mexico abruptly and on short order. They were forced out of the country and from their chapel and house in one night, when they were ordered to catch the next boat for the United States.

"We have recently received information that our chapel, which had been closed ever since we had left, has been opened, desecrated, and converted into a cinema house. The statues were all taken away and that precious altar has been broken up and destroyed, in order to prevent its transportation to the United States. These things have occurred within the past 3 weeks.

"Since we left Mexico we have tried to go back a little by little, but we cannot get any house there because, by a special law, recently passed, anyone who lends a house for a religious purpose or for religious instruction is subject to a fine and his property to confiscation.

"Our order has not received one cent of remuneration for any of the property confiscated or any of its belongings wantonly destroyed.

"In Mexico it was necessary for all members of all orders, whether American citizens, Mexicans, or other foreigners to assume secular garb, since religious garb is outlawed and those wearing it are subjected to the meanest indignities.

"Because the rules of my order forbid that my name shall be made public, or that I should sign any document, I am unable to do more than make this recitation to you orally, but every word of it is true."

Witness my hand, this 10th day of June 1935, at San Antonio, Tex. I certify that the foregoing is an accurate rendition of the account given me by the Mistress-Superior.

CARMEN TRANCHESE, S. J.

ACKNOWLEDGMENT

Before me, the undersigned authority, this 10th day of June 1935, personally appeared Carmen Tranchese, S. J., known to me to be the person making this affidavit, who declares that it is made voluntarily and without any form of compulsion. The statements made above were made by the Mistress-Superior to the said Rev. Carmen Tranchese, S. J., in my presence, and I certify both of them made the above document.

[SEAL] HERBERT C. HENDERSON,
Notary Public in and for Bexar County.

PROTESTANTS AND CATHOLICS ALIKE SUFFER PERSECUTION

Manuel Villar, a citizen of Laredo, Tex., states under oath that he has been in contact with many American citizens coming from Mexico and that all of them complained that they were unable to practice their religion—whether Protestants or Catholics—below the Rio Grande. Now I submit, Mr. Speaker, that there is no defense in behalf of the Mexican Government or in behalf of our Embassy in Mexico City to repeat, like Mr. Josephus Daniels, that no complaints have come to him from American citizens with reference to violation of their religious rights. In the affidavit which I am now submitting, Mr. Speaker, and many others which have already been incorporated in the RECORD, it is clear that fear of reprisals alone keeps thousands of American citizens

from bringing their complaints to the official notice of the American Government and from the affidavit of Ellen Burns, inserted in the RECORD on June 10, 1935, it is clear that when complaints regarding personal and property rights are lodged with Mr. Josephus Daniels, he is unwilling to grant the courtesy of a fair hearing to American citizens who come to the Embassy in order to see him.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Manuel Villar, a citizen of Laredo, Tex., a native of Spain, in the process of naturalization as a citizen of the United States of America, make the following declaration of my own volition and without compulsion of any sort:

From 1904 to 1925 I was in Mexico. For the first few years I was rector of the seminary of Ciudad Victoria, in the State of Tamaulipas, Mexico. Then I moved to Saltillo, and from Saltillo I was appointed pastor of the Immaculate Heart of Mary Church at Nuevo Laredo.

During these years I was occupied in the education of the youth and in ministering to the people in their spiritual needs and in helping them even materially. While in Nuevo Laredo I reconstructed the church and built the rectory. I never was mixed up in politics, yet in 1925 I was expelled as a priest and a stranger by an order of the then governor of the State, Portes Gil. There were no charges or accusations of any kind against me. I still have the order of expulsion, which makes no charges or accusations against me.

I came to Laredo in the month of August or September, and have remained here ever since, in charge of the chapel at Mercy Hospital and the church at Encinal.

Since that time I have been in contact with many American citizens, coming in from Mexico—all of whom complain to me that they are unable to practice their religion—whether Protestants or Catholics—below the Rio Grande. Many of them are afraid to complain about the conditions, for fear or reprisals against them, or against relatives, friends or supporters still in Mexico, so they endure the interference, both with their rights and their business affairs, without complaint.

In witness whereof I have hereunto set my hand this 14th day of June, A. D., 1935, at Laredo, Tex.

REV. MANUEL VILLAR.

ACKNOWLEDGMENT

Before me, the undersigned authority, personally appeared Manuel Villar, known to me to be the person making this affidavit, who declares that he makes it voluntarily, and that the statements therein are true, to the best of his knowledge and belief. This 14th day of June 1935.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

ALL RELIGIONS ARE ASSAILED

The same sworn testimony is furnished by Sister Maria de Jesús Alva, who declares that American citizens, members of all other churches, suffer the same inconveniences and difficulties to which she and her coreligionists were exposed. This entire affidavit throws abundant light upon the general conditions of persecution south of the Rio Grande. It is a careful record of the suffering that is brought to noble-hearted women who have desired to consecrate their lives, talents, and energies to the services of Almighty God:

AFFIDAVIT

STATE OF TEXAS,
County of Maverick, ss:

I, Sister Maria de Jesús Alva, superior of the Congregation of the Divine Shepherd, a Mexican community, now in exile in Eagle Pass, Tex., make the following declaration under oath, without compulsion or duress of any kind whatsoever:

In 1926 I was a novice in San Angel, Districta Federal, Mexico. We were living in a very fine house, which did not belong to us, as we rented it from a private person.

When the religious laws against the schools and communities were passed in 1926 we had to move from our house into exile in Texas, coming to Eagle Pass.

We had only a few means to make the trip. When we arrived in Eagle Pass we were in utter destitution. Ours is a strictly teaching order. We devote our care to the upbringing of children, and our aim is to educate them to be good Christians and good citizens. It has never been the policy of our order to collect large holdings of real estate or riches. We did not have them at any time. We were so devoted to our one aim—education—that we never at any time had any occasion or desire to mix up in politics of any kind whatever.

When we first came here to Eagle Pass, as this city is just across the border from Mexico, we opened a little school for children in the neighboring city of Piedras Negras, Coahuila, Mexico. This was permitted to operate under the Mexican laws and according to the Mexican educational regulations, although it was of a private nature. A few months afterward, exactly on November 26, the agent of the public ministry, a certain Arroyo, an attorney, came to our house at Eagle Pass and asked the sisters to go with him to their place of work, because he was instructed by the Mexican Government to take some information as to their needs. At this time the sisters were living at Eagle Pass but teaching in Piedras Negras, across the border in Mexico. They did not reside in Mexico, no Sister remaining on that soil overnight, as it would have been unsafe for her to do so.

When Mr. Arroyo and the Sisters reached the school in Piedras Negras, he told the Sisters to wait in a room until he could get his clerk. After a few minutes the clerk came in accompanied by other officers and Mr. Arroyo, as well as these other men, asked many questions of the Sisters: Who were they? What were they doing there? To whom the house belonged? etc.

The Sisters really believed that they were asking all those questions in good faith, because the Mexican Government was going to supply their needs, as Mr. Arroyo—a Mexican citizen and an officer of the Government—had led them to believe, and who, I wish to emphasize, had come into the United States, on American soil, as a spy and a decoy, to get us back across the border.

We were kept in this room the whole afternoon and afterward returned to the United States. The following Monday when the Sisters tried to cross the bridge into Piedras Negras they were told that by the order of the Government they could not go back to their school. The school was confiscated, as well as all the furniture therein.

The order has never received any remuneration of any kind whatever for anything which has been taken from it.

At present we are running a little school for children of small age. We are in dire poverty and we have to struggle very hard for the necessary subsistence of life.

The same difficulties which Catholics experience in Mexico, whether they be Mexicans or Americans, are experienced by the members of all other churches. The statement of the Mexican Government that there is no persecution is false. One needs only to cross into Mexico to find this out, and to talk to the American and Mexican families, and the families of foreigners other than Americans to learn of their great difficulty in practicing their religion. Our Sisters now are not permitted to work in Mexico unless they subscribe to the socialist program, which requires them to swear they are atheists and that they will teach atheism, communism, and sexual education—which is immorality. And these are the schools American citizens are expected to send their children to, along with Mexican children. There are no other schools for them to take advantage of.

In witness whereof I have hereunto set my hand this 18th day of June, A. D. 1935, at Eagle Pass, Tex.

MARIA DE JESÚS ALVA.

ACKNOWLEDGMENT

Before me, the undersigned authority, at Eagle Pass, Tex., this 18th day of June 1935, personally appeared Sister Maria de Jesús Alva, known to me to be the person making this affidavit, who declares that she makes it of her own free will, and that the statements therein are true to the best of her knowledge and belief.

[SEAL] PETER ROSSI.
Notary Public in and for Maverick County.

A GRAVE VIOLATION OF INTERNATIONAL LAW

Under international law members of a religious order originating in the United States of America and dispatching missionaries or daughter communities to another state, such as Mexico, are entitled to the protection of law and the defense of their rights, in accordance with the legislation prevailing in the country of their origin. The following affidavit shows how wantonly this description of the law of nations has been repudiated by the Mexican Government. In order to bring home to Mr. BLANTON the fact that there are many American citizens who have just complaints against the Mexican Government and have not been able to bring them to the personal attention of the American representative in Mexico, I offer you the following six affidavits for the RECORD. The first is by that splendid American citizen, Monsignor John Dubourgel, of Laredo, Tex., who furnished details with reference to the persecution in Mexico that are positively blood-curdling. Although the subject matter is distressing, I would like to direct the attention of the Members of Congress to the shocking suggestions contained in the seventh paragraph of this affidavit. How long, Mr. Speaker, can civilized society remain silent before the spectacle of these degraded practices?

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, John Dubourgel, an American citizen, a resident of Laredo, Tex., present the following incidents, related to me by a young woman, a resident of Laredo, Tex., who, because of fear of reprisals against her by the Mexican Government, is unable to permit the use of her own name. These statements are made of her own volition, in the presence of witnesses, and I certify that they are accurately presented:

"The persecution in Mexico is at the height of its fury at present. The 24th of October 1934 I was called by a telegram to Mexico City to see what could be done to have some nuns passed from Mexico to the United States, as I am very familiar with the

border cities. I went down to Mexico and just when I arrived I went to the house of the Carmelites (Discalced). Now, this is an order which takes so little notice of the world outside that they hardly know there are such things as politics. Their lives are devoted entirely to retirement and prayer.

"When I reached their house the Sisters were in great agitation because on the same day they had wired me their house had been invaded by the special police and the chief of them broke into the room of the superioress with his rifle in his hands. When the superioress was confronted by such a sight she received such a shock that she died that same night of a heart attack.

"The soldiers then ransacked the whole house. They tried to carry off the younger nuns, but the older Sisters protested. Under violent protest and supplication the young women were left alone, although jostled by the rowdy officers.

"These same policemen took away whatever thing of value they could find, including religious vessels. They tore open drawers and cupboards, throwing the contents about in their mad search for loot. They took a statue of St. Teresa and put it in the yard and shot at it with their rifles until it was broken into pieces, accompanying their escapade with ribald laughter and opprobrious comments.

"After this they locked all the doors and sealed them and obliged the Sisters to spend the night in the yard. Amongst them were some very old sisters—86 years old, one of them—so old they could hardly move. After a night spent in the yard they began to flee in twos or threes to private homes, where they were given refuge, although such refuge places their benefactors in danger of the law.

"I know it to be a fact that while those nuns were held prisoners, drunken officers of the law began to insult them and ask them many impudent questions. Among them they told them that they should marry, that intercourse was a very beautiful thing, and so many other shocking suggestions.

"There were 24 Sisters in that house. But when I arrived 2 days afterward, that is, on the 26th of October, I found only a few left in the back yard of the house, which I took out, and having gathered the others from the private homes, I accompanied the whole community into the United States, where they found refuge in San Antonio, where they live at present.

"I know of many other cases—scandalous, dangerous, and outrageous—which have been perpetrated against priests and nuns, American, Mexican, or other foreigners.

"I met two sisters who told me that in Durango the soldiers broke into their house and chapel, ran toward the tabernacle, broke the tabernacle door open, took the Blessed Sacrament, and stuck the pyx into their pockets. While they perpetrated such a sacrilegious deed, the nuns knelt before those barbarians, begging them to give that pyx, which contained the Blessed Sacrament, back to them, but they swept them aside and went on their way.

"This other case happened just a month ago in Tacuba. Some soldiers entered a house where some Carmelite Tertiaries were living secretly. They, as usual, ransacked the house, took away whatever they could, and, having found a small picture of the Sacred Heart behind one of the doors, they fined the nuns 700 pesos, which, if it were not paid at once, would cause the apprehension and detention of all the Sisters. And they had to pay such a huge sum to those officers."

In witness whereof, I have hereunto set my hand this 14th day of June, A. D. 1935, at Laredo, Tex., certifying that the above is a true and accurate account of this story, told me in fear, by a young woman whose business takes her in and out of Mexico.

JOHN C. DUBOURGEL.

ACKNOWLEDGMENT

Before me, the undersigned authority, at Laredo, Tex., this 14th day of June 1935, personally appeared John Dubourgel, known to me to be the person making this affidavit, who declares that it is given voluntarily and that it is a true and accurate account, and I certify that the above interview took place as set forth above.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

TESTIMONY OF A PATRIOTIC AMERICAN CITIZEN

The next affidavit was also submitted by Monsignor John Dubourgel. He relates the statement of a witness who, because of fear of reprisal, does not wish to reveal his identity. The Members of Congress will note that Monsignor Dubourgel insists that these are typical conditions and that they affect American citizens as well as Mexican citizens. This patriotic American prelate, speaking under oath, relates that the trustworthy witness he interviewed made a declaration as follows:

I give these as typical conditions, knowing that they affect American citizens as well as Mexicans, and that Americans, as well as other foreigners, must practice their religion in secret and by stealth, and they often do so at their peril, and that the Mexican Government's protestations that there is no persecution are a myth and without ground or foundation.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Msgr. John Dubourgel, an American citizen, living at Laredo, Tex., make the following statement, in behalf of a witness to the religious persecutions in Mexico, whom I know personally, but who is unable to reveal his name publicly because of the fear of reprisals. I make this statement under oath, as a direct recording of his narrative. I am at liberty to reveal his name confidentially.

The statement of the witness is as follows:

During a demonstration in behalf of the candidacy of Gen. Lazaro Cardenas, for the presidency of Mexico, in Monterrey, Mexico, in May 1934, I saw a man dressed as a priest, wearing a cassock, riding a burro. In his hand he held a crucifix, and he was spitting on it, calling down at the same time imprecations upon all Catholics. At the same time there were three persons with red robes on, pulling the tail of the donkey in order to express their wish to wipe out the church and all manifestations of religion in Mexico. They were dressed in these red robes in derision of the bishops.

In China, in the State of Nuevo Leon, the policemen of Monterrey held the priest as a prisoner for 7 days, because of "an infringement of the law", but he was never told what the infringement was, nor the charges which were placed against him. The priest of Higueras was held at the same time on the same charges.

I give these as typical conditions, knowing that they affect American citizens as well as Mexicans, and that Americans, as well as all other foreigners, must practice their religion in secret and by stealth, and that they often do so at their peril, and that the Mexican Government's protestations that there is no persecution are a myth and without ground or foundation.

End of statement.

Witness my hand, this 10th day of June 1935, at Laredo, Tex.

MSGR. JOHN C. DUBOURGEL,
Pastor St. Peters' Church.

ACKNOWLEDGMENT

Before me, the undersigned authority, at Laredo, Webb County, Tex., this 10th day of June 1935, personally appeared Msgr. John Dubourgel and the witness named in the above affidavit, both of whom are known to me to be the persons making this affidavit, who declare it is made voluntarily and without duress, and that the statements contained therein are true, to the best of their knowledge and belief.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

CONFIRMATORY EVIDENCE

I now offer an affidavit which refers to the same incident mentioned in the above affidavit or one quite similar.

JUNE 11, 1935.

STATE OF TEXAS,
Laredo, Webb County:

I, the undersigned, an American citizen, was in Monterrey, State of Nuevo Leon, Mexico. I saw a man dressed with the vestments for mass, riding a donkey; this man was heading a parade, under the protection of the Government; he held in his hands a crucifix and while insulting the Catholics, was spitting on the face of the crucifix.

All but two churches in Monterrey are closed.

CHARLOTTE VDA DE HAYNES.

ACKNOWLEDGMENT

Before me, the undersigned authority, this 10th day of June 1935, personally appeared Charlotte Vda de Haynes, known to me to be the person making this affidavit, who declares that it was made voluntarily, and that the statements therein are true, to the best of her knowledge and belief.

[SEAL] J. E. ESSING,
Notary Public in and for Webb County.

NO LIBERTY OF WORSHIP FOR AMERICANS

The same declaration that American citizens cannot worship at liberty is contained in the second last paragraph of the affidavit I now submit for the information of Congress. The affidavit also contains a clear incident of espionage. It is illustrative of the petty demands to which a persecuting officer of the Mexican Government will descend.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Sister Mary Lawrence, a naturalized American citizen, living at Laredo, Tex., relate the following incidents told me by an American woman who, because of her husband's business connections in Mexico cannot make the statement herself, for fear of reprisals. I certify that this interview was made in the presence of witnesses and was given without compulsion of any sort whatever.

"During the religious persecution in Mexico I have crossed the border many times in behalf of Sisters who have been obliged to come into the United States to complete their education. The novices and postulants have always suffered great hardships in Mexico, even to the point of being forced to abandon their courses. The Sisters who have completed their fundamental education and yet sought further instruction have also been subjected to great trials and difficulties.

"My father, having crossed the border with a Catholic newspaper in his pocket, which he did not deliberately carry for propaganda of any kind but merely to show to a friend, was seized by the authorities and threatened by them. They told him if he repeated this, he would be forced to face trial. He was charged

with being against the Mexican Government and working against the Government. He was asked if he had any other religious articles with him. He happened to have his ordinary rosary and his prayer book, which caused him additional difficulty.

"A Sister of my acquaintance, forced to leave Mexico within 24 hours in the present persecution, because she would not permit the police authorities to discover the hiding place of the Blessed Sacrament, kept secretly in a box in the convent, during a raid, told me that the information that the sacrament was in the house was furnished the Government by some system of espionage. While the officers were searching the premises and uttering threats against the residents of the convent, this Sister consumed the blessed host, and when the officer finally discovered its hiding place he flew into a rage and abused everyone about the place.

"The fact that this officer knew the exact hiding place of the sacrament was plain proof of spying. This is an actual case of direct persecution.

"Anyone who believes that there is no religious persecution in Mexico, and that Americans can worship in liberty and peace, even though Mexicans cannot—as the popular story has it—is deluded by the official Mexican propaganda. Americans practice their religion only with the greatest of difficulty and mostly in secret. They are subjected to many humiliations for their faith."

In witness whereof I have hereunto set my hand this 14th day of June, A. D. 1935, at Laredo, Tex., certifying that the above is a true and accurate account of the incidents told me by this American girl, a frequent traveler into Mexico.

Sister MARY LAWRENCE (O'DONOVAN).

ACKNOWLEDGMENT

Before me, the undersigned authority, at Laredo, Tex., this 14th day of June 1935, personally appeared Sister Mary Lawrence, known to me to be the person making this affidavit, who declares under oath that it is a true and accurate account of the incidents related, given without compulsion, and I certify that Sister Mary Lawrence interviewed this young woman in my presence, but that her name was withheld because of fear of reprisals against her family by the Mexican Government.

[SEAL] R. E. ESSING,
Notary Public in and for Webb County.

TESTIMONY OF DR. M'FARLAND IS CORROBORATED

There is confirmation for the unbiased testimony of Dr. Charles S. MacFarland, former executive secretary for the Federal Council of Churches in America, in the following affidavit which relates that American citizens, resident in Mexico, cannot attend religious services, whether Protestant or Catholic, without the greatest difficulty. It is also significant that this sworn statement declared that thousands of persons, now refugees in the United States, could return to their homes and live in peace in their own country, thus lifting the economic burden from the American taxpayers, if the religious persecution in Mexico could be stopped.

AFFIDAVIT

STATE OF TEXAS,
County of Bexar, ss:

I, Carmen Tranchese, S. J., a resident of San Antonio, Tex., make the following declaration, without any compulsion:

On a trip to Eagle Pass, Tex., June 18, 1935, I met and interviewed a certain person, an American citizen, in the presence of witnesses. I herein relate the facts told me by this person, who is unable to reveal the name publicly, because of business connections in Mexico, and the fear that any statement might result in reprisals.

This person lives in Eagle Pass, Tex., and practically all this person's business interests are in Mexico.

In the statement this person said:

"I know that there is no religious freedom in Mexico, in spite of what the Mexican Government declares in public statements. I know that American citizens, resident in Mexico, cannot attend religious services, whether Protestant or Catholic, without the greatest of difficulty. I know that there are no schools available to American children in Mexico, except the federal communistic schools, and those which are operated clandestinely, and, therefore, are uncertain and actually unlawful.

"I know that if the religious persecution in Mexico could be stopped, hundreds and thousands of persons now refugees in the United States could return to their homes, and live in peace in their own country, thus lifting the economic burden from the American taxpayers."

In witness whereof I have hereunto set my hand this 19th day of June 1935, at San Antonio, Tex., and I certify that the facts recited herein are true.

CARMEN TRANCHESE.

ACKNOWLEDGMENT

Before me, the undersigned authority, at San Antonio, Tex., this 19th day of June 1935, personally appeared Carmen Tranchese, S. J., known to me to be the person making this affidavit, who declares that it is made voluntarily and that the facts herein are true, to the best of his knowledge and belief.

[SEAL] HERBERT C. HENDERSON,
Notary Public in and for Bexar County.

HUNDREDS CROSS BORDER TO WORSHIP GOD

The following affidavit confirms the other testimony we have with respect to the desire of the people of Mexico, whether Mexicans or Americans, to participate with their fellows in divine worship. Hundreds cross the American border in order to give homage to their Creator.

AFFIDAVIT

STATE OF TEXAS,
County of Bexar, ss:

I, Carmen Tranchese, S. J., an American citizen, resident of San Antonio, Tex., make the following declaration of my own volition, and without compulsion of any sort whatever.

During a visit to Laredo, Tex., Friday, June 14, 1935, I interviewed an American business man who related the following incidents but who is unable to make public his name because of fears of reprisals against him and his interests south of the Rio Grande.

His statement follows:

"Because of my business connections in Mexico, I make frequent trips into that country. I have met numerous American citizens on these trips, and they all relate to me the same story: That they are able to practice their religion only with the greatest of difficulty, and they are forced to be extremely circumspect in everything they say about any phase of the government, for fear their interests will be jeopardized.

"Aside from the religious—priests and Sisters—the lay citizen, the business man from the United States, finds life extremely uncomfortable if he endeavors to practice the principles of liberty of conscience which he knows in the United States.

"Churches are closed almost universally. In some cities there is one open, and it is usually wholly inadequate for the purposes of worshippers. In Nuevo Laredo, for instance, just across the American line, one church is open and so jammed and crowded it is for the few masses permitted that hundreds, and sometimes thousands, cross the border into the United States on Sunday in order to attend services.

"Hundreds of families send their children into the United States to be educated, either in private, parochial, or public schools, because they cannot tolerate the thought of socialistic and sex education, which is openly the policy of the educational institutions sanctioned by the Mexican Government."

In witness whereof, I have hereunto set my hand this 15th day of June 1935, at San Antonio, Tex., certifying that the foregoing is a true and correct statement of the incidents related to me by this witness at Laredo, Tex.

CARMEN TRANCHESE, S. J.

ACKNOWLEDGMENT

Before me, the undersigned authority, at San Antonio, Tex., this 15th day of June 1935, personally appeared Carmen Tranchese, S. J., known to me to be the person making this affidavit, who declares that it is made voluntarily and that the statements therein are true to the best of his knowledge and belief.

[SEAL] HERBERT C. HENDERSON,
Notary Public in and for Bexar County.

OTHER DISCRIMINATIONS AGAINST AMERICAN CITIZENS

The other discriminations which are practiced by the Mexican Government against American citizens purely because of their religion are indicated in the recital made by a business man of Laredo, Tex., who made the following statement:

In the practice of my profession I recently sought a permit to work in Mexico. My petition was presented to the Department of Sanitation at Mexico City. I am a resident of Laredo, Tex., and had occasion to practice in Nuevo Laredo, which is just across the border. * * *

From the rest of this affidavit it is clear that the only reason why this American gentleman was refused this permit was due to the fact that he had a religious affiliation.

AFFIDAVIT

STATE OF TEXAS,
County of Bexar, ss:

I, Carmen Tranchese, S. J., an American citizen and resident of San Antonio, Tex., in Laredo, Tex., Friday, June 14, 1935, interviewed a business man of that city, who told me the following story, in the presence of witnesses:

"I make the following statement as an American citizen, born in New York City:

"In the practice of my profession I recently sought a permit to work in Mexico. My petition was presented to the Department of Sanitation at Mexico City. I am a resident of Laredo, Tex., and had occasion to practice in Nuevo Laredo, which is just across the border.

"I was informed that there was really no reason why I could not practice, as my field is one which is highly specialized. However, in the course of one of the interviews which I had with Mexican officials, it was noticed that I was wearing a Knights of Columbus pin. The official warned me that, because of that pin, he did not think I had a chance to win a permit.

"I made my first request in November, and I have pursued it ever since. No reason has been given officially why I have not been

granted the permit, which would be granted in the course of business as a general rule, but I have been given to understand that because I am a Catholic I will never receive it.

"I have not received my permit to this day, although there is no one practicing my profession in Nuevo Laredo at this time. The only reason I am denied entry, I am convinced, is because I am a Catholic."

In witness whereof I have hereunto set my hand this 14th day of June, A. D. 1935, declaring that the above is a true and accurate account of the incident related to me by this witness, at Laredo, Tex.

CARMEN TRANCHESE.

ACKNOWLEDGMENT

Before me, the undersigned authority, this 14th day of June 1935, at San Antonio, Tex., personally appeared Rev. Carmen Tranchese, S. J., known to me to be the person making this affidavit, who interviewed this witness in my presence, and who declares that he has given a true and accurate account of the incident set forth, which fact I hereby certify.

[SEAL] HERBERT HENDERSON,
Notary Public in and for Bexar County.

FURTHER REFUTATION OF MR. BLANTON

As further refutation of the gratuitous assertion of Mr. BLANTON, I submit for the RECORD two affidavits which are very enlightening with reference to the true state of affairs. I call particular attention to the sixth paragraph in the sworn testimony of Amelia Ramon, where it is stated that conscientious teachers in the public schools in one of the Mexican States resigned when they discovered that the mimeographed course of study required, among other communistic and socialistic studies, that the course of study for children of the average ages of 10 to 14 years include that the teacher give living examples in the sex education; that is, "take a child of each sex, stand him and her, unclothed, beside the teacher's desk, and explain the differences and the means of procreation." That is what is meant by socialistic and sexual education.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Amelia Ramon, a native of Laredo, Tex., make the following statement of my own volition, and without compulsion of any sort whatever.

During a recent visit to Mexico, which covered quite a few States in the interior, we were convinced of the intensive persecution of Catholics and all who endeavored in any way to practice their religion.

I did not make any inquiries concerning specific cases, but was informed by many friends and persons I met of the hardships which they experienced in fulfilling their religious duties and the dictates of their consciences. Foreigners, Americans and Germans particularly, complained to me that they practiced their religion only with the greatest of inconvenience and difficulty. I was informed by Mexican citizens that the practice of their religion was almost an impossibility. While in the capital of a State on the west coast, I was invited to go to an adjoining State on a Sunday morning, to attend Mass, as all churches in that particular State were closed. This trip was a 4- to 5-hour drive, over rough mountain roads, which make it very dangerous. And I was surprised to see that all the families of moderate means, as well as those who could afford it, pooled the expenses, to hire taxicabs to take them to the nearest town of the adjoining State, so they could attend church.

A particular case which came to my attention was that of a lady in the same city, who belonged to a number of charitable organizations, outside her religion, such as child welfare, etc. They were having a meeting at her residence, discussing a method to give poor children Christmas cheer, as well as to provide them an entertainment with a play in which they could take part. The director of schools used his influence with the chief of police to send word to this residence that the officials would not tolerate any meeting of ladies as the State would take care of its own children. The women were ordered to call off the meeting and warned if they did not the police would be sent to break it up, using such force as was necessary.

The women were determined to go ahead with the meeting, and did go ahead with it. They were not molested, because the most prominent women of the city, as well as the most humble, attended, and the police became fearful of a reaction of public opinion.

A niece of the woman mentioned in connection with the foregoing incident, was a teacher in the public schools of this State, and she resigned when she discovered that the mimeographed course of study required, among other socialistic and communistic subjects, sex education. This mimeographed sheet, setting forth the course of study for children of the average ages of 10 to 14 requires that teachers give "living examples" in the sex education; that is, take a child of each sex, stand him or her unclothed beside the teacher's desk, and explain the differences and the means of procreation.

We went to a distant city from the capital referred to above, and in conversation with some Italians who have lived in Mexico for many years, I was told that they would much prefer the chaotic state of revolution than the present communistic regime, and the socialistic tendencies of education, with religious persecution. This statement was made by several other friends, not connected with these already referred to. In fact, in my entire trip through Mexico, I was told time and time again, in various cities, that conditions were intolerable. Many expressed the desire that Mexicans could be free, to live in peace, worship as they please, and be out from under the spying surveillance and aggression of their Government.

Everyone expressed the desire to avoid the necessity of having to come to the United States to have this freedom, and the hope that the United States would not step in to help this present Government, which is oppressive and burdensome, but that in time Mexico could work out its own salvation, and rid itself of its atheistic regime. Everyone agreed that vast amounts of money were being spent by the Government in the propaganda to show that there is no persecution, that there is religious freedom, and peace, when none of these exist for anyone at the present time, foreigner or native.

AMELIA RAMON.

ACKNOWLEDGMENT

Before me, the undersigned authority, this 14th day of June 1935, at Laredo, Tex., personally appeared Amelia Ramon, known to me to be the person making this affidavit, who declares that it is made voluntarily, and that the statements therein are true, to the best of her knowledge and belief.

[SEAL] R. E. ESSING,
Notary Public in and for Webb County.

AFFIDAVIT

STATE OF TEXAS,
County of Maverick, ss:

I, Maria Ybarra, a resident of Eagle Pass, Tex., make the following declaration of my own free will and without compulsion of any sort whatever.

I have lived in Eagle Pass, Tex., for more than 6 years. I am intimately acquainted with the religious persecution in the State of Coahuila, across the Rio Grande from Eagle Pass.

When the socialistic-communistic schools were opened by the Mexican Government in Piedras Negras, with their sexual education and other such courses, I know numerous families who withdrew their children. I know also that when the Mexican authorities learned of this they sent officers ordered to use force to make the children return to these schools.

I know that no religious education of any kind is permitted in Piedras Negras, that Mexicans, Americans, and other foreigners are deprived of the right to decide what schools their children shall attend, and that if they will not or do not attend the communistic schools they can receive no education of any kind.

The statements of the Mexican Government that there is no persecution in Mexico are ridiculous and without any truth. The statements of the Mexican Government that Americans are not molested, even if Mexicans are forced to abide by the laws, is without any truth whatever. Americans suffer all the inconveniences, risks, and dangers which Mexicans suffer, and these are many.

In witness whereof I have hereunto set my hand this 18th day of June 1935, at Eagle Pass, Tex.

MARIA YBARRA.

ACKNOWLEDGMENT

Before me the undersigned authority at Eagle Pass, Tex., this 18th day of June, A. D. 1935, personally appeared Maria Ybarra, known to me to be the person making this affidavit, who declares that she makes it under oath without compulsion, and that the statements therein are true to the best of her knowledge and belief.

[SEAL] PETER ROSSI,
Notary Public in and for Maverick County.

AFFIDAVIT

STATE OF TEXAS,
County of Webb, ss:

I, Sister Mary Camillus, acting superior of Mercy Hospital at Laredo, Tex., make the following declaration of my own volition and without compulsion of any kind:

I have been in Laredo since 1917. I am an American citizen, born at Scranton, Pa.

During the years that I have been here a number of communities have come out of Mexico and we have given them hospitality in our institution. All were sent into this country in great distress, bereft of their property in most cases, and in some cases impoverished. Some of them were permitted to bring with them only what they wore. I can remember distinctly that some of these religious women belonged to the orders of Carmelites, some to the Sisters of Charity of the Incarnate Word, some to the Presentation Order, some to the Salesian Order, and some to Les Dames de Sacre Coeur.

All these Sisters had spent the best part of their lives in Mexico, dedicated to works of charity and education. Many amongst them were citizens of the United States, but they were all treated alike by the Mexican Government. They were given only a few hours' notice before they were hurriedly expelled from their houses in Mexico and sent out of the country.

We kept these Sisters here for the length of time which was necessary for them to make arrangements to proceed farther. Some of them are still in Laredo, where they have settled down.

All refugees sent into the United States during this religious persecution have told stories of the desecration of churches, the closing of institutions of mercy and education, and the depriving of foreigners, Americans as well as those of other countries, of the right to exercise their religion. They have told of Americans, long resident in Mexico, who have lived in peace and comfort, obeying the laws of the country, who have been forced to leave, to the detriment of their business interests, because they could not attend church themselves and could not educate their children in the schools of their preference.

In witness whereof I have hereunto set my hand this 14th day of June, A. D. 1935, at Laredo, Tex.

SISTER M. CAMILLUS, R. S. M.

ACKNOWLEDGMENT

Before me, the undersigned authority, personally appeared Sister Mary Camillus, known to me to be the person making this affidavit, who declares that she makes it of her own free will, and that the statements therein are true to the best of her knowledge and belief. This 14th day of June 1935.

[SEAL] R. E. ESSING,
Notary Public in and for Webb County.

WHERE STANDS CÁRDENAS?

In view of some of the misconceptions with regard to the President of the Republic of Mexico, I am obliged to call attention to the fact that Gen. Lazaro Cárdenas was one of those principally responsible for the inauguration of the program of socialistic and sexual education. It was he who campaigned vigorously for the amendment 3 to the constitution, which aims at nothing short of sheer animalism. From the theoretical point of view, permit me to point out that General Cárdenas is a more criminal enemy of human society than his monstrous predecessor as dictator of Mexico, Gen. Plutarco Elias Calles. The difference between the two men is precisely this:

CALLES VERSUS CÁRDENAS

General Calles was a millionaire Socialist who talked extravagantly about distribution of wealth and division of the land, but who interpreted these socialistic slogans in such a way as to serve his own selfish advantage. Distribution of land for Calles meant a mere transfer of the richest estates from Spanish or native Mexican landholders to himself. Distribution of wealth transferred to the realm of reality meant for Calles a sales tax upon the most important commodities of the country, the returns of which would be diverted into his capacious pocket. Calles did not become the third largest depositor in the Bank of England by distributing lands to the peons. He became one of the world's wealthiest racketeers by exploiting his own people and by appropriating for his own use whatever was taken from foreigners or such of his fellow citizens who lived in decency and respectability.

CÁRDENAS IS COMMUNISTIC

General Cárdenas, on the other hand, is a man of rather simple, frugal habits. He really seems to be that rare entity—a convinced Communist. Throughout his campaign for election to the Presidency he frequently employed slogans and catchwords that smacked strangely of Moscow and the Third Internationale. Calles was the most capitalistic of capitalists. He was more of a Fascist than Hitler and more representative of big business than our own Wall Street bankers. Cárdenas may be an entering wedge of the Union of Socialist and Soviet Republics among the nations of the Western Hemisphere. As far as religious rights are concerned, however, Cárdenas, on the basis of materialistic, communistic, and Leninistic teaching, cannot be a vast improvement on Calles, for the communistic hostility to Christianity and Judaism is a matter of systematic teaching. For the Communist there can be no compromise with the divine. The Deity is the archenemy of Moscow and Soviet Russia. God is the object of attack in both the New and Old World.

A TRUCE OF EXPEDIENCY IS NOT A PEACE OF JUSTICE

If, therefore, as many sincerely believe, Cárdenas is an exponent of communism, there is little to be hoped for from him beyond some purely superficial relaxation of militant war against God. Cárdenas, the Communist, will show his true hand if he allows the anti-God campaign to gather force and momentum. Communism has as its central creed an organized, militant assault upon God. In such a philosophy of life and upon such an outlook neither opportunism nor compromise can make much of an impression. Certainly from an extremist of this character, little hope can be offered for the fundamental reform which is required, namely, the elimination from the Mexican Constitution of those provisions against God and again human liberty, which are not only an affront to civilization but also a blow to international amity and the law of nations. Nothing would so promote friendship between the people of the United States and the people of Mexico as to restore to suffering humanity in Mexico the fundamental human rights of liberty.

OUR DUTY IS STRICT NEUTRALITY

I submit this latter consideration, Mr. Speaker, in order to show the far-reaching implications of the testimony which I have furnished for the RECORD today. It is sworn testimony from our own American citizens. Not one of the witnesses which I have produced this afternoon can be regarded as other than a patriotic, sincere advocate of peaceful, friendly relations by the United States and Mexico. They, like myself, recognize that there must be no further American intervention, either by our Government in Washington or by the American Ambassador in Mexico City. It is not the place of our representatives to bow in adoration before the godless, sexual, and socialistic education foisted upon the Mexican Government by a clique of millionaire Socialists. We Americans, no matter what may be our hope to conciliate good will at our posts abroad, must remain true to our own American principles of liberty and education. There is no need for us to flatter despots. Our own self-respect requires a continued vindication of the rights of humanity and a decent respect for the opinion of mankind.

THE PRINCIPLE SUPERSEDES PERSONALITIES

As a Jeffersonian Democrat, I offer these facts for the consideration of my fellow citizens of every race and creed. The principle is above all personalities.

A TRIBUTE TO MEMBERS OF CONGRESS

Finally, I take this occasion to pay a tribute of admiration and gratitude to my colleagues in the House of Representatives, who have given so generously of their time and their good will, and of their own fine ability to bring out the truth with regard to the historic position of the United States Government in similar situations in our past history. My colleagues, be it said to their eternal credit, are advocating the true, historical, traditional American policy and precedent. They are not seeking for anything new. They are not seeking for any innovation. Their appeal has been and will be to the authentic declarations of many American statesmen whose places in history and whose claims upon the love, gratitude, and admiration of the American people is unquestioned.

STATESMANSHIP—NOT INTERVENTION

With this word of appreciation to my colleagues in the Congress, Mr. Speaker, I conclude these remarks and I hope they will be constructive in contributing to a solution of these troubles in Mexico, which the official Episcopal publication, the Living Church, has stigmatized as a "major scandal in world affairs." Once more I place on record my conviction that the true solution to the Mexican problem must be based on the truth. And from the sworn testimony of the gentlemen from Texas, Mr. BLANTON's fellow Texans, it is clear that the Mexican communistic clique is violating the rights of American citizens.

MINES AND MINING

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ROBINSON of Utah, GREEVER, and ENGLEBRIGHT.

PUBLIC GRAZING LANDS

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3019) to amend sections 1, 3, and 15 of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deteriorations, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269) with a Senate amendment, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DEROUEN, ROBINSON of Utah, AYERS, and ENGLEBRIGHT.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and under the rule referred as follows:

S. 2464. An act for the relief of the Bell Oil & Gas Co.; to the Committee on Claims.

S. 3383. An act to grant extension of time in payment of crop loans where the borrower has suffered from crop failure in 1935; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4665. An act authorizing the filling of vacancies in certain judgeships;

H. R. 6228. An act authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association;

H. R. 6990. An act to fix the hours of duty of postal employees, and for other purposes;

H. R. 7349. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended; and

H. R. 8554. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1024. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.; and

S. 1426. An act providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade.

Mr. BLANTON. Mr. Speaker, I want to answer our good friend from New York (Mr. BOYLAN), hence I ask unanimous consent to proceed for 1½ minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. O'BRIEN. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FITZPATRICK for a few days, on account of illness in family.

Mr. BLANTON. Mr. Speaker, my good friend from New York, Mr. BOYLAN, has never been in Mexico, and therefore has no first-hand information about conditions there, while for the past 50 years I have been going to Mexico, and have personal knowledge of past and present conditions there, hence again I ask unanimous consent to proceed for 1½ minutes, so that I may reply to the remarks he made about me.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. O'BRIEN. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. MITCHELL of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

Mr. CHURCH. Mr. Speaker, I make a point of no quorum.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p. m.), pursuant to the order heretofore made, the House adjourned until Monday, August 12, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

451. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated August 5, 1935, submitting a report, together with accompanying papers and an illustration, on a preliminary examination of Ogeechee River, Ga., with a view to the control of its floods, authorized by act of Congress approved May 4, 1934 (H. Doc. No. 271); to the Committee on Flood Control and ordered to be printed with an illustration.

452. A letter from the Secretary of War, transmitting, pursuant to section 10 of the Flood Control Act approved May 15, 1928, a letter from the Chief of Engineers, United States Army, dated August 5, 1935, submitting a report, together with accompanying papers and illustrations, containing a general plan for the improvement of Fabius River, Iowa and Mo., for the purposes of navigation and efficient development of its water power, the control of floods, and the needs of irrigation (H. Doc. No. 272); to the Committee on Flood Control and ordered to be printed with five illustrations.

453. A letter from the Secretary of War, transmitting, pursuant to section 10 of the Flood Control Act approved May 15, 1928, a letter from the Chief of Engineers, United States Army, dated August 5, 1935, submitting a report, together with accompanying papers and illustrations, containing a general plan for the improvement of Wyaconda River, Mo. and Iowa, for the purposes of navigation and efficient development of its water power, the control of floods, and the needs of irrigation (H. Doc. No. 273); to the Committee on Flood Control and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McCORMACK: Committee on Ways and Means. H. R. 9071. A bill to provide for the licensing of importers of watches, watch movements, and watch parts, to protect the revenue, and for other purposes; without amendment (Rept. No. 1749). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 4451. A bill to amend section 1044 of the Revised Statutes to provide a 10-year period of limitations on prosecutions for offenses involving frauds against the United States; with amendment (Rept. No. 1750). Referred to the House Calendar.

Mr. McCORMACK: Committee on Ways and Means. H. R. 4464. A bill to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930; with amendment (Rept. No. 1751). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREGORY: Committee on the Judiciary: H. R. 8668. A bill providing for the establishment of a term of the Dis-

trict Court of the United States for the Southern District of Florida at Fort Pierce, Fla.; with amendment (Rept. No. 1752). Referred to the Committee of the Whole House on the state of the Union.

Mr. REED of Illinois: Committee on the District of Columbia. H. R. 8820. A bill to amend section 907 of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, up to and including June 7, 1924; without amendment (Rept. No. 1753). Referred to the House Calendar.

Mr. REED of Illinois: Committee on the District of Columbia. H. R. 8821. A bill to define the crime of bribery and to provide for its punishment; without amendment (Rept. No. 1754). Referred to the House Calendar.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 27. A bill to provide for the establishment of a national monument on the site of Camp Merritt, N. J.; with amendment (Rept. No. 1755). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Labor. S. 3303. An act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings; without amendment (Rept. No. 1756). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK: A bill (H. R. 9083) to extend the time for making payments on certain crop loans; to the Committee on Agriculture.

By Mr. DICKSTEIN: A bill (H. R. 9084) to provide additional compensation for employees killed or injured in law-enforcement work, and for other purposes; to the Committee on the Judiciary.

By Mr. BRUNNER (by request): A bill (H. R. 9085) providing for a discharge from the United States Army for persons who served in the crew of ships operated by the United States Shipping Board during the period of the World War, and also providing retirement for persons who have served in like capacity; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 9086) to extend the time for making payments on certain crop loans; to the Committee on Agriculture.

By Mr. LEWIS of Colorado: A bill (H. R. 9087) to establish the Air Corps Technical School and to acquire certain land in the State of Colorado for use as a site for said Air Corps Technical School and as an aerial gunnery and bombing range for the Army Air Corps; to the Committee on Military Affairs.

By Mr. WHITTINGTON: A bill (H. R. 9088) to modify and extend the project for the flood control and improvement of the Mississippi River authorized by the Flood Control Act of 1928; to the Committee on Flood Control.

By Mr. DINGELL: A bill (H. R. 9089) to provide for the appointment of an additional district judge for the eastern district of Michigan; to the Committee on the Judiciary.

By Mr. KOPPLEMANN: A bill (H. R. 9090) to establish an advisory board for commercial and industrial business loans, and for other purposes; to the Committee on Banking and Currency.

By Mr. VINSON of Georgia: A bill (H. R. 9091) to authorize the acquisition of the railroad tracks, trestle, and right-of-way of the Gulf Power Co. at the naval air station, Pensacola, Fla.; to the Committee on Naval Affairs.

By Mr. REED of New York: Resolution (H. Res. 332) directing the Postmaster General to furnish information respecting alleged violation of the postal laws by the Federal Housing Administration; to the Committee on the Post Office and Post Roads.

Also, resolution (H. Res. 333) directing the Postmaster General to furnish information respecting alleged violation of the postal laws by the Federal Housing Administration; to the Committee on the Post Office and Post Roads.

By Mr. DINGELL: Resolution (H. Res. 334) authorizing the Speaker to appoint a committee of five Members to investigate the spread between the prices paid to the producer for hogs, cattle, and sheep and the prices paid by the retailers and consumers for meat and meat products; to the Committee on Rules.

Also, resolution (H. Res. 335) authorizing the expenditure of $25,000 from the contingent fund of the House by the committee created by House Resolution 334; to the Committee on Accounts.

By Mr. McLEOD: Joint resolution (H. J. Res. 376) providing for a Joint Committee on Constitutionality of Bills; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAWFORD: A bill (H. R. 9092) to provide for the preliminary examination of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to the controlling of floods; to the Committee on Flood Control.

By Mr. ECKERT: A bill (H. R. 9093) for the relief of John C. Graham; to the Committee on Claims.

By Mr. HILDEBRANDT: A bill (H. R. 9094) for the relief of Gust Dahlman; to the Committee on Claims.

By Mr. McGRATH: A bill (H. R. 9095) for the relief of Lilly Bundgard and Gloria Bundgard; to the Committee on Claims.

By Mr. MERRITT of New York: A bill (H. R. 9096) authorizing the Secretary of War to bestow the award of the Purple Heart upon Edward H. McCrahon; to the Committee on Military Affairs.

By Mr. PETERSON of Georgia: A bill (H. R. 9097) for the relief of the heirs of Mrs. L. W. Davis; to the Committee on War Claims.

By Mr. SMITH of West Virginia: A bill (H. R. 9098) for the relief of Samuel V. West; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 9099) granting a pension to Angie Armstrong; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9299. By Mr. FORD of California: Resolution of the Southern California Typographical Conference, favoring the immediate enactment of the Townsend plan of old-age pensions; to the Committee on Ways and Means.

9300. By Mr. PFEIFER: Petition of the National Council of Jewish Women, Inc., Brooklyn section, New York, concerning the Kerr bill (H. R. 8163 and S. 2969); to the Committee on Immigration and Naturalization.

9301. By Mr. SADOWSKI: Petition of the Central States Forestry Congress, endorsing a permanent Public Works Administration program of forest conservation work and House bill 6914; to the Committee on Agriculture.

9302. By Mr. TRUAX: Petition of the Standard Electric Stove Co., Toledo, Ohio, by Charles A. Pierson, opposing the Walsh bill as they believe the electric-range manufacturing industry should be given a 40-hour week the same as other manufacturers, rather than a 36-hour week as provided in the National Electrical Manufacturers Association Code; to the Committee on Labor.

9303. Also, petition of Ironton (Ohio) Typographical Union, by J. F. O'Niell, urging support of the Ramspeck annual-leave bills for Government Printing Office employees; to the Committee on the Civil Service.

9304. Also, petition of Lorain (Ohio) Typographical Union, by their secretary, Marshall Dettorre, urging support of House bills 5152 and 5153, which provide for leave for employees of the Government Printing Office; to the Committee on the Civil Service.

9305. Also, petition of the Firemen's Organization of Van Wert, Ohio, by Wayland E. Smith, urging support of House bills 8651 and 8652, railroad retirement bills; to the Committee on Labor.

SENATE

MONDAY, AUGUST 12, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, August 9, 1935, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolutions:

On August 7, 1935:

S. 2259. An act to amend sections 966 and 971 of chapter 22 of the act of Congress entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended, and for other purposes; and

S. J. Res. 117. Joint resolution to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution.

On August 8, 1935:

S. J. Res. 167. Joint resolution to amend the public resolution approved June 28, 1935, entitled "Joint resolution providing for the participation of the United States in the Texas Centennial Exposition and celebrations to be held in the State of Texas during the years 1935 and 1936, and authorizing the President to invite foreign countries and nations to participate therein, and for other purposes."

On August 9, 1935:

S. 1629. An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes;

S. 1726. An act to authorize the Secretary of War to grant a right-of-way for street purposes upon and across the San Antonio Arsenal, in the State of Texas; and

S. J. Res. 139. Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 208. An act for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.;

S. 280. An act for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer;

S. 447. An act conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States;

S. 457. An act for the relief of John W. Beck;

S. 490. An act for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd;

S. 540. An act for the relief of Fred Luscher;

S. 658. An act for the relief of K. W. Boring;

S. 1045. An act for the relief of A. Cyril Crilley;

S. 1070. An act for the relief of William A. Thompson;

S. 1326. An act for the relief of Robert A. Dunham;

S. 1497. An act to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army;

S. 1735. An act for the relief of the estate of W. W. McPeters;

S. 2076. An act for the relief of Domenico Politano;

S. 2225. An act authorizing adjustment of the claim of the Western Union Telegraph Co.;

S. 2312. An act for the relief of the Western Construction Co.;

S. 2373. An act for the relief of Harry Jarrette;

S. 2388. An act authorizing and directing the Secretary of the Interior to cancel patent in fee issued to Victoria Arconge;

S. 2393. An act for the relief of the widow of Ray Sutton;

S. 2488. An act for the relief of the widows of an inspector and certain special agents of the Division of Investigation, Department of Justice, and operative in the Secret Service Division, Department of the Treasury, killed in line of duty;

S. 2666. An act for the relief of the Nacional Destilerias Corporation;

S. 2751. An act for the relief of Walter C. Price and Joseph C. Le Sage;

S. 2808. An act for the relief of Grier-Lowrance Construction Co., Inc.; and

S. 2816. An act for the relief of Blanche L. Gray.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 985. An act for the relief of Hudson Bros., of Norfolk, Va.;

S. 1046. An act for the relief of E. Jeanmonod;

S. 1214. An act for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston;

S. 1409. An act for the relief of the General Baking Co.;

S. 1577. An act for the relief of Skelton Mack McCray; and

S. 2374. An act for the relief of Elliott H. Tasso and Emma Tasso.

The message further announced that the House had passed the following bills and joint resolution, severally with amendments, in which it requested the concurrence of the Senate:

S. 1640. An act for the relief of Dan Meehan;

S. 1696. An act for the relief of Mary Sky Necklace;

S. 2168. An act for the relief of the Bell Telephone Co. of Pennsylvania;

S. 2635. An act authorizing the appropriation of funds for the payment of the award in claim of Sudden & Christenson, Inc., and others;

S. 2993. An act for the relief of Carrie Price Roberts; and

S. J. Res. 59. Joint resolution providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the "Sesquicentennial Constitution Commission."

The message also announced that the House insisted upon its amendments to the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437, U. S. C., title 30, secs. 185, 221, 223, 226), as amended", disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROBINSON of Utah, Mr. GREEVER, and Mr. ENGLEBRIGHT were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3019) to amend sections 1, 3, and 15 of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269), requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DEROUEN, Mr. ROBINSON of Utah, Mr. AYERS, and Mr. ENGLEBRIGHT were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 996. An act for the relief of Joe Reno;

H. R. 1363. An act for the relief of Petra M. Benavides;

H. R. 1476. An act to correct the military record of Casimer F. Brylski;

H. R. 1871. An act for the relief of the Medical College of Virginia, and others, of Richmond, Va.;

H. R. 2156. An act for the relief of Cecelia Callahan;

H. R. 2526. An act for the relief of Powell & Goldstein, Inc.;

H. R. 2620. An act for the relief of Sadie Wilkinson;

H. R. 2621. An act for the relief of Tom L. Griffith;

H. R. 2702. An act for the relief of Emanuel Lieberman;

H. R. 3408. An act for the relief of Rufus Jones, a minor;

H. R. 3673. An act for the relief of Bernard V. Wolfe and the Dixon Implement Co.;

H. R. 3856. An act for the relief of Charles Edward Poole;

H. R. 4148. An act for the relief of the Thomas Marine Railway Co., Inc.;

H. R. 4770. An act for the relief of Elinora Fareira;

H. R. 4784. An act for the relief of J. T. Slayback;

H. R. 5245. An act for the relief of Elizabeth Leiding;

H. R. 5405. An act for the relief of Robert N. Wallace;

H. R. 5475. An act for the relief of Henry Irving Riley;

H. R. 5558. An act for the relief of Clarence F. Jobson;

H. R. 5634. An act for the relief of the Baltimore Renovating Co.;

H. R. 5648. An act for the relief of Maj. Wilbur Rogers;

H. R. 5768. An act for the relief of Peter Haan;

H. R. 5811. An act for the relief of Michael A. McHugh;

H. R. 5864. An act for the relief of Hallie Coffman;

H. R. 5867. An act for the relief of E. C. Willis, father of the late Charles R. Willis, a minor;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5905. An act for the relief of Cal Settles and Rhoda Settles;

H. R. 6057. An act for the relief of Joe Brumit;

H. R. 6205. An act for the relief of Wiley H. Nanney;

H. R. 6267. An act for the relief of Wint Rowland;

H. R. 6268. An act for the relief of W. C. Wright;

H. R. 6269. An act for the relief of W. H. Keyes;

H. R. 6394. An act for the relief of William K. Caley;

H. R. 6889. An act for the relief of A. Zappone and W. R. Fuchs;

H. R. 6892. An act for the relief of certain Indians on the Cheyenne River Reservation;

H. R. 7030. An act to place George K. Shuler on the retired list of the United States Marine Corps;

H. R. 7076. An act for the relief of the heirs of John Schrodl;

H. R. 7093. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 7140. An act for the relief of the Bell Oil & Gas Co.;

H. R. 7393. An act for the relief of Ralph P. Kellogg;

H. R. 7520. An act for the relief of David A. Trousdale;

H. R. 8020. An act for the relief of Jose R. Redlhammer;

H. R. 8032. An act for the relief of the Ward Funeral Home; and

H. R. 8089. An act for the relief of Joseph J. Baylin.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes, and it was signed by the President pro tempore.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Logan	Robinson
Ashurst	Copeland	Lonergan	Russell
Austin	Costigan	Long	Schall
Bachman	Davis	McAdoo	Schwellenbach
Bailey	Dieterich	McCarran	Sheppard
Bankhead	Fletcher	McGill	Shipstead
Barbour	Frazier	McKellar	Smith
Barkley	George	McNary	Steiwer
Black	Gerry	Maloney	Thomas, Okla.
Bone	Gibson	Metcalf	Thomas, Utah
Borah	Glass	Murphy	Townsend
Brown	Gore	Murray	Trammell
Bulkley	Guffey	Nealy	Truman
Bulow	Hale	Norbeck	Tydings
Burke	Harrison	Norris	Vandenberg
Byrd	Hastings	Nye	Van Nuys
Byrnes	Hatch	O'Mahoney	Wagner
Capper	Hayden	Overton	Walsh
Caraway	Johnson	Pittman	Wheeler
Carey	King	Pope	White
Chavez	La Follette	Radcliffe	
Clark	Lewis	Reynolds	

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Indiana [Mr. MINTON], and the Senator from New Jersey [Mr. MOORE] are necessarily detained.

I announce further that the Senator from West Virginia [Mr. HOLT] is absent because of illness.

I ask that this announcement stand in the RECORD for the day.

Mr. VANDENBERG. As heretofore announced by me, my colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. KEYES] and the Senator from Iowa [Mr. DICKINSON] are necessarily absent from the Senate.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

THE BUSINESS AND POLITICAL SITUATION—NOTICE OF ADDRESS BY SENATOR M'KELLAR

Mr. McKELLAR. Mr. President, I give notice that tomorrow, as soon as I can obtain the floor, I shall make a few remarks on the subject of The Business and Political Situation.

PETITION

Mr. BACHMAN and Mr. McKELLAR each presented an identical joint resolution of the Legislature of the State of Tennessee, which were referred to the Committee on Public Buildings and Grounds. The resolution is as follows:

House Joint Resolution 1

LEGISLATION FOR THE BLIND

Whereas the Commonwealth of Tennessee is vitally interested in the general welfare of the physically blind of the United States, and especially in the physically blind of Tennessee; and

Whereas there is pending before the Seventy-fourth Congress a bill introduced by the Honorable JENNINGS RANDOLPH, of West Virginia, in the House of Representatives and the companion bill in the Senate, introduced by the Honorable MORRIS SHEPPARD, of Texas, which bill would permit worthy persons to operate vending stands in Federal buildings for the sale of candies, newspapers, magazines, and tobacco products, and would authorize national surveys to be made by existing Federal and State agencies of other employment opportunities for the blind of this country; and

Whereas since it is more difficult for the physically blind to obtain employment than in the case of other handicapped groups, and since this Randolph-Sheppard bill will bring opportunities of employment for the blind, and since the blind as a class do not want sympathy but rather a chance to earn their own living so that they, too, might become useful and active citizens in their own respective communities: Be it

Resolved, That the State of Tennessee General Assembly, meeting in special session, July 1935, go on record endorsing the Randolph-Sheppard bill, H. R. 4688—S. 2196, and memorialize Congress to enact the same into law, and that copies of this resolution be sent to the Honorable Franklin D. Roosevelt, President of the United States; to the Honorable John N. Garner, Vice President of the United States; to the Honorable Joseph W. Byrns, Speaker House of Representatives; to the Honorable Harold L. Ickes, Secretary of the Department of the Interior; to the Honorable James A. Farley, Postmaster General; and to the Honorable Miss Frances Perkins, Secretary of the Department of Labor; and to the Senators and Congressmen of the State of

Tennessee, with the urgent request that they do all that is within their power to bring about the passage of this legislation in the Seventy-fourth Congress.

PRESERVATION OF NEUTRALITY

Mr. WHEELER presented a letter from Mrs. B. F. Johnson, secretary of the Lake County (Mont.) Round Table on World Peace, which was ordered to lie on the table and to be printed in the RECORD, as follows:

RONAN, MONT., *July 29, 1935.*

Hon. BURTON K. WHEELER,
Washington, D. C.

DEAR SENATOR WHEELER: In behalf of the Lake County Round Table on World Peace, I am writing urgently to request you to do all in your power to see that the neutrality legislation, to keep us out of war, is passed. We feel that this legislation is of the utmost importance, and we know that we can depend upon you to help put it across.

Sincerely yours,

Mrs. B. F. JOHNSON,
Secretary Lake County Round Table on World Peace.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1368. A bill for the relief of Virden Thompson (Rept. No. 1230);

S. 3334. A bill to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes (Rept. No. 1231); and

S. 3398. A bill to establish the Air Corps Technical School and to acquire certain land in the State of Colorado for use as a site for said Air Corps Technical School and as an aerial gunnery and bombing range for the Army Air Corps (Rept. No. 1239).

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2047) to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes, reported it with amendments and submitted a report (No. 1232) thereon.

Mr. WALSH, from the Committee on Finance, to which was referred the bill (H. R. 4513) to authorize payment of claims for unauthorized emergency treatment of World War veterans, reported it without amendment and submitted a report (No. 1233) thereon.

Mr. BYRD, from the Committee on Finance, to which was referred the bill (S. 3258) to amend section 304 of the Revised Statutes, as amended, reported it without amendment and submitted a report (No. 1234) thereon.

Mr. McGILL, from the Committee on the Judiciary, to which was referred the bill (S. 2643) to amend section 118 of the Judicial Code, to provide for the appointment of law clerks to United States district court judges, reported it with an amendment and submitted a report (No. 1235) thereon.

Mr. SCHWELLENBACH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3222) to amend the Filled Milk Act, reported it without amendment and submitted a report (No. 1236) thereon.

Mr. VAN NUYS, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon as indicated:

S. 2134. A bill to prohibit employers from influencing the vote of their employees in national elections; and

S. 3374. A bill for the relief of the State of Indiana (Rept. No. 1237).

Mr. BURKE, from the Committee on the Judiciary, to which was referred the bill (H. R. 8519) requiring contracts for the construction, alteration, and repair of any public building or public work of the United States to be accompanied by a performance bond protecting the United States and by an additional bond for the protection of persons furnishing material and labor for the construction, alteration, or repair of said public buildings or public work, reported it without amendment and submitted a report (No. 1238) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 8845) to authorize the incorporated town of Cordova, Alaska, to construct, reconstruct, enlarge, extend, improve, renew, and repair certain municipal public structures, utilities, works, and improvements, and for such purposes to issue bonds in any amount not exceeding $50,000, and for other purposes, reported it without amendment.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on August 9, 1935, that committee presented to the President of the United States the following enrolled bills:

S. 1024. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.;

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement;

S. 1426. An act providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade;

S. 1439. An act amending the postal laws to include as second-class matter religious periodicals publishing local information;

S. 1811. An act providing for the publication of statistics relating to spirits of turpentine and rosin;

S. 2140. An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey;

S. 2160. An act for the relief of the George C. Mansfield Co. and George D. Mansfield; and

S. 3192. An act to increase the limit of cost for the Department of Agriculture Extensible Building.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NYE:

A bill (S. 3405) for the relief of Capt. James W. Darr; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 3406) authorizing the President to reappoint Gilbert E. Bixby, formerly a captain of Cavalry, United States Army, a captain of Cavalry, United States Army; to the Committee on Military Affairs.

By Mr. TRUMAN:

A bill (S. 3407) for the relief of Justin C. Gooderl; to the Committee on Claims.

A bill (S. 3408) for the relief of Charles Cubberly; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3409) for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually; to the Committee on Claims.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 996. An act for the relief of Joe Reno;

H. R. 1363. An act for the relief of Petra M. Benavides;

H. R. 1871. An act for the relief of the Medical College of Virginia, and others, of Richmond, Va.;

H. R. 2526. An act for the relief of Powell & Goldstein, Inc.;

H. R. 2620. An act for the relief of Sadie Wilkinson;

H. R. 2621. An act for the relief of Tom L. Griffith;

H. R. 2702. An act for the relief of Emanuel Lieberman;

H. R. 3408. An act for the relief of Rufus Jones, a minor;

H. R. 3673. An act for the relief of Bernard V. Wolfe and the Dixon Implement Co.;

H. R. 4148. An act for the relief of the Thomas Marine Railway Co., Inc.;

H. R. 4770. An act for the relief of Elinora Fareira;

H. R. 4784. An act for the relief of J. T. Slayback;

H. R. 5245. An act for the relief of Elizabeth Leiding;

H. R. 5634. An act for the relief of the Baltimore Renovating Co.;

H. R. 5811. An act for the relief of Michael A. McHugh;

H. R. 5867. An act for the relief of E. C. Willis, father of the late Charles R. Willis, a minor;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5905. An act for the relief of Cal Settles and Rhoda Settles;

H. R. 6057. An act for the relief of Joe Brumit;

H. R. 6267. An act for the relief of Wint Rowland;

H. R. 6268. An act for the relief of W. C. Wright;

H. R. 6269. An act for the relief of W. H. Keyes;

H. R. 6394. An act for the relief of William K. Caley;

H. R. 6889. An act for the relief of A. Zappone and W. R. Fuchs;

H. R. 6892. An act for the relief of certain Indians on the Cheyenne River Reservation;

H. R. 7076. An act for the relief of the heirs of John Schrodl;

H. R. 7093. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 7393. An act for the relief of Ralph P. Kellogg;

H. R. 7520. An act for the relief of David A. Trousdale;

H. R. 8020. An act for the relief of Jose R. Redlhammer; and

H. R. 8089. An act for the relief of Joseph J. Baylin; to the Committee on Claims.

H. R. 1476. An act to correct the military record of Casimer F. Brylski;

H. R. 2156. An act for the relief of Cecelia Callahan;

H. R. 3856. An act for the relief of Charles Edward Poole;

H. R. 5405. An act for the relief of Robert N. Wallace;

H. R. 5864. An act for the relief of Hallie Coffman;

H. R. 6205. An act for the relief of Wiley H. Nanney; and

H. R. 7030. An act to place George K. Shuler on the retired list of the United States Marine Corps; to the Committee on Naval Affairs.

H. R. 5475. An act for the relief of Henry Irving Riley;

H. R. 5558. An act for the relief of Clarence F. Jobson;

H. R. 5648. An act for the relief of Maj. Wilbur Rogers; and

H. R. 5768. An act for the relief of Peter Haan; to the Committee on Military Affairs.

H. R. 8032. An act for the relief of the Ward Funeral Home; to the Committee on Indian Affairs.

H. R. 7140. An act for the relief of the Bell Oil & Gas Co.; to the calendar.

THE MERCHANT MARINE—AMENDMENT

Mr. BAILEY submitted an amendment intended to be proposed by him to the bill (S. 2582) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, which was ordered to lie on the table and to be printed.

CAUSES OF DECLINE IN COTTON PRICES—LIMIT OF EXPENDITURES

Mr. SMITH submitted the following resolution (S. Res. 182), which was referred to the Committee on Agriculture and Forestry:

Resolved, That Senate Resolution 103, agreed to March 16, 1935, and Senate Resolution 125, agreed to May 7, 1935, and Senate Resolution 172, agreed to July 30, 1935, Seventy-fourth Congress, first session, are hereby continued in full force and effect, and that the limit of expenditures that may be made under authority of such resolutions is hereby increased by $50,000, and shall be paid from the contingent fund of the Senate upon vouchers to be approved by the Chairman of the Senate Committee on Agriculture and Forestry.

INVESTMENT OF VERMONT BANKS IN UTILITIES

Mr. GIBSON. I ask unanimous consent to insert in the RECORD a letter from the banking and insurance commissioner of the State of Vermont showing the investment of Vermont banks in utility issues.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF VERMONT,
DEPARTMENT OF BANKING AND INSURANCE,
Montpelier, July 12, 1935.

Hon. ERNEST W. GIBSON,
United States Senate, Washington, D. C.

MY DEAR SENATOR GIBSON: This is to acknowledge receipt of your letter of July 9. Below you will find information showing the investments of Vermont banks in utility issues. We classify telephone company bonds separately, as you will notice, but I take the liberty to enclose them.

Savings banks: Telephone bonds	$588,540.50
Savings banks and trust companies: Telephone bonds	170,941.19
	759,481.69
Savings banks: Public utilities	17,685,355.18
Savings banks and trust companies: Public utilities	8,429,425.77
	26,114,780.95
Total telephone bonds	759,481.69
Total public utilities	26,114,780.95
	26,874,262.64

If you desire additional information, we shall be glad to furnish the same to the best of our ability.

Sincerely yours,

L. DOUGLAS MEREDITH,
Commissioner of Banking and Insurance.

CONNECTICUT RIVER BRIDGE AT MIDDLETOWN, CONN.

Mr. LONERGAN. Mr. President, I ask unanimous consent for the present consideration of House bill 8963, which is merely a bridge bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 8963) granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn., was considered, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 3326, of similar title, will be indefinitely postponed.

NATIONAL PROGRAM OF FOREST-LAND MANAGEMENT

Mr. SMITH. Mr. President, I desire to ask unanimous consent for the consideration of a bill which I think will cause no discussion. There has been some disagreement in the Senate with respect to House bill 6914, which passed the Senate but was reconsidered. It is now on the calendar. All those who are interested in it have reached an agreement, and I ask unanimous consent that it may be considered at this time with the amendments which have been agreed upon, and which I propose to offer.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6914) to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes.

Mr. SMITH. I offer the amendments which I send to the desk.

The PRESIDENT pro tempore. The first amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, after the word "forest-land", it is proposed to strike out "measurement" and insert "management", so as to read:

That for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and of insuring coordinated effort by Federal and State agencies in carrying out a comprehensive national program of forest-land management, the Secretary of Agriculture is hereby authorized to enter into cooperative agreements with appropriate officials of any State or States for acquiring in the name of the United States, by purchase or otherwise, such forest lands within the cooperating State as in his judgment the State is adequately prepared to administer, develop, and manage as State forests in accordance with the provisions of this act and with such other terms not inconsistent therewith as he shall prescribe, such acquisition to include the mapping, examination, appraisal, and surveying of such lands and the doing of all things necessary to perfect title thereto in the United States.

The amendment was agreed to.

The PRESIDENT pro tempore. The second amendment submitted by the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. On page 7, line 20, after the word "appropriated" and the comma, it is proposed to insert the

words "a sum or sums", and in line 21, to strike out "$20,000,000" and insert "$5,000,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. KING. Mr. President, I thought it was understood that the words "as Congress may from time to time appropriate" should be inserted.

Mr. SMITH. Very well; let that be done.

The PRESIDENT pro tempore. The amendment, as modified, will be stated.

The LEGISLATIVE CLERK. On page 7, line 20, after the word "appropriated" and the comma, it is proposed to insert "a sum or sums", and in line 21, to strike out "$20,000,000" and insert "$5,000,000, as Congress may from time to time appropriate", so as to make the section read:

SEC. 3. For the purposes of this act, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sum or sums not to exceed $5,000,000, as Congress may from time to time appropriate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE ADMINISTRATION'S TAX PROGRAM—STATEMENT BY SENATOR BARBOUR

Mr. BARBOUR. Mr. President, last week my friend and colleague the distinguished Senator from Maine [Mr. WHITE] had inserted in the CONGRESSIONAL RECORD an article which appeared in the Newark Sunday Call carrying, in part, my statement concerning the proposed tax plan of the President, which is now before the Senate.

This article, while it carried my statement in a manner most satisfactory to me, and I appreciated very much the action of the Newark Sunday Call, did not carry the statement in full, and there have been so many requests that a complete statement appear in the RECORD that I am asking unanimous consent to have my remarks in this connection inserted in the CONGRESSIONAL RECORD in their original form.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The power to tax its citizens is the most sacred trust lodged in the hands of any government. Rightfully used, it is a legitimate source of revenue exacted from those best able to pay. Wrongfully used, it becomes the weapon of a tyrant, more dangerous than any other in the destruction of human liberties, threatening the confiscation of private property, and a constant encouragement to excesses in governmental spending.

It must be the purpose of any civil society to encourage the production of wealth, rather than curtail it, because by its production and distribution the people find their employment, and as total internal production is increased national living standards are also increased. From national production is obtained the revenue which supports the civil society in the form of government.

Any national policy, therefore, which threatens to curb the creation of wealth, which operates as a curb upon private initiative, is contrary to all sound economics, and is a threat both to living standards and to employment.

Too, taxation is a scientific problem to be approached with caution so that in any tax system as a whole the principle of ability to pay is soundly established, taxation is not arbitrary, unnecessary hardships are avoided, and the wells of income from which taxes must come are not dried up.

These are sound principles of taxation, recognized as this Nation has grown. Yet, in this tax bill which we now have presented to the Congress, each is disregarded in its entirety.

Never in the history of this country has a more flagrant proposal to violate all these tenets and to misuse the taxing power come from a high official of the Government than the recent taxation message of the President of the United States, deliberately thrown into the tail end of a congressional session, when it could not have due consideration. This, coupled with the President's demand that Congress "rubber stamp" the proposal without giving it intensive study, is a challenge to every Member of Congress, regardless of party affiliation, to reject such high-handed procedure.

It is inescapable that higher taxes will be necessary to meet the billion-dollar deficits piled up by the profligacy of this administration. We, our children, and our children's children will find incomes sapped to pay off this huge indebtedness.

The present administration plays the tunes and hopes to collect the votes, but the taxpayer must dance for years to come.

Taxation has but one function. It is to raise revenue for the legitimate operating expenses of government. The Constitution so provides, and the Supreme Court in the past has rejected the theory that the taxing power may be used to effectuate devious policies.

Yet no member of this administration has dared to challenge the repeated statement made by eminent newspaper writers that this is not a bill to raise revenues, but is designed solely as a political gesture. To the contrary, it is brazenly admitted that this is not a Budget-balancing measure; that it has no relation to making income meet outgo, but is intended to accomplish some weird social objective.

The bill is based only upon political expediency, and under the lash of the political whip Congress is driven toward a hasty and ill-considered enactment.

There is but one issue and one objective before this country today. We must seek recovery, which means reemployment, above all else. We must gratify the eternal craving of every American for a job in private employment, and any policy which does not aim directly at this objective is obnoxious to me at this time. Any policy which threatens to create new obstacles to recovery and to delay reemployment is doubly ill-advised.

If this Government will cooperate and use its every effort to stimulate recovery of business, then most of the problems with which this Congress is asked to concern itself would vanish into thin air. But this tax bill does not in any way contemplate reemployment. If anything, it will act as a further drag upon those industries which must be depended upon to reemploy the idle millions. It does not even approach a balancing of the Federal Budget, which in the final analysis can come only through a curtailment of governmental spending.

Votes, and votes alone, are the objective of this half-baked measure, not jobs.

It ignores the fact that if we concentrate upon recovery and upon stimulating private business the present tax rates would yield revenue estimated at more than four and one-half billion dollars. It ignores the fact that the present tax rates are already producing larger revenues than the Government received in any year from 1923 to 1928. It ignores the fact that these revenues were nearly 80 percent larger this year than in 1932, and that they have produced $3.70 this year for every $2.10 they produced in 1932. And it ignores the principle of taxation expressed by Woodrow Wilson in 1919, when he said:

"There is a point at which in peace times high rates of income and profits taxes discourage energy, remove the incentive to new enterprise, encourage extravagant expenditures, and produce industrial stagnation with consequent unemployment and other attendant evils."

What this bill actually attempts is to climb upon that hard-ridden steed, "Share-the-Wealth", and ride him away while the demagogues who have pressed him so sorely in the past are looking in the other direction. Particularly it aims its punitive features at corporations which have grown large.

These corporations and those who profit greatly from them should and must carry their just burden of the Nation's tax load. But in trying to reach this source of revenue we must avoid the pitfalls so obvious in this bill of penalizing the millions of small shareholders whose income is derived from the profits of these corporations, and the other millions of employees whose living might be endangered.

In this country there are more than 10,000,000 stockholders in corporations. Many of them have no other source of revenue. Many of these investments represent the thrifty savings of a lifetime, and mostly they are in large corporations. In 103 industrial companies alone there are nearly 4,000,000 shareholders.

Are we, in a mad quest for reforming our social structure, to imperil these savings and penalize the person of small means who has invested in these corporations?

There is but one sound program for the Government to follow if we are not to further obstruct recovery and are to preserve the credit of the Nation. This bill to feed $250,000,000 into the pot of billion-dollar expenditures is placing the cart before the horse.

The bill should be laid away until the next session of Congress when the Budget for the following fiscal year will be presented. Then, in the light of carefully appropriated Federal moneys, we can determine how much revenue will be needed to operate. Taxes can be levied deliberately as a true revenue measure. Any other program is not good business and it is not good government.

ORGANIZED AGRICULTURE—ADDRESS BY SENATOR POPE

Mr. McGILL. Mr. President, recently the Senator from Idaho [Mr. POPE] delivered a very illuminative address at the Founders' Day exercises and summer pilgrimage of the National Farm School at Doylestown, Pa., on the subject of organized agriculture. I ask unanimous consent that his address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, the invitation to attend and address this meeting is a distinct honor to me. Being from a State one of the principal industries of which is agriculture, the problems, the joys and sorrows, the profits and losses of that industry are constantly uppermost in my mind. Those of you who are making

agricultural pursuits your life work deal with specific things and have detailed information as to the daily affairs of a farmer. Having been born and reared on a farm, I am familiar with the alternate joys and heartaches of every man engaged in producing the Nation's raw materials.

The National Government as an entity is conscious of conditions on the aggregate national farm and is constantly striving to better them. Your Government and you are, from both the philosophical and practical viewpoints, interested in the ebbs and flows of the economic tide as they affect you.

Farming has always been an individual pursuit. The man who owned a few acres of fertile soil was theoretically independent. He was the modern exemplification of Adam Smith's original theories of laissez faire. He was proud of his independence and maintained it for decades. The only danger which beset his personal freedom was economic pressure from forces over which he had no control. The grandeur of rugged individualism was found to fade rapidly when faced with privation, need, and, in some cases, actual starvation.

Because of a series of checks and balances in the American financial structure, all industries do not suffer at the same time except in the event of some major catastrophe such as the panic of 1929 and following. For years prior to that farmers as a class had been experiencing a depression. They were prosperous during the war but, immediately following it, their prosperity faded and disappeared. In June 1921, Congress appointed a joint commission of inquiry to determine the cause of agricultural depression. The committee reported in October 1921, recognizing the serious plight of agriculture but failing to report its cause. In 1922 President Harding called a national agricultural conference which indicated in broad general terms that prices of agricultural commodities were below the cost of production. From that time on innocuous gestures toward farm relief were continuously made by the National Government.

The war had converted the United States into a creditor nation, higher tariffs had been imposed upon imports, and foreign loans had been made to finance our exports until about 1929. Then these loans were discontinued, our exports fell off billions of dollars, and the depression was on.

The income of farmers dropped from a normal peace-time figure of about $12,000,000,000 and a war level of about sixteen billions to five and one-fourth billions in 1932. The price of farm products had fallen by 1932, in some instances, to all time low levels. It has been calculated that if farmers had continued to receive the same comparative price for their products as they received from 1909 to 1914, their income between 1920 and 1932 would have been twenty-seven and one-half billion dollars more. The loss of this income had decreased the average income of the individual farmer from about $900 a year to $400. The value of his property was cut in two, and at the same time his debts and taxes had approximately tripled. While his income had been thus decreased, the cost of the things he had to buy were well above the pre-war level.

In 1910 the farmers of the country, representing about 30 percent of the population, were receiving 16.6 percent of the national income. That percentage of income certainly seems small enough—16 percent for 30 percent of the population who are engaged in feeding and clothing the Nation. It would be an interesting study to determine just why the farmers who are in the most basic industry on earth are not entitled to a numerically proportionate part of the Nation's income. By 1932 the percentage of the farm population having been reduced to about 25 percent, they were receiving about 7 percent of the national income. Is it any wonder that the country was in the throes of the worst panic in its history? The base of the whole economic system was crumbling away.

Let us approach the matter from another angle. The Committee on Agriculture and Forestry during one of its hearings traced the consumer's dollars to determine where they went. It appeared that in 1913 a dollar spent for pork was distributed 56 percent to the producer or farmer, 19 percent to the processor, and 25 percent to the distributor. In 1932 this situation had radically changed. The producer was then getting 31 per cent instead of 56 percent, the processor 38 percent instead of 19 percent, and the distributor 31 percent instead of 25 percent. In other words, the producers were getting 25 percent less and the processors 19 percent more of the consumers' dollars in 1932 than in 1913. We found a similar situation as to beef. In 1913 the farmer was getting 61 percent of the consumer's dollar and the processors and distributors were getting 39 percent. In 1932 the farmer was getting 49 percent and the processors and distributors were getting 51 percent of the consumer's dollar. We found that of a housewife's dollar spent for lamb chops in 1913, 73 percent went to the producer and 27 percent went to the processor and distributor. In 1932 the farmer was getting only 50 percent of the consumer's dollar. Whatever analogy may exist between this condition in which the farmer found himself and that of the lion and the lamb, it is clear that the processor and distributor were getting the lion's share of the lamb.

From any method of approach, therefore, it was perfectly clear that the farmer was not getting his proportion of the national income. At the same time it was perfectly apparent that financial and industrial groups through excessive profits and manipulations of corporate enterprise had accumulated great reserves of wealth. They had organized the complex system of holding companies, some of which Congress has been dealing with for several months. They had brought about such an enormous concentration of wealth as to endanger our capitalistic system. They had gained such power that they largely controlled our economic system and dominated our Government. So huge and powerful had they become in contrast with the farmers of the land that one is reminded of Shakespeare's lines as to what Cassius said of Caesar:

"Why, man, he doth bestride this narrow world like a colossus, and we petty men walk under his huge legs and peek about to find dishonorable graves."

There is not a Senator who does not remember 2 years ago when millions of farmers were bankrupt, thousands of banks and business houses, particularly in farming communities, had failed; 30,000,000 people were in need of relief from hunger, and there was a real danger that the panic would destroy our present economic and governmental structure.

This was the condition 2 years ago when the Agricultural Adjustment Act was before us for consideration. There was probably not a Member of Congress who did not have serious doubts about it, both as to the principles involved and the practicability of its administration. I distinctly remember expressions of doubt on every hand, and particularly by the members of the Committee on Agriculture and Forestry to whom it was referred. We all realized, however, because of the conditions which I have mentioned, that something had to be done, and no other plan had been proposed.

At this point, it is interesting to recall the platform provisions of the Democratic and Republican Parties in 1932 for the relief of agriculture. Of the two, the Republican was much more specific. The Democrats favored "the restoration of agriculture, the Nation's basic industry", better financing of farm mortgages at low rates of interest, extension of the farm cooperative movement, and every constitutional measure that would aid farmers to receive for their basic farm commodities prices in excess of cost. It further provided for "effective control of crop surpluses."

The Republicans used the following language in their platform:

"The fundamental problem of American agriculture is the control of production to such volume as will balance supply with demand."

And then went on to say:

"* * * equally as vital is the control of the acreage of the land under cultivation as an aid to the efforts of the farmer to balance production."

And finally:

"We will support any plan which will help to balance production against demand, and thereby raise agricultural prices, provided it is economically sound, and administratively workable without burdensome bureaucracy."

The Agricultural Adjustment Act followed specifically the declarations of the Republican platform. It proposes a method to "control production to such volume as would balance supply with demand." It provided for "the control of acreage of the land under cultivation as an aid to the efforts of the farmer to balance production." Its object was to raise agricultural prices. It also attempted to provide a means for effective control of crop surpluses as declared for in the Democratic platform, and as clearly implied in the Republican plank.

It has always been interesting to me to hear criticism of the principles of the Agricultural Adjustment Act, by those who gave allegiance to the Republican platform—Mr. Hoover for instance—and particularly criticism of the crime of curtailing production and reducing acreage and "plowing under little pigs." It may be that the platform provision which I have quoted did have some restraining effect upon the recent "grass-rooters" convention which failed to condemn the administration of this measure, but I suspect that condemnation was withheld for another reason—that it was not good politics to condemn a measure that has to its credit so large a degree of success in restoring prosperity to the American farmer.

Regardless, however, of who conceived this Agricultural Adjustment Act, the real question is whether it has been attended by a reasonable degree of success in its administration. I shall undertake to deal with this point briefly.

One of the most striking features of its administration, in my opinion, has been the organized activities of the farmers themselves in the operation of the law. For decades the farmers of the country have been trying to organize themselves in their own interest. They have realized that processors, distributors, financial and industrial interests, manufacturers, and, during recent years, industrial laborers, have become organized in their efforts. They have seen organized manufacturers and distributors control the supply of their products to meet demand. They have seen them in large measure control prices. At the same time, the farmer has been at the mercy of natural and economic forces beyond his control.

If a farmer wants to buy a hat and goes to a store for it, the retailer, as a cog in the industrial organization, sets the price. Having harvested his crop, the farmer now becomes a seller and goes to the miller to sell his wheat. He is not asked the price of the wheat. He is told by the miller, another cog in the industrial organization, what he must accept for his wheat if he desires to sell it. On each end of the transaction, he is a passive individual who obligingly supplies, at convenient prices, grist for his organized brother's mill. Economists say that the aggregate farmer, being the producer of all foodstuffs, is in an excellent position to dictate to those with whom he deals. The difficulty with that theory has been the nonexistence of the aggregate farmer.

Efforts without Government assistance to organize the 6,500,000 farmers into a country-wide effective body have met with very limited success. There are too many of them; their interests are too varied; they have not been trained to cooperative effort; they have been too ruggedly individualistic. And it has always been to

the interest of manufacturers, processors, and distributors to discourage organization of the farmers.

Through the administrative machinery of the Agricultural Adjustment Act, gratifying progress has been made toward organized effort of farmers. About half of them have signed adjustment contracts, and 4,200 production-control committees have been organized and are effectively administering a program for more than 3,000,000 farmers. Community committees furnish information to farmers; allotment committees visit individual farms and check up on production quotas and compliance. The committees are selected by farmers and composed of farmers. The State board of review is made up of a farmer, the crop statistician, and a representative of the State agricultural extension service. This board reviews the work of the county committees and cooperates with producers in making adjustments in contracts. The agricultural service carries on educational work in connection with all these activities. The farmers select their committees, make their allotments, and administer the program in their communities. The democratic principle of majority rule permeates every phase of the work.

In 1934, when the corn-hog program was under consideration, more than 15,000 community meetings sponsored by the farmers themselves were held in all parts of the country. Then more than half a million contract signers voted, and two-thirds of them favored the program. Similar procedure was followed under the Smith-Kerr Tobacco Act, the Bankhead cotton bill, and the wheat-production program.

This is democracy at work in our economic system. It is effective organization among the farmers. And it is all based upon the voluntary act of each individual in signing the adjustment contract. If this is regimentation, it is self-imposed regimentation just as exists under any contract or other obligation freely and voluntarily entered into. The farmers themselves are not objecting to the measure. The anguished cries of "regimentation" are coming largely from the processors, the manufacturers, the industrialists, and the financiers. They are the ones who are organizing Liberty Leagues and singing paens to the sacred cause of liberty. They are the Paul Reveres who are warning the country. The sons of liberty are on the march, but they are not farmers' sons.

This organization of the farmers is all very well, you may say, but what is the result in dollars and cents? What is the effect on prices of farm products? How is it reflected in the income of the farmers?

Conceding that there are many factors making for recovery, such as monetary policies, large expenditures of public funds, refinancing of debts, and efforts to increase foreign trade, there can be no doubt the Agricultural Adjustment Administration has played a large part in improving the condition of the farmer. The prices of farm commodities subject to adjustment programs show remarkable increases, and farmers' incomes have shown corresponding improvement. The average price of farm products has increased from 55 percent of the pre-war level in 1932 to 108 percent in 1935. The total farm income has increased from $4,000,000,000 to $6,000,000,000 during the same period.

It seems unnecessary to give here the figures showing increased prices of the various basic commodities.

In the State of Idaho the income of the farmers increased from about $41,000,000 in 1932 to over $69,000,000 in 1934. The income from the wheat crop has more than doubled from fewer acres of land. The potato crop, however, for which Idaho is famous, not having been included in any adjustment program, has increased in price only from an average of 39 cents a bushel in 1932 to 49 cents in 1934. There is now a wide-spread demand among the potato growers to include potatoes in the Agricultural Act. A bill is pending in both Houses of Congress to include potatoes. Surpluses of potatoes have accumulated which are constantly depressing the price.

The potato situation needs immediate attention. Potatoes are raised in 48 States, and almost every person in the United States eats them. They are an important cash crop to about 3,000,000 farmers. The crop is strictly national, because no potatoes are exported and only an insignificant quantity imported. It is not subject to any kind of control or regulation. Every farmer can plant as many potatoes as he pleases, dig them when he gets ready, and sell them without restraint if he can find a buyer. As to potatoes, he is a rugged individualist supreme. No economy of scarcity affects him. He can and does follow the theory of abundance. Now let us see what his condition is.

The 1934–35 crop is one of the most disastrous in the history of the industry. Potato farmers produced over 385,000,000 bushels, a surplus of 65,000,000 bushels over the amount produced in 1933. They are receiving about $160,000,000 for the crop, which is about $64,000,000 less than the amount received for the 1933 crop. The growers of late potatoes are receiving approximately $40,000,000 less than the actual money spent in producing the crop. The average price of the 1934 crop of potatoes raised in Maine is 20 cents a bushel, in Michigan 28 cents, Wisconsin 29 cents, Colorado 55 cents, Idaho 49 cents. Sixty cents per bushel may be regarded as a fair price for potatoes and it can readily be seen why the 1934 crop is so disastrous.

It is interesting to note that the years 1928, 1931, 1932, as well as the year 1934, were depressing years for the potato farmer. The year 1929 was a good year. In the years 1930 and 1933 the potato farmer was barely able to receive the cost of production. The average annual production for 4 bad years of 1928, 1931, 1932, and 1934 was 395,000,000 bushels, and the average receipts $174,000,000. During the 3 years 1929, 1930, 1933, in which the farmer got by, the average annual production was 336,000,000 bushels, and the average receipts $330,000,000. In other words, during the 4 bad years farmers produced an average of about 60,000,000 bushels more and received an average of $156,000,000 less per year. This shows what the economy of abundance has done to the potato farmer.

It has been repeatedly said, however, that while the potato farmers were suffering from low prices the consumers were getting the benefit of them. This is true only to a very limited extent. During the 7 years from 1928 to 1934 the consumption of potatoes did not vary to any considerable extent; except for the year 1928, when the crop was very large and the consumption large, the consumption of potatoes varied only slightly from year to year. For instance, in the year 1932, when farm prices for potatoes were low and the receipts were only $126,000,000, the amount consumed was 207,000,000 bushels in the United States, and in the year 1933, when the price of potatoes was better and $224,000,000 was received for the crop, the amount consumed was about 205,000,000 bushels.

The fact is that the consumption of potatoes varies very little from year to year. The reason is that the consumer pays almost as much for potatoes when the price to the farmer is low as when the price to the farmer is fair. I have noted in Washington the price of Idaho potatoes this year at the grocery store is almost as high as it was last year, yet the prices received by the farmers in Idaho this year are considerably less than they were last year. The reason for this seems to be that charges of transportation and middlemen's profits are such as to make the price to the consumer about the same from year to year.

Assuming, however, that the consumer received the entire benefit of $160,000,000, which would be about the difference to the consumers between a poor year and a good one, that would amount to about $1.50 per year per consumer. This would not seem to be an exorbitant amount to be paid in order that 3,000,000 farmers and families might be permitted to enjoy a decent living as American citizens. It is certain, however, that the consumer does not pay any such additional amount during years of low prices to the farmer.

The removal of an average surplus production of some 40,000,000 bushels of potatoes would undoubtedly have the effect of assuring to the farmers a fair price for potatoes and at the same time the consumers would have an abundance. This is the purpose, as I understand it, of the Warren Potato Act, now pending before the Congress. I understand the senior Senator from North Carolina, Senator BAILEY, expects to offer this act as an amendment to the bill now pending before the Senate.

The reduction of price-depressing surpluses in the basic crops is an outstanding accomplishment of the farm administration. The carryover of cotton has been reduced several million bales; the wheat surplus has been reduced from 390,000,000 bushels in 1932 to about 130,000,000; the tobacco surplus has been greatly reduced. Of course, the severe droughts in the West have played an important part in this result, so far as certain western products are concerned.

For a long time the effect of large surpluses upon the market price has been realized. It is the most important factor in the price structure. The law of supply and demand is about as exacting in a free economic system as the law of gravitation. It does not mean the ineffective desire of millions of hungry Chinese, nor the unsatisfied wants of the hordes of India, nor even inability of those in other countries who have in times past purchased our goods. It is perfectly futile to argue that if the underfed and underclad millions in the world had our surpluses we would not need to reduce production. The only sensible thing to do is to face the reality, and to keep down surpluses of farm products by increasing exports in every way possible and by curtailing production when necessary.

The control of surpluses is, therefore, of vital importance to the farmer—more important than anything else in maintaining a fair market price.

In the language of the grass-rooters, which I suspect will one day become famous, we do not desire that gains already made by agriculture shall be relinquished. The mere fact that a few commodities have been put on a paying basis does not mean that the task of Congress is finished. They must be kept there. The crop-adjustment program of the A. A. A. and the drought have practically removed surpluses. If the power to adjust processing taxes in a manner which will prevent those surpluses from again accumulating is not given the Secretary of Agriculture, farmers will again find themselves with an unmanageable surplus and starvation prices.

The policy of the original Agricultural Adjustment Act passed in 1933 was to bring basic commodities to a fair exchange level or parity price. It is implicit in the law that when those basic commodities are equal to or exceed parity price, it is the duty of the Secretary of Agriculture to terminate the processing tax. This seems fair enough, but there is something else to be considered. Today wheat may exceed parity, and if the processing tax is terminated, a surplus big enough to knock the bottom out of the entire market may be grown this year. It seems to me that the purpose of the Agricultural Adjustment Administration should be not only to establish a parity price for basic commodities, but to keep them at parity once it has been obtained. The use of the processing tax is the only way in which acreage reduction contracts can be secured or enforced. It is obvious that if a program stops, surpluses will again accumulate to reduce the income of farmers.

This is not a question of politics, it is not a question of bureaucracy or dictatorship, it is a question of whether or not Con-

gress has a genuine desire to bring about a situation wherein the agricultural industry will receive such economic advantages as to guarantee to the American farmers a reasonably decent standard of living. It is a question only of preventing the Agricultural Adjustment Act from becoming ineffective by reason of the language used in its original draft.

My first interest is in the farmers themselves. It has been my earnest endeavor to secure legislation which would prove to be of permanent benefit to the agricultural industry. In spite of the fact that this cooperative effort among the farmers has been made on an uncharted, unexplored sea in stormy weather, the results accomplished in the last 2 years have certainly justified the venture. In spite of difficulties and mistakes, an advance has been made in the true direction of democratically organized agriculture.

Since farming is a basic industry and its prosperity is essential to the economic welfare of the country, no more important advance toward recovery can be made than a persistent and sustained effort to make fully effective the power of the tillers of the soil to control their destiny, and thereby promote the economic welfare of all the American people.

AMENDMENTS TO A. A. A. LAW—ADDRESS BY SENATOR SMITH

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "What the A. A. A. Amendments Mean", which was broadcast by the eminent senior Senator from South Carolina [Mr. SMITH] over the Columbia System yesterday evening.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Much has been said and is being said about the amendments to the A. A. A. Act. Both in the committee and on the floor of the Senate these amendments were scrutinized with extraordinary care to make them legal and constitutional. So far as the amendments are concerned, in my opinion, they have been made legal and constitutional. Otherwise neither I nor any Member of the Senate who voted for them would have voted for them had they been either inequitable, illegal, or unconstitutional. After all the controversy about these amendments, only 15 Senators, when the roll was called, voted against them. I do not think that they could successfully sustain their argument that they were inequitable, unfair to agriculture, illegal, or unconstitutional. I believe that the Senate recognized—certainly the Committee on Agriculture recognized—that every effort on the part of the Federal Government and the States should be used to give the farmers in the markets of the world a fair chance.

I hope in discussing the A. A. A. amendments that the public who are listening in, will, for the time being at least, be farmer-minded, to consider the farmer in the relation which he now bears and has borne from time immemorial to our organized society. I take it that these amendments are an attempt on the part of the Government to set up an organization for the farmer which will stand as a bulwark against the organized processors and distributors.

From time immemorial the farmer has been exploited because he was unorganized. Everyone who is at all familiar with farming understands that the man who produces the raw material in the field never has had a voice in the price he has received. He pays the freight, he pays all the expenses incidental to production, and the price he receives is what is left after the purchaser has deducted all expenses incidental to the purchase and sale in distributing the article. Then, if anything is left the producer gets it. If what he receives is less than the cost of production, he accepts that, until today more than 50 percent of the farms in America, regardless of their location, are under mortgage.

These amendments are an attempt on the part of the Government to create a line of resistance for the benefit of the farmer. There may be in them, and there appears to be from time to time, what seem to be arbitrary provisions; but I desire to have the people bear in mind that, this being an effort on the part of the Government to recognize the helpless and unorganized condition of the farmer, we are attempting to create an organization which will stand as a resisting force against the organizations with which he has to deal.

In addition to that there is not a provision in these amendments which does not predicate their enactment upon the consent of the producer. That privilege is extended to him in every section of the bill. His majority consent is made the basis of any enactment in the bill. There is presented to him this proposition: How does this seem to you? Is it efficient in enabling you, through the agency of the Government, to receive at least some semblance of return from the wealth you produce?

Much has been said and is still being said about the constitutionality of the A. A. A. Act. So far as these amendments are concerned, they from start to finish provide for action by and with the consent of the producer and, through cooperation of the States, with the Federal Government.

I am asking the public, when they come to criticize the bill, to make their criticism constructive in reference to the unorganized, helpless farmers, and not destructive criticisms for the benefit of those who have exploited the farmer from time immemorial.

I am no more enthusiastic than any other individual about dictatorship. There is no place in the United States for the voice of a dictator. It is an alien and seditious voice. It should always be denounced wherever it shows itself or makes an intimation of its intent. These amendments are as far removed from the idea of a dictatorship in reference to the man who produces as they could be. I hope that you who are listening in will have clearly in mind the distinction between processors and distributors and the man who, in the field, in the sun, in the rain, in the winter, spring, and summer gambles with nature as to what he will produce—unorganized, incapable of organization—yet the aggregate of whose efforts feeds the Nation and furnishes the material out of which the Nation is clothed. I want the public in considering these amendments to bear in mind the farmer and not the man who processes and distributes. Let us first take care of the man who produces that upon which we live, and the others will be certain to take care of themselves.

I hope that those who antagonize these amendments on the ground of these being a bill to delegate arbitrary and dictatorial powers will consider the fact that there is not an element in them or a provision in them that is not predicated upon the vote of the man who produces. Let us all consider that fact, and if we have a criticism to make, let us remember those in the field who are producing the foodstuffs, who have asked and voted overwhelmingly for the provisions of these amendments.

My friends, we talk about the law of supply and demand. There is another law which is as irrevocable as the law of supply and demand. I refer to the law of least resistance. Every element of nature moves along the line of least resistance, and that law is as potent and deadly in the realm of commerce as it is in the natural world. Consequently, all those who deal in farm products get their profits out of the depression of farm prices, because the farmer offers the line of least resistance.

What business is there in the United States today that pays the freight except the business of farming? The producers receive for their goods what is left after those who handle them have deducted every expense incident to the handling. The man who produces the raw material does not even get paid for the wrappings in which he is compelled to package his product. The producer pays the freight, insurance, clerk hire, store rent, and every expense incident to placing the finished article on the market, and when all of these are provided for by the purchaser at a fixed rate, fixed by him and his associates, if there is anything left the producer gets it, but if not he can go back and make another crop.

These amendments are an attempt on the part of the Government—I take it to be an honest attempt—to set up an organization which will function in some degree for the benefit of the man who is unorganized but upon whom we are all dependent. Once again let me ask you, in considering these amendments and asking the meaning of any particular amendment, to keep in mind that they all are for the purpose of giving to the producer of raw material at least a partial chance in sharing in the wealth he produces.

These amendments are for the benefit of the producer and are an attempt to control the processor by the instrument that is invoked here for the purpose of handing back to the producer a part of the profit to which he is entitled.

In conclusion let me say that the problem of agriculture is far from being solved as it should be. There are tremendous difficulties in the way. There are too many things that the farmer has taken for granted that should not have been taken for granted. Monstrous trade injustices and discriminations have been perpetrated against him, not because of any enmity of the trade against the farmer but because of himself, who has been his worst enemy in that, as a class, he does not study his own problems and in conjunction with his fellow farmers attempt to solve his own problem—the farm problem—along right, just, and equitable lines; in a word, to place himself and his fellow farmers in a position where they may demand that just and equitable treatment in the trade world to which they are entitled.

The modern facilities for transportation, education, and communication make it easily possible for him to organize throughout the Nation along just lines for his own benefit and the ultimate salvation of this Government.

THE TAX PROGRAM

Mr. BONE. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Washington Daily News of this date, written by Thomas L. Stokes, and dealing with the pending tax bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, Monday, Aug. 12, 1935]

"POOR LITTLE RICH BOYS" NEED NOT FEAR TAX LAW—TRUSTS AND OTHER DEVICES PROVIDE EVEN FOR CHILDREN YET UNBORN, SAYS GOVERNMENT DEFENDING NEW MEASURE

By Thomas L. Stokes

The lot of the sons and grandsons of the rich is less forlorn under the Roosevelt tax program than some have pictured it, according to the administration.

The truth is, says Robert H. Jackson, counsel of the Internal Revenue Bureau, that America's wealthy already have taken care of their children and grandchildren—and in many cases of children yet unborn—through trusts and other devices which put them beyond reach of the pending tax measure.

Though Congress at the last session outlawed most of the dodges, the share-the-wealth program cannot be effective for many years in many cases because of the loopholes of which the rich have availed themselves, with the advice of high-priced lawyers.

Jackson took for the sake of argument the frequently cited case of a $100,000,000 estate where there is one heir who, through

operation of the estate and inheritance tax, would be left with only $13,157,850, though such a case, he said, is "over simplified."

DOES NOT TELL STORY

At 4 or 5 percent this legacy would represent an income of $500,000 to $700,000 a year, he explained.

But this does not tell the story.

"If the experience of the Bureau of Internal Revenue is to guide, you may safely assume that the son, during the father's lifetime, had many direct and indirect advantages from his surplus of resources", Jackson said.

"In a great majority of cases, you will find that he has already been given money and property, which represent a fortune as compared to the resources of most men. The father has probably set up trusts for the support of his children and grandchildren.

PROTECTED TO LIMIT

"Some of America's richest families have carried the setting up of trusts for future generations to the very limit permitted by law and even provide for those yet unborn. You will also find that the son has been given shares of stock in some of the leading companies in which his father's estate has been invested; that he has been elected to boards of directors, and probably placed in a position to receive a substantial salary."

One wealthy man has set up 197 separate trusts. Two taxpayers transferred $150,000,000 before the 1932 gift tax went into effect. These were among Jackson's examples.

Besides the purchase of tax-exempt securities and various other devices, Jackson pointed to other avenues of tax avoidance pursued by the wealthy and the sons of the wealthy.

"Big taxpayers reduce their taxes by obtaining allowance as business losses of the expense of show farms, ranches, racing stables, and hobbies, which are in fact amusements and recreations. This is done by asserting that the hobby is a business, entered into solely for profit, and the courts have generally sustained such claims when well sworn to."

EXPENSIVE HOBBIES

He cited the case of one taxpayer "who for years pursued a hobby, the expense of which greatly exceeded receipts, and in each of the last 2 years his loss was close to a million dollars. In one year he made the Government stand $166,888 of his hobby expense by reducing his income taxes in that amount."

Another was the case of three "distinguished" gentlemen farmers, each of whom has regularly lost from $150,000 to $200,000 a year on their farms. In the last 5 years, Jackson said, one reduced his taxes $221,000, another $210,000, and a third $206,000.

"Such 'farm relief' is not available to smaller payers who cannot deduct for their hobbies or amusements," Jackson remarked.

CONTROL OF FLOODS IN THE WEST—ARTICLE BY REED W. BAILEY

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the RECORD an article written by Mr. Reed W. Bailey, Director of the Ogden, Utah, Intermountain Forest and Range Experiment Station. I am asking to have this inserted in the RECORD for two reasons. First, because the matter is of public interest, and second, because the discussion of the interesting engineering problems will bring home to those who own private lands in bench and hill countries feasible methods for conserving their own property in flood times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From American Forests for March 1935]

SHACKLING THE MOUNTAIN FLOOD

By Reed W. Bailey

Perched perilously along the steep sides of the Wasatch Mountains in Utah, 9,000 feet above the sea and almost a mile above the Great Salt Lake Valley, a small army of youths is engaged in a strategic movement to put an end to the floods that periodically come thundering down the mountain ravines to harass and plunder the peaceful settlements in the valleys below. Guided by the latest findings of research in respect to the causes of mountain floods, companies of the Civilian Conservation Corps are trenching steep slopes, building gully dams, and planting vegetation on critical areas in what resembles from a distance a vast face-lifting operation on the rugged features of the mountains.

This modern soldiery is allied against what formerly and incorrectly was called the "acts of God", but which science today labels the "mistakes of man"—mistakes resulting from a policy of land utilization that failed to recognize the influence of plant cover in regulating run-off and controlling erosion on mountain slopes. Destruction of vegetation on mountain watersheds by overgrazing and fires is wide-spread throughout the West. The technique of the rehabilitation work in Utah and its success in subduing floods, therefore, is of vital significance to communities everywhere subject to floods of mountain origin.

The establishment and expansion of settlements and industries in the arid West are fundamentally dependent upon water supply from the plant-covered mountain watersheds. In Utah, as well as in most of the other States of the intermountain region, the communities with their adjoining agricultural lands are situated in valleys, usually at the mouths of canyons on sediments brought down during past ages from the mountains by streams. In these valleys the rainfall is so scanty and evaporation is so high, that irrigation is necessary for general crop production. The mountain slopes and basins above the valleys constitute the source of both irrigation and municipal water. These same mountain slopes have been in urgent demand since early settlement for spring and summer grazing of livestock. In many localities, overstocking of the range has destroyed or greatly reduced the natural plant cover on parts of watershed areas.

If the condition of a watershed is so altered by natural causes or through improper utilization as to greatly accelerate run-off, disastrous results often follow. Soil and plant cover are the vital elements in regulating the run-off of any watershed. Their natural occurrence on the steep slopes of mountains, under the climatic conditions of the West, constitutes a delicate balance—a balance built up through the ages by the weathering of rock into soil and by the gradual improvement of the plant cover. In certain rugged mountains of Utah this balance has been overthrown in whole or in part by destruction of the plant cover. "Bald" spots have developed on the mountain slopes, which when visited by heavy summer rains, have become the generating places of floods which sweep down the steep, narrow canyons, carrying soil, gravel, and boulders up to 300 tons in weight into the valley communities below.

In recent years, floods from several canyons along a sector of the Wasatch Mountains between Ogden and Salt Lake City—the most intensively cultivated and densely populated rural section of the State—have resulted in the destruction of homes and the blocking of State highways and railroad lines. In addition, many acres of irrigated garden and farm land, worth several hundred dollars an acre, have been buried with debris containing boulders ranging up to 10 feet in diameter.

The seriousness of these recurring floods led to an investigation of the causes of the floods by a special commission appointed by the Honorable George H. Dern, Secretary of War, then Governor of Utah. Further cooperative studies by the Utah Agricultural Experiment Station and the Intermountain Forest and Range Experiment Station have contributed much to an understanding of the causes, the history of floods in the region, and measures to overcome flood danger.

The mountains in this locality are steep and, in the absence of retardent and retentive material, are conducive to rapid run-off from torrential storms. The record of the character of run-off during the past 500 centuries is recorded in the deposits of valley fill at the base of the mountains. The occurrence and recession of Lake Bonneville in this locality, many thousands of years ago, left clear-cut geological evidence in the form of shore lines and deltas which enable one to segregate the sands, clays, and boulders of the valley fill into three periods of formation, namely, pre-Bonneville, Bonneville, and post-Bonneville. The dating of these deposits made it possible to compare the quantities of material that had been brought down by the streams at different times. These observations revealed that in depth of cutting, in quantity of material and size of boulders carried, the recent floods exceed any others that have occurred since the recession of Lake Bonneville some 20,000 years ago. From this it is apparent that the recent floods mark a radical departure from the normal rate of post-Bonneville erosion and sedimentation.

The parts of the watersheds on which the floods originated were easily identifiable by the freshly incised gullies—unmistakable evidence of concentrated run-off—while on the well-vegetated slopes no gullying occurred. These gathering grounds were found high on the watersheds near the heads of the drainages, where overgrazing and fires during the past 40 years have destroyed or greatly reduced the vegetative cover on certain areas. The barren or depleted places are interspersed with areas of dense vegetation, and often stand out as "islands" in an otherwise well-vegetated landscape. Although constituting only a small part of the drainage as a whole, it was upon these "bare spots" that the flood waters originated.

The effect of vegetation in regulating run-off and erosion probably has never been more pronounced than it is in this section. On denuded slopes the plant cover and surface litter, which normally keep run-off spread over the slopes and facilitate absorption into the soil, were lacking. As a result, run-off rapidly collected into streams that increased in size and velocity as the water rushed down the slope, carving gullies as it went. With increase in volume of water came increased cutting and carrying power, thus adding large quantities of solid material to the moving mass. Descending the steep slopes, this mass of water, mud, and rocks formed the beginning of the floods that swept down the canyons in large heads, gathering debris and increasing momentum en route to the inhabited plain below.

Just as the investigation showed that the cause of the floods was rapid soil-laden run-off from depleted areas at the headwaters, it pointed to the need for stopping the rainfall in its tracks on these areas. Under the supervision of the Forest Service and Army personnel, a company of C. C. C. boys are at work on control measures designed to accomplish this end. They are carrying out the control program in minute detail as designed by the Intermountain Forest and Range Experiment Station, with the station investigators giving technical direction to the work. Control measures include protecting the critical areas against unwise grazing, the construction of terrace-trenches and check dams, and artificial reseeding and planting of the depleted areas in order to abet nature in the rehabilitation of the vegetative cover.

Contour terrace-trenches, which ascend the depleted spots on the steep upper slopes with steplike regularity, are the most conspicuous feature of this control system. They are designed to

hold the rainfall, even of storms considered torrential in that locality, and at the same time increase the absorption of water by the soil, thus eliminating surface run-off from the critical areas.

A sufficient number of trenches were constructed of such a size and spacing as to hold all the water from any storm anticipated. Thus, each terrace-trench is a potential reservoir for the temporary holding of rain water pending seepage into the soil. The size and spacing of the trenches must be determined separately for every area treated, based on the degree of slope of the land, type of soil, extent of plant depletion, and intensity and quantity of rainfall. On the Wasatch Mountain slopes the average horizontal distance between the trenches is about 24 feet. Their capacity is slightly more than 2 cubic feet for each linear foot, which is adequate to hold the run-off from the space above the trench, produced by a storm of 1¼ inch rainfall of any known intensity in the locality, exclusive of seepage. Each terrace-trench was first laid out with an Abney hand level and staked every few feet to assure as nearly a level trench as possible. On the more gentle slopes up to 45 percent, the trenches were first plowed with tractors equipped with caterpillar tracks and a trail builder. On the steeper slopes horses and plows were used, and under certain conditions the entire trench was made by hand labor. In plowing these terrace-trenches the loosened soil was pushed down the slope to form a bank, which acts as a barrier across the denuded and gullied slope. The upper cuts were reduced as nearly as possible to the normal gradient of the ground in order to minimize erosion.

After the trenches were roughed out with tractor or plow, the men finished them with hand tools. This consisted of trampling and compacting the loose bank and constructing partitions in the terrace-trench at varying intervals to offset irregularities in gradient. Otherwise the whole terrace might have reversed its purpose by becoming a drain ditch, which instead of holding the water would discharge a considerable volume down the slope in case any part broke during a storm.

The completed terraces were seeded with bromegrass, slender wheatgrass, Kentucky bluegrass, and common rye, or with seeds of native grasses and weeds collected on ungrazed areas in the locality. Douglas fir or other suitable conifer seedlings will be planted in the spring of 1935, the trees to be set out at intervals of 6 to 8 feet along the terraces. The establishment of plant cover on the freshly made terraces is an indispensable part of this program of erosion and flood control. The accumulated water in the trenches will aid in the establishment of the vegetation, which is the permanent basis of control. Since only the more critical areas are being trenched, some gullies will continue to receive considerable run-off until the area drained but not trenched becomes restored to an adequate plant cover. In these gullies, dams made of rock placed in wire baskets are being constructed for the purpose of establishing a new base level of erosion, thus preventing further headward cutting or further deepening and widening. On these steep watersheds the check dams are primarily for the purpose of retarding run-off and arresting erosion rather than for storing flood water or silt. The amount of debris that can be stored back of check dams is very small due to the steepness of the gradient.

The canyons from which floods have come are now gouged out so that run-off from the watersheds is rapidly delivered at their mouths. Accordingly some floods may occur as a result of the large accumulations of water from melting snow in the spring or from especially heavy summer rains during the period while the vegetation is being restored on the headwaters. A considerable amount of erosion debris has been moved part way down the canyons and this high water may pick up enough debris to become destructive. Accordingly, the C. C. C. boys moved down into the valley for the winter where they are constructing barriers and diversion works at the mouths of the canyons for the purpose of protecting property lying in the paths of these potential floods.

The underlying principle of this work in the valley is to create a basin in which the stream will deposit its load. Deposition is facilitated by forcing the streams to spread out over the basin. The utility of barriers in all probability would be short-lived and in time might become a menace to adjacent property, except where corrective measures are taken to control run-off at the headwaters of the drainages. Where control measures have been established at the heads of streams, barrier systems at the mouths of the canyons are justified as a temporary protection.

Man-made erosion control structures built on steep, sloping watersheds, at best, must be considered merely supplemental and temporary. Following any erosion-control program in which rehabilitation and protection of the plant cover is not included, the terraces and ditches will fill with silt and the dams and settling basins will be destroyed by erosion and debris. Lasting erosion-control measures can be obtained only through a program of land utilization and management which will restore and maintain an effective plant cover.

The combination of terracing, planting, and check damming may vary in different localities because of differences in topography, geology, soil, vegetation, and climate. Hence, every watershed must be analyzed and treated individually. However, the principles involved are basic to any control program and have as their object the reduction of surface run-off and soil erosion by inducing percolation of precipitation into the ground where it falls, until vegetation reclaims the denuded mantle and reestablishes the balance that made possible the accumulation and maintenance of the original soil. Such control aids in stabilizing the soil on the slopes, which is accomplished by keeping storm run-off spread out, by checking its progress down the slopes, and by preventing further erosion in the gullies. Thus, by lessening the volume and velocity of run-off, seepage of water into the ground is increased, and plant growth is promoted. Finally, the rainfall is prevented from accumulating into destructive flood proportions.

STATEMENT BY FORMER PRESIDENT HOOVER

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by former President Herbert Hoover, appearing in this morning's newspapers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun of Monday, Aug. 12, 1935]

STATEMENT BY FORMER PRESIDENT HOOVER

The past 2 years have made it clear that the administration intends to bring about a fundamental change in the structure and balance of powers in our Government as distinguished from the normal development of the Constitution to meet specific problems as ofttime in the past. This has been evident from the demands made upon and the surrender by Congress to the President of powers reaching to dictatorial dimensions and in the invasion of State rights. For 2 years primary liberties of the people have been trampled upon.

In effect, the Supreme Court called a halt to the concentration of powers which has resulted in creation of monopolies, in coercion, in repudiation, and in other indirect invasion. The lower courts have declared still other acts unconstitutional.

But the President, in his criticism of the Supreme Court, his reference to "horse and buggy" days, and to the powers of European governments, revealed that these were not emergency measures nor temporary laws as had been asserted when they were passed. Moreover, we have witnessed the astounding passage of bills to prevent our citizens from having access to the courts to right their wrongs.

Further, we now see a demand from the President not to permit doubts as to the constitutionality of a proposed law to block its passage. We listen to constant urgings from prominent members of this administration that the Constitution must be revised. These things can have no other meaning than a continuous intent to change the Constitution directly so as to authorize such acts and such concentration of powers to accomplish them indirectly.

No matter how destructive an amendment might be, and even though the people were persuaded to ill-advised action upon it, yet it would be better for liberty to commit suicide in the open rather than to be poisoned by indirection in the Capital of the Nation.

No more momentous question has been raised since the Civil War. Common frankness requires that the administration come forward to the people and declare precisely wherein under our Constitution we cannot correct evils and cannot prevent social maladjustments.

The time has come when these full purposes should be disclosed. The people should now be told openly the specific words of the exact amendment that these gentlemen want, so that the people can consider and themselves determine it. That is their right.

FEDERAL LICENSING

Mr. BURKE. Mr. President, I ask unanimous consent to have inserted in the RECORD an editorial appearing in the Omaha World-Herald of Wednesday, August 7, 1935, in reference to Federal licensing, having particular reference to the bill recently introduced by the Senator from Wyoming [Mr. O'MAHONEY].

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL LICENSING

It isn't so very long ago that there was lively discussion of the proposal of Federal incorporation for all businesses engaged in interstate commerce. It was advanced as affording an effective method for the regulation of trusts and monopolies not only, but of the numerous concerns operating in more than one State, that were able to defy satisfactory State control and yet could not be brought sufficiently under the supervision of the Federal Government.

At that time, Republicans, especially of the conservative variety, were the most ardent supporters of the plan. Democrats opposed it, and the more progressive they were the more determined their opposition. They charged it would afford a shelter for monopoly. Big business, controlling the Government, would find it delightfully easy to write its own ticket. That, it need not be said, was in a day before a Roosevelt administration was foreshadowed.

Now, however, it is a progressive Democrat, Senator O'MAHONEY, of Wyoming, who invokes the principle. His bill for the Federal licensing of interstate business is the same thing under another name. As briefly outlined in the dispatches, it seems to be worthy of serious consideration.

In our Federal system, it is widely recognized, there exists a troublesome twilight zone in which industry that ought to be regulated finds a hiding place. Neither the States nor the Federal Government are able to enter it. It extends beyond any State's

borders. It is shielded against Federal authority. Within that sheltered refuge, Robin Hood's merry men too often raise merry hell.

N. R. A. was an effort to solve the problem presented. It failed, not only because of its unconstitutionality, but because it sought to cover too much territory. It aspired to create Federal control over business, not alone between the States, but within the several States. It reached out a long hand from Washington to control the shirt maker and the pants presser and the blacksmith and the innumerable small activities in all the small communities, having nothing to do with interstate commerce. And that made it highly unpopular, so that, for its passing, there were few outside Washington to shed a tear.

Federal licensing of business between the States would need have none of that weakness and error. It could operate under the constitutional balance. The States would be left with the responsibility to regulate their own purely local businesses. The Federal Government could regulate, as it should, interstate business. And that would chase the big Robin Hoods out of their twilight zone.

Oceansful of water have passed under the bridge since the day conservative Republicans favored and progressive Democrats opposed Federal incorporation. Conditions have changed radically, including the attitude of the two parties. It is the Democrats who now are pressing for vastly extended Federal authority. It is the Republicans who are soulfully championing the old Democratic doctrine of State rights and local self-government.

Why doesn't the O'Mahoney plan propose a reasonable compromise? And why couldn't both parties, including conservatives and progressives of both parties, accept it? Then the two parties could find something else to fight about—and to switch positions on.

SECRETARY WALLACE'S VISIT TO NEW MEXICO

Mr. HATCH. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Curry County (N. Mex.) Times concerning Secretary Wallace and his recent visit to Clovis, N. Mex.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW MEXICO LIKES WALLACE

The Lyceum Theater was filled to overflowing to hear Secretary of Agriculture Wallace Monday morning, and to say that the audience liked his looks and his plain common-sense arguments is putting it mildly. Farmers and business men who heard the short talk are boosters for the Secretary, who has had the biggest problems to solve of any Secretary of Agriculture in the history of the Nation. Secretary Wallace explained the details of the A. A. A. program without a lot of frills or rosy promises. He said farm products were not going to be raised to high price levels by magic and that better prices must come gradually and orderly.

He impressed his audience that he knew farm problems, and we dare say that every man who heard the speech thought a lot more of the A. A. A. program after he left the theater than before. Mr. Wallace said that he saw corn in Curry County that would do credit to rich farm lands of Iowa and maybe he was impressed with eastern New Mexico as well as we were impressed with him.

THE GUFFEY COAL BILL—STATEMENT OF COAL PRODUCERS' COMMITTEE

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement and a telegram from the Committee of Coal Producers relative to the so-called "Guffey coal bill."

There being no objection, the statement and the telegram were ordered to be printed in the RECORD, as follows:

THE COAL CONSERVATION ACT OF 1935, H. R. 8479, FROM THE VIEWPOINT OF SMALL PRODUCERS

For decades the bituminous-coal industry has been seething with bitter and destructive warfare among producers of coal for the capture of markets and with outbreaks of violence and civil commotion between producers and mine workers, and the records are replete with reports and investigations of arbitrators and commissions.

Faced with a diminishing demand for coal, big business has sought to maintain volume of tonnage through the processes of uncontrolled competition, and all manner of unprincipled trade practice and price cutting has been used to crush the weaker members of the industry. With the reduction of sale value of the goods it has been necessary to lower costs, and helpless employees have been deprived of living wages without concealment or shame. Periodically the oppressed workmen rebel, and the Nation is for a time shocked by the ruthless violence that dominates a mine strike.

A constructive legislative movement to alleviate such conditions was started in 1934 by the national organization of mine workers, and a bill was written.

A national conference of producers of coal was convened, and a legislative committee was formed, of which Charles O'Neill is chairman, and for the first time in the history of the industry the mine owners and the representatives of labor conferred together with harmony and unity of purpose to work out a legislative program to cure the ills of the industry.

The original bill was amended, and some prominent producers of coal withdrew their support for reasons which to them seemed sufficient (see copy of annexed telegram relative thereto), but ultimately more than 50 percent of the commercial tonnage of the country agreed with labor upon a bill that is now known as "H. R. 8479."

There are yet remaining in the industry more than 4,000 rail and river mines in the United States that employ upwards of 400,000 men who live for the most part in communities remote from large centers of population and who depend solely upon the industry for their livelihood.

As conditions affecting the mining of bituminous coal in western Pennsylvania are typical of the industry anywhere, this discussion in support of the Guffey-Snyder bill, H. R. 8479, will apply with equal force to many shippers elsewhere. It is presented at the instance and upon behalf of 30 small producers and shippers of bituminous coal in western Pennsylvania, whose tonnage, names, and addresses appear on a list attached hereto.

We are here concerned with practical every-day problems presented by the bill as they affect these producers of coal and their employees, leaving for others the subjects of constitutionality, coal conservation, labor provisions, and allocation of tonnage.

Therefore we purpose to deal with four major parts of the bill in the following order, namely: Marketing, enforcement, wholesaling, and representation on the district board.

MARKETING

Bituminous coal as it lies in the seams in a natural state varies according to thickness of seam, quality, and structure, but in the main it falls into a few broad classifications, namely, seam coal, byproduct coal, coking coal, free-burning coal, and domestic coal.

Generally, to the producers and shippers of coal in competition with other coal of similar kind, quality, and size, it is immaterial whether the competitive coal is mined in West Virginia, Kentucky, Ohio, Pennsylvania, or elsewhere, so long as it all reaches the consuming markets at substantially the same or competitive prices.

On account of the wide-spread deposits of coal and the large numbers of producers engaged in its production it is a disorganized business, but it is also one of the few remaining major businesses of our country in which individual initiative has not yet been stifled by the grasping hand of monopoly.

For the past 10 years, however, monopoly has been on the way up and individual initiative is on the way out, chiefly because the large and well-financed producers have been crushing smaller competitors through the means of uncontrolled competition. The wrecks of mines in the coal regions are visible evidence of the result.

This condition is also mutely expressed in a release of the western Pennsylvania Coal Code Authority, which shows, for example, that the Pittsburgh Coal Co. increased its percentage of tonnage in western Pennsylvania 43 percent during the years of depression. Its peak production year during the period 1925 to 1929, inclusive, was 13.2 percent of the total district tonnage and for the year 1934 it was 18.8 percent of the total district tonnage, while in the meantime 128 small mines in the district that had produced and shipped coal and contributed to the support of communities in the year 1929 now lie idle and did not produce a single ton of coal for and during the entire year 1934.

It does not follow that the small producer is the high-cost producer or that the small producer has the inferior quality of product, but it has occurred because large producers of coal are tonnage minded.

They seek volume of business in order to spread fixed costs over a large tonnage output. These fixed costs, such as pumping, ventilation, maintenance, employees, taxes, insurance, administrative expense, interest charges, and depreciation are continuing charges regardless of the actual tonnage produced at the mine, and it frequently seems advisable to reduce the selling price as much as 30 to 40 cents per ton upon part of the business in order to secure volume and assure the large producer a small net profit on the entire production.

The result has been disastrous because large and well-financed organizations have been able to control the tonnage of substantial markets by their affiliations with or ownership of docks, coaling pockets, lake and ocean vessels, railroads, river barges, and privately owned transportation facilities. The producer with such affiliations or controlled tonnage is certain of a substantial production at good prices and can and does sell the remainder of the production in the open market at reduced or cut prices.

Meanwhile the small producer does not enjoy good prices for any of his business, for he is compelled to compete in the open market against the low prices of his more powerful competitor who enjoys the special privilege of a controlled market. This situation is analogous to the oil industry in its early days.

Uncontrolled competition in the markets has built up a system of ruinous prices and unfair practices that can be cured only by stabilization under legislative enactment, and unless it is cured for the coal industry it will continue to foster monopoly and the survivors, after crushing competition, can impose their wishes upon both labor and the public as they will.

The marketing provisions, pages 10 to 20, of H. R. 8479 tend to strike down unfair practices and prevent selling coal below cost.

The first salient feature of these marketing provisions is that producers of coal will be prevented from selling the coal below a

minimum price that returns its weighted average out-of-pocket cost.

The second important feature is the provision clothing the national commission with authority to establish maximum prices in the interest of the consuming public.

The third notable provision coordinates relative market values for the various kinds, quality, and sizes of coal, which shall be just and equitable and not unduly preferential between producers not only within the district but also between and among producers of similar coal from other districts.

The law provides that the commission shall certify to each district board the weighted average per net ton total cost of all coal produced within the minimum-price area. The district board will then establish minimum-price differentials for the various kinds, quality, and sizes of coal for each district, and such minimum prices shall not unduly reduce as to any district the return per net ton upon all the coal produced therein below the minimum return as determined for the whole minimum-price area, subject to the power of the commission to approve, disapprove, or modify the same. The commission may raise or lower the district price schedules to coordinate prices according to kinds, quality, sizes, and transportation charges, but when so coordinating the commission is charged with the mandate to maintain weighted average prices for each minimum-price area equal as nearly as may be to the weighted average total costs per net ton of the tonnage of the minimum-price area.

Under this system of coordination the districts with poorer-quality coal or with higher transportation charges will receive lower prices, but the more favored coal will be priced sufficiently high so that the total will yield the weighted average cost of production for the area.

Manifestly the consumers of a product cannot for any protracted period expect to secure that product at less than the cost of producing the goods. It is true that during the past few years many producers of coal have been unable to realize its cost and this condition has led to great financial distress in the coal regions and has contributed materially to the closing of many banking institutions and to irreparable losses for other security holders and to the owners of property.

Selling coal below cost has been directly responsible for the progressive reduction of rates of wages and pay of employees, frequently to an extent where earnings have not been able to support decent existence and the morale and living conditions are deplorable. The wage earners have not only been pauperized but the owners of the mines have been denied a return sufficient to provide machinery, equipment, pit posts, and supplies for the proper protection of the people who work in and about the coal mines.

The buying power of both producer and thousands of employees has been depressed to such an extent that they have ceased to be a constructive force for maintenance of the bituminous coal-mining communities.

The guaranty under this bill of a price sufficient to pay costs assures security for the wages of more than 400,000 men employed in the coal mines of the country by removing from the producer the necessity of breaking down wages in competing for business that will not approximate even the out-of-pocket costs for his product.

It is a self-evident fact that the purchasing power of a prosperous bituminous-coal industry in which there are 4,000 producing organizations and more than 400,000 employees will be much more beneficial to the public at large than an industry which can neither pay the bills for its material nor pay fair wages to its employees.

The yield of cost to the producer for his coal should not be shocking to the consumer but the yield of an insufficient return should be shocking to every person from a humane point of view. Producers of coal have neither been able to pay living wages nor to purchase proper equipment and supplies to guard against the preventable crippling and injury of the men who go down in the mines to work.

There are mines in western Pennsylvania with an accident hazard so great that they must pay $12 to the State insurance fund for each $100 distributed over the pay roll to employees.

Accidents are not profitable to mine owners, for they must be compensated for under the workmen's insurance rates, but sheer pressure of economic necessity has limited many producers from installing preventative measures.

It is not the desire of the coal producers to continue the slaughter and crippling of its employees, and it cannot be the desire of the consumers of coal to be a party to the fact by insisting upon the purchase of their coal at less than its cost in money, but at the cost of crippling and maiming the toilers in the mines. It is the inevitable result arising from a situation where the ability to make costs is denied or frustrated.

For the protection of labor, for the protection of investments, to prevent monopoly, and for the general welfare of all the people we endorse and support the marketing provisions of the bill.

ENFORCEMENT

Irrespective of the value of the services rendered by the Bituminous Coal Code under the N. I. R. A., it broke down from lack of enforcement.

This bill provides for a tax or penalty on the sales price or fair market value of coal to be collected by the Commissioner of Internal Revenue from those who do not desire to comply with the law or who feel that fair trade practices or equality of opportunity in the markets may be antagonistic to their interests. (See p. 5, sec. 3.) This should be an effective enforcement provision. One may take the chance of successfully defending against threatened incarceration, but when the money or property of an industrial enterprise is placed in jeopardy because of the failure to do or not to do a certain act, we submit that the mandate of the law will be scrupulously observed.

There is a credit against the tax in favor of those who do comply, but the right of any coal producer to the drawback on the taxes levied under section 3 may be revoked by the Commission after due complaint, notice, and hearing, upon proof of willful failure or refusal to comply with the duty imposed by reason of this clause. (See p. 26 (b).) There is also reposed within the discretion of the Commission power to issue cease-and-desist orders for failure of compliance of a member, and this affords reasonable protection for unintentional violation.

There is also a provision that any producer whose membership in the code and whose right to drawback on the taxes has been canceled shall have the right to have his membership restored upon payment by him of all taxes in full for the time during which his unlawful violation shall have been continued. (See p. 28 (c).)

The process of enforcement is further aided by requiring the filing of contracts for the sale of coal, copies of invoices, and copies of credit memorandums, and these records shall be held as confidential records, but they will place in the hands of the National Commission reasonable information concerning the business of the industry. (See p. 10 (a).)

An appropriate remedy is provided which charges the producer under penalty of $50 for each and every day of his continuance to fail to file the reports within the time fixed for so doing. (See p. 36.)

There is also a clause covering civil liability extending the right to bring action for threefold damages as guaranty to one who observes the price structure that a willful violator may not escape with the fruits of his misconduct. (See p. 29 (d).)

Manifestly these provisions protect one who is not a flagrant or willful violator of the law and also permit one who has been a violator to again reestablish himself.

Under the N. I. R. A. the lack of enforcement was first and quickly perceived by large and astutely organized producers, and this weakness was capitalized and used skillfully to secure business at special prices long before the small and uninformed producers of coal awakened to the fact that their business was being lost to those who arrogated to themselves the right to do as they pleased. The name of "chiselers" has been well applied to them, and the provisions of H. R. 8479 have been strictly drawn to protect all bituminous-coal producers against this class of parasites.

Many of the small producers in the coal fields have grown up in their local communities and they are unaccustomed and unable to command the system of high-pressure salesmanship with its devices and schemes to secure special privileges, and have not the large interlocking financial connections that assist in the sale of coal. There has never been any problem in securing compliance from these producers. Compliance under the N. I. R. A. was beneficial to them, as the small amount of regulation was compensated for by the equal opportunity afforded; whereas compliance simply fettered a large chiseler and finding out there were no teeth at the moment he selected, he stopped compliance.

All of the above remedies and provisions for enforcement are of vital necessity to the small producer of coal. He has a healthy respect for law and for the enforcement of it. He does not have a battery of skilled legal talent at his command to guide him through the intricate processes of legal contests, and he reads and interprets common language in a plain and direct way and guides his action in accordance with such understanding.

In offering his coal to the market he is willing to do so on the basis of equality in price for the kinds, quality, and sizes of coal that are to be offered by others, but if the processes of enforcement are so weak that competitors with more acumen are able to circumvent the price structure, the small producers awake to find that the opportunity to market their coal has been lost.

WHOLESALING

It is noteworthy that H. R. 8479 contains a section to provide compensation for those who purchase coal for resale, commonly known as "wholesalers", whereas other recent bills that have been introduced for the coal industry have omitted such provisions. (See p. 19 (1).)

The business of wholesaling is perhaps one of inconsequence to the large producer of coal whose tonnage is sufficiently great to warrant the maintenance of a sales organization and combustion engineering service, but it is of vital importance to the small independent producer who, by reason of his size, cannot afford the expense of special representatives in the consuming markets.

Many of the small producers of coal are extremely efficient and capable in the production of the product. They have grown up from boyhood as members of mining communities and they are not only familiar with the production of coal but they know their communities and their workmen. There is often a bond of close contact between employer and employee that promotes the efficient management of the property.

Such a producer is localized in his environment and training and he has little knowledge of the processes of marketing and distribution of coal. He knows that he has coal that he would like to sell but he does not know, for instance, whether his coal is best suited to an underfeed stoker, overfeed stoker, chain grates,

or hand firing, or whether low-fusion coal will best suit the needs of a slagging furnace or whether high-fusion coal is desirable.

He does not have the intimate contact with the consumer. The small producer must of necessity rely upon the wholesaler who may know little about the producing of coal but who knows the needs of consumers and the marketing of the product.

Wholesalers are not only entitled to compensation because of sales ability but they assume credit risks and frequently advance pay-roll money and help finance the urgent needs of the small producer.

Certain wholesalers have from time to time taken advantage of the necessity of the tonnage-hungry producer to drive unduly hard bargains, but in this bill the price allowance receivable by the wholesalers is under the control of the Commission, and this seems to be a practical and safe method to work upon.

Manifestly it costs more money to sell coal in single carload lots to small consumers in territories farthest away from production or in scattered communities such as one finds in northern New England. As against this the marketing of coal in large volumes to railroads or large industrial consumers affords much greater return, and it is reasonable and proper that the compensation for the resale of the article should be based upon the amount of service rendered.

The bill protects the small consumer when it protects the wholesaler and it retains a place for the wholesaler as a useful member of the industry who with long-established market contacts has proved valuable and helpful, both to the producers by finding a market for their kind of coal and for the consuming public by providing the best kind of coal for each individual need.

REPRESENTATION ON THE DISTRICT BOARD

Under part 1—organization and production—page 6 (a) there is a provision for local self-government through and by the means of a district board composed of not less than three or more than 17 members, subject to the approval of the Commission. One member to be chosen by labor, one member by numbers of producers, and the remainder by vote of volume of tonnage for the calendar year 1934 with the right on part of any producer to vote tonnage cumulatively.

There are 23 such district boards and the districts which they represent have been well defined for the purpose of giving to independent producing localities the control over their destinies. Some of these districts produce very small tonnages and probably will be represented by a district board composed of the minimum allowable number, while other districts such as western Pennsylvania, produce not only large volume of tonnage but comprehend a great variety in kinds of coal shipped from a number of producing fields and here it is proper that the district board should be composed of a large number of representatives who have production and market knowledge of the various kinds of coal within the district.

This is extremely important because the marketing provisions contemplate that differentials between various kinds, sizes, and quality of coal shall originate with the district board. This situation is again recognized in the bill on page 8, where provision is made that marketing agencies comprising a substantial number of members in any producing field may be given representation on the district board by the Commission by increasing the membership of the board in its discretion.

Representation of the district board is vital to the small producer and is also at variance with the provisions of other proposed legislation for the industry which provided that all the producer members of the board should be elected by a preponderance of volume of tonnage alone. Manifestly, under such a provision the large producers could and probably would dominate the board and the small producer would in effect be denied the right to representation.

It is not within the mind of anyone that the small producer will be able to control the board, but the provisions in H. R. 8479 make it possible for the smaller producer to have some degree of representation on the board so that controversial questions such as differentials between kinds, quality, and sizes of coal may not come before the Commission as the unanimous action of a few of the large producing companies.

The opportunity for presenting minority reports to the National Commission for the purpose of conveying a complete understanding of any subject at issue will be within the means of any substantial group of smaller producers either through representatives elected by cumulative voting or through representatives of their marketing agency.

CONCLUSION

The enactment of this bill will mean:

1. A price realization sufficient to sustain wages and return to capital the cost of producing the goods.

2. A check against exploitation of the consumer by placing control of maximum prices in a Federal Coal Commission.

3. The settlement of wage disputes by conferences, arbitration, and due process.

4. The regular and orderly supply of coal to the consuming public.

5. Equality of opportunity for producers in marketing the various kinds, quality, and sizes of coal.

6. The preservation of a great basic industry from the grasp of monopoly.

7. Guaranty against bankruptcy of small communities dependent upon coal operators.

Supported, as it is, by a practically unanimous opinion of mine workers and by the majority of mine operators, the reasons for enactment are persuasive and should be resolved in favor of an attempt to correct what is a plague spot nationally in an industry which affects without regard to State lines the health, happiness, and prosperity of so many of the citizens and taxpayers of this country.

Respectfully submitted.

COMMITTEE OF COAL PRODUCERS,
By JOHN B. BRUNET, *Chairman.*
D. R. DAVIS,
JAMES GREGG,
J. E. SUGDEN, Jr.,
H. M. WASSUM.

Dated: GREENSBURG, PA., *August 6, 1935.*

[Telegram sent on July 10, 1935]

Hon. SAMUEL B. HILL,
Chairman Subcommittee on Ways and Means,
House of Representatives, Washington, D. C.:

It is to be regretted that selfish producers of large tonnage of bituminous coal will be active against the Guffey bill. They are able successfully to fight, and in the past have successfully fought, both their smaller competitors and the miners. If larger operators are able to destroy competition by putting smaller competitors completely out of business by underselling them, they will be able to treat labor and the consuming public as they will.

Originally the Guffey bill suited most of the large operators. It was drawn so that the election of all the members of the district board was on the basis of tonnage alone. Marketing agencies were to be elected and controlled in the same manner. It originally enabled high-quality coal to drive steam coal out of the market by providing for uniform prices for all coal. It denied the right of appeal from rules and determinations of the district board. It omitted all compensation to wholesalers or others engaged in the resale of coal who are vitally necessary to the smaller producers.

A number of small producers of western Pennsylvania who are represented by the signers hereof united in seeking fundamental protective amendments to the bill and after national conferences of producers held in Washington changes were made in the personnel of the national legislative committee and this committee under the chairmanship of Charles O'Neill after weeks of deliberation counseled and aided in writing the Guffey-Snyder bill, H. R. 8479, that guarantees to both large and small producers the right to representation, the right of appeal and protection for wholesalers.

After the Guffey bill was amended to preserve the rights of the smaller producers some of the larger producers withdrew their support from the Guffey bill.

Within the western Pennsylvania district five large producers of bituminous coal plus the captive coal tonnage for the year 1934 produced more than one-half of the district tonnage while the small producers of whom there are approximately 1,100 within the district with about as much investment as the larger producers and with production ranging from a few thousand tons to upward of some hundreds of thousands of tons produced the balance of the tonnage.

This bill assures to small industry economic rights for fair marketing provisions and we maintain that the larger producers are not entitled to benefit at the expense of the small producers and we believe that H. R. 8479 has been drawn to give all producers fair opportunity to share in the business of the industry at stabilized prices that will protect labor and with power in the national commission to safeguard the public against a runaway market.

Committee of coal producers supporting the Guffey bill:

D. R. DAVIS,
JAMES GREGG,
J. E. SUGDEN, Jr.,
H. M. WASSUM,
JOHN B. BRUNET, *Chairman.*

Butler Consolidated Coal Co., Wildwood, Pa	692,364
Cochran Coal Co., Williamsport, Pa	63,639
McKeesport Coal & Coke Co., Pittsburgh, Pa	324,769
Daugherty Coal Co., Finleyville, Pa	9,518
Henderson Coal Co., Hendersonville, Pa	165,600
Chartiers Gas Coal Co., Pittsburgh, Pa	45,130
West Point Marion Coal Co., Point Marion, Pa	43,379
St. Clair Fuel Co., Ligonier, Pa	21,688
Davidson-Connellsville Coal & Coke Co., Connellsville, Pa	21,921
Fancy Hill Coal Co., Point Marion, Pa	178,207
Pleasant Valley Mining Co., Pittsburgh, Pa	330,726
South Fayette Coal Co., Pittsburgh, Pa	127,049
Seger Bros. Coal Co., Ligonier, Pa	75,711
Creighton Fuel Co., Creighton, Pa	153,103
Seehart Coal Co., Saltsburg, Pa	31,789
Saxman Coal & Coke Co., Latrobe, Pa	105,789
Irwin Gas Coal Co., Greensburg, Pa	253,633
Edward Tomajke, Adamsburg, Pa	166,672
Atlantic Crushed Coke Co., Greensburg, Pa	27,044
Penn Valley Coal Mining Co., Youngwood, Pa	109,123
Howard Gas Coal Co., Greensburg, Pa	63,533
Keystone Coal Co., York, Pa	92,503
Washington Gas Coal Co., Pittsburgh, Pa	119,492

Charleroi Gas Coal Co., Pittsburgh, Pa	5,177
Ontario Gas Coal Co., Pittsburgh, Pa	25,327
Seger Bros. Co., Ligonier, Pa	75,711
Westmoreland Mining Co., Blairsville, Pa	553,449
Klondike Fuel Co., Pittsburgh, Pa	116,695
McClure Mining Co., Washington, Pa	79,966
Lyons Run Coal Co., Irwin, Pa	15,086

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

Mr. AUSTIN. Mr. President, I am opposed to the amendment in the nature of a substitute which has been offered by the Senator from Missouri [Mr. CLARK] for Senate bill 3055. The amendment is in the form of the so-called "30-hour-week bill", with the preamble subtracted from it and section 4 and paragraphs (a) and (b) also eliminated. The proposed substitute as offered would apply to a great number of employees in almost every line of activity throughout the United States. The direct effect of it, if agreed to, would be to control labor to the extent of limiting the sale of services by law to not more than 5 days in any week and to not more than 6 hours in any day. Therefore it would curtail the liberty of the laboring man and create a statutory monopoly of services in this country.

The scope of the amendment includes employees, "except officers, executives, and superintendents, and their personal and immediate clerical assistants", or any person producing or manufacturing goods "in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment situated in the United States." "Manufacturing establishment" alone is so generic in its scope as to include practically every industrial activity in the United States and, therefore, to proscribe the right of every employee engaged in manufacturing.

The proposed substitute includes employees of all producers of agricultural or farm products save those producers who are original producers and who process for the first sale. It includes employees in the publishing business, the original bill having excluded that business by name and the proposed substitute having eliminated that exclusion.

There is an exemption by reason of a permit by the President in respect to the classes of employees I have mentioned. Special circumstances and special causes for exempting persons have to be shown in order to obtain such exemption, but the noticeable thing from a legislator's point of view is that the exemption does not include industry. Not one of the industries to which I have adverted so far can obtain an exemption from the limitations of the bill. Only persons within industries who can show cause, therefore, may be exempted from its prohibitions.

I have already indicated the very large class of citizens who are prohibited from exercising the customary right of contract, but I have not comprehended the entire scope of the amendment, for it will be observed that another great class of wage earners is included within the reach of its prohibitions, and that is the employees of vendors—vendors of articles or commodities sold to the United States or to any department or organization thereof.

Employees of any material man who sells to any contractor for any public work are included.

Then, there is that vast number of employees who fall within the following classes, namely, "Employees of any borrower from any governmental agency who is engaged in the production and manufacturing described in the first section." Thus we see that the activities of the wage earners of the country, practically every class of wage earners, are curtailed to the point where they may contract for the sale of their services only 5 days a week and only 6 hours a day.

The substitute is extraordinary in respect to its enforcement provisions. Curious and unusual punishments are provided. I do not assert that these are unconstitutional within the ban of that section of our Constitution relating to punishment, but I refer to them because of the effect of the application of such punishments upon our social and economic structure.

When before has this country contemplated punishment by embargoes on the declaration of an administrator? So far as I know, the Congress of the United States has never before considered the employment of the embargo as a means of enforcement of law, but in the proposed substitute an embargo is expressly provided for, an embargo on transportation in interstate and foreign commerce affecting the shipper, the transporter, and the deliverer. I quote:

That no article or commodity shall be shipped, transported, or delivered in interstate or foreign commerce, which was produced or manufactured—

In any of the establishments described in section 1, in which any person, that is to say, only one person—

was employed more than 5 days in any week or more than 6 hours in any day.

Mr. LONG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Louisiana?

Mr. AUSTIN. I yield.

Mr. LONG. As I understand, the Senator is opposing the 30-hour bill?

Mr. AUSTIN. Yes; I am trying to do so.

Mr. LONG. I am trying to find out whether the Senator from Vermont has persuaded the Senator from Nevada [Mr. MCCARRAN] to change his mind or vice versa. I am having difficulty in determining whose logic I should follow. I do not understand the situation clearly.

Mr. AUSTIN. Mr. President, I continue with these strange and unusual sanctions which are laid down in the proposed amendment. The next one is a boycott. Section 2 reads:

No article or commodity shall be purchased by the United States, or any department or organization thereof, from any business enterprise operating contrary to the provisions of this act—

And so forth.

Notice the breadth of that prohibition, "operating contrary to the provisions of this act." Then we come to the limitation of contract, and I read further:

Each contract made with a contractor for any public work shall contain a provision that the contractor will buy no article or commodity to use on or in any public work from any business enterprise violating any of the terms or provisions of this act, etc.

There we have in the frankest manner a conspiracy between the Federal Government and the citizen contracting with the Federal Government to boycott every material man, every vendor of the articles or commodities to be sold under the contract, who employs even one single person, a janitor, for example, more than 5 days a week or more than 6 hours a day. I ask, is not that a strange and unusual punishment and sanction for the Congress of the United States to enact?

Then we have disqualification of the citizen. We pick out the persons who do not conform to the measure and say that such persons shall not enjoy the privileges which are common to other citizens of the United States:

SEC. 3. (a) No governmental agency shall make or renew any loan to any employer of labor in any * * * establishment * * * in which any person—

I say, even one—

was employed more than 5 days in any week or more than 6 hours in any day.

Again, another limitation of the right to contract:

SEC. 3. (b) On and after the effective date of this act, any such employer who applies for a loan from any such governmental agency shall agree at the time of making application for such loan that so long as he is indebted to the United States he will not permit any person, except—

And there are certain exceptions made—

to work more than 5 days in any week or more than 6 hours in any day.

Then we come to another punishment, forfeiture:

In the event that there is a violation by any such employer of his agreement, the full amount of the unpaid principal of the loan made to such employer shall be immediately payable.

And ultimately we arrive at the customary penalties for violation of a statute, namely, fine and imprisonment:

SEC. 5. Any person who violates any of the provisions of this act, or who fails to comply with any of its requirements, shall upon conviction thereof, be fined not less than $200, or be imprisoned for not more than 3 months, or both.

This penalty runs against others than the employer and employee. It strikes shippers, carriers, and deliverers, who may or may not know that the commodity they are transporting and handling was manufactured by a concern in which one person—perhaps the janitor, as I have said—was employed for more than 5 days in a week or more than 6 hours in a day.

All the foregoing enforcement provisions reach the employee indirectly, and tend to curtail his liberty to work and to earn money.

Another effect of the amendment is that the compensation of employees is frozen by section 4 at the present daily, weekly, or monthly wage rate, unless a change shall be made according to the amendment. That change obviously is not an increase but is a reduction, for the amendment provides, in section 4:

On and after the date this act takes effect it shall be unlawful for any employer subject to any of the provisions of this act to reduce, directly or indirectly, the daily weekly, or monthly wage rate in effect on such date * * * with respect to any—

As I say, even one—

of his employees until a reasonable opportunity has been afforded to his employees, through representatives of their own choosing by a majority vote, to meet with the employer or his representatives and to discuss and consider fully all questions which may arise in connection with the reduction of such wage rate.

Thus, we see that there is in the amendment no contemplation of increase. It matters not what a laborer's opportunities may be; it matters not what his zeal and his power and his ability and his efficiency may be; his power to earn money is frozen by the amendment, save that it may be reduced upon a proper representation, and opportunity for him to defend himself by mass effort and representatives of his own choosing. The obvious discrimination forced upon employees in different industries varies between those industries running on the 30-hour basis, the 40-hour basis, and the 50-hour basis at the present time, and between those operating under sectional and seasonal differences.

Mr. President, I shall not take the time of the Senate with a further analysis of the amendment. The amendment had the consideration of a subcommittee, which sat for weeks attempting to give representatives of all the various industries—transportation companies, publishers, vendors, agriculturists, and others—an opportunity to state facts, and to show what the effect of a horizontal, level, Nation-wide, rigid fixation of hours would be upon the laboring man and upon industry.

It has been claimed that this is a humane measure, and that its objective is to bless the laboring man. The evidence which came before the committee tended to show, almost without question, that the laboring man would suffer more than any other class of American citizens from being put into the strait-jacket of a rigid rule such as that proposed here, and that instead of being a humane proposition, the 30-hour proposal applied at this time and under the existing circumstances would be an inhuman measure.

Probably no committee received more written and telegraphic communications asking for an opportunity to be heard than did this committee. The committee sat for weeks and was not able to find time to hear all who desired to appear and testify before the committee. Great public anxiety and apprehension were manifested during the hearings. Just to indicate to the Senate the breadth and scope of the investigation, I call attention to the classes of witnesses who gave their evidence, which is published and available to the Senate:

Economists: A large group from all sections of the United States, men who had a general interest in the proposed legislation and absolutely no special interest whatever.

Code authority members: Men who had had actual experience with the limitation of hours of the day and of the week under the operation of the codes.

Agriculture: Men dealing in processing milk, canning fruit, milling grain, and handling all the products of the soil.

Perishable-goods handlers: Men dealing with fruit, meat, milk, and the commodities which must reach the consumer promptly in order to be healthful and in order to be usable at all.

Millers and food manufacturers, who showed to the committee that the processing of wheat was such a fluctuating business, depending on the delivery by the farmer to the mill, and other considerations incident to the milling itself, that it would be utterly impossible to operate under the so-called "Black 30-hour bill" if it should become a law.

The durable-goods industries were represented by leaders in that activity, in which is to be found the greatest pool of unemployment in the United States today.

Retailers, miners, manufacturers of and dealers in automobiles, consumers' goods dealers, the chemical industry, trucking, publishers and editors, exporters and importers—these and others came before the committee and opposed the Black bill and assigned good cause for the Congress to reject it; but most astounding to announce to the Senate is that laboring men sent their petitions in to the committee opposing this measure. So far as labor appeared in those hearings, it appeared in organized form by a few representatives. Against their representations came the petitions and the letters of great numbers of laborers in different parts of the United States opposing this measure. I call attention to only a few of the statements of those disinterested witnesses; that is, witnesses disinterested from a selfish point of view, who volunteered their testimony, or who were asked by the committee to come and testify. Listen to what Neil Carothers, professor of the College of Business Administration at Lehigh University, as quoted by Professor Saxon, stated in part. I extract from his testimony:

This fundamental truth, that you cannot help labor by reducing production, is the basic fact in this 30-hour-week matter. If the average workweek in normal times is 44 hours, then the national dividend is simply the product of 44 hours of labor applied to our land and capital. Cut this workweek to 22 hours and you destroy the American standard of living.

Again, he said:

Cut it again to 11 hours and our civilization disappears. Cut it once more to 5½ hours and death sweeps away the population. But, you say, this is a proposal to cut to 30 hours. Exactly. It will have the same starvation tendency, but it will not go so far.

The Brookings Institution made this statement, among other things:

It should be clear * * * that a 30-hour week would involve a simultaneous increase in wage rates and a decrease in productive efficiency. The volume output would be declining at the same time that the payment of wages was increasing. This would result in either bankrupting business or in a rise in prices more rapid than expansion in pay rolls. If the former alternative resulted, we obviously would not have recovery, but, rather, intensified depression. In the latter alternative the rapid advance in prices would nullify the increased money wages.

At this point I call attention to something on the subject of the cost of food. I extracted this from the Burlington (Vt.) Free Press of Thursday, July 25. It is headed, "Costs of Food Up 27.2 Percent", and I read only a brief extract from the article:

These figures, compiled from authoritative sources, cover the period from June 15, 1933, to June 18, 1935.

The greatest advance in retail food prices occurred in pork chops, which rose 96.8 percent; the least rise occurred in coffee, which rose only 4.8 percent. Among the advances made by the more common articles of food are white bread, up 25.8 percent; sliced bacon, up 78.8 percent; eggs, up 61 percent; tea, up 17.2 percent; rolled oats, up 37.5 percent; butter, up 13.8 percent; milk, up 16.7 percent; and sliced ham, up 43.8 percent.

Of course, the rising cost of government in many activities is the reason for such increases as these, but add to that at this time a horizontal, Nation-wide, fixed, and arbitrary limitation of the right of the employee to sell more than 5

days a week and 6 hours a day of his labor, and fix his wages right where they are now, whether he is working 50 hours or 40 hours or 30 hours a week, and we have an increase of the cost of food and other articles named in this proposed amendment of 33⅓ percent, according to the evidence which appeared before the committee.

The question is, as a matter of economics, is it wise to undertake to impose such an arbitrary limitation on work and such an increase of pay and, therefore, increase in the cost of living? It must be clear to everyone that actual wages depend upon the amount of food and clothing which the pay roll will purchase, and that if we work both ends against the middle as we are asked to do we will reduce actual wages, and we will make the life of the workman much more difficult than it has ever been before. If we should pass and put into effect this wicked limitation upon the right of the workman to sell his toil, we would increase rather than diminish, in the long run, the number of unemployed.

I call attention to just a few extracts from the testimony of men who dealt with the subject under the N. R. A. First I shall quote Ralph E. Flanders, president of Jones & Lamson Machine Co., Springfield, Vt., member of the industrial advisory board of the National Recovery Administration from November 1933 to March 1934. I do not select this witness because he is a Vermonter, although that fact adds to his probity, in my view, but I select him because of the recognition by those who sponsor this proposed legislation of the soundness of his views and the reliability of his testimony. This witness was a sufficiently reliable authority to be cited by the Senator from Alabama [Mr. BLACK], the author of the bill, and by the expert witness called in rebuttal, W. Jett Lauck, who characterized the witness as "one of the foremost men in his profession."

Mr. Flanders said:

A recovery, to be real, must be expressed in terms of an increase in the production and distribution of goods and services. A further shortening of hours cannot possibly produce such an increase; a further shortening of hours would obviously produce a decrease. It would be a deathblow to recovery.

The remainder of his testimony is worthy of study. In his testimony he sums up how the workers' interests could be really served, and I wish to make his summation a part of what I have to say:

1. Abandonment of the wage and hours policy of bill S. 87.

That is, the 30-hour bill.

2. Abandonment by labor of corresponding wage and hour policies which retard recovery and reemployment.

3. Abandonment by industry of the search for profit by way of less production and higher prices, and a return to normal profit and business expansion through increased production and lower prices.

4. Acceptance by business of overtime wage policies which will distribute an increased sum in wages as the demand for workers rises above the level of the 40 hours per week.

5. Active protection of true business profit by government for the sake of reemployment, increased pay rolls, and increased governmental income.

6. Confining repressive measures to the limiting of profit from speculative inflation, which destroys purchasing power, produces unemployment, and generates an unendurable burden of debt.

Let no man say that that investigation did not have something constructive in it. Let no man criticise those who oppose the 30-hour bill and say that there is nothing in what they do that is humane or that tends to improve the position and circumstances of the employee.

The subcommittee sought a constructive, beneficial remedy for the situation, and to my mind there are the fundamental principles of a remedy stated in those six postulates.

I now wish to quote a man who ought to appeal to many Members of the Senate. They know him. He has been a part of this administration in connection with the President's relief measures. I refer to Robert E. Wood, president of the Sears, Roebuck & Co. Listen to what he said about the 30-hour-week proposal. I will assume that no one will discount his testimony on the theory that his mind was closed to the consideration of new ideas and the ultimate limitation of the hours of service. I quote from his testimony:

In the long-term view I think that perhaps my children will see a 30-hour week; just as we came down from 59 to 50 and from 50 to 48 and from 48 to 40, I think we will eventually see 30. We may see lower than that. But you are taking a terrible risk if you do this now. You are going too fast. You have got to wait until machine production is better than it is today.

And again he said:

I am opposing this bill not from the standpoint of my own firm. If other merchants go to 30 hours I can go to 30 hours and hold my end up, but I am opposing it from the standpoint of the citizens and what I think will endanger my customers.

Again:

Neither is there any reason to believe that reduction from the present 8-hour day for 5 days per week, to a 6-hour day for 5 days, would result in any material increase in efficiency by the individual worker.

Again:

As a practical business man, a merchant who comes into direct and intimate contact with the buying public, the thing that gives me the greatest concern in this 30-hour-week proposal is the practical certainty that it would result in a tremendous buyers' strike. This would, of course, be followed by a closing of factories and the discharge of employees. In my opinion, the net effect of adopting the Black bill would be that within 6 months we would find fewer people at work than today.

I wish to have special consideration accorded the following statement by this business man bearing upon the general increase in the cost of goods which would naturally economically follow the adoption and application of this proposed law. He said:

The statements of a prominent labor leader before this committee to the effect that the adoption of the 30-hour week would raise prices only 3 to 3½ percent, despite the 33⅓-percent theoretical rise in labor costs involved in most industries, will hardly be taken seriously by this committee, I trust. Other data in that same statement completely refute that assertion. This very serious error results from the fact that they have inadvertently computed the increased labor cost on only one step in the process of transforming the raw material into the finished product sold and delivered to a point where the consumer can use it.

Robert West, of Danville, Va., representing the Cotton Textile Code Authority, testified among other things:

* * * The inflexible and arbitrary provision for a maximum 6-hour day and a maximum 30-hour week permitted to be worked is not the answer to the problem of unemployment, and if made a law will quite likely work incalculable harm to those already engaged in gainful occupation, with very little, if any, compensation advantage to the unemployed.

Again, he said:

The net effect of the efforts of Government, industry, labor, and agriculture for shorter hours, higher hourly rates, and curtailment in production of foodstuffs is making itself manifest in the form of rising prices of what the workman has to buy. This proposal to further reduce the maximum hours permitted to be worked means higher costs and prices with no increase in the ability to pay. * * * While it is the hourly rate that determines cost of manufacturing, it is the weekly pay envelop which pays the butcher and the grocery man, but the value to the worker of that pay envelop is dependent on the prices he has to pay. The current proposal for the shorter work week forestalls the opportunity of providing the necessary income, because it raises costs without providing a compensating increase in income to meet the rising prices occasioned. * * * It accelerates the necessity of expenditure and deprives him of his opportunity to earn more.

I pass from that group of witnesses—and it is a considerable group; having referred to the testimony of only a few of them—to another group, who brought out clearly the dislocation this proposed law would create in the parity of prices between agriculture and industry. J. F. Kolb, director of industrial relations, National Metal Trades Association, testified:

Our 30,000,000 farm population would be confronted with higher prices for all commodities purchased. This increase in the disparity between the prices of manufactured products and agricultural products would seriously affect sales of manufactured products as well as the farmer's real earnings and no doubt ultimately would increase our unemployment burden.

A. M. Loomis, representing the American Association of Creamery Butter Manufacturers, testified:

A 30-hour week and a 6-hour day, we are convinced, cannot successfully be applied to these manufactured products, because of practical considerations which cannot be changed by law. * * *

* * * * * * *

When the milk and cream reached the creamery or cheese factory they must be promptly taken care of. They cannot be carried over until the next day, because at this stage deterioration is rapid.

There is no need of my reading testimony of those who process other perishable goods; canners of all kinds, those who make sausage; those who engage in a process which is chemical in its nature, although it may relate to domestic chemistry—a process in which one person must carry through from the beginning to the end. Such is the act of the baker of bread. What baker of bread would stop in the midst of baking bread and take on a substitute to finish the job when the whistle blew? How could he ever inform his successor in that humble chemistry just what stage in that chemical process had been attained, and just what more had to be done about it?

That argument applies to the making of all kinds of food products which are perishable in their nature, and shows beyond any question how utterly futile it is to limit the hours and days in a manufactory of that kind, and undertake to move shifts out of a process such as that and move new shifts into it. I recall that these witnesses showed that there would not be available workers with the necessary education and experience to take up the extra shifts proposed by the Black bill.

Mr. President, I desire to call attention to the testimony of one miller, Charles F. Dietz, of the wheat-flour milling industry. He testified:

The movement—

Meaning the movement of wheat—

is seasonal and usually for 2 or 3 months, or thereabouts, almost unlimited service is necessary. The rest of the year the elevator men, while on the job, have no really arduous tasks. It would be impossible to find men in these small communities with knowledge of wheat, grades, values, and binning for a few weeks' work in the year.

* * * * * * * * * That immediately affects the prices and it affects the purchases related to those particular areas. It varies very widely and uncertainly. * * * Any restriction as to running time in a case of that sort would, of course, be disastrous. If we had a 30-hour week and a 6-hour day a man would be permitted to operate 5 days. That mill is called upon to operate for 6 and 7 days. It would have no way of operating. It cannot carry a stand-by crew in order to have it jump in and operate the sixth day.

A. J. Hettinger, Jr., representing the durable-goods industries committee, testified with respect to the effect of this measure upon agriculture as follows:

This bill, if enacted, would ask the farmer, who finds it difficult to make a living on 60 hours of work a week, to support the industrial worker on 30 hours a week.

Mr. President, one of the conclusions which the minority of the committee came to, from this and other testimony, was that what this poor, benighted country needs, what the worker of this Nation needs, rather than a curtailment of his liberties, is more production at lower prices. We were persuaded that what the workmen of America want—that is, the average American workman—is not a shorter working week but in fact most of them are eager to work more hours than employers can supply, so that their weekly pay checks may be adequate to their family needs.

Also, speaking for the minority, we came to the conclusion that the result of the 30-hour week, with no increase or decrease in the production of manufacturing industries, probably would produce the following results:

For the unemployed workers, restoration to employment of some of their number, perhaps to the extent of between 20 and 30 percent; for the employed workers, reduced hours, increased hourly earnings, stationary money income per week, increased cost of living, reduced real wages; for the manufacturers, smaller output per man-hour, increased labor cost per man-hour, larger increase in labor cost per unit of product, and reduced sales.

In other words, the minority holds the view that this sort of arbitrary, fixed rule limiting the hours of work in this country would reduce production, and therefore reduce the wealth of the country and increase the cost of everything the worker has to buy.

That great branch of industry producing automobiles and automotive accessories was represented by many witnesses, every one of whom testified that the 30-hour bill, if put into effect, would be a deterrent to recovery. They pointed to increased costs, increased prices, increased sales resistance, decreased market, reduced output and production, increased unemployment, reduced purchasing power, and increased real wages. They testified that it would tend to mediocrity and lower levels of skill and labor, block the movement of economic law, and bring a penalty for it. They pointed out that the measure ignores the strain that individual industry is now suffering, assumes that all separate industries are equally prosperous, and that they are competent to bear the extraordinary burden of reduced hours without reduced pay.

Their testimony tended to show that the 30-hour bill would not work as a relief measure because of its tendency to create idle industries and throw workmen upon relief rolls; and further, that it would not work as a recovery measure because of its tendency to paralyze industries unable to find capital with which to carry the added load.

The effect of their testimony was that the bill would lower the standard of living generally.

I have dealt with the local situation as affected directly by this proposed arbitrary limitation upon the right of the individual workman to sell his services, to work as many hours as he can find employment in which to work.

There was evidence dealing with another aspect of the 30-hour measure, and that was its effect upon the workers because of the further destruction of our foreign trade. No one denies that our trade with other nations has been reduced. There may be a controversy as to what is the cause of that condition, but the fact is perfectly obvious that when the American manufacturer and the American farmer have to pay more for the production of the commodities they undertake to sell in competition with foreign-produced goods they must be outsold by the foreigner.

The evidence before the committee shows that many of the industries represented there had in their business been dependent to a certain extent—I recall one of them testified 33⅓ percent—upon the manufacture of goods which were in direct competition with goods manufactured abroad which did not have to bear the 33⅓-percent additional cost which the 30-hour measure would impose. Obviously, on both ends of the transaction, we would still further hamper and impede the efforts of industry and agriculture in the United States to compete in foreign trade.

Consider the case of the manufacturer of heavy tools, the manufacturer of tools by which tools are made, who undertakes to sell his goods in Europe or Asia in direct competition with foreign manufacturers. What will be his position as to price in the future if there should be added to his costs 33⅓ percent more for labor? The answer is obvious. Consider the case of those who sell in the domestic market and find themselves in competition with the manufacturers and vendors of Europe and Asia. The same inhibitions apply.

Let us consider another great activity in our economic, social, and political life. I refer to the publishing industry, the publishing of magazines, books, newspapers, and literature of all kinds. These activities were represented by men who knew what they were talking about and who gave facts to the committee which were not denied. In this particular branch of activity the testimony was all one way, that the proposed limitation of hours would cripple the publishing business.

Let me quote from some of those who testified. Among them was Harvey J. Kelly, of the American Newspaper Publishers Association representing more than 400 publishers of daily newspapers throughout the United States. What he sought was an exemption of the newspaper publishing industry from the scope of the act, but of course he was not granted it. He testified, among other things, as follows:

It should be remembered that a newspaper cannot, in the absence of revenue business, shut down like a manufacturing

concern or a commercial print shop. A newspaper must serve its readers. It is like a train which must make its run whether or not it has revenue passengers aboard.

Again he said:

The act would inevitably result in decreased employment in the newspaper-publishing industry.

Again he said:

We predict that if it becomes a law, hundreds of thousands of man-hours of now available employment in this industry will cease to exist because of the number of daily newspapers which cannot survive and because of the number of editions which, of necessity, will be discontinued.

Guy L. Harrington of the National Publishers Association, that association representing 200 of the leading periodicals and magazines of the Nation having a total combined circulation of approximately 50,000,000 individual copies monthly, said:

The immediate effect of this bill would be to suddenly increase costs to a point impossible of absorption. Many magazines would be placed on a losing basis, all unnecessary employees would be eliminated, and drastic attempts would be taken to speed up the output of those already employed. Those publishers who could not meet the increased cost would, if unable to negotiate loans, be forced into bankruptcy.

Again he said:

There are certain operations in some branches of printing that would be impossible of performance under a 30-hour week. In many operations in printing as well as in industry in general, a 30-hour week would entail a large percentage increase in unproductive time.

Again he said:

A 30-hour week means a reduction of at least 40 percent, probably more, in our national production of the year 1929, which was then $665 per capita. Would this Nation be self-sustaining upon a per capita production of $400 per year? Obviously it would not if present living standards were maintained.

He said further:

Harder work, more work, longer hours, not shorter hours, increased production, saving and thrift only will lead to prosperity. Thus and thus only may we meet our obligations and become self-sustaining.

Mr. President, the proposed substitute is incompatible with free government. Our Government was formed to secure to workers the freedom of selling their services. Our Government was formed for the purpose of securing to workers the right to pursue happiness which involves the right to capitalize the ability, the interest, the industry, the energy of every worker in this land. Happiness cannot successfully be pursued when millions of workers all over the United States are put in a strait-jacket and forbidden by their Government to sell their services beyond 5 days a week and 6 hours a day.

There is not even an idealism in that suggestion. Sometimes we do impractical things. Sometimes we advocate impractical ideas solely because of the emotions which we have, such as sympathy for suffering humanity, generosity, philanthropy, interest in the welfare of every man, and thus were we all attracted to this type of legislation, and many a man who never studied it, who never heard the testimony which was heard by the subcommittee, attached himself to the cause of a 30-hour week law because he was reacting to a feeling of humanity, a love for his fellow man.

The minority members of the committee are equally interested in the welfare of the very same persons in whom the initiators of the 30-hour bill are interested, but there is a very grave difference in view about what is best in the way of legislation to obtain the objectives sought by us all. To the minds of those of the minority who now oppose the proposed substitute it seems that the pursuit of happiness through the liberty to work and to contract is essential to the permanent welfare of the worker. It seemed to them that the democracy of labor was more important to them in their pursuit of happiness, and more promising of benefit to them, than a statutory monopoly by the Government.

I ask, What will become of the organized voice of labor when the Federal Government shall acquire a monopoly of the laborer's time and services? After that do Senators think any labor organization will be able to do anything contrary to what the Federal Government wishes it to do? After hearing this testimony I became persuaded that the real thinkers and leaders of thought on behalf of labor see clearly that fatal danger in this type of legislation, taking away from the laborer himself the right of self-government, the right of self-expression, and turning over to the Government a monopoly of his time and of his wages.

This amendment is unnatural because it proposes to convert into crimes and misdemeanors perfectly lawful acts with respect to the activities of the worker. It is unnatural because it discriminates between citizens, holding one man guilty and another man honest, though each does the same thing, namely, works, contracts.

After this proposal shall become the law, if it ever shall, there will be a few workmen in this country who can sell their services at their own price, who can work as many hours per day and as many days per week as their health and genius and ability and disposition enable them to do, and they will be kings, they will be sovereigns among the working people of the United States; for all others who come within the ban of the 30-hour law will be slaves of their Government.

The amendment proposes to destroy the natural independence and dignity of labor. It discourages self-discipline, self-government, self-improvement, and individual responsibility. It proposes to flatten out, on a lower level or standard than now exists, the entire body of labor universally throughout the United States. It is wholly inconsistent with the democracy of labor and the right of bargaining collectively or individually. The penalty for this drastic violation of the principles upon which a free government was founded will inevitably be suffered by those who come under this ban if the 30-hour bill shall become a law.

Mr. President, I must hasten, because there is another aspect of this matter which I should not overlook. Naturally, it interests me especially; and that is that this amendment represents an attempt on the part of Congress to exercise powers which are not vested in it.

I call attention to the decision in Baldwin, Commissioner, against G. A. Seelig, Inc., rendered March 4, 1935, which redeclared the independence of the several States in respect to regulation of intrastate commerce. Of course the mere reading of the amendment shows that it deals with production, it deals with manufacturing, it deals with mining, none of which are interstate commerce. They are intrastate commerce.

In that case Mr. Justice Cardozo delivered the opinion of the Court, and it contained the following:

Commerce between the States is burdened unduly when one State regulates by indirection the prices to be paid to producers in another, in the faith that augmentation of prices will lift up the level of economic welfare, and that this will stimulate the observance of sanitary requirements in the preparation of the product. The next step—

I pause to comment that the Court, through Mr. Justice Cardozo, has condemned as undue burdening what he has just referred to; but he speaks now of something that will be worse, and that something is the identical thing which is proposed here to be done by Congress:

The next step would be to condition importation upon proof of a satisfactory wage scale in factory or shop, or even upon proof of the profits of the business. Whatever relation there may be between earnings and sanitation is too remote and indirect to justify obstructions to the normal flow of commerce in its movement between States.

And again, at another point, bearing on the same subject, the opinion states:

It is one thing for a State to exact adherence by an importer to fitting standards of sanitation before the products of the farm or factory may be sold in its markets. It is a very different thing to establish a wage scale or a scale of prices for use in other States, and to bar the sale of the products, whether in the original packages or in others, unless the scale has been observed.

There is a denunciation of the act which Congress now is asked to perform—a denunciation made in the spring of this year, and during this very session of Congress. Since the report was filed in the Senate on the 30-hour bill, the great decision dealing with the codes has been rendered; and we have there, as of a subsequent date—namely, May 27, 1935—

a decision of the highest Court of the United States denouncing the very thing we are now called upon to do when we are asked to adopt this proposed substitute.

I read from the opinion rendered by the Chief Justice. Afterward I shall read from the opinion rendered by Mr. Justice Cardozo, and concurred in by Mr. Justice Stone. Both opinions hold the same principle.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Vermont yield to the Senator from Illinois?

Mr. AUSTIN. I do.

Mr. LEWIS. Is it the opinion of the able Senator from Vermont that the whole of this amendment is denounced by the decisions referred to by him, or is it certain paragraphs and provisions of the amendment which alone he feels are denounced by the decisions?

Mr. AUSTIN. Mr. President, I am persuaded that the entire amendment is subject to this denunciation in the respect that it is an attempt by a Federal Congress to regulate the internal affairs of the several States.

Mr. LEWIS. Then the able Senator has a conviction that under the decision the bill and its policy become unconstitutional?

Mr. AUSTIN. I do, Mr. President, and I think that what I am about to read supports that opinion. I quote from the decision of the Supreme Court as found on page 13 of Document No. 65, Seventy-fourth Congress, first session. These provisions relate to the hours and wages of those employed by defendants in their slaughterhouses in Brooklyn and to the sales there made to retail dealers and butchers.

That is what this bill relates to.

(1) Were these transactions "in" interstate commerce? Much is made of the fact that almost all the poultry coming to New York is sent there from other States. But the code provisions, as here applied, do not concern the transportation of the poultry from other States to New York, or the transactions of the commission men or others to whom it is consigned, or the sales made by such consignees to defendants. When defendants had made their purchases, whether at the West Washington Market in New York City or at the railroad terminals serving the city, or elsewhere, the poultry was trucked to their slaughterhouses in Brooklyn for local disposition. The interstate transactions in relation to that poultry then ended. Defendants held the poultry at their slaughterhouse markets for slaughter and local sale to retail dealers and butchers who in turn sold directly to consumers. Neither the slaughtering nor the sales by defendants were transactions in interstate commerce.

And there are citations supporting that. Later the holding is directly made:

So far as the poultry here in question is concerned, the flow in interstate commerce had ceased.

I shall point out later that the flow in interstate commerce under the pending bill has not begun. The one is the equivalent of the other.

Again, I quote from page 15:

Interstate commerce is brought in only upon the charge that violations of these provisions—as to hours and wages of employees and local sales—"affected" interstate commerce.

"Affected interstate commerce." I turn now to page 16, and quote:

This principle has frequently been applied in litigation growing out of labor disputes.

And cases are cited.

Mr. President, the Court, referring to the case of *Levering & Garrigues Co.* v. *Morrin* (289 U. S. 103), stated:

In the case last cited we quoted with approval the rule that had been stated and applied in *Industrial Association* v. *United States, supra*, after review of the decisions, as follows: "The alleged conspiracy and the acts here complained of spent their intended and direct force upon a local situation—for building is as essentially local as mining, manufacturing, or growing crops—and if, by resulting diminution of the commercial demand, interstate trade was curtailed either generally or in specific instances, that was a fortuitous consequence so remote and indirect as plainly to cause it to fall outside the reach of the Sherman Act."

I read another paragraph on page 16:

The question of chief importance relates to the provisions of the code as to the hours and wages of those employed in defendants' slaughterhouse markets. It is plain that these requirements are imposed in order to govern the details of defendants' management of their local business. The persons employed in slaughtering and selling in local trade are not employed in interstate commerce. Their hours and wages have no direct relation to interstate commerce.

I pause for emphasis, to bring out in bold relief that holding, a specific, definite holding of a fundamental principle, "Their hours and wages have no direct relation to interstate commerce."

I continue the quotation:

The question of how many hours these employees should work and what they should be paid differs in no essential respect from similar questions in other local businesses which handle commodities brought into a State and there dealt in as a part of its internal commerce.

I quote now another paragraph appearing on page 17:

If the Federal Government may determine the wages and hours of employees in the internal commerce of a State, because of their relation to cost and prices and their indirect effect upon interstate commerce, it would seem that a similar control might be exerted over other elements of cost, also affecting prices, such as the number of employees, rents, advertising, methods of doing business, etc.

Again from page 17:

The apparent implication is that the Federal authority under the commerce clause should be deemed to extend to the establishment of rules to govern wages and hours in intrastate trade and industry generally throughout the country, thus overriding the authority of the States to deal with domestic problems arising from labor conditions in their internal commerce.

It is not the province of the Court to consider the economic advantages or disadvantages of such a centralized system. It is sufficient to say that the Federal Constitution does not provide for it.

Again on page 17:

We are of the opinion that the attempt through the provisions of the code to fix the hours and wages of employees of defendants in their intrastate business was not a valid exercise of Federal power.

These are quotations from the majority opinion, rendered by Mr. Chief Justice Hughes. I desire to read also a portion of the opinion rendered by Mr. Justice Cardozo, concurring in the majority opinion, Mr. Justice Stone also joining in the concurring opinion. I read from page 21 of the same Senate document to which I have heretofore referred:

If this code had been adopted by Congress itself and not by the President on the advice of an industrial association, it would even then be void unless authority to adopt it is included in the grant of power "to regulate commerce with foreign nations and among the several States" (U. S. Constitution, art. I, sec. 8, clause 3).

I find no authority in that grant for the regulation of wages and hours of labor in the intrastate transactions that make up the defendants' business. As to this feature of the case little can be added to the opinion of the Court. There is a view of causation that would obliterate the distinction between what is national and what is local in the activities of commerce. Motion at the outer rim is communicated perceptibly, though minutely, to recording instruments at the center. A society such as ours "is an elastic medium which transmits all tremors through its territory; the only question is of their size." Per Learned Hand, Judge, in the court below. The law is not indifferent to considerations of degree. Activities local in their immediacy do not become interstate and national because of distant repercussions. What is near and what is distant may at times be uncertain (*Cf. Board of Trade* v. *Olsen*, 262 U. S. 1). There is no penumbra of uncertainty obscuring judgment here. To find immediacy or directness here is to find it almost everywhere. If centripetal forces are to be isolated to the exclusion of the forces that oppose and counteract them, there will be an end to our Federal system.

To take from this code the provisions as to wages and the hours of labor is to destroy it altogether. If a trade or an industry is so predominantly local as to be exempt from regulation by the Congress in respect of matters such as these, there can be no "code" for it at all. This is clear from the provisions of section 7 (a) of the act, with its explicit disclosure of the statutory scheme. Wages and hours of labor are essential features of the plan, its very bone and sinew. There is no opportunity in such circumstances for the severance of the infected parts in the hope of saving the remainder. A code collapses utterly with bone and sinew gone.

So it is in the present case. There is nothing in the substitute save hours and wages. That is the subject of the proposed amendment. Everything else—transportation in interstate commerce, contracts with the Government for the erection of buildings, loans made from Federal agencies—all those are mere implements for imposing upon internal transactions within a State a code of hours and wages to be obeyed by the manufacturer, producer, miner, canner, all who are the employers of those unfortunate em-

ployees who come within the ban and contemplation of this amendment.

The cases I have presented do not declare a new principle. I heard soon after the N. R. A. decision that the Supreme Court had extended the law by interpretation over what it ever had been previously with respect to transactions which affected interstate commerce. A study of the cases, extracts of which are set forth in the report of the minority of the committee, will show beyond question that those decisions, particularly the N. R. A. decision, are directly in line with the decisions of the Court heretofore made, and there is no distinction in principle between dealing in the production and manufacturing of goods which are contemplated to be put into interstate commerce and those which have landed at the end of the transportation and are being handled after the completion of the transportation. It is quite probable that cases turned upon the fact that transactions before the beginning of the transaction more easily were proved directly to affect the transportation than those where the end of the transportation had occurred, but that does not change the principle.

I wish to refer to only a few of those cases in the short time I have left. *Delaware, Lackawanna & Western Railroad Co.* v. *Yurkonis* (2781 U. S. 439), where a man was engaged in shifting coal from a mine into a car destined for interstate commerce. The court held that the man was not engaged in interstate commerce. There is an illustration of a transaction preceding the transportation.

In the case of *Coe* v. *Errol* (116 U. S. 517), where a lumberman in New Hampshire was preparing his logs for shipment and floating them down the river, and the log raft was tied up at the town of Errol, and the town undertook to tax the logs, it was held that the logs had not entered interstate commerce and, therefore, were taxable locally.

In *United Mine Workers of America* v. *Coronado Coal Co.* (269 U. S. 344) there was a question involved as to whether or not a local union engaging in a strike and tying up the operation of a coal mine was, by obstructing the production of coal, engaged in restricting interstate commerce. The court said it was not. The court said:

> As long as there is restraint only on coal in that vicinity it has no relation to interstate commerce, because coal mining is not commerce. It is production, * * *.

In *Anderson* v. *Ship Owners' Association* (272 U. S. 359) the Court said:

> Neither the making of goods nor the mining of coal is commerce; and the fact that the things produced are afterward shipped or used in interstate commerce does not make their production a part of it.

There are numerous cases dealing with that subject of intent. I read a statement of such a case by Willoughby in his work on the Constitution:

> * * * That commodities are manufactured with the intent that they are to be exported, in part or in whole, is absolutely immaterial, as determining the exclusiveness of State authority over their production (*Coe* v. *Errol* (116 U. S. 517)).

It seems to me, Mr. President, that the case I am about to cite most definitely and clearly points out when commerce begins and shows that the acts of production and mining and manufacturing, which are proscribed by the proposed amendment, are not commerce. *In re Green* (52 Fed. 113), frequently quoted with approval by the Supreme Court:

> When the commerce begins it is determined, not by the character of the commodity nor by the intention of the owner to transfer it to another State for sale, nor by his preparation of it for transportation, but by its actual delivery to a common carrier for transportation, on the actual commencement of its transfer to another State.

Mr. President, I must conclude. The cases I have referred to and other cases to be found in the minority report, it seems to me, leave a very clear persuasion that what we are called upon to do is something entirely without the power of Congress to do. In the present case, however, although that is a sufficient cause for rejecting the amendment—and I should be glad to see it rejected for that cause—nevertheless, it seems to me that the time has come in the discussion of these economic pieces of legislation when we should pause before thrusting into our social and economic system such a strange, arbitrary, unusual, unnatural piece of legislation as the 30-hour bill with the idea that it will benefit the worker to be subjected to the absolutely arbitrary limitation of 5 days a week and 6 hours a day. The economic certainty of the consequence of frozen time and wages, increased costs and prices, lower real wages and less purchasing power, diminished volume of production and sales, reduced business activity, and increased idleness, with lower standards of living, ought to prevent an agreement to the amendment proposed as a substitute.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Missouri [Mr. CLARK] in the nature of a substitute for the amendment reported by the committee.

Mr. WALSH. Mr. President, I assume more Senators should like to be present when the vote is taken. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Logan	Robinson
Ashurst	Copeland	Lonergan	Russell
Austin	Costigan	Long	Schall
Bachman	Davis	McAdoo	Schwellenbach
Bailey	Dieterich	McCarran	Sheppard
Bankhead	Pletcher	McGill	Shipstead
Barbour	Frazier	McKellar	Smith
Barkley	George	McNary	Steiwer
Black	Gerry	Maloney	Thomas, Okla.
Bone	Gibson	Metcalf	Thomas, Utah
Borah	Glass	Murphy	Townsend
Brown	Gore	Murray	Trammell
Bulkley	Guffey	Neely	Truman
Bulow	Hale	Norbeck	Tydings
Burke	Harrison	Norris	Vandenberg
Byrd	Hastings	Nye	Van Nuys
Byrnes	Hatch	O'Mahoney	Wagner
Capper	Hayden	Overton	Walsh
Caraway	Johnson	Pittman	Wheeler
Carey	King	Pope	White
Chavez	La Follette	Radcliffe	
Clark	Lewis	Reynolds	

Mr. LEWIS. I repeat the announcement made by me on the previous roll call as to the absence of certain Senators and the reasons therefor.

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

SESQUICENTENNIAL CONSTITUTION COMMISSION

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the "Sesquicentennial Constitution Commission."

Mr. ASHURST. I move that the Senate disagree to the amendments of the House of Representatives, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. ASHURST, Mr. KING, and Mr. BORAH conferees on the part of the Senate.

SKELTON MACK M'CRAY

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1577) for the relief of Skelton Mack McCray, which was, on page 1, line 7, to strike out "to reimburse him" and insert "in full settlement of all claims against the United States."

Mr. THOMAS of Oklahoma. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ELLIOTT H. TASSO AND EMMA TASSO

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2374) for the relief of Elliott H. Tasso and Emma Tasso, which was, on page 1, line 6, to strike out "$3,500" and insert "$2,000."

Mr. THOMAS of Oklahoma. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

GENERAL BAKING CO.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1409) for the relief of the General Baking Co., which was, on page 1, line 9, to strike out "United States" and insert "District of Columbia."

Mr. WAGNER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

DAN MEEHAN

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1640) for the relief of Dan Meehan, which were, on page 1, line 5, after the word "appropriated" and the comma, to insert "to Dan Meehan, of Tyler, Tex.", and on the same page, line 6, to strike out "covering" and insert "in full settlement of all claims against the United States for."

Mr. SHEPPARD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

BELL TELEPHONE CO. OF PENNSYLVANIA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2168) for the relief of the Bell Telephone Co. of Pennsylvania, which were, on page 1, line 7, to strike out "on account of" and insert "in full settlement of all claims against the United States for", and on the same page, line 10, after the numerals "1933", to insert a colon and the following proviso:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. SHEPPARD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

OLIVER B. HUSTON AND OTHERS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1214) for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston, which was, on page 1, line 7, to strike out "$750" and insert "$856.60."

Mr. McNARY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

TAMPA (FLA.) MEMORIAL PARK

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2426) to provide for the creation of a memorial park at Tampa, in the State of Florida, to be known as "The Spanish War Memorial Park", and for other purposes, which was, on page 2, to strike out all after line 5 down to and including "$500,000" in line 8 and insert "The American forces in the War with Spain. The cost of establishing such monument or memorial, of constructing suitable sidewalks and approaches and of landscaping such site may be paid from any fund or moneys available for such purpose, except from the general fund of the Treasury."

Mr. TRAMMELL. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CONDITIONS IN GOVERNMENT CONTRACTS AND LOANS

The Senate resumed the consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the unanimous-consent agreement entered into on Friday last becomes effective, and debate is limited on the part of each Senator to 15 minutes on the bill and 10 minutes on each amendment. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK] in the nature of a substitute for the amendment reported by the committee.

Mr. WALSH. Mr. President, before the vote is taken on the amendment in the nature of a substitute, I send to the desk a telegram, which I ask to have read.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

ATLANTIC CITY, N. J., *August 12, 1935.*

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.:

The bill you sponsored providing for decent wage standards, abolition of child labor, and exclusion of convict labor in Government contracts and purchases of Government supplies is heartily approved by the American Federation of Labor. I appeal through you to the friends of labor in the United States Senate to vote for the enactment of this bill into law. I sincerely hope that no substitute, meritorious as it may seem, will be permitted to prevent the immediate passage of your bill.

WM. GREEN,
President American Federation of Labor.

Mr. CLARK. Mr. President, on April 6, 1933, just a little more than a month after the inauguration into office of President Roosevelt, and less than a month after the convening of the special session of Congress called by the President immediately after his inauguration, the Senate passed the bill known as the "Black 30-hour bill." On that day I made, in behalf of the Black 30-hour bill, the second address which I had ever made in this body. I shall not undertake at this time to repeat all that I said on that occasion; it was a short address; but I ask unanimous consent that I may be permitted to insert in the RECORD at this point the remarks which I made on the occasion of the passage of the bill originally.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the speech will be printed in the RECORD.

The speech referred to is as follows:

THIRTY-HOUR-WEEK BILL

Speech of Hon. BENNETT CHAMP CLARK, of Missouri, in the Senate of the United States April 6, 1933

Mr. President, the bill which the Senate is, I hope, to pass today is one of the most important which has ever come before this body, and, in my judgment, it presents one of the most momentous issues which will ever be presented to the Congress. It represents an effort upon the part of Congress to take up the slack of unemployment, which has created a condition so menacing in its possibilities, so fraught with cataclysm and disaster as seriously to threaten the very existence of our whole economic system.

This bill, Mr. President, is designed to reverse the vicious circle which has led to so much economic disaster, so much human misery and suffering, so much menace to the perpetuity of our institutions.

Through the development of the machine, the constant gearing up of industry to mass production, the eagerness of capital to seize for its own greater remuneration every advance in means of production through improvements in the art of the invention of machinery, a condition has been created in which even in normal times we are forced to contemplate a portion of our population, running well into the millions, as being steadily out of employment. When I say "normal times", Mr. President, I mean even such times of illusory and fictitious prosperity as proceeded the titanic crash of 1929. If the conditions of that year could be restored, we would still face an unemployment roll of millions.

This mounting unemployment must necessarily affect in a most drastic way the purchasing power of the consuming class, who are also the working class, whether on the farms or in the cities. And when the purchasing power of the consuming class is affected it immediately reacts upon business, upon manufactures, upon production, upon capital return. This again leads to further increase in unemployment, further decline in the mass purchasing power of the consumers, and this to a further fall in production and a decrease in capital's profits. And so we have the vicious circle.

This bill, Mr. President, proposes to reverse the movement in that circle. It proposes to reverse it by starting with the unemployment situation and by limiting the hours of labor in industry, to force a drastic decrease in unemployment, a better and wider

distribution among all the potential workers of the work to be done. The improvement in the mass purchasing power must be immediately reflected in an increase in mass consumption, and this, in turn, by increase in production, improvement in business, and betterment in capital returns. So we have the vicious circle made into a beneficent circle.

Mr. President, I know it is said by many that a reduction in the hours of labor will automatically result in a reduction of wages in the same proportion to those now employed. Such has not been the experience of mankind. Exactly the same arguments and predictions have been interposed to oppose every proposal for shortening the hours and improving conditions of labor in the history of the race. The same argument was advanced, the same dire forebodings were expressed, when it was proposed to shorten the workday from 12 hours to 11 and later from 11 to 10 and later from 10 to 8. And in each case these fears were proven unfounded. Shorter work hours have been accompanied by higher wages. Certainly no one would contend that the converse of such arguments as those made by the Senator from Pennsylvania [Mr. Reed] has been demonstrated in the present economic disaster and that the lengthening of work hours has produced higher wages. No one will contend that as the hours of toil in some industries have increased from 8 to 10 to 12—in some cases even to 14 hours—a corresponding increase in wages has been brought to the worker. Far from it. The hearings on this bill before the Judiciary Committee and a staggering mass of other evidence conclusively demonstrate the fact that longer hours of labor have been accompanied by steadily falling wages, increasing unemployment, lowered consumption, and declining production.

But, Mr. President, even if we were to assume for the purpose of argument that temporarily at least this cutting of the hours of labor would result in automatic reduction of wages to those now employed, it would still be in the interest of society and the public welfare and for the workers themselves. It is better that 8,000,000 men work 6 hours a day than that 6,000,000 men work 8 hours a day and the other 2,000,000 be left to starve or eke out a miserable existence eating the bread of charity. For even if the gross amount of the wage for the 6,000,000 employed at 8 hours per day and the 8,000,000 employed at 6 hours per day be conceded to be the same, as an initial proposition, the prospective consumptive power of 8,000,000 self-supporting wage earners must be vastly greater than that of 6,000,000 wage earners and 2,000,000 derelicts dependent upon charity. If this be true, then it must inevitably follow that as the segment of unemployment is cut down or eliminated, consumption is increased, production must be speeded up, and wages must of necessity be increased.

So, Mr. President, while naturally I was moved to the point of tears on yesterday, as you, sir, must have been, by the pathetic eloquence of the Senator from Pennsylvania, when, in moving accents, he depicted his heartbreaking solicitude for the welfare of the laboring class and the farmers—eloquence which the distinguished Senator has too often exercised in the advocacy of tariff iniquities, the defense of income-tax refunds to malefactors of great wealth, and the emasculation of the laws against trusts and monopolies—while, as I say, such perfervid pleas for the laborer and the farmer on the part of the Senator must have impressed us all, nevertheless I believe this bill, embodying a great constructive reform, ought to pass and will pass this body.

On yesterday, Mr. President, the Senator from Oklahoma [Mr. GORE] sarcastically remarked that this proposed act should be amended to provide that it should be designated as the "Black Act." In my judgment, such an amendment is unnecessary, because the law will inevitably be known as the "Black Act", constituting the chief claim to fame of the Senator from Alabama and standing in the time to come as a shining and impressive monument to the ability, courage, industry, and humanitarian spirit with which the Senator from Alabama has prepared this bill and conducted its course to passage. I may add that in the coming time I believe that the enactment of this bill will stand high upon the list of the achievements of the administration of Franklin D. Roosevelt.

Mr. President, I do not wish to detain the Senate in a discussion of the constitutional features of this bill, which have been discussed here at great length and with such impressive ability on both sides, other than to say that earnest consideration of the principles involved and diligent examination of the precedents cited has led me to the conclusion that the act is constitutional. Furthermore, I agree with the principle laid down by the able Senator from Idaho [Mr. BORAH] and the distinguished majority leader, the Senator from Arkansas [Mr. ROBINSON], that there is nothing in a 5-to-4 decision of the Supreme Court on closely controverted questions of constitutionality which should bind the mind and conscience of a Senator or Representative against voting for the passage of an act which would again submit the same or similar questions to the Court's consideration. There is nothing sacred about the decisions of the Supreme Court in the child-labor case, and I hope to see that decision reversed when the Court passes upon the pending bill.

I was not impressed with the soundness of the very able and ingenious argument of the Senator from Alabama to the effect that Congress by the declaration of an emergency could make constitutional the exercise of powers otherwise unconstitutional. It is precisely in times of stress and emergency that the guaranties and separation of powers of the Constitution should remain most sacred.

Nevertheless, I shall vote against the amendment which I understand is to be offered by the Senator from Idaho striking out the preamble of the bill. While I do not believe that the declaration of an emergency could make constitutional an act otherwise unconstitutional, nevertheless I deem it proper for the Congress, in the exercise of constitutional powers in a matter of such momentous consequence, to set out the circumstances and conditions which have appealed to its legislative judgment in taking such action.

Mr. President, in my personal campaign platform, announced nearly a year and a half ago, I declared for a 6-hour day but not for a 5-day week, it being my idea at that time that the establishment of a 36-hour week would be a sufficiently drastic reduction to largely accomplish the necessary reform. A study of the hearings before the Judiciary Committee, however, has convinced me that the establishment of the 30-hour week is far preferable and that the maintenance of a 6-hour day as against an 8-hour day is so far preferable as to amount almost to necessity. If the principle of the benefits to be derived from reduction of hours of labor be sound, then I believe that we are liable to err here in the direction of not going far enough rather than in the direction of going too far.

I know the undeviating spirit of support which the Senator from Arkansas has given to this legislation, as he formerly gave his support and leadership to the child-labor legislation. I am extremely reluctant to differ with him upon this matter; but, in view of the facts presented in the hearings on this bill, I feel constrained to stand with the author of the bill, the Senator from Alabama, and shall therefore vote against the amendment offered by the Senator from Arkansas. I may say, however, that either with or without the Robinson amendment, the measure will amount to a great step forward in the alleviation of our economic disaster, and that with or without the Robinson amendment I will take pride in voting for the Black bill.

Mr. CLARK. Mr. President, the principle of the measure which I have offered as a substitute for the committee amendment to the original bill is designed in recognition of the fact that, owing to the increase in the use of machinery, owing to the inventions of machinery, owing to the constant cutting down of the necessity for labor as well as to the normal increase in population which takes place in this country, and in every other country, from time to time, there is a normal and constant increase in the supply of labor. That would be so even if this dreadful depression had not afflicted the country, because even at the height of the so-called "boom" in 1929 it was admitted by all authorities that there was a surplus of labor in this country, ranging, according to various estimates, from 3,000,000 to 5,000,000 people who could not find employment even in those so-called "boom times."

The Black 30-hour-a-week bill, which the Senate once passed by a majority of nearly 2 to 1, after very elaborate debate, and which the Senate Judiciary Committee, of which the distinguished Senator from Nebraska [Mr. NORRIS] was at that time chairman, reported after very elaborate and exhaustive hearings and research and study, is designed to take up the slack in labor and to care for the surplus which must exist irrespective of depressions.

The bill is based on the principle, to use a very minute example, that there is more mass purchasing power, even at the same gross wage, in 8 men working 6 hours a day than there is in 6 men working 8 hours a day. I cannot possibly give a better illustration of the principle of the bill than that.

The theory of the proponents of the Black 30-hour bill has always been that short hours and high wages always, throughout the industrial history of the country, have gone together. The principle of dividing up the work, of cutting the hours of labor for the purpose of putting more people to work, is simply a reversal of the vicious economic circle into which we have fallen. With more men at work, with more men earning wages to increase the mass expenditure, the purchasing power of the consumers of the Nation, taken as a whole, is inevitably increased, and for the purpose of increasing the wages of labor either in industry or on the farm the necessity for increasing the mass purchasing power of the consumer is absolutely unescapable and inevitable.

So the Black bill, thoroughly considered by the Senate 2 years ago, passed by a nearly 2 to 1 majority, including the vote of the distinguished Chairman of the Committee on Education and Labor [Mr. WALSH], who now opposes it, is based upon thoroughly thought out grounds for the purpose of dividing the mass hours of labor in the country, putting more people to work, and increasing the mass purchasing power of the consumers of the United States.

Mr. President, one difference between the substitute which I have offered and the Walsh bill lies in the question whether or not Congress shall proceed to carry out its functions imposed upon it by the Constitution of the United States by legislating, or whether it is to continue in the course of signing blank checks for Executive action, abdicating its own functions and delegating to the appointees of the executive branch of the Government the making of laws, the supplying of flesh to the skeletons of laws, a practice recently repudiated in unmistakable terms by the unanimous decision of the Supreme Court of the United States.

The Black bill proceeds upon the principle that Congress should lay down the legislative conditions upon which it is willing to establish maximum hours of labor in the United States. The Walsh bill proceeds upon the theory that some bureaucrat in the N. R. A., or some similar institution, should pass upon something which the Supreme Court has said ought to be a matter of congressional regulation—regulation by Congress, not by delegation to some clerk in the back room of a bureau.

Mr. President, I may be old-fashioned—I hope I am—but I adhere to the principle laid down by the founders of the Constitution, I adhere to the principles of the great founders and leaders of the Democratic Party, that legislation should be by Congress and not by appointees in the executive departments.

I have seen here during this debate the adviser and consultant of the Chairman of the Committee on Education and Labor, a high official of the N. R. A., a most estimable gentleman, with whom my relations have always been entirely friendly, who has treated me with great courtesy. But in his department an incident occurred which, to my mind, proves conclusively the soundness of the objection to Congress simply leaving in the discretion of bureaucratic officials the matter of determination.

The PRESIDING OFFICER. The time of the Senator from Missouri on the amendment has expired.

Mr. CLARK. I shall take some time on the bill.

I am certain that Mr. Healy, from the N. R. A., who sits on the floor of the Senate today as an adviser of the eminent Senator from Massachusetts [Mr. WALSH] will recall an incident in which one of his subordinates in the Blue Eagle division of the N. R. A. had to pass on a matter of very great importance affecting the newspaper industry of the United States in one particular case. It was a case of the first instance which might well have affected every newspaper of the United States. As I stand in my place on the floor of the Senate I see before me the Senator from Michigan [Mr. VANDENBERG] and the Senator from North Dakota [Mr. NYE], both of whom have had great newspaper experience.

In this instance, in the course of a hearing affecting labor conditions in the newspaper industry, it became apparent and was admitted that the young man who was passing on it, also a most kindly gentleman, a man of great courtesy, immediately out of the office of Sullivan & Cromwell, of New York, fresh from the Harvard Law School, knew so much about the newspaper business that he did not know that a composing room was a print shop, and he thought that compositors on newspapers were white-collared men who were not affected by the labor provisions of the President's agreement.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. CLARK. I yield.

Mr. TYDINGS. I notice the language of the Black bill, which the Senator has offered as a substitute for the Walsh bill, deals with commodities produced or manufactured in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment situated in the United States. I am wondering why the farm worker is not given equal treatment with the factory worker in the 6-hour-day provision. There are many cases of those who work on the farm, I suppose, similar to those who work in the factories.

Mr. CLARK. So far as I am concerned, I shall be very glad to accept such an amendment if the Senator will offer it.

Mr. TYDINGS. Can the Senator see why a national policy of 6 hours a day and 5 days a week, if it is to apply to all manner of employment, should exempt agriculture?

Mr. CLARK. I cannot, I will say to the Senator.

Mr. TYDINGS. My recollection is that the man who works on the farm probably receives less wages than the man who works in the factory, and that he works longer hours than the man who works in the factory. If this is going to be a national policy and we are going to be honest about it, it seems to me it ought to be a national policy and we ought not to edge in by getting the nose of the camel under the tent and then adopting it piecemeal.

Mr. CLARK. Of course, the Senator from Maryland undoubtedly knows there are certain seasons of the year in which the farmer works very little, as during the winter season.

Mr. TYDINGS. That applies likewise to the cannery. When we get ready to can fruits or vegetables we cannot wait and work one shift only 6 hours a day. We have to have various shifts. When sugarcorn, tomatoes, peas, beans, or peaches get ripe, we have to be in a position to can them or they will spoil. I can see no reason, if we are going to include the cannery, why we should not include the man who works on the farm, who works 10 or 12 hours a day for less wages than his compatriot gets who works in the factory in the city. However, I doubt, in spite of the fine logic which the Senator has spun, whether the Senate would vote to include agriculture in the bill. That shows how consistent we are about the 6-hour day.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. CLARK. I yield to the Senator from Nebraska.

Mr. NORRIS. In reference to the question asked by the Senator from Maryland, I should like to say, if the Senator will permit me, that a 6-hour law would necessarily have to have a great many exceptions. As I remember now, never during the extended hearings on the bill did any representative of organized agriculture or anyone else advocate putting agriculture under the bill.

Canning is an occupation which I mentioned the other day. There will have to be exceptions to any 6-hour law. For instance, if we should put farmers under such a law, and a farmer were in the midst of cutting wheat or making hay, nobody would expect the farmer to be compelled to let his hay be subject to a rain which might be approaching, or to let his wheat rot in the field, because he would have to stop working after he had worked 6 hours a day. There are a great many instances where seasonal exceptions would have to be made; and if benefit should come, it would come in another way than from shortening the hours.

Mr. TYDINGS. Mr. President, will the Senator from Missouri yield to me?

Mr. CLARK. How much time have I remaining, Mr. President?

The PRESIDING OFFICER. About 8 minutes.

Mr. TYDINGS. I shall take only a moment. Will the Senator let me conclude this thought?

Mr. CLARK. Mr. President, this is my amendment, and I have only 8 minutes remaining. The Senator from Maryland may take the floor in his own right.

Mr. TYDINGS. I shall not interrupt again, but I should like to make one observation.

Mr. CLARK. With all respect and friendship to my friend from Maryland, I must decline to yield.

The PRESIDING OFFICER. The Senator from Missouri has the floor and declines to yield.

Mr. CLARK. I do not care to have a debate between the Senator from Maryland and the Senator from Nebraska take up the small amount of time I have remaining.

Mr. President, referring to the telegram just read by the Senator from Massachusetts, I desire to say only that Mr. Green personally appeared before the Finance Committee

of the Senate at this session of Congress and urged this precise proposal—the Black 30-hour bill—as the principal aspiration of labor at this session of Congress. It is perfectly true that prior to that time, after the Senate had passed the Black 30-hour bill by a majority of nearly 2 to 1, the bill was held up for some 23 months in a committee of the House of Representatives controlled by so-called "friends of labor." It is perfectly true that the Senator from Massachusetts last week made the statement that the Black bill had no chance of passage at this session of Congress; and I come back to the question which I asked the Senator from Massachusetts on last Friday, as to why the Black bill has no chance of passage at this session if the forces which have repeatedly announced their support of it are really in favor of it.

Mr. President, I say that the issues involved in the Black 30-hour bill are only two. One is the question whether everybody shall be included. The other is the question whether Congress shall pursue its constitutional function of legislating, or shall simply sign a blank check, to be filled with legislative provisions and administered and construed by some minor official in the N. R. A. or some similar bureau.

I say, that to my mind, the most fundamental question which confronts the American people today is whether Congress is going to resume its functions of legislating, or is going absolutely to abdicate its duties under the Constitution and under our whole system of Government, and merely sign blank checks which are to be filled in, not by the President as the assertion is always made and the appeal is always made, not even by responsible Cabinet officials, but by minor officials and bureaus who undertake to give the bare skeletons of legislative enactment passed by Congress constructions which no one would have dared advocate in this body.

To go back again to the actual operation of the N. R. A.: We had a case before the Finance Committee, in our investigation, in which an N. R. A. official had not only attempted to procure the rescission of the contract of a printer in St. Paul for State printing in absolutely intra-State business, where he was the low bidder by $12,000, but afterward certified the matter to the Federal district attorney, with a view to prosecution, and because, forsooth, this printer who, the testimony showed, paid 50 percent higher wages than the "big three" that controlled the local printing code authority in the States of Minnesota and North and South Dakotas. The only ground assigned was that this printer, the successful bidder, had been unwilling to make a false entry in setting up his costs, and set up a 10-percent straight-line depreciation, so that he would charge depreciation on a third- or fourth-hand printing machine which had already been entirely depreciated before he bought the machine.

Mr. President, I say that I am unwilling, as a Member of the United States Senate, to leave the determination of vital rights involving the rights and liberty and happiness of millions of Americans to the determination of some bureaucrat. The issue is between the substitute I have offered, which is the bill introduced by the Senator from Alabama [Mr. BLACK], and the substitute offered by the Senator from Massachusetts [Mr. WALSH]. Of course, the bill of the Senator from Massachusetts is itself a substitute because he has stricken out all after the enacting clause of a bill which had been prepared by a very eminent official in the law department of the Government and substituted his own bill. The issue between the two substitutes is whether we are going to extend a principle which, if it be a good principle, should be extended to the whole country, and whether we are going to have Congress, in pursuance of its own constitutional functions, write a law and prescribe its specifications and qualifications, or whether we are going to allow some clerk in one of the executive departments to do so.

Mr. TYDINGS. Mr. President, I am not going to take the time to discuss this matter for more than a few moments.

First of all, I agree with what the Senator from Nebraska [Mr. NORRIS] has said, that if agriculture were included under this bill there would have to be many exemptions to take care of the very peculiar and unusual conditions applicable to that industry; but that would not defeat the argument I presented that agriculture ought to be included, and then it ought to apply and get its exemptions as every other industry has to do.

In this case, if the farm workers of the country in a body were organized, to my mind they would take the same stand in reference to their occupation which other organized labor groups have taken in respect to theirs. We all know, however, that the farm workers of the country are not organized; that they have no voice through any organization, leader, or representative. Because we know the farmer would not like to be included in a 6-hour law, we are not going to put agriculture in the bill; but we all know that the farm worker has just as much right to live under a 6-hour national policy as anybody else has, and there can be no logical reason whatever why we should make an exception of him, or overlook his case.

The man who toils 8 hours or 10 hours on the farm has just as much energy taken out of his system, and for less pay, as has the man who toils in the factory or on the railroad. So let us be frank and honest about the matter. We are not putting agriculture in the bill because the farmers of the country do not want it in the bill, and that is the only reason.

Now, let us come down to the economics of the matter.

I agree with the constitutional philosophy expounded by my friend from Missouri; but his economics is entirely overlooked as he discusses his philosophy. He says we must spread the work, and at the same wage. What does he mean by that?

Mr. CLARK. Mr. President, will the Senator yield? I do not wish to interrupt the Senator, but he certainly inadvertently misquoted me. I did not say that the work must be continued at the same wage. What I said was that there was more mass purchasing power with more men employed at the same wage.

Mr. TYDINGS. I did not misinterpret the Senator, as he will see if he will let me go on.

Mr. CLARK. I shall be glad to let the Senator go on, but I did not wish him to put in my mouth words which I did not use.

Mr. TYDINGS. In other words, 8 men who work 6 hours a day will make the same amount of money as 6 men who work 8 hours per day. The basic output of money for wages remains constant. Am I right?

Mr. CLARK. I will say to the Senator that I went one step further, and said——

Mr. TYDINGS. I asked the Senator if my interpretation of what he said was accurate.

Mr. CLARK. If the Senator will permit me to tell him what I said, I shall be glad to do so. I said that automatically the increase in mass purchasing power would increase wages. I said it had been the history of the world that short hours and high wages go together.

Mr. TYDINGS. In other words, the Senator says that if 8 men are making a dollar a day apiece, it is the same as if 6 men are making $8 a day apiece. That is what the Senator said.

It costs $8 a day, whether you employ the 6 men for 8 hours or the 8 men for 6 hours. So I understood the Senator correctly. But let me point out where the Senator's economics does not always carry along with his political philosophy.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. TYDINGS. Just as soon as I finish with this point, I will yield to the Senator from Louisiana.

Let us suppose a man is making a hundred dollars a month, working 8 hours a day. Under the Senator's dispensation, the same man would get only $75 a month. In other words, the bill would result in a decrease of 25 percent in the wages paid the working man; and how the working man who has a mortgage on his home, a family to support, and his scale of life already firm, can take three-quarters of as much money as he is now in the habit of making and keep all his obligations up, and keep out of debt, I should like to know.

A 25-percent decrease in the returns of those who make the lower wages, a thousand or two thousand or three thousand dollars a year, would be the difference between sending their boys and girls to college, or something similar, and not doing it. The man who is making $3,000 a year as a workman would lose $750 a year as a workman. Instead of getting $3,000 a year, he would get only $2,250 a year, under the amendment as framed by the Senator from Missouri.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CLARK. I suppose the argument the Senator has just made is the reason why every labor organization in the United States has repeatedly stated it was in favor of this proposed legislation?

Mr. TYDINGS. I am not one of those Senators who votes as some labor organization or some business organization or some farmers' organization wants me to. I consider that I was sent here to vote good common sense of my own.

Mr. CLARK. I agree entirely with the Senator from Maryland in that; nevertheless, he cannot deny that every labor organization in the United States is absolutely in favor of the measure which I have suggested by way of amendment.

Mr. TYDINGS. I am not trying to do my small bit in the operation of this Government just to please labor. Labor is entitled to a fair deal, of course, but we have to look at the entire country.

Mr. CLARK. I agree with the Senator from Maryland; nevertheless, labor has been very well able to look after its own interests, in the matter particularly of labor legislation.

Mr. TYDINGS. That may be true; but labor would soon demand that with the 6-hour day they should receive the same pay they get for working 8 hours a day, and every man here knows it.

Mr. CLARK. Mr. President, if the Senator will yield for just one moment more——

Mr. TYDINGS. I will be more courteous to the Senator than he was to me. I yield again.

Mr. CLARK. I thank the Senator for his courtesy. Of course, everybody who has studied the experience of mankind in reducing hours knows that it would not be necessary for labor to demand the same wage, that shorter hours would automatically increase the wages.

Mr. TYDINGS. We can carry any position to the point of absurdity. It could be said, "Why not work 1 hour a day, and you would have still more purchasing power? Why not work 2 hours a day?" After a while we may reach the point that it will be a crime in this Republic to do an honest day's work.

Mr. President, if the 6-hour a day bill is to be enacted into law, everybody knows, insofar as the bill is concerned, that it will mean a 25-percent reduction in the wages of every man who works in occupations covered by the bill.

Let us suppose it does not mean a 25-percent reduction; let us assume that for working 6 hours a day the workingman will get the same pay he now receives for working 8 hours. I hear much said about parity, about labor and agriculture having to get on a parity. If the laboring man works but 6 hours a day, and he is paid, as he is now being paid, for 8 hours a day, certainly there is an added cost in the production of every article the farmer has to use on his farm, and then where is parity?

It would be the same as reducing the income of the farmer 25 percent, because if the income of the workingman is increased 25 percent, it takes 25 percent more of the income of agriculture to buy the things which industry produces. If we are to make an end of parity, that is one thing; but let us not stand on the floor of the Senate day after day and talk about parity between agriculture and industry, and then pass bills which destroy every semblance of parity.

If this proposed legislation were enacted into law the laboring man of course would be glad to have the law prescribe that he should work but 6 hours a day. I would like to see it so that we could all survive without anyone working. But no sooner would he get his 6 hours a day, attendant as it would be with a 25-percent reduction in wages, than there would be a movement, and a proper movement, under the circumstances, I think, in most cases, to get his 8-hour wages for his 6 hours of actual work. When that happened the overwhelming number of people being engaged in industry, there would be a greater burden to agriculture than 25 percent because there are working in industry about 30,000,000 people who are over 16 years of age, and only eight or ten million working in agriculture who are over 16 years of age. So that while three-quarters of the population were having their wages increased, the other one-quarter, the farmers, would be having their income decreased, and I venture to say that any man representing an agricultural constituency who will vote to put this extra burden on the back of agriculture, if the farmers ever come to understand what it means in increased cost, will rue the day that he ever voted for a 6-hour day, with the resulting increased costs which agriculture will have to pay.

It is frequently said on the floor of the Senate, and it is true, that all wealth comes out of the soil. Really, the farmer is more responsible for all the wealth we have than is any other single class in the United States. But he represents only 20 or 25 percent of the working population. Yet, while he is the prop under the whole outfit, with all the protective tariffs, the 8-hour-day law, the protection of industry, Workmen's Compensation Act, and what not, the farmer is the unprotected individual who is down on the bottom, standing on his own two feet, without any labor laws, dependent upon whether and all sorts of unusual hazards, and the adoption of the Black bill would drive him further into the slough of despond, and be the crowning blow in reducing him to absolute bankruptcy.

Mr. LONG. Mr. President, I wish to say just a few words in answer to the line of logic of my friend the Senator from Maryland [Mr. TYDINGS].

The trouble with the Senator from Maryland, and those like him, is that they fail to accept what we all know has always happened, namely, that wherever hours are shortened wages go up. We need not worry about adjusting the wage scale; wherever we basically establish fair hours of labor, shorter hours of labor, wages inevitably go up.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. NORRIS. I agree with the Senator, but I should like to call attention to another reason why I think the wages would go up, and it is the reason which makes a shorter workday necessary. There are all kinds of inventions and improvements in machinery, which is one of the causes of the present unemployment, so that a man who labors today with modern methods does perhaps the labor of 50 men, in some instances, or 2 or 3 men, or 5 or 6 men. So that while I shall not vote for the pending amendment, I do not agree with the argument made by the Senator from Maryland.

Mr. CLARK. Mr. President, will the Senator from Louisiana yield for just a moment?

Mr. LONG. I yield.

Mr. CLARK. Along the line of the statement of the Senator from Nebraska, which of course expresses the basic philosophy of this bill, I saw a cartoon 2 or 3 years ago which illustrated the announcement of the invention of a labor-saving machine which would enable one man to do the work of 250. A publicist who was standing by said, "What we need is to have a machine invented that will enable one man to consume as much as 250 men are now consuming." The principle of this bill is that dividing the work and shortening the hours will automatically increase the wages of people engaged in industry by increasing their purchasing power.

Mr. TYDINGS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. TYDINGS. I should like to point out to the Senator from Missouri that the greatest headway machinery has made has been first on the farm. There is more labor saving on the farm through machinery than in any other one line of activity.

Secondly, I should like to ask the Senator a question, if the Senator from Louisiana will permit me to do so in his time. If the Senator says that wages are going to increase and hours of work are going to decrease, will that not increase the cost of the materials which the farmer has to buy, and thereby destroy the so-called "parity" which I thought Congress was attempting to set up?

Mr. CLARK. Mr. President, I do not wish to take more of the time of the Senator from Louisiana, but I ask the Senator if he will yield for just one more moment.

Mr. LONG. I yield.

Mr. CLARK. The proposition is simple, and I think the Senator from Maryland ought to be able to grasp it. The intention of this bill is to reverse the vicious circle which has been going on. The theory of the bill is that when industry is going at full blast, when a large number of men are employed in industry—after all, industrial workers are the consuming public and buy the products of the farm—when they are able to purchase, farm prices go up, and the farmer is prosperous, as well as industry, and also the wage earner.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. TYDINGS. What the Senator from Missouri has said is largely true, that the proposition is too simple for the Senator from Maryland to understand.

Mr. LONG. Mr. President, if I may resume—and I thank my colleagues for yielding to me—the fact which I am undertaking to explain is, and I am going to repeat one line, that invariably shortening the hours of labor means increased wages. Not only that, but it increases the consumption of farm products. The Senator from Missouri explained with a cartoon what I was going to undertake to put in my own words. We must provide some means for a greater consumption of agricultural products, and thereby give the farmer a better market for his products. If we shorten the hours of labor of the industrial worker and give him a better wage—and one is equivalent to the other—we not only give him more money with which to buy, but we give him more time in which to consume, and the consumption is so much greater.

As an example, take the Adamson 8-hour law. What I now say is intended even for my friend from Nebraska [Mr. NORRIS], who was one of the pioneers in the work of shortening hours of labor before men of my kind were ever heard of. The Adamson law was referred to as one which would decrease purchasing power, and would impose a heavier burden upon the farmer; but the facts will show that a greater consumption of agricultural products among the industrialists followed the shortening of hours which began with the Adamson law. If Senators really desire to help the farmer, the best thing they can possibly do is to shorten the hours of the industrial worker, because it most assuredly means a greater market for farm products, and a better value for what the farmer has to sell.

That is point number one.

What is the second point? Here we are on solid ground. Here is where I leave the Senator from Maryland [Mr. TYDINGS] and his kind, because they are against us on all points, and cross over to argue for a moment with my friend from Nebraska [Mr. NORRIS]. The point is that the Senator from Nebraska and men of his kind who pioneered legislation for shorter hours of work, did it on a sound basis. They did not say that the President might stop trains on Sunday, or that he might except the mail carrier or the section hand, or that he might prescribe a code which applied only to conductors, and another one which applied only to engineers. In connection with the 24-hour service, the 7-day service, the 12-months-a-year service, the 365-day service on all jobs, there was prescribed an absolute maximum 8-hour day. Where we are getting into deep water is by entering into—if I may use a word which may seem somewhat hard—a Fascist system of giving somebody the right to say what line of work is to be governed by a minimum or a maximum law, who is to be excepted, which one is to be 6 hours, which one is to be 8 hours, which one is to be 10 hours. If we do that, we are involving the whole matter in something far more reprehensible than hours of labor which are now limited by law. Whenever we begin to tear down the fundamental principle of government that law is law applying equally to all, we begin to throw a stone in the way of regulating the hours of labor.

I will give another illustration. It is said that there are some occupations which it is not practicable to place on a minimum- or maximum-hour basis. Which ones are they? Agriculture is not supposed to be regulated by the proposed law, but I desire to tell Senators that agriculture may be placed on a maximum-hour basis. It may be done if necessary. The old talk that we are likely to get into some field where work cannot continue if the hours of labor are limited is of no value. There is not a thing in the world to such talk.

I have helped in most of the ordinary occupations on the farm. Take the case of canning, for instance: There is nothing to keep a man from employing more persons to do his canning in the canning season. There is nothing to keep a man from employing more persons to do the cotton ginning in the ginning season, and there is nothing to prevent more men being employed to do the work of carloading on the railroads in the heavy transportation season. The country would adjust itself to the law if we had an absolute maximum-hour law established.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CLARK. The Senator knows, of course, that exactly the same arguments which are now advanced against the Black bill were advanced against the 8-hour law applying to the railroads. They were advanced when labor was reduced by law in many States from 12 hours to 10 hours, and from 10 hours to 8 hours, and in every case the shortening of the hours of labor was followed by increase in wages.

Mr. LONG. What the Senator from Missouri has said is right. The same things were said, and the same arguments were raised back in 1916, and they were annihilated by the argument of the Senator from Nebraska [Mr. NORRIS]. There is not an argument made against the pending 30-hour bill which was not made against the Adamson law.

In discussing the proposed legislation not one new argument has been used. The trouble with the 30-hour bill is that instead of creating a paralysis, it does not provide short enough hours of labor. In view of inventive science and all the progress which has been made, the hours would not be short enough.

The PRESIDING OFFICER. That time of the Senator on the amendment has expired.

Mr. LONG. I have 15 minutes on the bill. I will take my 15 minutes on the bill.

Let me give an illustration: In 1928 Congress passed a flood-control bill, and we were under the impression that the several hundred millions of dollars which were going to be spent on flood control, building levees, preempting rights-of-way, and clearing the ground in the State of Louisiana were going to provide an immense opportunity for employment, the employment of all the extra labor we might have in that section. What resulted? They put out a drag line. They put their steam shovels down there, and one or two men were building as much of levees in a day's time as a thousand men used to build in a week's time with the mules and scoops which they used to use for the purpose of hauling and stacking dirt to make a levee.

Let me refer to farm life if it be desired to take that as an example. I can remember the time, even in my day, when we farmed a piece of ground which produced about one-quarter of a bale of cotton to the acre before we ever had such a thing as fertilizer. Today, on the same old worn-out land, so poor that two red-headed women could not raise a row on the land [laughter in the galleries]—right on that land they harvest from half a bale to three-quarters of a bale, and in some years a whole bale of cotton.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. TYDINGS. In view of the great improvement which machinery has made on the farm, does not the Senator think this 6-hour bill ought to apply to farm labor?

Mr. LONG. It would work.

Mr. TYDINGS. Certainly, it would. If the Senator is going to be fair with respect to the matter, there is no reason why the bill should not apply to farm labor as well as industrial labor.

Mr. LONG. Surely. In answer to all this bogey business which has been brought up that there is likely to be some occupation in which the plan will not work, I say it will work in all occupations. There can be guaranteed to every farmer in the United States a $2,500 minimum during a year, and to every other family man $2,500 minimum earning a year on a 6-hour day, and then only one-third of the average family income will be involved, according to Mr. Roger W. Babson, one of the greatest Wall Street analysts we have. Mr. Roger W. Babson says all heads of families may be paid $10,000—and I reduced his figures to $7,500—on a 6-hour-day basis, and he says it would only be necessary to work those who are 50 years and younger. There is not any question about that. The only defect in the 30-hour bill is that it probably does not provide a short enough work period.

Mr. TYDINGS. The Senator could not make the limit 45 years?

Mr. LONG. My friend from Maryland asks me if the limit might be made 45 years. Is the Senator from Maryland 45? I am willing to make it any age limit which the Senator from Maryland wishes which will exclude him, and exclude me, too, so far as that is concerned.

Mr. President, my friend from Massachusetts [Mr. WALSH], who is a good friend of labor, and a good friend to humanity and social reform, unfortunately, like many others, has changed his course. The Senator from Vermont [Mr. AUSTIN] has remained consistent in his labor attitude. The Senator from Maryland [Mr. TYDINGS] has remained consistent in his labor attitude.

The trouble is, however, that some of our friends, like my friend from Massachusetts, and like that leader of all labor movements, the Senator from Nebraska [Mr. NORRIS], have unwittingly fallen for the same line of logic which they resisted in their younger days when they were fighting for labor reform. They have allowed the argument of "impossible, impossible, impossible" finally to affect them.

It has been said that if pebbles were to beat upon a great rock, such as the Rock of Gibraltar, it would finally be broken down. So it is in this case. Those Senators have heard for so long the argument that it is "impossible, impossible, impossible", that in their unguarded moments it has to some extent taken effect upon them. A law which will absolutely, unquestionably, unequivocally shorten and limit the hours of labor for all persons in all industries, by positive law which may not be suspended, which may not be repealed, which may not be used to the advantage of one and the disadvantage of the other, is the only kind of labor law that Congress can pass which will do any good, or which will not do more harm than good. That can be done constitutionally, and the amendment which my friend from Missouri proposes can validly become the law of the land.

I understand Mr. Green, president of the American Federation of Labor, sent a telegram here this morning stating that he would like to have the pending bill passed in its present form. I am very sorry Mr. Green sent that kind of a telegram, because only a short time ago he issued statement after statement to the effect that the only thing on earth for us to do was to enact a 30-hour law.

Mr. BONE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BONE. I know the Senator must be familiar, as is the Senator from Missouri [Mr. CLARK], with the statements which I think come from most respectable sources, that if by some sort of political or economic magic we were able to go back to the peak of production which obtained in this country in 1929 there would still be a great army of three or four million wage earners who could not possibly be reemployed. That problem is like Banquo's ghost in our economic system, and it is up to us to solve it. I ask the Senator if he does not agree with me that that is the case?

Mr. LONG. I not only agree with what the Senator says, but I say that the bill which the Senator from Massachusetts is trying now to have passed will not be effective. Unemployment was hardly decreased a particle by the N. R. A. There were 11,000,000 unemployed industrial workers, and no one knows how many millions of agricultural workers unemployed under the N. R. A. codes. I understand the hours of ice vendors in my State were actually lengthened, if anything, under the code, rather than being reduced. One man had a 44-hour week; another had a 54-hour week; another a 40-hour week; no one knew what the hours were. One ran against the others; one chiseled against the other; one man was covered; another was not covered. What is going to happen under the bill which the Senator from Massachusetts is sponsoring is that it will discourage the undertaking to prescribe such a thing as the maximum hours of toil.

It will set the hands of the clock back, it will not work except in the direction of disaster, it will do nothing but harm and it will do great injustice and injury to the labor cause in its effort to set up some maximum limit on the hours of toil.

It seems to me that experience should be worth something to us. Do we not remember that we once had such a law as the Senator from Massachusetts is now trying to give us? Do we not remember that we had 11,000,000 unemployed, and that the list of unemployed grew from 1934 to 1935 under a law almost the same as the bill for which the Senator from Massachusetts is now clamoring, so that we had 734,000 more unemployed in 1935 than in 1934? Do we want to go back to something that we know was a failure? Do we want to do something that we know was unpopular? Do we want to do something that we know will not work, or do we want to do that which would be done by the bill which the Senate passed to start with, the Black 30-hour bill, providing not to exceed 5 days' labor and 6 hours' work a day, to apply to everybody? If we could secure the enactment of that bill, the result would be that the number of unemployed would not be 12,000,000, 15,000,000, or 20,000,000 people. That is what we have today, we have approximately 20,000,000 unemployed, and the number grew under the N. R. A. and the A. A. A., and whatever other A's they have hung onto it by this time. Industrial unemployment grew from ten and a half to eleven million, and we had about 10,000,000 agricultural workers who were unemployed at the same time, or a total of some 20,000,000 people who were half employed and half unemployed, according to their earnings and the purchasing power of the dollar.

Yet we are going right back today to try the same thing we tried before; and with what a result? I do not think my friend from Massachusetts contends conditions under his bill will be any better than under the N. R. A. law. Has anyone here reached the conclusion that they will be better under this bill, if it shall be enacted, than they were last year or this year? Does anyone expect any improvement? According to my understanding, conditions now are probably better than they were under the N. R. A., if there is any difference between the conditions that obtained under the codes and present conditions not under the codes.

Some of us are bewildered. We are standing right where we have stood all along for shorter hours, for a law with teeth in it, without deviation, and we are standing for the ordinary, customary, constitutional process of government. We are standing for a measure that will really shorten the hours of labor, such as was done when we passed the Adamson law. We are standing for the same 30-hour bill which the Senate passed only 2 years ago, with 53 votes in favor of it and 30 votes against it. Ten of those who voted against it are no longer Members of this body; so that today if we may rely on the sentiment heretofore expressed by the Senate the amendment embodying the Black 30-hour bill, now

before this body, would pass with probably 63 votes instead of 53 votes, and would have but 20 votes against it instead of 30 votes against it.

We are trying to have passed the identical bill, the very words, the very syllables, the very sections for which the Senate of the United States voted. However, at that time we were sidetracked by the N. R. A., which by actual practice and experience not only failed in the minds of the public and in the minds of everyone affected by it, but which the Supreme Court of the United States, by unanimous vote, declared to be invalid, illegal, and unconstitutional and un-American, topside and bottom.

Now we are proposing to go back to that. We propose to go back to something which was tried and which failed, a law which the Supreme Court said was invalid, which would not work, which could not work, and which brought chaos and destruction and no good to anybody. We turn away from the action which the Senate took and the policy for which it voted, a maximum 30-hour bill. I wish the Senate would pursue the course on which it started and vote for the 30-hour bill as an amendment to the pending measure. If enacted, it would bring good where everything else has failed.

Mr. President, I inquire how much time have I remaining.

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. LONG. I wish to use my 4 minutes to make a statement on the tax bill.

From what I hear, we have about reached the time when the Senate will come to its hour of mourning. I sometimes think, when I see what is being done about the tax bill, that it is very unfortunate that the present Congress ever met. I was in favor of the so-called "lame duck" amendment to the Constitution, which was sponsored by the Senator from Nebraska [Mr. NORRIS]; I thought it was right, and I still think it is right; but this is one time when we got a bad break. Of course, we have to take the bitter with the sweet; but this is one year when we got a bad break. It certainly was a bad thing that Congress had to meet this year. I have watched every measure that has passed, and for the last couple of days have tried to imagine some kind of a result that would have meant good out of this session of Congress; but with what the Finance Committee, I understand, has given out as its purported or tentative report, apparently it has come down to the hour of perpetual mourning for this expiring—and the quicker it expires the better—Congress of the United States.

I understand that the Committee on Finance have reformed the tax bill as passed by the House; have stricken out the inheritance-tax increase—which did not amount to much, to start with, in my opinion, it was not nearly enough—and that they have taken the income-tax schedule and given it a reverse locomotion, so that, instead of going up into the higher realm, they have gone down to the lower one and propose to take a great deal more money from the common poor men than the bill was designed to get from the supposed-to-be super-rich men in this country. In other words, they have made it a soak-the-poor bill instead of a redistribution-of-wealth bill.

I think the Senate Finance Committee, if its report shall be accepted, will have well demonstrated the futility of this abdicating system of government by which the Congress leaves matters to bureaus and bureaucrats, abdicates its own functions, and allows this rule and this regulation and this law to be promulgated by somebody outside the legitimate sphere of Congress. I think it will demonstrate by the particular amendment before the Senate that the Congress had better revert to the customary process of enacting laws and declare "this is a law, this is a crime, this is a penalty", rather than to say that something is the law provided someone else wants it to be the law, and that something else is a penalty provided someone wishes to establish it as a penalty, and agrees that it is the proper penalty, and that such and such an act is a crime provided that, in the mind and sphere of knowledge of some bureaucrats or autocrats they wish so to promulgate it.

I should like to see the Congress, if it shall reassemble here next term, assuming that the people will stand for it to reassemble again, and I presume they will, for they have stood for a whole lot, and I guess they will be willing for us to come back—I should like to see Congress profit from its own failure, a failure which will be demonstrated in time by this measure; in fact, I think it will be demonstrated before we meet next time, as it has already been demonstrated in the past and will be demonstrated in the future. The only kind of laws which are going to do us any good are laws that are specific, that are in themselves legislation, and give every man and every industry to know what the law is and what they have to expect and under what rule or custom they have to live and operate.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK] in the nature of a substitute for the amendment reported by the committee.

Mr. ASHURST. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Logan	Robinson
Austin	Copeland	Lonergan	Russell
Bachman	Costigan	Long	Schall
Bailey	Davis	McCarran	Schwellenbach
Bankhead	Dieterich	McGill	Sheppard
Barbour	Fletcher	McKellar	Shipstead
Barkley	Frazier	McNary	Smith
Black	George	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Murphy	Thomas, Utah
Brown	Glass	Murray	Townsend
Bulkley	Gore	Neely	Trammell
Bulow	Guffey	Norbeck	Truman
Burke	Hale	Norris	Tydings
Byrd	Harrison	Nye	Vandenberg
Byrnes	Hatch	O'Mahoney	Van Nuys
Capper	Hayden	Overton	Wagner
Caraway	Johnson	Pittman	Walsh
Carey	King	Pope	Wheeler
Chavez	La Follette	Radcliffe	White

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. CLARK. Mr. President, I desire to offer an amendment to the pending amendment. On page 6, line 12, I move to strike out the word "thirty" and insert the word "ninety", having to do with the question of the time when the amendment, if agreed to, shall go into effect.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed in the amendment in the nature of a substitute, on page 6, line 12, after the word "effective", to strike out the word "thirty" and insert the word "ninety", so the paragraph would read:

> This act shall become effective 90 days after the date of its enactment, and it shall not apply to commodities or articles produced or manufactured prior to its effective date.

Mr. CLARK. Mr. President, I desire to offer a preferential motion. I move that the Senate proceed to the consideration of Senate bill 87, the Black bill. Since the suggestion has been made that this is an attempt to sidetrack the so-called "Walsh bill", I now move to lay aside the unfinished business and that the Senate proceed to the consideration of Senate bill 87, being the so-called "Black bill."

Mr. WALSH. Mr. President, I move to lay the motion on the table.

Mr. McNARY. Mr. President, I was unable to understand the statement made by the Senator from Missouri.

Mr. CLARK. I made no statement. I simply made a motion that the Senate proceed to the consideration of Senate bill 87, the Black bill.

Mr. McNARY. I thought the Senator had offered it as a substitute for the Walsh bill.

Mr. CLARK. I have offered it as a substitute, but since the suggestion was made that offering the Black bill as a

substitute was an attempt to circumvent consideration of the Walsh bill I have now moved to proceed to the consideration of the Black bill at this time.

Mr. WALSH. Mr. President, at the request of the Senator from Nebraska [Mr. NORRIS] I temporarily withdraw my motion to lay on the table.

Mr. NORRIS. Mr. President, why does not the Senator let us vote on the Walsh bill and then offer his motion to proceed to the consideration of the Black bill? I should be glad to support it.

Mr. CLARK. I was trying to conform to what I understood to be the wishes of the Senator from Nebraska. It so happens that there are many Senators—at least a goodly number of Senators—who are in favor of the Black bill and who are opposed to the Walsh bill. So far as I am concerned personally, I should not be willing at any time to vote to sign a blank check to reestablish the N. R. A.

Mr. NORRIS. I understand the Senator's position. I am in favor of both bills. Although I do not wish to charge anybody with bad faith in the matter, I resent any attempt to put those who are in favor of both bills in a bad light before the Senate or the country or to put them in an embarrassing position.

We have the Walsh bill pending. Another bill is offered as a substitute. If the substitute is voted down and if the Walsh bill is disposed of, then the Senator could make his motion. I have been wondering all through the debate why the Black bill has never been taken up during this session. I did my part, although it was a weak part this time. I was not able to attend all the hearings on the Black bill, although I did attend the earlier hearings when it was brought before the committee in the preceding Congress. I have wondered all the while why it was not taken up and passed at this session. I think it ought to be done. I want to see it passed.

However, I do not want now to be put in the attitude of voting to stop all this discussion and lay aside the Walsh bill after we are practically all ready to vote on it if the amendment were not pending. I do not want to throw away all that time and discussion. I do not want to defeat the bill which is advocated by the Senator from Massachusetts. I believe in it. I have faith in it. I have just as much faith in the other bill.

I should like to go on record as voting to proceed to the consideration of the Black bill. I should like to go on record as voting for its passage. It does not seem to me it is quite fair for the Senator now to move, after several days of debate on the Walsh bill, to lay it aside and proceed to the consideration of the Black bill, which would have the effect of killing the Walsh bill.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. NORRIS. Certainly.

Mr. CLARK. May I say to the Senator from Nebraska that, so far as I am concerned, I offered the motion because I understood it was his suggestion.

Mr. NORRIS. Oh, no; that was not my suggestion.

Mr. CLARK. There are a number of us who are not very much in favor of the so-called "Walsh bill." I shall not insist upon my motion to take up the Black bill for consideration after the Walsh bill shall have been disposed of, because I realize fully, as I said the other day in discussion with the Senator from Nebraska, that when some red herring like the N. R. A. or the Walsh bill can be dragged across the trail we can never secure consideration for the Black bill.

Mr. BLACK. Mr. President, will the Senator yield for a statement?

Mr. CLARK. The Senator from Nebraska has the floor.

Mr. NORRIS. I yield to the Senator from Alabama.

Mr. BLACK. I simply wish to say that a motion was made to take up the 30-hour-week bill and it was defeated by the Senate on a record vote. The only reason why other motions were not made was because I was afraid the same result would follow.

Mr. NORRIS. I do not remember that occurrence, though I am sure, if I was present and voting, I voted to take up the bill.

Mr. ASHURST. Mr. President, the Senator did so vote.

Mr. BLACK. Yes; I remember that the Senator from Nebraska voted in favor of taking up the bill.

Mr. CLARK. If the Senator from Nebraska will yield to me for just one moment further——

Mr. NORRIS. I yield.

Mr. CLARK. I have no disposition or desire on earth to put any Senator in an embarrassing position. My whole feeling is that the Black bill would be a most meritorious and most monumental bill to be passed by the Senate, and that the Walsh bill would be a very bad bill to be passed by the Senate. In view of the Senator's statement, I am perfectly willing to withdraw the motion I made to take up the Black bill for present consideration, because my only thought about the matter was that it might secure the support of some Senators who are in favor of both bills. After a red herring shall have been drawn across the trail by the passage of the Walsh bill, I should not be willing to make a motion to take up the Black bill, and I am certain the Senator from Alabama [Mr. BLACK] feels exactly the same way, because I know that most of those who are trying to pass the Walsh bill do not desire to pass the Black bill. I do not think that statement applies to the Senator from Nebraska.

Mr. NORRIS. It does not apply to me.

Mr. CLARK. I certainly do not intend to apply it to the Senator from Nebraska.

Mr. NORRIS. It does not apply to me; and I do not think what we are doing is drawing a herring across the trail. The Black bill has once been passed by the Senate and sent to the House. The pending bill never has been passed by the Senate. If both of them should be sent there, we could not compel the House to take up either one of them; but at least we can give the House an opportunity to take up both of them.

Mr. CLARK. Of course we can.

Mr. NORRIS. And I do not see anything inconsistent between the two.

Mr. CLARK. But the Senator from Nebraska well remembers that we passed the Black bill 2 years ago by a vote of nearly 2 to 1.

Mr. NORRIS. Yes.

Mr. CLARK. It went over to the House, and was held up in a House committee while they brought out this innovation from the United States Chamber of Commerce and passed it. Then the House said, "We cannot take up the 30-hour bill because the Senate has already passed the N. R. A. bill, and we will take that up." If we were to pass the Walsh bill at 2:30 today, and pass the Black bill at 2:35, of course we could be assured in advance, by the disposition which has been shown here, that the Black bill never would pass at this session or at any other session.

Mr. NORRIS. I do not know why.

Mr. CLARK. But there never has been any showing that if the Senate should pass the Black bill, and should not pass another bill, which, in effect, could be taken up as a substitute and passed, the House would not pass the Black bill.

Mr. NORRIS. Mr. President, I am ready to pass the Black bill; but in all fairness I desire to say that since we once passed the Black bill, and it failed in the House for want of consideration, I think there is no reason to believe it would now meet any better fate. That would not make any difference with me, however. I should feel it my duty to vote as I thought right in the Senate; and if the House wishes to vote differently, that is its right and its privilege.

Mr. WALSH. Mr. President, a parliamentary inquiry. Has the motion of the Senator from Missouri been withdrawn?

Mr. CLARK. It has not as yet been withdrawn. I announce my intention to withdraw it.

Mr. WALSH. I thought the Senator said he had withdrawn it.

Mr. CLARK. No; I announced my attention to withdraw it, but the Senator from Nebraska is still entitled to the floor.

Mr. NORRIS. I yielded to the Senator for that purpose. I though he had done so. That does not make any difference, however.

I desire to say that when the Black bill was first introduced, before there were any hearings, there were a great many opinions about it; and, in all fairness, I wish to say that I think, as a general rule, without giving the matter thorough consideration, most of those who did think of it thought it was an unconstitutional bill, basing their opinion principally on the child-labor decision of the Supreme Court of the United States. When we got into the consideration of the bill and had unlimited hearings, it seemed to me when the legal argument was made, that while perhaps the question was not free from doubt, inasmuch as many eminent lawyers thought one way and many equally eminent lawyers thought the other way——

The VICE PRESIDENT. The time of the Senator from Nebraska has expired. The question is on the motion of the Senator from Missouri [Mr. CLARK].

Mr. LONG. Mr. President, has the Senator withdrawn the motion?

Mr. CLARK. I have not as yet withdrawn it.

Mr. LONG. Please do not withdraw it. I wish to get a chance to talk about it.

Mr. President, let me say to my friend from Nebraska—and I hope he will understand the spirit in which I make these remarks—that the Holy Land gave us the Christian religion, but today we are sending people from heathen lands back to the Holy Land as missionaries to teach the people of the Holy Land the word of Christ. My undertaking to talk labor legislation to the Senator from Nebraska is worse than that, because I might be regarded as a heathen in the move compared to the record he has and the long service he has had in labor legislation.

Let me say to the Senator from Nebraska, however, that he is a practical legislator, and, while he may not like the term so well, in order to be a practical legislator he has to be a practical politician. If we should pass the bill which is being advocated by the Senator from Massachusetts, that would be the same as killing the Black bill even more effectually than the last time, because this bill is a labor regulation by codes. It itself would kill the Black bill. If the two bills were passed simultaneously, the Black bill would not be worth the paper on which it was written.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CLARK. Does the Senator believe that if the Senate had failed to pass the N. R. A. bill after it passed the Black bill in 1933, the Black bill ultimately would have become a law?

Mr. LONG. It would have become a law just as certainly as the Senator is alive.

Mr. CLARK. If the Senate should now pass the Walsh bill, and later should pass the Black bill, does the Senator believe that the Black bill would have any chance of passage by the House?

Mr. LONG. None at all. On the contrary, with due regard to the good motives of the Senator from Massachusetts—although he indicates some change in his attitude between the 2 years—the Walsh bill is not a thing on the living earth but something with which to kill the 30-hour bill, and the N. R. A.—they themselves so said—was not a living thing except something with which to forestall the Black bill. But assume that we could pass both of them, the Walsh bill, if we had them both written into the law, would do away with the Black bill because the codes would have a right to exist with the 44-hour bill.

Mr. NORRIS. Mr. President——

Mr. LONG. I yield.

Mr. NORRIS. The pending bill, the so-called "Walsh bill", applies to persons doing business with the Government.

Mr. LONG. Yes.

Mr. NORRIS. It is a governmental matter. The Black bill applies generally to persons engaged in interstate commerce.

Mr. LONG. I may say to the Senator that they both apply to about the same class of persons.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BLACK. The bill I have introduced applies to the interstate-commerce features and to Government contracts and to Government loans. As a matter of fact, the idea in the Walsh bill is exactly the idea carried out in the bill I have introduced, except that my bill fixes the hours by law and does not leave the matter to some other agency.

Mr. LONG. Yes. I may say that the Black bill applies to about the same persons to whom the Walsh bill applies. What the Walsh bill tries to do is to use Government funds, loans, contracts, and so forth, to draw private industry as well as Government employees and contractors into the matter. That is what one is and that is what the other is.

There is only one fundamental difference between the two bills. The Black bill provides that the hours of labor shall be 30. The Walsh bill says, "We do not know what they shall be. They shall be whatever we may find in the codes." There is no question in my mind as to that.

I appeal to my friend from Nebraska. This is the only chance we have on the living earth to do any good. This is the only route we can go to do any good, to save our lives, in this Congress. I go the route; I take the course—and the Senator from Nebraska has taken it time after time—that does the most good and will force good to be done—and I speak plainly, because I say that the overpowering majority running the Government, if we will put their feet up to the fire, will not dare fail to pass the 30-hour bill. If we will not give them a smoke screen to hide behind, the administrators outside of Congress will not dare fail to have this maximum-hour bill passed, but they will do toward us as they did the last time; namely, when the Black bill had passed the Senate, they held up the Black bill. The Speaker of the House went to the White House, and he gave out a statement on the steps of the White House——

Mr. ROBINSON. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. ROBINSON. The Senator from Louisiana has no right to refer to the action of the Speaker of the House.

The VICE PRESIDENT. The point of order is well taken.

Mr. LONG. I may not refer to him? I may not mention the fact that he is a Speaker? I have not reflected on him.

The VICE PRESIDENT. No; the rules of the House and the rules of the Senate are very positive, by custom as well as the written word, to the effect that one body may not refer to the action of another body.

Mr. LONG. I may not mention that he is a Representative? Very well; then I will forget that; but once upon a time there was a man of influence in the United States who announced on the White House steps that there would not be anything done about the Black bill, and there was not anything done about it.

The VICE PRESIDENT. The Senator's time has expired.

Mr. ROBINSON. Mr. President, I move to lay on the table the motion of the Senator from Missouri [Mr. CLARK].

Mr. CLARK. Mr. President, in view of the statement of the Senator from Nebraska, I withdraw the motion.

The VICE PRESIDENT. The motion is withdrawn. The clerk will call the roll on the amendment of the Senator from Missouri [Mr. CLARK].

Mr. CLARK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK. As I understand, the question is on the amendment, in the nature of a substitute, offered by me to the amendment of the committee, as amended.

The VICE PRESIDENT. The Senator has correctly stated the parliamentary situation. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). On this vote I have a pair with the senior Senator from New Hampshire [Mr. KEYES]. I understand we are in agree-

ment in that he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "nay."

The roll call was completed.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON] has a general pair with the Senator from Mississippi [Mr. BILBO].

I also announce that the Senator from Delaware [Mr. HASTINGS] is necessarily detained from the Senate. If present, he would vote "nay."

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Indiana [Mr. MINTON], the Senator from New Jersey [Mr. MOORE], and the Senator from California [Mr. MCADOO] are necessarily detained.

I announce, in addition, that the Senator from West Virginia [Mr. HOLT] is detained by illness.

Mr. WALSH. I desire to announce the necessary absence of my colleague [Mr. COOLIDGE]. If present and voting, he would vote "nay."

The result was announced—yeas 23, nays 61, as follows:

YEAS—23

Adams	Clark	McGill	Schwellenbach
Bachman	Costigan	Murray	Shipstead
Bankhead	Frazier	Nye	Truman
Black	Long	Overton	Van Nuys
Bone	Maloney	Reynolds	Wheeler
Caraway	McCarran	Schall	

NAYS—61

Ashurst	Copeland	La Follette	Russell
Austin	Davis	Lewis	Sheppard
Bailey	Dieterich	Logan	Smith
Barbour	Fletcher	Lonergan	Steiwer
Barkley	George	McKellar	Thomas, Okla.
Borah	Gerry	McNary	Thomas, Utah.
Brown	Gibson	Metcalf	Townsend
Bulkley	Glass	Murphy	Trammell
Bulow	Gore	Neely	Tydings
Burke	Guffey	Norbeck	Vandenberg
Byrd	Hale	Norris	Wagner
Byrnes	Harrison	O'Mahoney	Walsh
Capper	Hatch	Pittman	White
Carey	Hayden	Pope	
Chavez	Johnson	Radcliffe	
Connally	King	Robinson	

NOT VOTING—12

Bilbo	Dickinson	Hastings	McAdoo
Coolidge	Donahey	Holt	Minton
Couzens	Duffy	Keyes	Moore

So Mr. CLARK's amendment in the nature of a substitute for the committee amendment as amended was rejected.

Mr. CLARK. Mr. President, I offer an amendment, to add as a new section the following language:

This act shall remain in force for 2 years after the date it becomes effective.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add a new section, as follows:

This act shall remain in force for 2 years after the date it becomes effective.

Mr. CLARK. Mr. President, the theory of the N. R. A. act and all legislation of that class has been that it was temporary, to be tried out and tested. Of course, some of it has been declared by the courts to be unconstitutional before the date of expiration, as provided in the law, was reached. I offer this provision of the Black bill as an addition to the Walsh bill to limit the effect of the proposed act to 2 years, so that we may see how it will work.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK] to the amendment of the committee as amended.

Mr. CLARK. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the junior Senator from Indiana [Mr. MINTON] and vote "nay."

The roll call was concluded.

Mr. AUSTIN. I announce the following pairs:

The Senator from Iowa [Mr. DICKINSON] with the Senator from Mississippi [Mr. BILBO]; and

The Senator from Delaware [Mr. HASTINGS] with the Senator from Wisconsin [Mr. DUFFY].

Mr. LEWIS. I regret to announce that the Senator from West Virginia [Mr. HOLT] is detained from the Senate on account of illness.

I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from California [Mr. MCADOO], the Senator from Indiana [Mr. MINTON], and the Senator from New Jersey [Mr. MOORE], are necessarily detained from the Senate.

The result was announced—yeas 51, nays 33, as follows:

YEAS—51

Adams	Clark	Hayden	Radcliffe
Ashurst	Connally	King	Reynolds
Austin	Copeland	Lonergan	Russell
Bachman	Costigan	Long	Schall
Bailey	Dieterich	McCarran	Schwellenbach
Bankhead	Frazier	McGill	Smith
Barbour	George	McNary	Steiwer
Black	Gerry	Maloney	Townsend
Burke	Gibson	Metcalf	Truman
Byrd	Glass	Norbeck	Tydings
Capper	Gore	Nye	Vandenberg
Caraway	Hale	Overton	White
Carey	Hatch	Pittman	

NAYS—33

Barkley	Fletcher	Murray	Thomas, Utah
Bone	Guffey	Neely	Trammell
Borah	Harrison	Norris	Van Nuys
Brown	Johnson	O'Mahoney	Wagner
Bulkley	La Follette	Pope	Walsh
Bulow	Lewis	Robinson	Wheeler
Byrnes	Logan	Sheppard	
Chavez	McKellar	Shipstead	
Davis	Murphy	Thomas, Okla.	

NOT VOTING—12

Bilbo	Dickinson	Hastings	McAdoo
Coolidge	Donahey	Holt	Minton
Couzens	Duffy	Keyes	Moore

So Mr. CLARK's amendment to the committee amendment as amended was agreed to.

The VICE PRESIDENT. The question is on the committee amendment, as amended.

Mr. KING. Mr. President, I desire to offer an amendment. I move to strike out the words "by the District of Columbia", appearing in lines 8 and 9, page 5, so that the sentence will read:

That in connection with all or any purchases of or contracts for construction, articles, materials, supplies, equipment, or services, except professional services, made, extended, or modified on or after the effective date hereof, by any executive department, independent establishment, or other agency or instrumentality of the United Sttaes, or by any corporation all the stock of which is beneficially owned by the United States—

And so forth. On pages 9 and 10 of the bill under consideration the following language appears:

SEC. 2 A. In all or any contracts or agreements made, extended, or modified hereafter, by agencies of the United States for the loan or grant of funds or labor to any State, Territory, possession, including subdivisions and agencies thereof, municipality, and the District of Columbia—

It will be perceived that the amendment which I have offered does not relate to section 2 A, a part of which I have just read. This section deals with loans and grants or labor supplied by the Government; it does not deal with the authority or power of States or Territories or municipalities or the District of Columbia with respect to their functions or the discharge of the duties and obligations under the authority of their constitution or charters or organic acts.

The purpose of the bill, as I interpret it, is to restrict and control loans and advances made by the Government to the States or municipalities or Territories, including the District of Columbia. Those who accept the philosophy of the bill, will not object to the Government which loans money, having incorporated within the contracts, restrictions and limitations such as provided in section 2 A; but, as stated, my amendment does not deal with this section nor with the limita-

tions and restrictions therein contained. In this section the District of Columbia is placed in the same category as other borrowers and, as stated, I am not objecting to that course, but my objection relates to the provision in section 1 which imposes upon the District of Columbia restrictions and limitations that are imposed upon the United States and its executive departments and agencies. My position is that the District of Columbia is to be differentiated from the States and independent agencies and executive departments of the Government. Doubtless the Government and its governmental agencies has the authority to fix the terms of contracts entered into for the performance of work or labor in its behalf and in behalf of such agencies. It may prescribe the terms in contracts which are entered into, and such terms as it may deem for the best interests of the Government. But I insist that it is improper and indeed unfair, to include in section 1, the District of Columbia, because, as I have indicated, this section does not deal with organizations that are borrowing money from the Government. The section places the District of Columbia in the same class as executive departments and seeks to impose upon it all of the limitations and restrictions that it would impose upon borrowers and upon all of its agencies.

The District of Columbia is not an executive department of the United States, nor an independent establishment or other agency or instrumentality of the United States. It has attributes similar to those of territories, and the functions of an autonomous and independent government in dealing with its internal and domestic affairs. It is to be noted that in sections 1 and 1 A the words "Territory possession" do not appear. That means that the drafters of the bill regarded Territories and possessions of the United States as being exempt from the provisions of sections 1 and 1 A, but in sections 2 and 2 A, where loans or grants of funds or labor are to be obtained from the Government, then the words "Territory" and "possession" appear. If territories and possessions are not to be governed by the provisions of sections 1 and 1 A, then in all fairness and justice the District of Columbia should be excluded from the provisions of these two sections.

I insist that the District of Columbia has the right to deal with its local and domestic problems and to take all proper steps for the handling of its municipal affairs. It should have the right to make such arrangements as it sees proper to afford fire and police protection, to provide an adequate water supply, and to do all those things that are necessary for the happiness and welfare of the inhabitants of the District. If a Territory is not subject to the provisions of sections 1 and 1 A, and may enter into contracts to build roads and bridges and public buildings, and to carry out those duties and responsibilities essential to an autonomous or quasi-independent government, certainly the District of Columbia, through its officials, ought to have the authority to have carried into execution those policies incident to progressive municipalities. Indeed, the District of Columbia is more than a municipality and it has powers, largely executed by Commissioners, which give to it more or less the status of a government.

As I have indicated, the Territory of Alaska or Hawaii or the Government of Puerto Rico or the Virgin Islands or the Canal Zone are not included within the provisions of section 1 and section 1 A. They may discharge important functions connected with the administration of their internal and governmental affairs. If, however, they desire to borrow money, then they fall within the terms of subdivision 2 and 2 A and in expending such money they must submit to the restrictions and limitations with respect to contacts made as found in the section just mentioned. My contention is that the District of Columbia is singled out and treated differently from other Territories. It is discriminated against. And its officials who are charged with important responsibilities in governmental functions may not enter into contracts for the purchase of paper or pencils or for the cleaning of streets or the removal of garbage or the furnishing of water without being subjected to the limitations and restrictions found in sections 2 and 2 A. If they desired to purchase a dozen gross of pencils, under the provisions of the section which I have just referred to, they would have to insert in the contract for the purchase of the same all the restrictions and limitations as to hours of labor, minimum wage, and so forth, found in such section. And that is true even though the payment for such pencils come from the taxpayers of the District of Columbia. Not only that, they would be compelled to make inquiry and ascertain whether the wood or the lead of which the pencils was made was produced or manufactured by persons or companies that complied with all conditions respecting hours of labor, minimum wage, and so forth—indeed, with many of the provisions found in the codes which were drafted when the late lamented N. R. A. was in existence.

Mr. TYDINGS. Mr. President, will the Senator yield to me for a question?

Mr. KING. I yield.

Mr. TYDINGS. Has the Senator taken into consideration the different conditions in the Philippine Islands and in Puerto Rico from those which apply to the United States?

Mr. KING. There are differences, of course, but Puerto Rico may obtain a loan from the Government of the United States.

Mr. TYDINGS. My question, perhaps, was obscure. Would the Senator compel Puerto Rico to adopt as high a standard as would be adopted in the State of New York?

Mr. KING. Under the bill I would assume so. If it makes a loan from the Government it must comply with the terms which are applicable to any State or to any Territory and to the District of Columbia. I am not making any contention in regard to that matter.

Mr. TYDINGS. I appreciate the Senator's motive, but I will point out, with all due respect, that I believe the scale of living in Puerto Rico and in the Philippine Islands and the scale of pay would be such that they could not obtain a loan under this bill, because the pay in the Philippine Islands is about 80 cents a day in our money, and the pay in Puerto Rico is about 80 or 90 cents a day, and in the Virgin Islands the pay is about 70 cents a day. I am not going to oppose the Senator's amendment, but I am simply suggesting that perhaps, unless two or three of these Territories are included, the effect of the amendment will be to deny them relief under the bill, because their standards are so vastly different from those in the United States.

Mr. KING. Mr. President, if I understand the Senator, I do not think his remarks have any application to the motion which I have submitted.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. JOHNSON. Where is the Senator's first amendment?

Mr. KING. There is only one amendment. It will be found on page 5, in lines 8 and 9, and it seeks to strike out the words "by the District of Columbia."

The VICE PRESIDENT. The time of the Senator on the amendment has expired.

Mr. KING. I will take my time on the bill. I took the liberty yesterday of asking the corporation counsel, a lawyer of great ability, to write me in regard to the matter which is under discussion. In reply he wrote me, and I desire to read from his communication:

> The general purport of the bill is to impose upon certain persons minimum wage and maximum hours of labor conditions. These conditions are imposed by sections 1, 1A, 2, 2B, and 2C. The remainder of the bill (secs. 3 to 13) is administrative and formal.
>
> There is a sharp difference between sections 1 and 1A on the one hand, and sections 2, 2B, and 2C on the other hand. The former (secs. 1 and 1A) relate to transactions entered into by the United States, its agencies, and the District of Columbia. They contain no reference to borrowing or lending money from the United States.

They do not deal with that question at all as do the other sections.

> They contain a flat, unequivocal requirement that persons (whether general contractors or subcontractors) dealing with the United States, its agencies, and the District of Columbia, must meet the requirements mentioned. I emphasize again that these sections are not promised upon the borrowing, or otherwise obtaining, of Federal funds. They are a direct declaration of policy, a positive statutory requirement, imposed by the legislature upon

executive officials. As such, they cover all executive officials under the legislative control of Congress; i. e., officials of the United States, of all its agencies, and of the District of Columbia.

The latter sections (2, 2A, and 2B) relate to persons or organizations borrowing or otherwise obtaining funds from the United States. These sections (2, 2A, and 2B) include the District of Columbia only insofar as the District is a borrower of money from the United States, in such transactions, for example, as the P. W. A. loan for the sewage plant, etc.

The point which you made in the Senate on Friday (Aug. 9) is absolutely correct insofar as it relates to sections 2, 2B, and 2C.

The lump sum appropriated annually by Congress from Federal funds toward the regular expenses of the District is not a loan or a grant; it is a payment, in lieu of taxes, made toward the upkeep of the seat of the National Government, to help to provide proper streets, police and fire protection, schools, water, sewers, etc., necessary for the officials and employees whose duties require their presence (and also their comfort) in the District. If the sole theory and purpose of this bill (S. 3055) were to impose conditions upon borrowers from, or grantees of, Federal funds, it should not be applicable to the District, except in respect to those transactions, such as the P. W. A. loan, in which the District is really a borrower or a grantee.

But, as I have already suggested, this bill is broader than its sections 2, 2A, and 2B. In sections 1 and 1A it imposes conditions upon the United States, all its agencies, and upon the District of Columbia. These conditions relate to all purchases and all contracts made by the United States, its agencies, and the District of Columbia. This is a sharply different conception and different provision from that contained in sections 2, 2A, and 2B. Congress has exclusive legislative power over the District. The question presented by sections 1 and 1A is whether Congress, as the legislative authority over the District, desires to impose these conditions upon District executive officials in respect to all purchases and other contracts made by them. It is just as though a separate bill relating to the District, and not referring in any way to borrowing or granting funds, were under consideration.

Mr. President, I submit that the Senator from Massachusetts ought not to insist in discriminating against the District of Columbia. I repeat when I say that in my opinion the officials of the District, if and when they borrow money from the Government as provided in sections 2 and 2A of the pending measure, will be willing to be subjected to similar terms as are applied to States, Territories, and municipalities.

The Commissioners of the District have broad powers in dealing with the government of the District and with its internal affairs. They have the authority to enter into contracts relating to improvements, the construction of schoolhouses, and the performance of those things which are common to and necessary in progressive municipalities. They have the authority to incorporate in any contracts which they enter into provisions respecting the hours of labor, minimum wages, child labor, and so forth, and it goes without saying that they will discharge the duties and responsibilities resting upon them in a manner that will meet all fair and just requirements, including provisions relating to the dealings between employers and employees and contractors and contractees. If they borrow money from the Federal Government to carry out projects, important and beneficial to the District, they will, of course, submit to the provisions and limitations as required in section 2 and section 2A.

Mr. President, I sincerely hope that the amendment which I have offered will be adopted.

Mr. WALSH. Mr. President, this bill is either a good bill or a bad bill. It is wise legislation or it is unwise legislation. If it is proper legislation to enact at all and make applicable to the Federal Government, it is proper legislation to enact and make applicable to the District of Columbia.

There is no legislative body in the District of Columbia. The Congress of the United States enacts laws for the District of Columbia. It has been a well- and long-established precedent to include the District of Columbia in the enactment of Federal labor legislation. I have before me two recent laws which were enacted containing labor provisions which were made applicable to the District of Columbia.

One is a law enacted December 8, 1926, relating to public buildings, property, and work, and hours of labor on public works. Section 321 provides that—

> The services and employment of all laborers and mechanics who are or may be employed by the Government of the United States or the District of Columbia or by any contractor or subcontractor—

And so forth. Those are exactly the same words that are employed in the bill now before us.

Again, the Bacon-Davis law provides:

> Rates of wages for laborers and mechanics. Every contract in excess of $5,000 in amount to which the United States or the District of Columbia is a party—

To which the United States or the District of Columbia is a party—

> which requires or involves the employment of laborers or mechanics—

And so forth. The District of Columbia has been embraced in all general enactments by Congress, so it seems to me there is no reason why the District of Columbia should be excluded from the provisions of this bill.

Anyone who favors this proposed legislation for the National Government should favor it for his own State and should favor its enactment by his own State legislature. We are the State legislature of the District of Columbia and, therefore, in urging the bill as a Federal law I contend that it ought to embrace the District of Columbia, as has become our precedent here.

While on my feet, I wish to answer some statements that have been made in opposition to the bill. I do not know of any better way of impressing upon the Senate the philosophy behind the bill than to read a very short editorial which by chance I found yesterday in a religious magazine. It, of course, makes no reference to this bill, and the writer probably did not know of this bill, but discusses very clearly the philosophy behind it. Let me read it:

THE INVISIBLE ITEM

> The pastor and the architect are opening up the estimates for the new parish auditorium that is going to be built. Or it may be for the chapel that is to be redecorated, or for the new science building of a college. Carefully they go over each item and then compare the totals. They are delighted to see that So-and-so has by far the lowest figure. Once again they scrutinize the items. Everything seems to be there, and the decision is about to be made. The job is going to cost less than they thought, and they are very happy. But—one item is missing. What do these people pay their workmen?

That is not in the contract. The editorial very properly is entitled "The Invisible Item." This bill is a bill to put "the invisible item" into every contract written by the Government and by the District of Columbia.

Let me proceed with the editorial. It goes on to say:

> But—one item is missing. What do these people pay their workmen? Is that the reason why their figure is so much lower? Probably; in fact, almost certainly. Social justice costs money. It is the invisible item in every estimate. Contractors can't be priggish; they can't include "decent treatment of workmen" openly in their estimate. But they know that the church preaches social justice, and they take for granted that their prospective client is willing to practice it. It would be the first thing he would think of. Yet it is easy to preach. When the lesson comes home to us, we are too often blind to the invisible item. That is the reason why over and over again we hear complaints that it is the chiseling contractor who gets the job, because his price is lower, because he pays his workmen less. It is poor service to the church to economize at the cost of justice.

I do not know anything that better expresses the purpose of this bill, and I submit it to this body.

We are voting to put into our contracts "the invisible item", the forgotten item, the forgotten workman. That is all there is to this bill—to apply to the written provisions of the contracts the same care and scrutiny and study in trying to provide justice for the worker on the job as we do in determining the kind and the character of material and supplies the Government uses.

In view of the fact that we are the body which legislates for the District of Columbia, I call upon those who are in favor of this proposed legislation to apply this wholesome principle to the District of Columbia, just as each one of us who favors this proposed legislation would do if he were a member of the legislature of his own State; and, as a matter of fact, many of the States have many of the provisions of this bill incorporated in their laws.

Mr. KING. Mr. President——

Mr. WALSH. I yield to the Senator from Utah.

Mr. KING. The Senator will admit, will he not, that under the law the States, unless they borrow money, may make such contracts as they please?

Mr. WALSH. That is true. Will the Senator deny the fact that Congress is the legislative body for the District of Columbia?

Mr. KING. Yes and no. I was about to ask the Senator whether he does not know that the District Commissioners have the authority to make contracts, and do make contracts, and they are largely the distributors of the funds which are collected from the taxpayers of the District of Columbia.

Mr. WALSH. Is it the Senator's position that he would have every other State in the Union adopt legislation of this character, but that the District of Columbia should not do it? Congress is the body which enacts legislation for the District. Nobody else can do it. The District Commissioners cannot adopt this principle without action by the Congress.

Mr. KING. Will not the Senator admit that no State in the Union which is not borrowing money is bound by this bill?

Mr. WALSH. It is true that only those States for whose benefit money is taken from the Public Treasury, and loaned for contractual purposes, are bound by the provisions of the bill; and it is true that the District of Columbia would only be bound by contracts for purchases just as the Federal Government would be bound.

The VICE PRESIDENT. The time of the Senator from Massachusetts has expired. The question is on the amendment offered by the Senator from Utah [Mr. KING] to the amendment of the committee, as amended.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on the amendment of the committee, as amended.

Mr. VANDENBERG. Mr. President, I desire to ask the Senator from Massachusetts for an interpretation. I may be a little dense about this matter.

To what extent will the original codes apply in determining the hours and wages under public contracting as a result of the enactment of this bill?

Mr. WALSH. I am very much pleased that the Senator has asked that question. It is one item of several which the President must take into consideration in determining, in the case of each contract, what shall be written in the specifications as to the maximum hours of labor and the minimum wages; and, for the Senator's information, I will say that I have on my desk a list of the codes. I have here a memorandum showing the number of codes which have been adopted and the number where the minimum hours have had to vary with each particular code, it being impossible to fix a permanent and definite maximum number of hours, and also a permanent and definite minimum wage. The President must take into consideration the codes, because it happens that so far as the codes relate to maximum hours and minimum wages those items in the different industries were fixed by joint action by the employers and employees. In addition, the President must consider the cost of living and the standards for the same class of labor or industry in the same locality and the standard and effect of such class of labor during the year 1934. These are the principal items to be considered.

Here is a table:

LENGTH OF WORK WEEK PRESCRIBED UNDER THE CODES

1 code provides for a 27-hour week.
2 codes and 1 supplement provide for a 32-hour week, and 1 supplement provides for a 34-hour week.
15 codes provide for a 35-hour week.
22 codes and 4 supplements provide for a 36-hour week.
4 codes provide for a 37½-hour week.
130 codes and 40 supplements provide for a 40-hour week.
106 codes and 20 supplements provide for a 40-hour week.
241 codes and 119 supplements provide for a 40-hour week.
1 code provides for a 42-hour week.
10 codes and 1 supplement provide for a 44-hour week.
2 codes provide for a 45-hour week.
19 codes and 3 supplements provide for a 48-hour week.
1 code provides for a 52-hour week.
3 codes provide for a 54-hour week, and 1 supplement provides for a 60-hour week.
16 codes and 4 supplements provide for miscellaneous hours. Hours vary with respect to work-week lengths, depending upon different factors or other special provisions.

Mr. VANDENBERG. Would it be fair to say that within the purview of the various factors which are listed in section 8, it finally becomes the exclusive power and authority of the President to fix wages and hours as he sees fit? Would that be a fair statement?

Mr. WALSH. It is a fact that the President, or such agency as he may designate, when they announce a written invitation for bids, must incorporate in such written invitation what are to be the maximum hours of labor, and what is to be the minimum wage; and of course those items will vary as they have done under the codes with different industries and in different occupations.

Mr. VANDENBERG. I understand that. The only point I wished to be certain about was that in the final analysis this is a delegation of power to the President to determine what the hours and the wages ought to be.

Mr. WALSH. Yes; and the reason——

The VICE PRESIDENT. The time of the Senator from Michigan has expired. The question is on agreeing to the amendment of the committee as amended.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROTECTION OF PUBLIC GRAZING LANDS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 3019) to amend sections 1, 3, and 15 of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269), and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ADAMS. I move that the Senate insist upon its amendments, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. PITTMAN, Mr. ADAMS, Mr. HATCH, Mr. NORBECK, and Mr. NYE conferees on the part of the Senate.

FEDERAL CONTROL OF ALCOHOLIC LIQUORS

Mr. GEORGE. I move that the Senate proceed to the consideration of the bill (H. R. 8870) to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce, and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Georgia.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

Mr. GEORGE. I ask unanimous consent that the formal reading of the bill may be dispensed with and that the bill be read for amendment, the amendments of the committee to be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Finance was, in section 1, page 1, line 3, after the word "Alcohol", to strike out "Administration" and insert "Control", so as to make the section read:

That this act may be cited as the "Federal Alcohol Control Act."

Mr. GEORGE. Mr. President, the Finance Committee is in session. I express the hope that the leader of the majority may ask for an executive session and a recess at this time.

EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, the Finance Committee is holding a very important session. The Senator from Georgia is a member of the committee, and other members

of the committee desire to be present during the consideration of the bill by the Finance Committee.

With the approval of the Senator from Georgia, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Joseph A. Ziemba, of Chicago, Ill., to be collector of customs for customs collection district no. 39, with headquarters at Chicago, Ill., to fill an existing vacancy.

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Sherman E. Johnson, of South Dakota, to be a regional director of the Resettlement Administration.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination on the Calendar.

GOVERNOR OF VIRGIN ISLANDS

The legislative clerk read the nomination of Lawrence W. Cramer, of New York, to be Governor of the Virgin Islands.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the remainder of the Calendar be disposed of before the Cramer nomination shall be taken up.

Mr. McNARY. Mr. President, I hope the Senator from Maryland will not press his desire to take up the Cramer nomination today. Some Members of the Senate are absent who would like to have a day set particularly for that purpose.

Mr. TYDINGS. Mr. President, if the Senator will permit me to interrupt him, I think the Members of the Senate he has in mind are now on the way to the Chamber. They asked me to notify them when the Cramer nomination was reached, and that was my reason for asking that the nomination be taken up after the others were disposed of. I refer to the Senator from Michigan [Mr. VANDENBERG] and the Senator from Rhode Island [Mr. METCALF]. If there are any other Senators interested, however, I should be glad to have the nomination go over.

Mr. McNARY. I suggest that the nomination go over for the day.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nomination will be passed over for the day.

WORKS PROGRESS ADMINISTRATION

The legislative clerk read the nomination of Paul D. Shriver to be State administrator for Colorado.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. ROBINSON. I ask that the Army nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Army nominations are confirmed en bloc.

IN THE NAVY

The legislative clerk read the nomination of Charles Conard, to be Paymaster General and Chief of the Bureau of Supplies and Accounts, with the rank of rear admiral, for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations for promotions in the Marine Corps.

Mr. McKELLAR. I ask that the nominations in the Marine Corps be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate return to legislative session.

The motion was agreed to, and the Senate resumed legislative session.

INCOME AND INHERITANCE TAXATION—REPORT OF FINANCE COMMITTEE

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to submit a report during the recess of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. HARRISON subsequently, from the Committee on Finance, to which was referred the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, reported it with amendments and submitted a report (No. 1240) thereon.

DEATH OF REPRESENTATIVE TRUAX

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. CHARLES V. TRUAX, late a Representative from the State of Ohio, and transmitted the resolutions of the House thereon.

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The resolutions (H. Res. 336) were read, as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
August 12, 1935.

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES V. TRUAX, a Representative from the State of Ohio.

Resolved, That a committee of four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. BULKLEY. Mr. President, I submit resolutions and ask unanimous consent for their immediate consideration.

The resolutions (S. Res. 183) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES V. TRUAX, late a Representative from the State of Ohio.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT. The Chair appoints as the committee on the part of the Senate the senior Senator from Ohio [Mr. BULKLEY] and the junior Senator from Ohio [Mr. DONAHEY].

RECESS

Mr. BULKLEY. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate now take a recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 4 o'clock and 22 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 13, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 12 (legislative day of July 29), 1935

APPOINTMENTS AND PROMOTIONS IN THE NAVY

The following-named commanders to be captains in the Navy from the 30th day of June 1935:

Charles W. Crosse
Ralph C. Parker
George N. Barker

Comdr. John W. Rankin to be a captain in the Navy from the 1st day of July 1935.

Lt. Comdr. Richard L. Conolly to be a commander in the Navy from the 1st day of May 1935.

The following-named lieutenant commanders to be commanders in the Navy from the 30th day of June 1935:

Thomas J. Doyle, Jr.	Herbert J. Ray
Kemp C. Christian	Marion Y. Cohen
Raymond A. Deming	Harry J. Reuse
Frank P. Thomas	Lynde D. McCormick

Lt. Comdr. James M. Shoemaker to be a commander in the Navy from the 1st day of July 1935.

Lt. Comdr. Leon B. Scott to be a commander in the Navy from the 1st day of August 1935.

The following-named lieutenants to be lieutenant commanders in the Navy from the 30th day of June 1934:

William W. Behrens.
Roscoe H. Hillenkoetter.

Lt. Robert E. Robinson, Jr., to be a lieutenant commander in the Navy from the 1st day of May 1935.

The following-named lieutenants to be lieutenant commanders in the Navy from the 30th day of June 1935:

James H. Chadwick
Rockwell J. Townsend
Allen Hobbs

Lt. (Jr. Gr.) Burnice L. Rutt to be a lieutenant in the Navy, from the 30th day of June 1934.

Lt. (Jr. Gr.) Knowlton Williams to be a lieutenant in the Navy, from the 1st day of April 1935.

Lt. (Jr. Gr.) William J. O'Brien to be a lieutenant in the Navy, from the 6th day of June 1935.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 30th day of June 1935:

Harry H. Henderson	Carl H. B. Morrison
Robert N. Allen	John F. Goodwin
George J. Dufek	

Lt. (Jr. Gr.) Linwood S. Howeth to be a lieutenant in the Navy from the 1st day of July 1935.

Ensign Karl E. Jung to be a lieutenant (junior grade) in the Navy from the 4th day of June 1934.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 2d day of June 1935:

Edward A. Ruckner	Charles M. Sugarman
Thomas K. Bowers	Thomas F. Williamson
William D. Kelly	Richard S. Craighill
Dale R. Frakes	Horace R. Brannon
David F. Kinert	Ed B. Billingsley
Fred L. Ruhlman	Daniel S. Gothie
John G. Spangler	Charles E. Phillips
Frank C. Acker	Charles W. Musgrave
Howard F. Stoner	Thomas J. Montgomery
John H. Kaufman	Ralph M. Humes
Milton F. Pavlic	Robert L. Baker
William R. Wilson	Thomas G. Hardie
Leon S. Kintberger	Thomas E. Chambers
Max Silverstein	Lawrence Smith
Albert D. Kaplan	Alexander B. Coxe, Jr.
Edgar G. Chase	William T. Vrooman

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 30th day of June 1935:

Frederick L. McDaniel	Martin L. Marquette
Frederick R. Hook	James F. Hooker
Harry S. Harding	Jack S. Terry
James W. Ellis	Edwin C. Ebert
John C. Adams	George A. Eckert
Earl Richison	Harold E. Ragle

The following-named citizens of the States indicated opposite their names to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 5th day of August 1935:

William O'K. Fowler, a citizen of Massachusetts.
David R. Dodge, Jr., a citizen of California.
Theodore R. Austin, a citizen of Mississippi.
Dermot Lohr, a citizen of North Carolina.
Anton Zikmund, a citizen of Illinois.
James C. Flemming, a citizen of Pennsylvania.
Martin T. Macklin, a citizen of Pennsylvania.
Eldon C. Swanson, a citizen of Nebraska.
Robert B. Simons, a citizen of Colorado.
William N. New, a citizen of Oklahoma.

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, from the 30th day of June 1935:

Louis F. Snyder	Hubert F. Delmore
George C. Fowler	Paul W. Yeisley
Errol W. Willett	Spry O. Claytor
DeWitt C. Emerson	Hubert J. Lehman
Lou C. Montgomery	John A. Walsh
Joseph A. Tartre	Howard R. McCleery
Robert S. Davis	

Naval Constructor Fred M. Earle to be a naval constructor in the Navy, with the rank of commander, from the 1st day of August 1934.

Naval Constructor John I. Hale to be a naval constructor in the Navy, with the rank of commander, from the 8th day of September 1934.

The following-named naval constructors to be naval constructors in the Navy, with the rank of commander, from the 30th day of June 1935:

Frederick W. Pennoyer, Jr.
Claude O. Kell

Naval Constructor Charles F. Osborn to be a naval constructor in the Navy, with the rank of commander, from the 1st day of August 1935.

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, from the 30th day of June 1935:

Edward L. Marshall
Lewis B. Combs

POSTMASTERS

ALABAMA

Leon M. Thomas to be postmaster at Alexander City, Ala., in place of T. S. Christian, removed.

Homer Wright to be postmaster at Auburn, Ala., in place of L. A. Knapp. Incumbent's commission expired January 13, 1935.

Jesse A. Harris to be postmaster at New Brockton, Ala., in place of W. B. Goodman, resigned.

CALIFORNIA

E. H. Cain to be postmaster at Westmoreland, Calif., in place of T. W. Cox. Incumbent's commission expired December 16, 1934.

COLORADO

Harold T. Hubbard to be postmaster at Glenwood Springs, Colo., in place of Olie Thorson. Incumbent's commission expired January 13, 1935.

CONNECTICUT

William H. Buggie to be postmaster at Cromwell, Conn., in place of E. B. Austin. Incumbent's commission expired December 18, 1934.

William J. Rankin to be postmaster at Hartford, Conn., in place of J. W. Gilson. Incumbent's commission expired December 8, 1934.

Edna M. Jenkins to be postmaster at Middlefield, Conn., in place of H. A. Schultz, not commissioned.

FLORIDA

Fred Ewing to be postmaster at Hialeah, Fla., in place of G. F. Dale, resigned.

Mabel Fast to be postmaster at Penney Farms, Fla., in place of R. S. Barnes, removed.

GEORGIA

Nathan J. Thompson to be postmaster at Hamilton, Ga., in place of H. I. Harris. Incumbent's commission expired March 2, 1935.

IDAHO

Albert H. Hartshorn to be postmaster at Jerome, Idaho, in place of G. I. Towle, removed.

John T. McMahon to be postmaster at Richfield, Idaho, in place of E. F. Draper. Incumbent's commission expired May 29, 1933.

ILLINOIS

Paul F. Reilly to be postmaster at Amboy, Ill., in place of E. E. Weber. Incumbent's commission expired January 22, 1935.

Omar W. Ashworth to be postmaster at Bellflower, Ill., in place of William Kitts, Jr. Incumbent's commission expired December 18, 1934.

George Charles Gaudino to be postmaster at Benld, Ill., in place of Thomas Turigliatto. Incumbent's commission expired February 25, 1935.

Herschel Victor Lynn to be postmaster at Byron, Ill., in place of M. C. Champion. Incumbent's commission expired January 22, 1935.

Esther C. Nelson to be postmaster at Capron, Ill., in place of R. B. Marshall. Incumbent's commission expired February 14, 1935.

John F. Donovan to be postmaster at Chatsworth, Ill., in place of S. J. Porterfield. Incumbent's commission expired February 4, 1935.

John E. Jontry to be postmaster at Chenoa, Ill., in place of H. N. Gillespie. Incumbent's commission expired January 22, 1935.

Leonora C. Rentschler to be postmaster at Chestnut, Ill., in place of L. J. Obery. Incumbent's commission expired December 18, 1934.

Daniel P. Bergin to be postmaster at Chicago Heights, Ill., in place of B. E. Cornilsen. Incumbent's commission expired February 4, 1935.

Henry W. Lorig to be postmaster at Colfax, Ill., in place of H. C. Van Alstyne. Incumbent's commission expired December 18, 1934.

Emil Rudolph Luebbe to be postmaster at Collinsville, Ill., in place of H. C. Voegtle. Incumbent's commission expired December 18, 1934.

Harry L. Armacost to be postmaster at Delavan, Ill., in place of S. H. Lawton. Incumbent's commission expired February 14, 1935.

William E. Wall to be postmaster at Divernon, Ill., in place of W. W. Taylor, deceased.

Mary Dillon-O'Brien to be postmaster at Flanagan, Ill., in place of T. E. Richardson, removed.

Harry O. Franklin to be postmaster at Forrest, Ill., in place of G. V. Robinson. Incumbent's commission expired December 18, 1934.

Ambrose Harth to be postmaster at Lostant, Ill., in place of M. G. Hartenbower. Incumbent's commission expired January 22, 1935.

Eugene Raymond McGee to be postmaster at McHenry, Ill., in place of Albert Krause. Incumbent's commission expired February 25, 1935.

Ruth F. Miller to be postmaster at Milford, Ill., in place of R. V. Nelson. Incumbent's commission expired February 25, 1935.

Fay Moyer to be postmaster at Mount Carmel, Ill., in place of A. M. Spaeth, removed.

Marie C. Plante to be postmaster at North Aurora, Ill., in place of Mary Smith. Incumbent's commission expired December 9, 1934.

Robert E. Tscheulin to be postmaster at Oak Forest, Ill., in place of F. S. Lyman. Incumbent's commission expired December 18, 1934.

Bona D. Sutter to be postmaster at Pearl, Ill., in place of R. M. Meisenbach. Incumbent's commission expired March 2, 1935.

Palmer Cecil Smith to be postmaster at Potomac, Ill., in place of D. S. Cossairt. Incumbent's commission expired February 14, 1935.

Loren H. Newby to be postmaster at Ridge Farm, Ill., in place of Ted Henderson, removed.

Rita O'Neil to be postmaster at Rutland, Ill., in place of V. M. Rowland. Incumbent's commission expired December 18, 1934.

John D. Lannon to be postmaster at Saunemin, Ill., in place of C. L. Tanner. Incumbent's commission expired January 22, 1935.

Margaret J. Brandt to be postmaster at Sibley, Ill., in place of W. E. Rudolph. Incumbent's commission expired June 24, 1934.

David E. Boddie to be postmaster at Tonica, Ill., in place of Elijah Williams, retired.

Agnes Clifford to be postmaster at Venice, Ill., in place of L. H. McCoid. Incumbent's commission expired December 18, 1934.

Emmett Pierre Marshall to be postmaster at Vermont, Ill., in place of W. C. Karr, removed.

INDIANA

Gordon E. Faupel to be postmaster at East Gary, Ind. Office became Presidential July 1, 1935.

Carl F. Bardonner to be postmaster at Reynolds, Ind., in place of F. W. Homan, resigned.

Hester B. Worden to be postmaster at Rolling Prairie, Ind., in place of C. E. Noble, resigned.

Henry P. Price to be postmaster at Sunman, Ind., in place of E. A. Wetzler. Incumbent's commission expired January 28, 1935.

IOWA

Anna L. Meyer to be postmaster at Everly, Iowa, in place of Elsie Sierck. Incumbent's commission expired December 9, 1934.

Otis T. Newgaard to be postmaster at Hubbard, Iowa, in place of G. A. Whitney. Incumbent's commission expired January 22, 1935.

Wallace W. Farmer to be postmaster at Kellerton, Iowa, in place of S. B. Hedges. Incumbent's commission expired January 22, 1935.

Nellie Burk to be postmaster at Milford, Iowa, in place of E. E. Heldridge. Incumbent's commission expired March 18, 1934.

Harry V. Brooks to be postmaster at St. Charles, Iowa, in place of G. L. Archer, deceased.

Augustus J. Oberg to be postmaster at Stockport, Iowa, in place of H. A. Coltrane, removed.

Donald H. Grimm to be postmaster at Zearing, Iowa, in place of J. C. Allen. Incumbent's commission expired February 14, 1935.

KANSAS

Arthur E. Biberstein to be postmaster at Attica, Kans., in place of F. C. Ferguson. Incumbent's commission expired March 2, 1935.

John H. Jessee to be postmaster at Axtell, Kans., in place of Louisa Thordsen. Incumbent's commission expired February 20, 1935.

George F. Heim, Jr., to be postmaster at Ellinwood, Kans., in place of J. B. Dick. Incumbent's commission expired January 13, 1935.

Dominic Brungardt to be postmaster at Grainfield, Kans., in place of J. M. Erp, removed.

John C. Patterson to be postmaster at Haddam, Kans., in place of F. H. Hanson. Incumbent's commission expired January 22, 1935.

Mary E. McCreery to be postmaster at Hugoton, Kans., in place of E. E. Townsdin. Incumbent's commission expired March 2, 1935.

Agnes L. O'Leary to be postmaster at Luray, Kans., in place of Elam Shaffstall, resigned.

Walter B. Ford to be postmaster at Oskaloosa, Kans., in place of R. H. Gibbs. Incumbent's commission expired March 2, 1935.

Thomas J. O'Brien to be postmaster at Plainville, Kans., in place of G. W. Connelly, removed.

Edward J. Neely to be postmaster at Pomona, Kans., in place of B. A. Likes. Incumbent's commission expired December 20, 1934.

KENTUCKY

Anna Vincent to be postmaster at Martin, Ky., in place of T. J. Fitzpatrick, removed.

Robert J. Walker to be postmaster at Paint Lick, Ky., in place of R. H. Ledford. Incumbent's commission expired April 22, 1934.

Everett T. Breen to be postmaster at Stamping Ground, Ky., in place of S. N. Sinkhorn, resigned.

MAINE

Opal F. Temple to be postmaster at Monticello, Maine, in place of A. R. Weed. Incumbent's commission expired February 25, 1935.

MARYLAND

John W. L. McAvoy to be postmaster at Boonsboro, Md., in place of H. V. Flook. Incumbent's commission expired January 22, 1935.

MICHIGAN

Walter W. Webber to be postmaster at Caspian, Mich., in place of J. M. Eusobio. Incumbent's commission expired December 18, 1934.

H. Marr Byington to be postmaster at Grand Ledge, Mich., in place of T. B. Townsend. Incumbent's commission expired December 8, 1934.

MINNESOTA

Lyman W. Rhoads to be postmaster at Barnum, Minn., in place of E. L. Barstow. Incumbent's commission expired April 2, 1934.

Henry G. Torgerson to be postmaster at Lake Park, Minn., in place of M. C. Bergeson. Incumbent's commission expired February 25, 1935.

Edward J. Larsen to be postmaster at Virginia, Minn., in place of H. S. Gillespie. Incumbent's commission expired February 25, 1935.

Elizabeth A. McCormick to be postmaster at Wilmont, Minn., in place of F. H. Densmore. Incumbent's commission expired May 7, 1934.

MISSISSIPPI

Daniel E. Laseter to be postmaster at Morton, Miss., in place of W. A. Bell. Incumbent's commission expired November 12, 1933.

Lellie M. Ferriss to be postmaster at Shaw, Miss., in place of W. J. Peel. Incumbent's commission expired December 16, 1934.

Augustus Ferdinand Fleck to be postmaster at Terry, Miss., in place of L. H. Riser. Incumbent's commission expired February 25, 1935.

MISSOURI

Frances J. Smith to be postmaster at Blue Springs, Mo., in place of H. E. Carel. Incumbent's commission expired February 4, 1935.

Bessie I. McCue to be postmaster at Jamesport, Mo., in place of R. E. McCue, deceased.

Arvella C. Bennett to be postmaster at Rockville, Mo., in place of H. F. Kleppinger, resigned.

MONTANA

Edgar L. Bowers to be postmaster at Culbertson, Mont., in place of I. L. Brooks, deceased.

NEBRASKA

Melvin A. Brinegar to be postmaster at Alexandria, Nebr., in place of B. I. Demaray, resigned.

Margaret E. Patterson to be postmaster at Gretna, Nebr., in place of J. M. Fox. Incumbent's commission expired February 5, 1935.

NEW HAMPSHIRE

Harleigh C. Brown to be postmaster at Belmont, N. H., in place of N. C. Chaplin. Incumbent's commission expired March 2, 1935.

Charles B. Weeks to be postmaster at Chocorua, N. H., in place of J. L. Pascoe. Incumbent's commission expired January 28, 1935.

Joseph P. Masse to be postmaster at Epping, N. H., in place of W. G. Holt. Incumbent's commission expired December 18, 1934.

David E. Stevens to be postmaster at Salem Depot, N. H., in place of A. M. Rolfe. Incumbent's commission expired March 22, 1934.

NEW JERSEY

Emma E. Hyland to be postmaster at Camden, N. J., in place of C. H. Ellis. Incumbent's commission expired April 8, 1934.

William H. D'Arcy to be postmaster at Cranford, N. J., in place of E. G. Houghton. Incumbent's commission expired February 25, 1935.

Charles C. Thompson to be postmaster at Lakewood, N. J., in place of H. T. Hagaman. Incumbent's commission expired April 2, 1934.

William T. Lyons to be postmaster at Mullica Hill, N. J., in place of Edward Iredell. Incumbent's commission expired April 8, 1934.

Martin F. Gettings to be postmaster at Rahway, N. J., in place of Harry Simmons. Incumbent's commission expired February 25, 1935.

Monroe H. Bea to be postmaster at Westville, N. J., in place of R. M. Crawford. Incumbent's commission expired December 19, 1933.

NEW YORK

John G. Winans to be postmaster at Leeds, N. Y., in place of H. C. Teich. Incumbent's commission expired December 20, 1934.

George S. Mackey to be postmaster at Locke, N. Y., in place of H. C. Stevens. Incumbent's commission expired February 20, 1935.

Olivette L. Johnson to be postmaster at Rensselaer, N. Y., in place of H. C. Windeknecht, removed.

NORTH CAROLINA

Sam H. Ingram to be postmaster at Burgaw, N. C., in place of J. H. Carlton. Incumbent's commission expired February 4, 1935.

NORTH DAKOTA

Peter J. Bott to be postmaster at Marmarth, N. Dak., in place of J. H. Cramer. Incumbent's commission expired February 4, 1935.

John P. Jungers to be postmaster at Regent, N. Dak., in place of Ruth Ellickson. Incumbent's commission expired February 21, 1935.

OHIO

Frank A. Loomis to be postmaster at Garrettsville, Ohio, in place of C. L. Meloy, removed.

Vanessa E. Campbell to be postmaster at Huron, Ohio, in place of G. M. Jenkins. Incumbent's commission expired December 18, 1934.

Isabel A. Downey to be postmaster at Somerset, Ohio, in place of N. S. Wilson. Incumbent's commission expired January 23, 1935.

OKLAHOMA

Alvin A. Powell to be postmaster at Ramona, Okla., in place of M. E. L. Allen, removed.

Roy Broaddus to be postmaster at Wynona, Okla., in place of J. S. Shanks. Incumbent's commission expired January 20, 1934.

OREGON

Earl B. Burch to be postmaster at Amity, Oreg., in place of A. B. Watt. Incumbent's commission expired February 14, 1935.

PENNSYLVANIA

Leila P. McGillick to be postmaster at Blairsville, Pa., in place of H. H. Wilson. Incumbent's commission expired February 14, 1935.

Cora B. Orr to be postmaster at Clarion, Pa., in place of H. H. Arnold. Incumbent's commission expired March 8, 1934.

Michael J. Musilek to be postmaster at Dunlo, Pa., in place of Vera Ritchey. Incumbent's commission expired January 9, 1935.

John J. Botts to be postmaster at Elizabethville, Pa., in place of J. H. Lyter, deceased.

James F. Donahue to be postmaster at Kennett Square, Pa., in place of J. H. Gawthrop. Incumbent's commission expired May 20, 1934.

Francis B. Bender to be postmaster at Lilly, Pa., in place of T. B. Conrad, deceased.

William L. Rothermel to be postmaster at Millersburg, Pa., in place of I. A. Mattis, deceased.

Charles C. Naginey to be postmaster at Milroy, Pa., in place of S. S. Aurand. Incumbent's commission expired February 25, 1935.

Lillie A. Parr to be postmaster at Nescopeck, Pa., in place of M. D. Hippensteel. Incumbent's commission expired February 25, 1935.

Lawrence Miles McCafferty to be postmaster at New Bethlehem, Pa., in place of B. L. Thomas, removed.

Charles A. Sieg to be postmaster at Newfoundland, Pa., in place of F. C. Krautter. Incumbent's commission expired February 20, 1935.

Guy S. Behler to be postmaster at Slatington, Pa., in place of H. C. Shenton, removed.

Edward Mackay Hirsch to be postmaster at Tamaqua, Pa., in place of Charles Nahf, transferred.

Percy W. Walker to be postmaster at Thompson, Pa., in place of A. E. Foster. Incumbent's commission expired January 22, 1935.

Francis W. McCartan to be postmaster at Yatesboro, Pa., in place of Mina Connell. Incumbent's commission expired January 22, 1934.

TENNESSEE

Harry B. Cunningham to be postmaster at Ethridge, Tenn., in place of C. E. Locke. Incumbent's commission expired January 28, 1935.

Chapman Anderson to be postmaster at Franklin, Tenn., in place of C. M. Mount, removed.

TEXAS

Marie W. Smith to be postmaster at Chapel Hill, Tex., in place of J. J. Crockett, removed.

Floy Heaton to be postmaster at Gary, Tex., in place of Mabel Bird. Incumbent's commission expired February 4, 1935.

Ansley M. Winsett to be postmaster at Higgins, Tex., in place of S. E. St. Jacque. Incumbent's commission expired January 13, 1935.

UTAH

James H. Rampton to be postmaster at Bountiful, Utah, in place of J. A. Call. Incumbent's commission expired February 20, 1935.

William H. Case to be postmaster at Duchesne, Utah, in place of W. H. Fitzwater. Incumbent's commission expired February 20, 1935.

Marvin L. Nielson to be postmaster at Garland, Utah, in place of E. P. Jenson, removed.

S. Milton Webb to be postmaster at Richmond, Utah, in place of A. L. Harris. Incumbent's commission expired February 4, 1935.

John Austin Pack to be postmaster at Roosevelt, Utah, in place of Luke Clegg. Incumbent's commission expired February 20, 1935.

VIRGINIA

Harrison Waite, Jr. to be postmaster at Greenwood, Va., in place of J. W. Patterson. Incumbent's commission expired December 20, 1934.

Lawrence L. Jacobs to be postmaster at Hanover, Va., in place of L. L. Jacobs. Incumbent's commission expired February 14, 1935.

David E. Earhart to be postmaster at Nokesville, Va., in place of A. E. McMichael, removed.

WASHINGTON

Tollie Livingston to be postmaster at Bridgeport, Wash., in place of S. J. Slade. Incumbent's commission expired February 4, 1935.

Floyd L. Magill to be postmaster at Randle, Wash. Office became Presidential July 1, 1934.

WEST VIRGINIA

David J. Blackwood to be postmaster at Milton, W. Va., in place of O. A. Locke. Incumbent's commission expired February 6, 1935.

WISCONSIN

Alma M. Beggs to be postmaster at Dallas, Wis., in place of Joseph Wahl. Incumbent's commission expired December 20, 1934.

James F. Horan, Sr., to be postmaster at Friendship, Wis., in place of E. O. Barnes. Incumbent's commission expired February 4, 1935.

Oscar A. Peterson to be postmaster at Granton, Wis., in place of Edward Schroeder. Incumbent's commission expired February 25, 1935.

John Michael to be postmaster at Humbird, Wis., in place of A. F. Hahn. Incumbent's commission expired February 4, 1935.

Mabel A. Dunwiddie to be postmaster at Juda, Wis. Office became Presidential July 1, 1935.

Roy W. Hughes to be postmaster at Pardeeville, Wis., in place of O. O. Smith. Incumbent's commission expired January 22, 1935.

Joseph H. Biever to be postmaster at Port Washington, Wis., in place of John Bichler, deceased.

Clarence H. Mullendore to be postmaster at Viola, Wis., in place of F. J. Hurless. Incumbent's commission expired February 20, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 12 (legislative day of July 29), 1935

WORKS PROGRESS ADMINISTRATION

Paul D. Shriver to be State administrator for the Works Progress Administration for Colorado.

PROMOTIONS IN THE REGULAR ARMY

George Veazey Strong to be colonel, Infantry.
Charles School Blakely to be colonel, Field Artillery.
George Bowditch Hunter to be colonel, Cavalry.
Joseph Warren Stilwell to be colonel, Infantry.
Robert Melville Danford to be colonel, Field Artillery.
James Kerr Crain to be colonel, Ordnance Department.
Matthew Arthur Cross to be colonel, Coast Artillery Corps.
Edward Lorenzo Hooper to be colonel, Infantry.
Stanley Koch to be colonel, Cavalry.
Irving Joseph Phillipson to be colonel, Infantry.
Edmund Bristol Gregory to be colonel, Quartermaster Corps.
William Vaulx Carter to be colonel, Adjutant General's Department.
Oswald Hurtt Saunders to be lieutenant colonel, Infantry.
Spencer Ball Akin to be lieutenant colonel, Signal Corps.
Robert Gibson Sherrard to be lieutenant colonel, Infantry.
John Wesley Hyatt, to be lieutenant colonel, Infantry.
Raymond Waite Hardenbergh to be lieutenant colonel, Infantry.
Rigby Dewoody Valliant to be lieutenant colonel, Quartermaster Corps.

George Luberoff to be lieutenant colonel, Quartermaster Corps.
Arthur Brainard Hitchcock to be lieutenant colonel, Infantry.
Benjamin Lester Jacobson to be lieutenant colonel, Finance Department.
Edward Warden Turner to be lieutenant colonel, Coast Artillery Corps.
William Arthur Turnbull to be lieutenant colonel, Judge Advocate General's Department.
Chester Benjamin McCormick to be lieutenant colonel, Field Artillery.
William Alexander Smith to be lieutenant colonel, Infantry.
George Place Hill to be lieutenant colonel, Judge Advocate General's Department.
Jacob Herschel Lawrence to be major, Infantry.
Gwynne Conrad to be major, Quartermaster Corps.
Harry A. Vacquerie to be major, Quartermaster Corps.
Norris Peters Walsh to be major, Field Artillery.
Hans Ottzenn to be major, Quartermaster Corps.
Grover Cleveland Graham to be major, Infantry.
Edgar Joseph Tulley to be major, Infantry.
Oscar Kain to be major, Infantry.
Clyde Arthur Lundy to be major, Infantry.
Leland Warren Skaggs to be major, Infantry.
Wilbert Vernon Renner to be major, Quartermaster Corps.
Joseph Howard Rustemeyer to be major, Infantry.
Thomas Settle Voss to be major, Air Corps.
Harry Foster to be major, Cavalry.
Daniel Becker to be major, Cavalry.
Norman Norton Rogers to be major, Cavalry.
Theodore Maurice Roemer to be major, Cavalry.
James Carlyle Ward to be major, Cavalry.
Harvey Newton Christman to be major, Cavalry.
Henry John Dick Meyer to be captain, Field Artillery.
Elton Foster Hammond to be captain, Field Artillery.
Ernest Marion Brannon to be captain, Infantry.
John Wyville Sheehy to be captain, Infantry.
John Joseph Burns to be captain, Field Artillery.
Leslie Edgar Jacoby to be captain, Field Artillery.
John Raikes Vance to be captain, Infantry.
Clarence John Kanaga to be captain, Field Artillery.
Richard Powell Ovenshine to be captain, Infantry.
Edwin Virgil Kerr to be captain, Field Artillery.
Thomas McGregor to be captain, Field Artillery.
Harrison Howell Dodge Heiberg to be captain, Cavalry.
William Irwin Allen to be captain, Coast Artillery Corps.
James Edmund Parker to be captain, Air Corps.
William Wesson Jervey to be captain, Signal Corps.
George Raymond Burgess to be captain, Coast Artillery Corps.
Edward Lynde Strohbehn to be captain, Field Artillery.
Maurice Keyes Kurtz to be captain, Field Artillery.
William Holmes Wenstrom to be captain, Signal Corps.
Leo Clement Paquet to be captain, Infantry.
Thomas Maurice Crawford to be captain, Infantry.
Eugene McGinley to be captain, Field Artillery.
Hugh Brownrigg Waddell to be captain, Cavalry.
Lester DeLong Flory to be captain, Coast Artillery Corps.
Isaac Haiden Ritchie to be captain, Coast Artillery Corps.
Casper Perrin West to be first lieutenant, Air Corps.
William Leroy Kennedy to be first lieutenant, Air Corps.
Jesse Auton to be first lieutenant, Air Corps.
John Paul Ryan to be first lieutenant, Air Corps.
Albert Wynne Shepherd to be first lieutenant, Air Corps.
Robert Shuter Macrum to be first lieutenant, Air Corps.
Charles Lawrence Munroe, Jr., to be first lieutenant, Air Corps.
Llewellyn Owen Ryan to be first lieutenant, Air Corps.
William Richard Morgan to be first lieutenant, Air Corps.
Philo George Meisenholder to be first lieutenant, Air Corps.
John Waldron Egan to be first lieutenant, Air Corps.
Hanlon H. Van Auken to be first lieutenant, Air Corps.
Robert Oswald Cork to be first lieutenant, Air Corps.
William Courtney Mills to be first lieutenant, Air Corps.
Herbert Henry Tellman to be first lieutenant, Air Corps.
John Koshler Gerhart to be first lieutenant, Air Corps.
Harold Loring Mace to be first lieutenant, Air Corps.
Elder Patteson to be first lieutenant, Air Corps.
Francis Hopkinson Griswold to be first lieutenant, Air Corps.
Leon Ray Brownfield to be first lieutenant, Air Corps.
Robert Whitney Burns to be first lieutenant, Air Corps.
Daniel Webster Jenkins to be first lieutenant, Air Corps.
William Marshall Prince to be first lieutenant, Air Corps.
Clarence Frank Hegy to be first lieutenant, Air Corps.
James Presnall Newberry to be first lieutenant, Air Corps.
Stoyte Oglesby Ross to be first lieutenant, Air Corps.
Joseph Wiley Baylor to be first lieutenant, Air Corps.
William John Clinch, Jr., to be first lieutenant, Air Corps.
James McKinzie Thompson to be first lieutenant, Air Corps.
Gerald Hoyle to be first lieutenant, Air Corps.
Arthur Francis Merewether to be first lieutenant, Air Corps.
Jarred Vincent Crabb to be first lieutenant, Air Corps.
Tom William Scott to be first lieutenant, Air Corps.
Lawrence C. Westley to be first lieutenant, Air Corps.
John Hubert Davies to be first lieutenant, Air Corps.
Everett Collins to be lieutenant colonel, Ordnance Department.
Russell Peter Hartle to be lieutenant colonel, Infantry.
Frank James Keelty to be major, Finance Department.
Foster Joseph Tate to be captain, Field Artillery.
Carl Robinson to be captain, Infantry.
Richard Tobin Bennison to be captain, Field Artillery.
Edward Wharton Anderson to be first lieutenant, Air Corps.
John Coleman Covington to be first lieutenant, Air Corps.
Winslow Carrol Morse to be first lieutenant, Air Corps.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

First Lt. George Frederick Conner to Quartermaster Corps.

APPOINTMENTS IN THE REGULAR ARMY

AIR CORPS

To be second lieutenants

Opal Ellis Henderson	Clayton Baxter Claassen
Daniel Ira Moler	William Thomas Hudnell, Jr.
Lawrence Owen Brown	Harold Lawrence Kreider
Henry Bishop Fisher	John Oman Neal
Eugene Brecht, Jr.	Watson Mitchell Frutchey

PROMOTION IN THE PHILIPPINE SCOUTS

Ray Eugene Quigley to be major, Philippine Scouts.

PROMOTIONS IN THE NAVY

Charles Conard to be Paymaster General and Chief of the Bureau of Supplies and Accounts, Department of the Navy, with the rank of rear admiral.

MARINE CORPS

To be colonel

Samuel M. Harrington

To be lieutenant colonels

Leo D. Hermle
Lemuel C. Shepherd, Jr.
Robert Blake

To be majors

William M. Marshall	Richard Livingston
Eugene F. C. Collier	Fred S. Robillard
Lee H. Brown	

To be captains

Leslie H. Wellman	Albert D. Cooley
William C. Lemly	Theodore A. Holdahl
Charles W. Kail	Robert O. Bare
James E. Kerr	Charles L. Fike
William G. Manley	

To be first lieutenants

Thomas J. Colley
Marion A. Fawcett
Robert O. Bisson

POSTMASTERS

ALABAMA

Robert L. Gordy, Chatom.

FLORIDA

Frederic C. Frierson, New Port Richey.

ILLINOIS

Arthur L. Knable, Abingdon.
Glenn G. Smith, Manito.
Lewis H. Coleman, Oneida.

INDIANA

Edna Shanline, Avilla.
Frederick J. Berg, Cedar Lake.
Harvey E. Hull, Cromwell.
George Andrew Raub, Jr., Logansport.
Justina E. Meyer, Monroeville.
Perry H. McCormick, North Judson.
Sarah I. Crews, West Terre Haute.

IOWA

Dorothy E. Wagner, Bagley.
Elbert R. Adams, Blockton.
Myrtle A. Barnes, Delhi.
Glendon R. Streepy, Menlo.
Carroll E. Caslow, Yale.

MISSISSIPPI

Annie S. Langston, Clinton.
Josie P. Bullock, Drew.

MONTANA

Carl Ottis Haun, Winifred.

NEW HAMPSHIRE

Earl X. Cutter, Antrim.
Leon A. Warren, Groveton.
Sidney F. Downing, Lincoln.
Arthur L. Prince, Manchester.

NEW MEXICO

James G. Lanier, Aztec.
Wisdom E. Bilbrey, Fort Bayard.
Robert W. Cumpsten, Hagerman.
Katherine Hull, Hatch.

NEW YORK

Grace L. Sullivan, Canton.

OREGON

M. Eleanor Reed, Aurora.
Marvin O. Hawkins, Coquille.
Frank J. Dooher, Cornelius.
Edna M. Jamieson, Port Orford.

SOUTH CAROLINA

James M. Riley, Allendale.
Arthur M. Parker, Lake City.

TEXAS

Lee M. McDaniel, Floresville.
Barbara H. Smith, Floydada.
Wiley Monroe Brister, Jr., Peacock.

VERMONT

Forrest E. Allen, Bradford.
Frederick H. Horsford, Charlotte.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 12, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The works of the Lord are great; His work is honorable and glorious and His righteousness endureth forever. He hath made his works to be remembered. The Lord is gracious and full of compassion. The works of His hands are verity and judgment, all His commandments are sure; they stand fast forever and are done in truth and uprightness; the fear of the Lord is the beginning of wisdom.

Almighty God our Father, the sands of life run swiftly. We know not when the silver cord shall be loosed, the golden bowl be broken.

Let not your heart be troubled; ye believe in God, believe also in Me. In My Father's house are many mansions; if it were not so, I would have told you.

O may these words be the comfort and hope of the bereaved wife and children of the deceased Member in whose memory we tarry. In the name of our Savior. Amen.

The Journal of the proceedings of Friday, August 9, 1935, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on August 9, 1935, the President approved and signed bills and a joint resolution of the House of the following titles:

H. R. 1073. An act for the relief of John F. Hatfield;

H. R. 2421. An act for the relief of John R. Allgood;

H. R. 3641. An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department;

H. R. 3642. An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the police department;

H. R. 4853. An act for the relief of Charles H. Holtzman, former collector of customs, Baltimore, Md.; George D. Hubbard, former collector of customs, Seattle, Wash.; and William L. Thibadeau, former customs agent;

H. R. 7447. An act to amend an act to provide for a Union Railroad Station in the District of Columbia and for other purposes; and

H. J. Res. 258. Joint resolution to provide for certain State allotments under the Cotton Control Act.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2034) entitled "An act to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7260) entitled "An act to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provisions for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 405) entitled "An act for the suppression of prostitution in the District of Columbia."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5159) entitled "An act to authorize the Postmaster General to contract for air-mail service in Alaska."

SWEARING IN OF MEMBER

The SPEAKER laid before the House the following communication:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., August 12, 1935.

Hon. JOSEPH W. BYRNS,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: The certificate of election in due form of law of Representative-elect FRANK W. BOYKIN to the Seventy-

fourth Congress to fill the vacancy of the First District of Alabama has been received and filed in this office.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

Mr. HILL of Alabama. Mr. Speaker, I ask that Mr. BOYKIN, the new Representative from the First District of Alabama, be sworn in.

Mr. BOYKIN appeared in the well of the House and took the oath of office prescribed by law.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—STOCKBRIDGE AND MUNSEE TRIBE OF INDIANS OF THE STATE OF WISCONSIN (H. DOC. NO. 274)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read and ordered spread at large upon the Journal:

To the House of Representatives:

I return without approval, H. R. 5229, "An act directing the Secretary of the Interior to investigate, hear, and determine claims of the individual members of the Stockbridge and Munsee Tribe of Indians of the State of Wisconsin."

The bill would authorize the Secretary of the Interior to investigate and decide claims of individual members of the Stockbridge and Munsee Tribe but is not clear as to just what individuals would be authorized to file claims, the exact nature thereof, or the amount involved. The only individual claims which have been brought forward are those of persons who claimed to be members of the Stockbridge and Munsee Tribe of Indians but whose claims were disallowed when the rolls of the tribe were prepared.

It would require great expense to investigate the merits of any and all claims which might be asserted by an individual Indian, with little prospect of any benefits to be derived.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 12, 1935.*

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the message, together with the bill, be referred to the Committee on Indian Affairs and ordered printed.

The motion was agreed to.

ORDER OF BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to call the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DALY (at the request of Mr. HOUSTON), for 2 days, on account of important business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3047. An act to amend the act entitled "An act to amend and consolidate the acts respecting copyright", approved March 4, 1909, as amended, and for other purposes; to the Committee on Patents.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7260. An act to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment, compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On August 9, 1935:

H. R. 6511. An act to amend the air mail laws and to authorize the extension of the Air Mail Service.

On August 10, 1935:

H. R. 4665. An act authorizing the filling of vacancies in certain judgeships;

H. R. 6228. An act authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association;

H. R. 6990. An act to fix the hours of duty of postal employees, and for other purposes;

H. R. 7349. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended; and

H. R. 8554. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes.

THE LATE CHARLES V. TRUAX

Mr. DUFFEY of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DUFFEY of Ohio. Mr. Speaker, again the House of Representatives of the Seventy-fourth Congress of the United States pauses to pay a tribute of respect and esteem to a deceased colleague. In my own behalf and for colleagues from Ohio, on both sides of the aisle, I bring to the official attention of the House of Representatives the sad statement of the death of Hon. CHARLES V. TRUAX, Congressman at large, from Ohio.

Shortly after 1 o'clock on last Friday, August 9, 1935, he left the floor of the House, feeling somewhat ill. He did not realize that he was never to return, for within a few short hours thereafter his death occurred. It was sudden and unexpected.

There is not a Member of the House who did not know the gentleman from Ohio, Mr. TRUAX. He was always present when the House was in session, zealously and sincerely entering into debate, and with a colorful presentation of his viewpoint. He worked arduously and valiantly in the interest of the common people—in the interest of the farmer and the veteran and laborer. He fought vigorously against what he was wont to call "big business" and "monopolistic tendencies." His last words on the floor of the House were typical of the gentleman from Ohio, reflecting his intense interest in the problem of the farmer, when we read on page 12819 of the CONGRESSIONAL RECORD of August 9, 1935, his inquiry in these words:

Mr. TRUAX. Does not the gentleman believe that it does not make any difference how high the price of hogs or how high the price of cattle, when a particular farmer loses his farm he is out for the balance of his life? There are a half million going to lose their farms because of the failure of this Congress to enact the Frazier-Lemke law.

And then, when we turn to page 12837 of the RECORD for the same date, on the quorum roll call no. 160, we read:

And the following Members failed to answer to their names:

And among those absent appears the name "TRUAX." When roll calls hereafter are called Mr. TRUAX, of Ohio, will forever fail to answer to his name.

We from Ohio had learned to know Mr. TRUAX. His heart was warm and his sentiments and feelings were sympathetic and friendly.

Congressman CHARLES V. TRUAX, Democrat, of Bucyrus, Ohio, 49 years of age, was born on a farm and educated in the country and public schools. The farm was his home

and his life. Respected by the members of his party, he was director of agriculture for the State of Ohio for the years 1923–29 by appointment of the then Governor of Ohio, Hon. VIC DONAHEY; and today Hon. VIC DONAHEY, by reason of State-wide affection and confidence, is the junior United States Senator from Ohio.

In 1928 Mr. TRUAX was nominated for the United States Senate in the Democratic primaries, defeating four opponents. In the general election of 1928 he was defeated in the Republican landslide. He then ran for Congressman at Large in 1932 and was elected to the Seventy-third Congress; and in November 1934 he was again honored by the people of Ohio by reelection to this Seventy-fourth Congress.

He married Miss Helen Roberts, and they have three children—Dorothea, John, and Charles, Jr. Mr. TRUAX was a member of all Masonic bodies. True unto himself, he had an abiding love and faith in God.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, in the death of CHARLES V. TRUAX, of Ohio, I have lost a friend and the House of Representatives has lost a man whom we shall all miss, but who will be remembered by his colleagues as long as any of those amongst us who have served with him.

Disagreeing with him and the political philosophy he expounded, holding political opinions as different and divergent from his as are the poles from one another, I nevertheless never doubted the integrity of the man in his espousal of the causes for which he stood; admired his initiative and individuality; respected his ability and took no exception to his pugnacious partisanship for principles, because I had come to know that his earnestness and enthusiasm were based on the strong and almost religious intensity of his convictions.

The finest victory any man can win is found in knowing or in having his friends know and feel, at the end of the day's work, that whether winning or losing, as the world measures success or failure, he played the game for all it was worth; gave all he had to each and every cause he championed, and did his level best.

One has only to read the record of his life as found on the printed page and more indelibly written into the lives and hearts of those he served, and with whom he was associated, to know that he had crowded life full, had lived, felt, given, and received, as he followed the sun path on the sea of life in search of that which has no goal except the ringing glory of living, feeling, receiving, searching, serving. Fearless, sincere, a fair fighter, and a loyal friend, under the cloak of brusqueness there was hidden an appreciation and exemplification of all the finer attributes which helped make him the friends he had and the power he was in Ohio and in this body.

He played the game clean and took the knocks and bumps with a smile. He played the game until it was called on account of darkness. To those of us who are left, to those still in the game, the joy of it, the satisfaction found in playing it for all it is worth, the justifiable pride felt in having contributed one's part to the success of others are some of the things which, even in the shadow of death, make the game worth while and inspire us to carry on. Someone has well said:

We play with life—a game that ends in losing
And yet still must be played, though cards are stacked.
What matter if the deal is not our choosing?
What matter if we play with bodies racked
By pain or filled with joy?, The game is such
We gamble till death shows the winning hand.
Yes; truly we must trust God overmuch
To play a game we do not understand.

It might be that the game is never ended,
Though death may win from life, there still may be
A power beyond time, uncomprehended,
That does not fear to fight for such as we.
To futures that forever will endure
This life and death may be the overture.

—*Dorothy Quick.*

Mr. MORITZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORITZ. Mr. Speaker, as a new Member I wish to say a word about our late friend, CHARLIE TRUAX. To me he was a real friend and a guiding star. Surely there will be an empty seat here for CHARLIE TRUAX as long as I remain. I have watched his work here. Very few people, if any, could be an official objector to bills on the Private and Consent Calendars and be hated and loved at the same time. Just a week ago this very day he aided me in a fight against a toll-bridge project. Little did we think at that time we would be here today lamenting his death, mourning his loss, and expressing our sympathy to his widow and family on his untimely death. I could not refrain, Mr. Speaker, from expressing my deep sorrow over his tragic end.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I would feel remiss if I did not say a few words out of respect to the memory of the distinguished colleague who has been so suddenly called from our midst.

On Friday last, at 1 o'clock in the afternoon, I talked with him. He seemed well, but tired, as many of us are. At 4 o'clock he was dead. It was a shock to us all. The Honorable CHARLES V. TRUAX was one of the most indefatigable Members of the House of Representatives of the United States I have ever known. He gave his all to his office and his duties, with the distressing result for which we all grieve today. He never missed a roll call here. He has now answered the last roll call. He never complained about the length of the session. He knew his people had elected him by an unparalleled plurality, and he knew his duty.

No Member worked harder than he. He was the most tireless worker on the Consent Calendar and the Private Calendar. To be near his work, he moved from a hotel in the northwest section of the city within the shadow of the Capitol. There his duty lay. There was his heart. But, like all of us, he toiled under intolerable conditions. His office was unventilated, with a temperature and humidity of 96, when another body and every department, permanent or temporary, saw to it that even its janitor's quarters were air-conditioned. Like many of us, he had been here continuously, not of his own volition, since last December, with no vacation, not even week-ends.

CHARLIE TRUAX was my friend. He proved it to me. I shall miss him. So shall all the Members, especially, those who came to know him well. He had a heart as big as his leonine head. His sense of humor was an asset which he often used to thrust a shaft of ridicule back at the propeller, like a boomerang. He was not always right. No statesman ever is. Invariable correctness is the claim of the ecclesiastic, but I have never known a man who was so adept at turning a pleasantry directed at him to rebound upon you as his critic. Such was CHARLIE TRUAX, champion of the farmer and the veteran. No Member worked more diligently for the Frazier-Lemke bill and the restoration of benefits to Spanish War veterans. Whenever we here shall hear a reference to "hog raising", we shall think of him with all the affection man is capable of for another. We shall remember his cryptic remarks. Whenever the Dionne quintuplets are mentioned, we shall always remember that he said, "If they were born in this country, the Secretary of Agriculture would have plowed them under." How we shall miss his stalwart figure, the last one of us whom we thought would succumb to the strain of this session. These halls will no longer hear his booming voice. His sonorous tones are still forever. No longer shall we gaze upon his individualistic gestures, typical of him alone. All these attributes indicated the enthusiasm of which he was full for the duty he not only appreciated but performed to the fullest.

A young man, virile, with a great future, CHARLIE TRUAX wore himself out in the service of his people in Ohio and his country. He was tired. That was apparent during the last few days. His physical body, worn out, is at rest. No longer must it struggle in the arena of public life. He truly deserved a rest. He had served his people well. May God also rest his worth-while soul.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker:

"A prince once said of a king struck down,
Taller he seems in death",
And the word holds good, for now as then,
It is after death that we measure men.

It is after the death of CHARLIE TRUAX that the people he served, not only of Ohio but of the whole United States, will come to measure him and to appreciate his services, his abilities and his devotion to the public weal.

I first met him in 1928 when I was speaking in Ohio, and he was the Democratic nominee for United States Senator. I learned then, as I have said many times, that the farmers of Ohio never had a better friend than CHARLIE TRUAX.

I know he has been criticized in this House for doing his duty. He was assigned to the most unpopular and unpleasant duty that devolves upon a Member of the House, that of scrutinizing the Private Calendar and the Consent Calendar and objecting to objectionable bills; but in all his battles here he was conscious of the deplorable condition of the agricultural people of his own State and of every other State of this Union, and the ones who were prone to criticize him are going to find, when they go back home, that the great masses of the American people agreed with CHARLIE TRUAX on the great fundamental principles for which he stood.

The World War veterans and the Spanish War veterans never had a better friend. Organized labor, as well as unorganized labor, never had a better friend. He will not get much notice, Mr. Speaker, in the Wall Street Journal; his passing probably will not be mentioned, but out yonder where live those millions of people who are still trying to make their own living and are not calling upon the Government for special favors—those people who have been unrepresented to a large extent so long in this Government—they will note his passing.

There was not a man in this House who more accurately registered the heartbeats of the honest, hard-working people of this country in his attitude on public questions than CHARLIE TRUAX, of Ohio.

Someone said once—

I wrote my name upon the sand
And trusted it would stand for aye.
But soon, alas, the refluent sea
Had washed my feeble lines away.

I carved my name upon the wood,
And after years returned again.
I missed the shadow of the tree
That stretched of old upon the plain.

The solid marble next my name
I gave as a perpetual trust.
An earthquake rent it to its base,
And now it lies o'erlaid with dust.

All these had failed; I was perplexed.
I turned and asked myself, what then?
If I would have my name endure,
I'll write it on the hearts of men.

CHARLIE TRUAX wrote his name on the hearts of the toiling masses of this world.

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, we are often too near objects or scenes to judge of their dimensions, value, and worth. We must go back a distance for a more perspective view.

And this is true with the lives of men. We must wait until time has carried them a distance from us before we can judge of the services they have rendered their fellow men. I believe this will prove true with the services of CHARLES V. TRUAX. His record of roll calls and addresses will be even more justified in the future, and the humane principles for which he stood will be upheld and vindicated in the crucial test of time.

Mr. TRUAX took a broad, charitable view of the affairs of humanity at large. He considered the human element in dealing with the problems of state, and tried to lighten the burdens resting upon the weak and the poor and transfer them to the strong, to be carried by those more able.

He believed the world was made for all the people and not only for a certain special few; and he devoted the full measure of his time, energy, and talents to uphold and vindicate the right of every man, woman, and child to live upon the earth and their right to labor to live.

CHARLES V. TRUAX maintained an abiding faith in the policy to do right, and his courage, resolution, and will was prompted by a realization of a just and righteous cause.

I cast a number of votes with Mr. TRUAX in the minority. And looking back at this time, I am even more satisfied now to leave my votes stand with him in the CONGRESSIONAL RECORD.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McFARLANE. Mr. Speaker, the common people of America today are the losers because of the passing of our friend, and their friend, CHARLES TRUAX.

No man in the House better understood the hardships confronting the farmer, the war veteran, the laborer, or the small-business man than he. He was always present and ready to do battle in their behalf. While others may extol the virtues of the common people, CHARLIE TRUAX was on the job all the time fighting and voting for them.

I came to know him at the beginning of the Seventy-third Congress. We became rather closely associated in our work on the floor, because of the fact that we were appointed by the majority leader to carefully study the bills appearing on the Consent and Private Calendars. In the fights we have had on the different measures, although we may have differed on the principle, I know of no one who fought harder and fairer for the things he thought was right than CHARLIE TRUAX.

He had the viewpoint of the average man in the street or on the farm, and he had the ability, the courage, and the fighting qualities to see that his interests were protected.

The Spanish War veterans never had a better friend than he. I know that he was personally well pleased when their bill was recently passed restoring their rights taken from them under the economy bill. The farmer never had a more active advocate than he, and the record he has left in his 3 years' service here shows that he was always active in their behalf.

It was significant that a few moments before he left the floor on Friday he uttered his last words speaking for the rights of the farmer who is being divested of his farm. He said:

Does not the gentleman believe that it does not make any difference how high the price of hogs or how high the price of cattle—when a particular farmer loses his farm he is out for the balance of his life? There are a half million going to lose their farms because of the failure of this Congress to enact the Frazier-Lemke law.

Of him it may truly be said that he plowed out to the end of the furrow and unhitched. He fought the good fight and kept the faith with the people he loved so well.

He was a strong advocate of free bridges and fought hard to stop the passage of bills creating more toll bridges in different parts of the country. He had firm convictions on the money question and believed that Congress should assume its constitutional duties and take from the bankers the right to coin money and regulate its value. He was a liberal, and his passing will be a loss to the progressive thought

in the House. In our service together I have not always agreed with him, but I respected his good judgment, and I think that is true of all Members of the House. He made his friends and his enemies, but, after all, his colleagues all recognized his honesty and sincerity of purpose and felt he was trying to do that which he thought was right.

I think that we all agree that in CHARLES TRUAX's passing, the Members from Ohio, the Members of the House, as well as the masses of the people in the Nation, have suffered a great loss, and I know I express the sentiment of this body in expressing our great sorrow to his loved ones in their hour of bereavement.

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOILEAU. Mr. Speaker, it has been a great shock to all of us to hear of the untimely death of our colleague, Hon. CHARLES TRUAX, of Ohio. Although he belonged to one political party, the Democratic Party, and I am a member of the Progressive Party, still, during our service here together, whenever legislation has been before the House involving fundamental principles his views and mine have usually been about the same. It is natural that a feeling of friendship should exist between us, because on so many issues confronting this House we have worked together, espousing the same political philosophy.

I did not have the pleasure of having contacts with Congressman TRUAX outside of these halls, but our associations here upon the floor brought us together in many important fights. My friendship and admiration, however, are nonetheless sincere and profound, because I have found him to be a sincere and ardent advocate of any cause that to him seemed just and righteous. In his passing I have lost a friend, the Congress has lost an able Member, the liberal movement in the Nation has lost an ardent and able leader, and the common people, the farmers, the laboring men, and the ex-service men have lost a true friend and an able champion.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, during my long service here, associated as I have with very many Members, I have not associated with more able, conscientious, and outstanding Members than those of the Seventy-third and Seventy-fourth Congresses; and I am of the mature opinion that none of them has excelled in ability, courage, loyalty, and devotion to duty our departed colleague, the Honorable CHARLES V. TRUAX. Of him it may be truthfully said that he served his State and his country with honesty, ability, courage, and high purpose. I do not know any man who was more determined and courageous in fighting for what he believed to be right. He possessed a rare, broad, and penetrating knowledge of this great intricate world, its history, and its complex affairs.

It is unfortunate that the press, especially during the last few years, has willfully and deliberately, but unjustifiably, slandered the Members of the House of Representatives by alleging that they are nothing more than rubber stamps. These charges and accusations are not borne out by facts; they are wholly unwarranted and unfair. If these charges should be minutely true of a very, very small minority of the Membership who believe they should follow the recommendations of various committees who have given a great deal of study to legislation before reporting the same to the House, surely it never could apply to our fearless departed friend, Mr. TRUAX, as he at all times was intelligently and overtly independent in his actions, unafraid to criticize and express his own views on any measure, and to vote as his altruistic, big heart and his ripe judgment dictated.

Early in his service among us I recognized in him the splendid qualities and determination to be of maximum service to and improve the conditions of the masses; and though I frequently felt that in his inordinate desire to do that he went far beyond moderation and reasonable demands upon his strength and health, especially when it came to aiding the farmers and the veterans of all wars, I could not help but admire his indefatigable efforts, his undaunted courage, his inflexible determination. Indeed, he possessed these enviable attributes to as great if not greater degree than any man I have ever had the pleasure to serve with here.

Due to the unpleasant task he was assigned on the floor of this House, and his earnest desire to protect the Membership of the House as well as the Treasury of his country, naturally he made many transitory enemies in the first session of the Seventy-third Congress; but that was due to the fact that the whole Membership did not thoroughly realize that he was designated, by reason of his splendid reputation for fairness and zealous application to even a thankless job, as the one to watch the private bills on the floor of the House and to object to those not possessing merit enough to warrant their enactment into law. Be not deceived by thinking that the job of studying private bills and objecting to the unworthy ones on the floor begets any reward other than a conscientious knowledge of a hard and important duty well done. Knowing his unpleasant task in that connection, and recognizing his devotion to it, I admired him, yes, I loved him, for the ephemeral, official enemies he made.

Mr. TRUAX was a tireless worker, a forceful debater, and advocate of the right, honest and fearless, yes; he was a progressive and an aggressive Democrat in every sense of the word. He was well equipped for his legislative duties by temperament, studies, and political and business experience. He was capable of prolonged concentration in intellectual work of high order, which resulted in convictions securely based in profound study and adequate reflection. His mental equilibrium was not upset by gusts of passion and he had no aptitude for attempts to sway others by tempestuous eloquence. He sought to convince, and he became formidable in debate because he was thorough in preparation and precise in statement. He was exceptionally forthright, tolerant in spirit, conciliatory in action so long as conciliation did not involve flexibility of righteous purpose. Simply to hear his voice was to hear the earnest expression of a lofty soul. Genial, whole-hearted soul, courteous, open-hearted, able, frank, generous, a good friend, splendid citizen and legislator, that was CHARLES V. TRUAX.

Though comparatively young in service, yet we shall miss him increasingly because of his singular qualities of mind and heart.

So useful and beloved, he lived and worked until, far short of man's allotted time, he spent the strength that God had given him. Such qualities as he possessed are the greatest earthly arguments for the life everlasting in the world to come. Is it possible that God would give a man such powers as Mr. TRUAX had and let perish the mind that drove that hand, or the soul that prompted that help for fellow men? His life here and his confident reward hereafter beckon us to do our best also.

I appear here today as a mourner, for I loved CHARLES V. TRUAX; yes, I admired him as a gentleman of unsullied rectitude of purpose; I honored him as an unselfish statesman of undimmed vision; I loved him as a friend.

Mr. CROSSER of Ohio. Mr. Speaker, I offer the following resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 336

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES V. TRUAX, a Representative from the State of Ohio.

Resolved, That a committee of four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ADJOURNMENT

The SPEAKER. The Clerk will report the concluding resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect, the House do now adjourn.

The resolution was agreed to; accordingly (at 12 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 13, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

454. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of State for the fiscal year 1936 (H. Doc. No. 275); to the Committee on Appropriations and ordered to be printed.

455. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the National Labor Relations Board for the fiscal year 1936 (H. Doc. No. 276); to the Committee on Appropriations and ordered to be printed.

456. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Court of Appeals for the District of Columbia for the fiscal year 1936 (H. Doc. No. 277); to the Committee on Appropriations and ordered to be printed.

457. A communication from the President of the United States transmitting a draft of a proposed provision pertaining to existing appropriations for the Department of Justice (H. Doc. No. 278); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DOUGHTON: Committee on Ways and Means. H. R. 7998. A bill to exempt from income taxation, on the basis of reciprocity, compensation of employees of foreign governments; with amendment (Rept. No. 1759). Referred to the Committee of the Whole House on the state of the Union.

Mr. LESINSKI: Committee on Immigration and Naturalization. House Joint Resolution 286. Joint resolution to authorize the naturalization of certain aliens residing in the United States prior to February 19, 1923, and now married to native-born citizens of the United States; with amendment (Rept. No. 1760). Referred to the House Calendar.

Mrs. O'DAY: Committee on Immigration and Naturalization. House Joint Resolution 336. Joint resolution to clarify the provisions of section 4 of the act of May 24, 1934, with regard to period of residence required of an alien husband of a citizen of the United States as a prerequisite to naturalization; without amendment (Rept. No. 1761). Referred to the House Calendar.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 8741. A bill to amend an act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934; without amendment (Rept. No. 1762). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CELLER: Committee on the Judiciary. H. R. 8824. A bill for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually; without amendment (Rept. No. 1758). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SNYDER: A bill (H. R. 9100) to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous coal resources of the United States; to provide for the general welfare, and for other purposes; and providing penalties; to the Committee on Ways and Means.

By Mr. SNELL: A bill (H. R. 9101) to provide for a duty on bread leavened with yeast; to the Committee on Ways and Means.

By Mr. MAVERICK: A bill (H. R. 9102) to fix the date of the annual meeting of Congress in 1936; to the Committee on the Judiciary.

By Mr. RANKIN (by request): A bill (H. R. 9103) to amend certain laws and veterans' regulations affecting World War veterans and their dependents; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 9104) to provide for the establishment of a permanent medical service in the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mrs. O'DAY: A resolution (H. Res. 337) requesting that the Commissioner of Immigration and Naturalization be requested to continue the stay of deportation in the cases of aliens of good character in which deportation would result in unusual hardship until Congress has had adequate time to consider proposed legislation; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GASSAWAY: A bill (H. R. 9105) for the relief of Victor Chappell; to the Committee on Military Affairs.

By Mr. KNUTE HILL: A bill (H. R. 9106) providing for the exchange of lands between John Griner and the United States, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 9107) providing for the exchange of lands between Emil Gropper and the United States, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 9108) providing for the exchange of lands between Grace Sauls and the United States, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 9109) providing for the exchange of lands between J. S. Feaster and the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. McGROARTY: A bill (H. R. 9110) granting an increase of pension to Jane K. Blunt; to the Committee on Invalid Pensions.

By Mr. WILCOX: A bill (H. R. 9111) for the relief of Evanell Durrance; to the Committee on Claims.

SENATE

TUESDAY, AUGUST 13, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, August 12, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bachman	Barbour	Bone
Ashurst	Bailey	Barkley	Borah
Austin	Bankhead	Black	Brown

Bulkley	Gibson	McKellar	Russell
Bulow	Glass	McNary	Schall
Burke	Gore	Maloney	Schwellenbach
Byrd	Guffey	Metcalf	Sheppard
Byrnes	Hale	Minton	Shipstead
Capper	Harrison	Moore	Smith
Caraway	Hastings	Murphy	Steiwer
Carey	Hatch	Murray	Thomas, Okla.
Chavez	Hayden	Neely	Thomas, Utah
Clark	Johnson	Norbeck	Townsend
Connally	King	Norris	Trammell
Copeland	La Follette	Nye	Truman
Costigan	Lewis	O'Mahoney	Tydings
Davis	Logan	Overton	Vandenberg
Dieterich	Lonergan	Pittman	Van Nuys
Fletcher	Long	Pope	Wagner
Frazier	McAdoo	Radcliffe	Walsh
George	McCarran	Reynolds	Wheeler
Gerry	McGill	Robinson	White

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], and the Senator from Wisconsin [Mr. DUFFY] are necessarily detained.

I further announce that the Senator from West Virginia [Mr. HOLT] is absent because of illness.

Mr. VANDENBERG. I announce that my colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. KEYES] and the Senator from Iowa [Mr. DICKINSON] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

MARY SKY NECKLACE

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1696) for the relief of Mary Sky Necklace, which were, on page 1, line 6, to strike out "$314.43" and to insert "$374.43"; on page 1, line 7, after "of", to insert "its claim against Mary Sky Necklace for"; and on page 1, line 12, after "nontaxable", to insert:

Provided, That payment hereunder shall constitute full settlement of all claims of said Mary Sky Necklace against the United States for such taxes: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. NORBECK. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

SUDDEN & CHRISTENSON, INC., AND OTHERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2635) authorizing the appropriation of funds for the payment of the award in claim of Sudden & Christenson, Inc., and others, which were to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $78,025.83, with interest at the rate of 4 percent per annum from May 19, 1927, to the date of the approval of this act, jointly, to Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest, upon receipt by the Secretary of State of satisfactory releases from the respective claimants of all claims for damages resulting from the capture on January 27, 1916, and subsequent use by the British Government of the steamship *Edna*, as recommeded in the decision rendered on December 22, 1934, by the arbitrator, John Clark Knox, judge of the United States District Court for the Southern District of New York: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

And to amend the title so as to read: "An act for the relief of Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest."

Mr. PITTMAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a joint resolution adopted by the Legislature of the State of Tennessee, favoring the enactment of the bill (S. 2196) to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes, which was referred to the Committee on Public Buildings and Grounds.

(See joint resolution printed in full when presented by Mr. BACHMAN and Mr. MCKELLAR on the 12th instant, p. 12864, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate resolutions adopted by a flood-control conference held recently at Tulsa, Okla., favoring the prompt enactment of House bill 8445, providing for the construction of reservoirs and levees along the various streams traversing States subject to serious flood damage in the past, which were referred to the Committee on Commerce.

He also laid before the Senate a letter in the nature of a petition from Lodge No. 931, Brotherhood of Railroad Trainmen (Chicago & Northwestern Railroad), Chicago, Ill., favoring the prompt enactment of legislation providing for the retirement of railroad employees, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a letter from Hilda Phelps Hammond, Chairman of the Women's Committee of Louisiana, New Orleans, La., relating to certain charges in connection with the election of Hon. JOHN H. OVERTON as Senator from the State of Louisiana, which was referred to the Committee on Privileges and Elections.

Mr. GUFFEY presented petitions of sundry citizens of the State of Pennsylvania, praying for the repeal of the tax on gasoline, which were referred to the Committee on Finance.

Mr. WALSH presented resolutions adopted by a convention of the Yankee Division, Veterans Association, assembled at New Haven, Conn., favoring the enactment of legislation to take care of employment of the so-called "white collar" class, which were referred to the Committee on Education and Labor.

He also presented telegrams and a paper in the nature of memorials from Branch 711, Workmen's Circle, Roundhill, of Springfield; Benjamin F. Evarts, president New England Zionist Region, and David Judelson, president Holyoke Zionist District, both of Holyoke; Mrs. R. M. Chaimson, chairman of a meeting held at Wellington Manor, Dorchester; Jeanette F. Lyons, president of Unit of the Junior Hadassah, of Dorchester; Samuel Kalesky, chairman of the Joint Conference of the American Jewish Congress and the Jewish Labor Committee, of Boston, all in the State of Massachusetts, remonstrating against alleged racial and religious persecutions in Germany, and favoring diplomatic action by the United States in the premises, which were referred to the Committee on Foreign Relations.

THE PULPWOOD INDUSTRY—PETITION

Mr. BORAH. Mr. President, I present and ask permission to have inserted in full in the RECORD and appropriately referred a petition signed by a large number of citizens of my State relative to the operation of the pulpwood industry. It is not necessary to print all the names in the RECORD, merely the first name.

There being no objection, the petition was ordered to be printed in the RECORD, with the names omitted after the first name, and referred to the Committee on Finance, as follows:

BONNERS FERRY, IDAHO, *July 28, 1935.*

Hon. HENRY A. WALLACE,
Secretary of Agriculture, Washington, D. C.

DEAR SIR: We the undersigned are farmers who have pulpwood to sell or who cut and log timber as a part of our livelihood, and consequently are largely dependent upon the continuous operation of local paper mills. The undersigned also include tradespeople who furnish supplies, equipment, gas, oil, and general credit for logging operations.

We respectfully draw your attention to the following:

1. Newsprint and pulp consumption in the United States has shown a steady increase for a longer period than we can remember.

2. Since 1921 production and prices have steadily declined.

3. Canadian production and exports into this country since the war have increased tremendously.

4. Our markets have been taken by Canadian and European mills which have been selling their newsprint free of duty in the United States below the cost of production of the domestic mills.

5. Recently the European mills cut the price of pulp $4 to $5 per ton.

6. As a consequence newsprint and pulp mills of this country are being forced out of business.

7. The result of this is that:

(a) Pulpwood production generally is hardly half its former volume.

(b) Pulpwood prices have been reduced to such low levels as to force many of us out of that means of livelihood.

8. Practically all other farmers such as wheat, hog, cotton, and dairy have been given assistance and help by the Government through processing taxes or otherwise, but no help has even been considered for the pulpwood rancher.

We ask your help to save this great industry and our market for pulpwood from total destruction.

We urge the establishment of some system whereby our domestic market will be protected against unfair competition and dumping, so the United States newsprint and pulp industry may be enabled to supply a fair measure of our domestic needs and maintain the jobs it has made for years for all those connected with or related with it.

A. J. KENT
(And others.)

REPORTS OF COMMITTEES

Mr. TYDINGS, from the Committee on Appropriations, to which was referred the joint resolution (H. J. Res. 189) relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners, reported it without amendment.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 6250) to amend the National Defense Act, reported it with an amendment and submitted a report (No. 1241) thereon.

Mr. LOGAN, from the Committee on Military Affairs, submitted a report (Rept. No. 1243) to accompany the bill (H. R. 5838) to place David J. Fitzgerald on the retired list of the United States Army as a first lieutenant, which bill was heretofore placed on the calendar.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H. R. 3965) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey, reported it without amendment.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 7709) to provide time credits for substitute laborers in the Post Office when appointed as regular laborers, reported it without amendment and submitted a report (No. 1242) thereon.

Mr. McGILL, from the Committee on Pensions, to which were referred the following bills, reported them severally with amendments and submitted reports thereon:

H. R. 8421. A bill granting pensions to certain widows of soldiers and sailors of the Civil War (Rept. No. 1244);

H. R. 8425. A bill granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War (Rept. No. 1245);

H. R. 8422. A bill granting pensions to certain former widows of soldiers and sailors of the Civil War (Rept. No. 1246);

H. R. 8423. A bill granting increase of pensions to certain former widows of soldiers and sailors of the Civil War (Rept. No. 1247);

H. R. 8424. A bill granting increase of pensions to certain widows of soldiers and sailors of the Civil War (Rept. No. 1248); and

H. R. 8426. A bill granting pensions to certain soldiers of the Civil War (Rept. No. 1249).

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (H. R. 4324) to carry out certain obligations under certain tribal agreements, reported it with amendments and submitted a report (No. 1250) thereon.

POST-OFFICE FIXTURES, EQUIPMENT, AND RENTALS

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the resolution (S. Res. 169) authorizing an examination into the matter of post-office fixtures, equipment, and rentals therefor, reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McADOO:

A bill (S. 3410) to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles; to the Committee on Finance.

By Mr. LONERGAN:

A bill (S. 3411) to authorize the acquisition of land for military purposes at Fort Ethan Allen, Vt.; to the Committee on Military Affairs.

By Mr. WALSH:

A bill (S. 3412) for the relief of Jack Merowitz; to the Committee on Naval Affairs.

By Mr. NORBECK:

A bill (S. 3413) to give effect to the convention between the United States and certain other countries, for the regulation of whaling, concluded at Geneva, March 31, 1932, and for other purposes; to the Committee on Foreign Relations.

REGULATION OF COMMERCE IN PETROLEUM—AMENDMENT

Mr. CONNALLY submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 2027) to regulate commerce in petroleum, and for other purposes, which was ordered to lie on the table and to be printed.

OATHS OF CUSTOMS AND INTERNAL-REVENUE EMPLOYEES

Mr. WALSH submitted an amendment intended to be proposed by him to the bill (S. 3286) to abolish the oath required by customs and internal-revenue employees prior to the receipt of compensation, and for other purposes, which was ordered to lie on the table and to be printed.

TRADE RELATIONS BETWEEN THE UNITED STATES AND THE PHILIPPINES

Mr. HAYDEN. Mr. President, a few days ago I received a copy of an executive order issued in Manila on July 9, 1935, relating to the creation of a Philippine interdepartmental economic committee and a technical trade committee to gather data preparatory to a joint trade conference to be called by the President of the United States soon after the inauguration of the Commonwealth Government of the Philippines to consider future trade relations between the Philippine Islands and the United States.

I ask that the executive order referred to may be printed in the CONGRESSIONAL RECORD and referred to the Committee on Territories and Insular Affairs, together with a letter which I addressed to the Chairman of the Senate Committee on Territories and Insular Affairs from Manila a little over a year ago.

I also ask that my letter to Senator TYDINGS be printed as a Senate document. I likewise request that an address delivered by the Chairman of the Committee on Territories and Insular Affairs, the Senator from Maryland [Mr. TYDINGS], before the constitutional convention in Manila on

December 22, 1934, be printed separately as a Senate document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The executive order issued at Manila and the letter addressed by Mr. HAYDEN to Mr. TYDINGS, which were referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, are as follows:

EXECUTIVE ORDER NO. 780

MANILA, *July 9, 1935.*

Whereas the President of the United States has expressed his intention to call a joint trade conference soon after the inauguration of the Commonwealth Government to consider the future trade relation between islands and the United States; and

Whereas it is deemed advisable to begin promptly the gathering and interpretation of memoranda and data having a bearing on the subject of the conference, to determine policies and coordinate plans; therefore,

1. There is hereby created a Philippine interdepartmental economic committee to consist of the secretary of finance, the secretary of agriculture and commerce, and the secretary of public works and communications, to review the work and reports of the technical trade committee, hereinafter created, and to advise the Governor General in respect to major economic policies appropriate for consideration of the President's joint conference. The interdepartmental committee shall meet at the call of the Governor General.

2. There is hereby created a technical trade committee to consist of Benito Razon, chairman, and Rafael Alunan, Cornelio Balmaceda, Conrado Benitez, Kenneth B. Day, Guillermo Gomez, Vicente Madrigal, H. B. Pond, and J. Bartlett Richards, members. The committee shall first meet at call of the Governor General and thereafter at the call of the chairman. The duties of the committee shall be to collect, arrange, and interpret available statistics, memoranda, and other data concerning Philippine trade and economy, and prepare and, from time to time, submit to the Governor General reports of the various problems which in the opinion of the committee are appropriate subjects for consideration of the President's joint conference. The chairman of the committee may appoint subcommittees of its members and special committee of members and/or other persons for the consideration of particular problems or those covering special trades or industries.

3. Both the Philippine interdepartmental economic committee and the technical trade committee may conduct public hearings, and, with the consent of the Governor General, may require the assistance of any executive officer or employee of the government.

FRANK MURPHY,
Governor General.

MANILA, P. I., *August 6, 1934.*

HON. MILLARD E. TYDINGS,
Chairman Committee on Territories
and Insular Possessions, United States Senate.

MY DEAR MILLARD: Pursuant to our understanding I have made a preliminary investigation of the Philippine situation for the benefit of the Senators and Representatives in Congress who are to come here next December on invitation of the Philippine Legislature. The following observations are submitted which I trust will be helpful to them.

Political considerations: All that I shall say is based upon the idea that the Filipino people are to have a government of their own which will be created in accordance with the terms of the Tydings-McDuffie Act. I feel sure that there is no disposition in Congress to reopen or reconsider the question of Philippine independence. It is therefore proper to assume that henceforth the American Government is to deal with a Philippine government which has equal power to determine what shall be the future political and commercial relations between the two countries.

Economic considerations: Any serious study of the facts compels one to conclude that an independent Philippine government cannot obtain the revenue to maintain itself either nationally or in its local branches without continued access to American markets for a very considerable volume of Philippine products. The standard of living is so much higher than elsewhere in the Orient that the Filipino producers cannot successfully compete on an extensive scale in any market save that of the United States. Economic distress in the islands is sure to have political repercussions. Complete application of the United States tariff laws to the Philippines means that this experiment in self-government will fail.

Reciprocal trade: Congress has authorized the President to make reciprocal trade agreements. Congress has in effect announced that so far as possible it shall be hereafter our policy to do business with those who do business with us. An ideal reciprocal trade agreement is to freely admit products that do not compete with American agriculture or industry in exchange for the free admission of an equal value of American products into the country with which we are making the agreement. Goods are to be paid for with goods and our Government is out to find a wider and better foreign market for American products. It will be impossible to always make ideal trade agreements so that limited quantities of competitive goods are sure to be admitted in order to induce other countries to accept shipments from the United States.

Philippine reciprocal trade: If our Government is seeking trade throughout the world, why should it fail to hold and to increase the market for American goods in the Philippines? If, in order to obtain world trade, it is necessary to admit goods from other countries to pay for the goods sent to them, why should not the same opportunity to supply the American market be extended to the Philippines? As an independent nation the Philippine Islands are certainly entitled to the same treatment with respect to commercial intercourse as we would extend to any other independent country. The new reciprocal trade agreements will make the most-favored-nation clause in existing commercial treaties obsolete. In any event the rest of the world cannot object if a colonial possession, upon becoming independent, decides to continue special trade relations with the nation that has theretofore controlled its commercial intercourse.

Limitations upon Philippine trade: The grant of independence is accompanied by a limitation upon the amount of sugar, coconut oil, and hemp (abaca) cordage which may be sent duty free from the Philippines to the United States. There is also provision for what amounts to an increasing application of American tariff laws to Philippine products beginning with the sixth year of the Commonwealth. By separate enactments Congress has imposed an excise tax on copra and coconut oil and fixed an immediate and definite limitation on sugar shipments. The principle of quotas or limitations upon the free importation of Philippine products is firmly established.

Modification of the Tydings-McDuffie Act: The invitation which has been extended to you and to the other members of the congressional committee conveys a desire that the Tydings-McDuffie Act shall be modified so as to correct such imperfections and inequalities as may exist. I find that the chief concern here is with the provisions of that act which affect economic and business relationships. I respectfully suggest that the best way to bring about any needed changes in that act is through the negotiation of a reciprocal trade agreement or treaty with the newly established Philippine Commonwealth. By adopting that method of effectuating modifications in the law Congress and the American people can be made to understand that each country will extend as great benefits to the other as it receives.

Factual basis for a reciprocal Philippine trade agreement: If you deem the above suggestion to be worth while, I hope that you will ask the Departments of State and of Commerce to immediately undertake a study of the commercial relations between the United States and the Philippine Islands in the same manner, and with the same care, as similar studies are being made with respect to commerce with other countries with which our Government hopes to make reciprocal trade agreements. The War Department, through the Bureau of Insular Affairs, will no doubt also be glad to assist in the preparation of this information for the use of the committee. In connection with such a study I submit the following observations with respect to certain Philippine products which briefly summarize the Filipino point of view.

Sugar: Since the combined production of sugar in the continental United States, Hawaii, Puerto Rico, and the Virgin Islands is not sufficient to supply the American demand, certain quantities must be imported. Due to the War with Spain, Cuba and the Philippine Islands bear a peculiar relationship to the United States which makes them the only source of foreign sugar. As between Cuba and the Philippines, the Filipinos say that they should have preference for the following reasons:

1. Because the Philippines are now a better market for American products. The credit established in the United States through the sale of sugar is and has been used to purchase vast quantities of American goods.

2. The Philippines stand eighth on the list of countries consuming American products, whereas Cuba is fifteenth.

3. The population of Cuba is 3,700,000. There are now 14,000,000 Filipinos, the population having doubled within a generation and is annually increasing. Consequently there is likely to be a greater future market for American products in the Philippines than in Cuba.

The several departments, and particularly the Agricultural Adjustment Administration, will no doubt be glad to furnish the committee with accurate figures showing the American production and consumption of sugar, the quantities refined at home and abroad, and how much must be imported. It is likewise important to have definite figures to compare American exports to Cuba and to the Philippines.

It might be well to give consideration to the assignment to the Philippines of a certain percentage of the importations of sugar rather than the 850,000 long tons specified in the Tydings-McDuffie Act. This could be done annually upon the basis of the importations for consumption of the 3 previous years. Such figures should be based on crop seasons rather than calendar years, and should be fixed progressively for 2 years in advance so as to regulate the planting of sugar in Cuba and the Philippines.

Copra and coconut oil: Because of conflicting testimony it is difficult to arrive at a sound conclusion as to how much of these Philippine products may be imported without serious injury to American agriculture. Congress has imposed excise taxes that give the Philippines a preference of 2 cents per pound, which should be enough to insure that these islands will be the only source from which copra and coconut oil will be obtained.

The difference between the price of butter and margarine is usually so great that this tax of 3 cents will not interfere with the use of coconut oil in the manufacture of nut margarines. The same is probably true of the use of coconut oil in confectionery.

Soap manufacturers insist that because lauric acid, which improves lathering qualities, cannot be obtained from any other practicable source a certain amount of coconut oil must be used

in all good soap sold throughout the United States. They will, therefore, pay the tax and add the increased cost to the price of soap, without substantially using more American-produced fats and oils.

If experience shows that the American demand for coconut oil for the above uses is about equal to the Philippine production and the excise tax is passed on to American consumers, then, under the preference which has been extended, the Filipino copra producers may not be materially injured.

Evidently the chief benefit will go to those engaged in the recovery of fats and oils from wastes. The stock growers will not be helped by this tax because the recovery of fats from wastes is not reflected in the prices paid by the packers for cattle, hogs, and sheep.

Apparently the only way in which the dairy or livestock industries can be aided is by practically prohibiting the importation of all edible oils and fats. I have been told that not enough inedible oils and fats are produced in the United States to supply the demand. If time should demonstrate that the quantity of oil obtainable from Philippine copra is about sufficient to supply the American demand for its nonedible uses, then it might be proper to consider a reduction or exemption from taxation of denatured coconut oil produced from the Philippine copra, either here or in the United States.

What I have said in this instance and throughout this letter is merely the expression of some conclusions which may or may not be correct. The committee should make every effort to secure all available facts and obtain the best of disinterested advice in order to come to a sound decision with respect to the extent to which the American market may be opened to Philippine copra or coconut oil to the advantage of both the American and Filipino people.

In this connection consideration might be given to the annual admission of Philippine coconut oil to the American market in proportion to the total consumption of fats and oils, either edible or inedible, during a prior period of, say, 3 years. It might be advantageous to both countries to adopt a percentage basis rather than to adhere to the 200,000 long tons specified in the Tydings-McDuffie Act.

Manila hemp or abaca: Approximately one-third of the abaca annually produced in the Philippines, now valued at about $2,000,000, is shipped free of duty to the United States. Over 70 percent of the abaca cordage is likewise sold in our markets with a present value of about $650,000.

Congress has by preferential-tariff treatment made the Philippines the only source from which copra and coconut oil may be obtained. It would seem to be entirely logical to use the same method to insure that unmanufactured abaca from these islands shall have a similar preference.

Abaca cordage is to be admitted free of duty to the extent of 3,000,000 pounds. It might be well to compare that amount with the total of similar cordage manufactured in the United States. Inquiry should also be made to determine whether under the N. R. A. Philippine cordage has been sold at less than the American cost of production.

Substitutions to escape quotas or tariffs: In order to have a more perfect understanding between the two countries, the facts must not be overlooked that commodities upon which quotas have been imposed may be processed into other forms for the purpose of avoiding such limitations. Sugar, for example, may be used to make alcohol or molasses, and coconut oil may be made into soap. If this is done to any large extent in the Philippines, there will be complaint in the United States that the spirit and intent of the Tydings-McDuffie Act is being violated.

In order that no such misunderstanding may arise, it would be proper for the committee to consider what would be a reasonable percentage of the American market which might be properly assigned to such substitutes. To further reassure American agriculturists, it might be wise to fix a ceiling on importations by adopting a blanket clause which shall limit the free importation of any other Philippine agricultural product or manufacture thereof to a small proportion of the American consumption. In general, it occurs to me that the use of percentages is the best way to conclusively demonstrate that American agriculture is to be faced with no real danger by competition from the Philippines.

Tobacco: American markets last year received Philippine tobacco to a total value of $3,080,000, of which $1,627,000 was for cigars. It would be interesting to know how the value of these Manila cigars compares with the total number of cigars consumed annually in the United States. The competition is in cigars selling for 5 cents each or less; consequently there should be no discrimination against Manila cigars selling above that price. The committee should also inquire as to the value of American tobacco shipped to the Philippines for wrappers.

Lumber and timber: The total value of lumber and timber exported from the Philippine Islands in 1933 was about $500,000. It is my understanding that Philippine mahogany does not compete to any appreciable extent with American hardwoods. It does take the place of African mahogany, which raises the question as to whether it would be advantageous to impose higher import duties on all other mahoganies in order to extend a preference to this Philippine product.

Minerals: There are a number of producing gold mines in the Philippine Islands, and ample evidence indicates that the industry will be substantially expanded. The exports of gold to the United States increased from $3,700,000 in 1930 to $8,000,000 in 1933. American experience is that generally more money is expended seeking for gold than the value of the metal recovered. Mining machinery from the United States is extensively used and will probably continue to be a material item of trade. There are also valuable deposits of manganese, chromium, and other ores which in time may furnish tonnage of cargo to the United States.

American exports to the Philippines: If the principal justification for opening the markets of the United States to Philippine products is that the credits thus established will be used to purchase American commodities, then it is imperative to show that the balance of trade will be equitably maintained. Unfortunately, in recent years there has been an alarming tendency to use the funds obtained in the United States to purchase cheap goods in other countries. In 1932 the Philippines bought $14,000,000 more than was sold to oriental countries. That adverse trade balance grew to $16,000,000 in 1933. Trade with the United States produced a balance favorable to the Philippines of $31,500,000 in 1932, which increased to $48,000,000 in 1933. The 1934 figures to date show that this trend away from buying in the American market is increasing.

Invisible items of Philippine trade: The recorded statistics of imports and exports do not give a complete understanding of our Philippine trade relations. The best figures I can obtain indicate the following invisible items of annual cash payments between the two countries:

Interest and amortization on public debts	$5,000,000
Interest and dividends on private investments	2,000,000
Shipping and insurance	3,000,000
Total paid by Philippine Islands	10,000,000
United States Army and Navy expenditures in the Philippine Islands	10,000,000
Veterans' Bureau, pensions	1,250,000
Remittances by Filipinos living in Hawaii and continental United States	2,250,000
Total paid by the United States	13,500,000
Balance adverse to the United States	3,500,000

This adverse invisible balance of trade can be modified in two ways. First, by reducing the American military and naval expenditures; and, second, by a greater use of American ships in transporting Philippine products to the United States.

Shipping: I have seen figures which show that in 1931 and 1932 a total of 2,003,320 tons of cargo were shipped from the Philippines to the United States, of which only 727,682 tons were transported in American ships. The committee should verify these figures and bring them down to date. Apparently American ships are only receiving about one-third of the Philippine freight. The percentages for the 2 years were 36 for American ships and 64 to ships flying foreign flags.

The President now has power to include all Philippine shipping in the coastwise trade and thus compel the use of American ships in carrying all this cargo. There is objection here to declaring trade between the Philippines and the United States to be coastwise because of a fear that the resulting monopoly might lead to a substantial increase in freight rates. That objection might be met by empowering the Shipping Board, or some like authority, to determine whether such rates are fair and reasonable.

It is generally agreed that greater use should be made of American ships in the transportation of Philippine products. To avoid the drastic effect of the adoption of the American coastwise shipping act it has been suggested that a favorable result might be obtained if the Philippine Legislature should enact a ship's registration law which would limit the carrying trade with the United States to ships of Philippine or United States registry owned to at least 80 percent by citizens of either or both countries. The enactment of such a law would have the effect of creating a Philippine merchant marine the advantage of which to the Filipino people is obvious.

Philippine tariff legislation: The Philippine Legislature has heretofore taken cognizance of the necessity of favoring the importation of American products by the enactment of tariff and other laws which raised a barrier against importations from all other countries. Time and new forms of competition have shown that the existing barriers must be very materially raised and strengthened if American trade with the Philippines is to be maintained on anywhere near an even exchange in the value of commodities.

The essential element in reciprocal trade is that goods shall pay for goods, leaving only a minimum balance to be settled in cash. It seems to me that the committee should be fully provided with all the facts relating to both visible and invisible trade balances between the United States and the Philippines, so that its members may convincingly present to the Philippine Legislature the obvious conclusion that it is impossible to maintain a free or preferential market in the United States for Philippine products unless it can be clearly shown that the favor is being extended in a like degree toward American products in the Philippines.

Philippine export taxes: If the Philippine market for American goods is worth retaining on a reciprocal-trade basis, then it is evident that the export taxes beginning in the sixth year of the Commonwealth, as provided in the Tydings-McDuffie Act, should not be imposed. Certainly such barriers will tend to prevent the sale of Philippine products in the United States. If they cannot sell they cannot buy.

It would seem that a reciprocal-trade agreement, if made in the near future, should be for a considerable term of years in order to promote stability in business. I can see no good reason for

delaying trade negotiations until 1 year before the complete independence of the Philippine Islands. If a trade agreement can be made which is fair to both countries, nothing but harm can come from disturbing it by the arbitrary imposition of export taxes at a time fixed without reference to the existence of such a reciprocal understanding.

However, in the absence of a firm trade agreement, there is good reason to keep these provisions in the law. There can be no better way to force Philippine industries which will be ultimately affected by American tariffs to accustom themselves to that situation than by the imposition of export taxes on a graduated scale, as the act provides.

In connection with the proposed revision of the Philippine tariff laws it would be highly advantageous if the Executive authority here were given power to raise and lower tariffs on non-American goods on short notice. The Philippine Legislature might well follow the example of the American Congress in extending this power to the Executive. Since Philippine tariff changes must now be approved by the President of the United States, he should be authorized to approve the text of enactments officially transmitted to him by cable or radio and thereby save much time in putting needed changes into effect.

United States Tariff Commission: Our future trade relations with the Philippine Islands will have so great a bearing upon the American tariff problem that there should be the closest cooperation between the committee and the United States Tariff Commission. I hope that you will insist that at least one member of that Commission accompany the committee to Manila. He should bring with him a suitable staff so that the accurate information and first-hand facts obtainable here may be properly recorded and evaluated.

In conclusion, I can advise that I have been extended every consideration by the Governor General, the Philippine Legislature, and all others in authority. I am sure that you and the other members of the committee will leave Manila as I do with none but the kindliest feelings for the Filipino people and those who speak for them. A way can be found to advance their welfare without injury to our own country. I hope that what I have written will be helpful in that respect.

Over three-quarters of a billion dollars' worth of American products have been sold in the Philippine Islands during the past 10 years. The next decade should show a large increase in the amount of that commerce if a way can be found to enable the Filipino people to pay for what they will want to buy and to make the payments in a way which will not be harmful to the United States.

With kindest personal regards, I am,

Yours as ever,

CARL HAYDEN.

PARTICIPATION BY UNITED STATES IN OLYMPIC GAMES IN GERMANY

Mr. GERRY. Mr. President, in today's New York Times is a news dispatch, the headlines of which read as follows:

Reich in turmoil on church issues. Nation-wide conflict started by attack on Catholics as responsible for outrages. Many arrests are made. Protestants assail the police for bans on pastors and for orders of exile.

The article proceeds:

National socialism's attacks this summer on Catholics and Protestants and the counteroffensive by the two confessions have finally forced Germany again into one of those nation-wide religious conflicts that have furnished the bitterest chapters in its sanguinary history.

The number of arrests, expulsions, counterdemonstrations, and incidents of all sorts has become so great and the news-suppression system is so excellent that there is no longer any question of getting an adequate picture of the religious turmoil in virtually every village and town in the Reich.

The article then proceeds with a description of conditions which now exist.

Mr. President, I also have seen in the recent past articles relating to the Olympic Games to be held in Germany in 1936. It seems to me, with conditions such as those which exist in Germany, with the animosities which are bound to be engendered, that it might be a serious matter, for example, if an American of Jewish extraction should win an important event in the Olympic Games, or if there were some question of a deadheat involving such an American, and a controversy should arise on the decision.

It seems to me, in view of all the turmoil, and the different races and religions of the contestants competing in the Olympic Games, there might result very bad feeling.

I am wondering if American sportsmen should not give serious consideration to the question of whether representatives of the United States should participate in the Olympic Games if such conditions as now seem to prevail in Germany should continue.

MINING OF COAL, PHOSPHATE, OIL, ETC., ON THE PUBLIC DOMAIN—CONFERENCE REPORT

Mr. O'MAHONEY submitted a report, which was ordered to lie on the table, as follows:

The commiteee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, and 21.

That the House recede from its amendment numbered 1, and agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: On page 10, line 25, strike out all after "further", all of page 11, and down to and including "operation" in line 2, page 12, and insert "that the person first making application for the lease of any lands not within any known geologic structure of a producing oil or gas field who is qualified to hold a lease under this Act, including applicants for permits whose applications were filed after ninety days prior to the effective date of this amendatory Act, shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty, in the case of oil, of 12½ per centum in amount or value of the production when the said production does not exceed fifty barrels per well per day for the calendar month and of not less than 12½ per centum in amount or value of the production when the said production exceeds fifty barrels per well per day for the calendar month, and, in the case of gas, at a royalty of 12½ per centum in amount or value of the production when the said production does not exceed five million cubic feet per well per day for the calendar month and, when the said production exceeds five million cubic feet per well per day for the calendar month, at a royalty of not less than 12½ per centum in amount or value of the production."; and the Senate agree to the same.

JOSEPH C. O'MAHONEY,
KEY PITTMAN,
PETER NORBECK,
Managers on the part of the Senate.

RENÉ L. DEROUEN,
J. W. ROBINSON,
PAUL R. GREEVER,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

ACHIEVEMENTS OF THE ADMINISTRATION—ADDRESS BY SENATOR GUFFEY

Mr. BURKE. Mr. President, I ask unanimous consent to have printed in the RECORD an able address delivered by the Senator from Pennsylvania [Mr. GUFFEY] at Lakewood Park on Sunday, August 11, 1935, on the occasion of the annual county Slovaks' day.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies, and gentlemen, it is a great honor to be invited here as a speaker at the annual gathering of you representatives of the Slavic race, many of whom have made their homes in our State.

I know it is not so much a tribute to myself as a Member of the United States Senate, because I have been there too brief a time to deserve such recognition. I realize you have called upon me because I represent in the State of Pennsylvania a great national political organization—the Democratic Party—and because I have pledged and dedicated my efforts in the United States Senate to support America's greatest living leader, Franklin D. Roosevelt.

This evidence of your friendship means much to the party and to the principles we represent. I realize fully its importance to the success of the new deal, because I know well the high ideals, the noble courage, the unflinching integrity that have dominated and guided the Slavic race from earliest times.

It was the Slavic people, away back in early history, that resisted the invasion of the savage and barbarous Mongolians and helped save European civilization. Driven from their peaceful homes in the Volga Basin and on the broad steppes, the Slavs moved westward to the Carpathian Mountains, and their courage in resisting the invading hordes is one of the bright spots in world history.

They later crossed the Carpathians, settling west of the mountains. For centuries they stood there as a bulwark and frontier guard against Mongolians and Turks in the preservation of European civilization. Quick to assimilate and gather all the best with which they came into contact, they took much of the early cultures of Greece and Rome.

The Slavic people have been known through the centuries for their great physical strength, their Spartan-like endurance, their

great mental vigor, their desires for achievement, and their racial hopes for exercising an influence on civilization.

And, in the finer things of life, their genius in the field of music, art, and literature is outstanding. We, in America, often these days, speak of our foreign debtors. We do not often enough consider the debts we, as a Nation, owe to the peoples who have come to us from other countries.

Do we fully realize the part the Slavic people have had in creating industrial America? Do we know that our great skyscrapers, our railroads, our mines, and our mills represent to a large extent the mental and physical energy of the Slavic race?

Important as these past contributions were to our Nation, I believe that today the Slavic race is giving more to America than ever before. I believe that its united support of President Roosevelt and the new deal will have a more lasting effect on American civilization than any of its past achievements.

And when you look back over this history of the Slavic people, who will understand why, in America, they have thrown the weight of their millions of votes on the side of our President?

The Slavs have always been a people keen and sensitive to evaluate both material and social conditions. They have been dominated throughout the centuries by a love of justice, equality, and fair opportunity for all men. They have, probably more quickly than any other people, resented injustice and oppression. It is no wonder then that they have enlisted almost as a unit in the great army of the new deal under the leadership of President Roosevelt.

And I come here today to tell you that you will not be disappointed in your hopes and ideals for America's future under the new deal.

You, better than any other people—you who have been fighting the oppressor for centuries in every country in which you settled—will understand that the battle for the new deal has just begun. It may take years to reach fully the goal toward which we are headed—justice and equal opportunity for all—but to you, who have struggled through the centuries for the welfare of mankind, that will only increase your courage and vigor.

Yet I can give you words of great encouragement even now. In 2 short years, under the new deal, we have made greater gains than could have been expected.

Through President Roosevelt there have been established ideals and ambitions for the Nation from which we can never recede. The common man has been raised to the high place that was promised him by the founders of our country. The oppressor, in the form of the privileged few, who under the Republican Party seized not only the power of government but most of our wealth, is being gradually curbed.

If I may be permitted to digress for the moment, I wish to point out that the founding fathers of our country, started us off with magnificent equipment for the Nation's long journey. They told us the road would be beset with dangers and pitfalls; they pointed the direction we must take to reach our goal—farther than that they could not go. They could give us no map nor chart for the future beyond the period of their own lives, for it does not lie with any human being to foretell what lies far ahead in an ever-changing world. Every generation must meet its own problems, and hew its own trail when it finds itself beyond the zone of signposts and known landmarks.

Therefore, Franklin D. Roosevelt, when he came into the White House, felt that he was charged with the difficult task of leading this country out of a great depression. There were no precedents that he could follow in carrying out this great mission. Every month of that period showed an increase in unemployment, the closing down of factories, the destruction of confidence in the banks, and a growth of despair among the people. I will not say that no effort was made during this period to fight the depression, but I will say that nothing was tried except the puny expedients that had served to check minor economic diseases. It was as though some of the old-time remedies for a sore throat were applied to meeting the emergency of a ghastly mortal epidemic. It required strong measures to meet the situation.

The President, immediately upon being inaugurated, adopted and recommended to Congress emergency measures which were enacted into law. He started in by rehabilitating the banking system and continued with such expedients as the National Recovery Act, the Agricultural Adjustment Administration, Civilian Conservation Corps, etc.

He immediately began planning to carry out his social objective, which, as stated by him, was to do what any honest government of any country would do—to increase the security and happiness of a larger number of people in all occupations of life and in all parts of the country; to give them more of the good things of life; to give them a greater distribution, not only of wealth in the narrow terms, but of wealth in the wider terms; to give them places to go in the summertime, recreation; to give them assurance that they are not going to starve in their old age; to give honest business a chance to go ahead and make a reasonable profit; and to give everyone a chance to earn a living.

If I may be pardoned for doing so, I include in the list of measures which have been advocated by our President the so-called "Guffey coal bill." It has been an honor for me to have had the assistance and cooperation of the leaders of the United Mine Workers of America in the drawing of this bill. I doubt if ever again during my public career I shall have the opportunity to champion and take the leadership for a more important measure.

You men know that this bill has for its purpose the preservation and salvation of your brethren in the soft-coal fields. Its passage will insure those millions of men a fair living for themselves and families. It will safeguard their lives as workingmen and their honor as American citizens. It will put the industry itself on a paying basis, rescuing it from the bankrupt and weakened condition in which it now exists.

The President's policies have brought about the employment of large numbers of people and a tremendous impetus to business. As an example, take the automobile industry. That industry reports they produced 2,300,000 cars and trucks during the first 6 months of 1935, a third more than in the corresponding period of last year and a good deal more than double those produced in 1933. I want to point out that the increased circulation of money brought about by the President's policies has increased to a very great extent the income of what is usually called the "little fellow" rather than that of the "big fellow." As an example of this, Dun & Bradstreet, that cold-nosed chronicler of business trends, announced that sales of general merchandise in small towns and rural areas in June of this year were 38 percent higher than for June of last year and 51 percent higher than the year before that. This business firm likewise reported recently that there were more retail businesses in existence now than there were during the boom that collapsed in the fall of 1929, and that the percentage of business failures was less than it had been for 15 years.

I want to call your attention to the most recent recommendation made by the President to the Congress—that providing for the enactment of a revenue bill which would result in the payment of higher taxes on inheritances, very large corporations, and individuals whose incomes were in great figures.

This recommendation is in line with his humane policy which he has followed ever since he has been in the White House. It is his thought that those wealthy people and corporations who are best able to pay should increase the amount of their payments to the Government in order that some of the large emergency expenditures in favor of the great mass of the people may be paid for by those who are able to do so and receive the greatest benefits from this country. I may with justification point out that some of our Republican friends are vigorously opposing the laying of these increased taxes upon the wealth of the country for the benefit of the great majority of the people therein.

On the other hand, I wish to point out that one Republican in the Senate of the United States, Senator CAPPER, of Kansas, who is well known throughout the country for his straight thinking and interest in the masses, recently said:

"Now we may as well face the facts. Certain powerful financial interests are going to fight this proposal for graduated income taxes on corporations very bitterly and to the last ditch. Also, they will fight the increased individual and inheritance taxes, of course.

"But I say to you that the future of this country, and of your children and your children's children, as well as those of us who are facing today's problems, is more wrapped up in the success of the ordinary business man than in the continued aggregation of economic power and wealth in the hands of a few big corporations."

I also wish to give you the views of another fair, open-minded, and very well-known Republican, Senator GEORGE W. NORRIS, of Nebraska, who, on the anniversary of his seventy-fourth birthday, recently stated:

"President Roosevelt has tried to do right. He has met the depression bravely; he has shown great courage. There were no precedents to guide him when he confronted a condition such as no other President faced. Sometimes he did not know what to do, but he did the best he knew how. He has kept trying, and he has never given up. That means a lot of a peoples' spirit.

"In my judgment, he is absolutely sincere. He means to do the right thing and to help the underdog. His sympathies are with the common man. That's what I like about him."

In spite of the great work of our most humanitarian President in behalf of the great majority of the people of this country, what do we find? We find the Republican Party, and even those business men who were on their knees crying for help and salvation when the President took hold of the governmental reins on March 4, 1933, making misstatements and even lying about that great man. It is, of course, perfectly natural at this time, with a national election coming next year, that the President and the Democratic organization should be subjected to as keen a fight as our opponents can bring to bear upon us. That is to be expected, and it is the explanation of the flood of propaganda that has for some time past been inundating the country. However, we cannot condone the activities in this direction of those business men who were saved by the actions of the President, but who now, having been saved, stoop to the lowest and most debased statements regarding his policies that could be conjectured.

The objective of the Republican Party and these other base creatures about whom I have spoken is to destroy confidence in the Roosevelt administration and particularly in the President, himself. By this process our assailants hope—no; I will not say hope, because I doubt if even the most sanguine among them thinks that Republican success is possible in 1936—I will put it that the dream is that by destroying the confidence of the people in the President they can effect a return of the governmental control to those who would restore the privileges which piled up enormous fortunes for the few and reduced the rest of us to poverty.

In their efforts to reach their objective, they not only propagandize by misstatements and even absolute falsehoods, but they resorted to such low and base methods as whispering campaigns about the President's having broken down under the strain and making decisions as a fretful invalid rather than as in the ripened judgment of a man stalwart in strength and mind. Nothing could be lower nor more untruthful than the latter. The Presi-

dent faces some 200 keen and smart newspapermen, twice a week, at regular press conferences. They fire questions of every kind at him, and he in return replies. If he were in ill health and not his smiling, cheerful, and effective self, these men would be the first to call that fact to the attention of the people of the country through their respective newspapers. There being no truth to these statements which you have possibly heard about his health, and his enemies not daring to print such statements, they have resorted to a low and vile whispering campaign.

Irrespective of the malicious tissue of lies, propaganda, and misstatements which are being propagated by the Republican Party and those who should get down on their knees and thank Franklin D. Roosevelt, we are now emerging from perhaps our greatest crisis. It must be the hope of every one of us that our emergence from the dark situation will not be checked, either by those who would overturn the fabric of our economic welfare, with wild schemes of confiscation of wealth, or those whose crusted reactionism makes them hang back from every movement that seeks to have Government keep pace with progress.

You and the great majority of the people of this country have and will continue to have confidence in your President. Your allegiance in that respect is the greatest element in restoring prosperity. I know you will not permit your confidence to be shaken by this untruthful propaganda.

I only need to recall to you that it took only a word from the President in March 1933 to still whatever there was of anxiety over the total bank holiday. He said then, as he says now, "Let us unite in banishing fear. We have provided the machinery of restoration; it is up to you to support it and make it work. It is your problem no less than it is mine. Together we cannot fail."

Before concluding, let me congratulate you and all others in Pennsylvania on having a Democratic Governor at this time. I mean a real Democratic Governor—not one who merely wears the party emblem while he devotes himself to self-advertisement and announces himself as the evangel of some wild-eyed scheme to make everybody rich.

I don't mean to tell you that Governor Earle is the only competent State executive in the Union. Such times as we have been going through tend to bring to the surface extreme fanatics and opportunists. In this respect the Keystone State has reason to congratulate itself.

In conclusion, may I not, in the words of Daniel Webster, say:

"Let our object be, our country, our whole country, and nothing but our country. And, by the blessing of God, may that country itself become a vast and splendid monument, not of oppression and terror, but of wisdom, of peace, and of liberty, upon which the world may gaze with admiration forever."

This is the object of our great President and Governor, and I know you will accept your part of their and our joint problem and support them, to the end that our country may be made a haven for you and every one of our most humble citizenry.

THE RESPONSIBILITY FOR BROKEN PARTY PLEDGES—SPEECH BY SENATOR DICKINSON

Mr. HASTINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered by the Senator from Iowa [Mr. DICKINSON] at a Republican "get together", at Starved Rock State Park, La Salle County, Ill., on Thursday evening, August 8, on the subject, "The Responsibility for Broken Party Pledges."

Mr. ROBINSON. I understand the speech was a political address.

Mr. HASTINGS. I think I would have to admit that it was.

Mr. ROBINSON. I will not object to the insertion of the speech in the RECORD, although I think it a very bad speech. [Laughter.]

Mr. HASTINGS. I cannot agree with the Senator; I think it was a good speech.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Through gatherings such as this the springs of American political life are being constantly renewed. In contrast to a world bestrode by dictators who have ruthlessly suppressed democratic institutions and all political opposition, we in America still exercise the right of free assembly. I sometimes wonder if that precious heritage is appreciated as fully as it should be. But when I attend meetings like this I am reassured.

For here are men and women who have laid aside their daily tasks to journey perhaps hundreds of miles so that they may participate in discussing, not important personal or business interests but that intangible thing called "the state of the Nation." We are here to review national policies, and to criticize, if need be, those conducting the Nation's affairs for their errors and mistakes.

CRITICISM

That right to criticize government, no matter how overwhelming its power, is the very foundation of democracy. We have not yet reached the point where we are willing to accept that regimentation of thought, much less of national action, which—whether it be called Hitlerism, Fascism, or Sovietism—characterizes the political trend of present-day Europe. Nor are we willing to accede to the radical view, heard so often these days, that democracy has failed, and that to escape the results of its collapse the only remaining alternative is to exchange a government of law for one of supermen. If I emphasize this thought today, it is because of its particularly vital significance for every American citizen.

HESITATION

I need not remind you that everywhere throughout the country are grave questionings and forebodings of danger to the Republic. Men hesitate to go about even normal business activities, much less make financial commitments for the distant future. Because of this lack of confidence, industrial recovery is slow and halting, and unemployment continues to eat like a cancer at our national resources. Intangible as is this sense of peril, it is still very real. It is so real as to cause former Governor Lowden to declare, before the recent "grass roots" convention at Springfield, with all the earnestness at his command: "I measure my words when I say that no crisis so grave as the present has confronted the American people since the Civil War."

Now, what is this crisis of which Governor Lowden speaks? What menace arouses the concern of thinking men and women, Democrats and Republicans alike, throughout the length and breadth of the land, to permeate the very air of meetings like this today? It is not the threat of war, or of invasion by a foreign foe. It is not the prospect of armed rebellion, such as in the decades before 1861 which slowly paralyzed the Nation.

DANGER OUTLINED

Where, then, does the danger lie? Briefly, it is in this: Through a series of laws, enacted by a subservient Congress under what has been called the "new deal", there is projected and under way the gradual alteration of fundamental relationships between the Federal Government and the 48 States. The Constitution itself is being subtly undermined, with transfer of control over the Nation's economic life to the central authority set up as a new and revolutionary political objective. A vast bureaucracy is being erected which seeks to supervise, in an unprecedented economic and socialistic experiment, all public and private enterprise. Without mandate from the people, we are being regimented under a new social philosophy into a totalitarian State. Our traditional individualism is to be sacrificed for dependence upon Government crutches and Government doles for everybody and for every purpose.

CENTRALIZED CONTROL

Furthermore, it has been proposed to amend the Constitution so drastically that the Bill of Rights, regarded for a century and a half as the ark of our personal liberties, will be virtually annulled. The States, for all practical purposes, are to be reduced to mere units of administration for a centralized economic policy, such as has been brought about in Germany under the Nazi regime. The vast American continent would be made to revolve around the White House, Washington as its hub, with the lives and activities of 120,000,000 people regulated under what in radio parlance is called "remote control."

Nor is this all. The political doctrines which give rise to these acts, and which, unless checked, must result in an eventual dictatorship, would go still further. The rights of citizens, having been trampled upon with a contempt worthy of the Kremlin, are to be further abridged by denying legal redress for wrongful acts committed by the Government. Once more might is to make right. Under a series of bills sent to Congress recently, the administration has the effrontery to ask immunity from suits which seek to recover in the courts losses due to taxes subsequently declared illegal, or from the Government's own competition with private business, subsidized at the taxpayers' expense.

UNCLE SAM'S RESPONSIBILITY

When two former Democratic Secretaries of the Treasury challenged as "immoral" the proposed measure to outlaw suits against the Government resulting from the gold-clause decision, the Attorney General of the United States replied: "It is an impertinence to speak of any act of government as immoral." Could any arrogant royal minister, voicing his contempt for those who must pay the bills, have put more plainly the case for absolutism? In defense of such statutes it is argued that the State as sovereign cannot be sued without its consent. That may be so; but what these proposed statutes more truly seek is the revival of the ancient un-American doctrine that the "king can do no wrong."

Now, if there was one idea which the framers of the Constitution intended should be left on the other side of the Atlantic and permanently barred from American soil, it was this doctrine of immunity for the executive power. The very essence of the new Federal Government which was to be erected lay in the limitations to be placed upon its authority. Each of its acts, or the acts of its agents, were to be always subject to judicial review. The whole concept of an independent judiciary appointed for life and headed by the Supreme Court, was designed to insure enforcement of these limitations. For the same reason the provision was adopted that all powers not specifically granted to the Federal agency was reserved to the several States.

CONSTITUTIONAL SAFEGUARDS

These principles, which today are being attacked as belonging to the "horse and buggy" era of our history, received the very closest scrutiny from the Constitutional Convention. The members of that gathering were thoroughly conscious of those problems that arouse present White House impatience; they had perhaps an even greater experience in conducting government under

adverse economic conditions. But from that experience they had learned wisdom; among other things they had become extremely skeptical of popular nostrums and panaceas which were current then as now. Likewise they were quite conscious of the inequalities likely to exist between little States and big States; some would be progressive and others backward. That seems to the founders preferable to attempts at forcing all into a common strait-jacket, which would be foredoomed to failure.

And, since they were profound students of history, they knew that the question of how to effect an equitable exchange between the products of the farm and of the city was as old as civilization itself. They had suffered bitterly from State interference with the workings of economic law. But, unlike modern political leaders, they had a profound distrust of too much government, particularly of that bigness in government which makes the rights of an ordinary citizen seem of small consequence. What concerned the founders most is what now should concern us most—how to create a government which would function without that traditional evil of all governments—bureaucratic oppression.

Those safeguards set up under the Constitution—the careful balancing of legislative, executive, and judicial power—are no less vital today than they were 150 years ago. Perhaps it is only natural that they should irritate ambitious men who always reach out, under the guise of an "emergency", to gather into their hands more and more authority. Pressing national problems can be solved—so they maintain—only if—and that "if" always looms large in their minds—a completely free hand is given them.

IDEALS OF FOREFATHERS

We are likely to forget that it was the evils attendant upon this kind of "personal" government which were primarily responsible for American independence. The colonists were thoroughly familiar with those vagaries of a ruler who issues commands for "must" legislation, who sets his own judgment against courts, and who insists upon enactment, within 5 days by the calendar, of tax measures which levy tribute upon commerce and the thrifty for the support of his army of officeholders. It is worthy, remembering that the complaints of the Colonies were directed not against Parliament but at the excesses committed by the King's agents. Some of the grievances cited in the Declaration of Independence have quite a modern ring, as, for example:

"He has called together legislative bodies * * * for the sole purpose of fatiguing them into compliance with his measures."

"He has made judges dependent upon his will alone for the tenure of their offices."

"He has enacted a multitude of new offices and sent swarms of officers to harass our people and eat of their substance."

"He has combined with others to subject us to a jurisdiction foreign to our Constitution and unacknowledged by our laws."

America's outstanding contribution to the political philosophy of the world has been in these restraining bounds established for the executive power. This has been accomplished, as I have said, through the creation of an independent judiciary, made part and parcel of the Constitution itself. Only thus could protection be provided against aggrandizement of authority by either the legislative or administrative branches of the Government—each jealously regarding itself as the true agent of the popular will. Indeed, so well has this system worked during 138 years, it should be noted that but 48 laws passed by Congress have been declared invalid. Four of these decisions have been handed down during the present administration; all relate to improper delegations of power to the Executive.

What is "personal" government? The Supreme Court has defined it as blanket grants of authority without the laying down by Congress of specific rules within which that authority is to be exercised. It was held, in other words, that under no circumstances can the legislative power itself be transferred to the Executive so that orders issued by the President shall have the effect of statutory law. The President can only interpret or define a rule of law previously made by Congress. Yet, as an example of how far we have gone in vesting unprecedented powers in the hands of administrative officials, let me cite what the Secretary of Agriculture may do under recent amendments to the Triple A Act.

INDIVIDUAL REGIMENTATION

He can assign to each individual farmer his proportion of nearly 20 staple crops which are now placed under Federal control. These include everything from cotton, wheat, corn, and tobacco to potatoes, fruits, and nuts, but excluding apples and vegetables, such as asparagus, which are suitable for canning. He can then assign purchase and marketing quotas to each handler of such produce, inspect the books and records of all foodstuff manufacturers, and by "orders" virtually control such businesses. He can declare a surplus to exist for these designated crops; he can use Government moneys in the purchase of excess supplies and arrange for their disposal.

These are but a few of the plenary powers conferred upon the Secretary of Agriculture. Yet, however able and omniscient he may be, I deny that any single individual can be reasonably expected to perform such a multitude of functions. It is repugnant to our system of government to permit any official to decree such sentences of economic life or death. What really happens, of course, is that this authority is delegated in turn to minor bureau chiefs who prepare orders for the Secretary's signature. Thus some obscure individual, of whom the public has never heard and who, in most instances, is a political appointee approved by patronage distributor Farley, is placed in control of the destinies of 40,000,000 farmers—to guess against rain and sun and the purposes of the Almighty. And the result of this thinly veiled autocracy is called a "planned economy." To me it is unbelievable that American farmers will accept this status of robots, blindly goose-stepping to direction from commissars enthroned at Washington.

INDUSTRIAL CONTROL

Let me give you one further example of this type of "personal" government on which we are hazarding our whole future as a nation, and which recently brought down the wrath of the Supreme Court. Under the late N. R. A., a Texas business man was cited and convicted for violating one of General Johnson's famous ukasas. It was simply one of many thousand "executive orders" issued for the regimentation of American industry, of which it happened he had never heard. When the case was appealed, the Supreme Court asked for a copy of the order on which the complaint was based. A hasty search disclosed that by some strange accident this particular order had never been officially published. Yet here was a citizen about to be hailed off to jail for breaking a rule, the existence of which was known only to N. R. A.'s "crack-downers."

The administration airily dismisses these cases, which I can cite by the score, as mere "incidents." Yet they seem to me to differ little from those grievances of which the colonists complained. They are the excesses which always must accompany the use of arbitrary authority. The history of democratic government has been one of continuous struggle to restrain its own bureaucrats. Thus, after the granting of Magna Carta by King John, the first duty laid upon the 34 succeeding sovereigns before the scepter could be assumed has been the reaffirming of those rights on which rested English liberty.

OATH OF ALLEGIANCE

Through the President's oath to uphold the Constitution, we seek that same affirmation. The administering of that oath at his inauguration is made the most solemn act of his entire tenure of office. I mention this only because less than a month ago we find the Chief Executive writing to the chairman of an important House committee as follows:

"I hope your committee will not permit doubts as to constitutionality, however reasonable, to block the suggested legislation."

What lay behind that extraordinary request which, I venture to assert, has no parallel among the writings of any of our Presidents? Is there not here an open invitation to repudiation of the Constitution? Is there not a grave and improper suggestion to men, equally bound by oath to uphold and defend the Nation's fundamental law, to join in ignoring its provisions and to dismiss as inconsequential their own doubts as to legality for an important piece of legislation?

Is it any wonder, ladies and gentlemen, that everywhere there is grave concern, or that a sense of peril pervades the country? Such acts raise issues far more vital to the Nation's future than those which spring from the depression. Is it not now understandable why Governor Lowden has issued a call to arms for defense of the Constitution?

CAMPAIGN CHARGES

You have done me the signal honor of asking me to define the issues of the next national campaign. In reply, let me state that in my judgment there is but one issue. Gravely and reluctantly do I say it: Today, tomorrow, and next year—that issue is—Franklin Delano Roosevelt:

With all deference to the high office he holds, President Roosevelt should be subjected to the following charges:

He has repudiated the platform pledges made by his party and upon which he was elected to office.

He has committed the country to unsound monetary experiments, condemned by nearly all recognized economists, and in consequence has disrupted American foreign trade, with serious and permanent injury to agriculture and industry.

He has delayed economic recovery by forcing upon the country dubious measures of reform which, by penalizing thrift, strike at the national economy, and by political subsidy under the guise of relief, break down the morale and self-reliance of great numbers of our citizens.

He has held out false and illusionary hopes both to the unfortunate and to workers by advocacy and passage of laws which are not only impossible of administration but which are known to be almost certainly unconstitutional.

He has debauched the civil service by the employment and preferment in Federal emergency agencies of a vast army of political spoilsmen without knowledge or training for the posts they hold.

He has remained indifferent to his promises of balancing the Budget, or reducing national expenditures, and has encouraged extravagances and the wasting of public funds which have placed the American people under a burden of debt that now threatens the solvency of the Government itself.

He has, in public utterances, been disrespectful to the Supreme Court of the United States and has sought by deliberate attempt to "alibi" the failure of the new deal by placing the blame falsely on the courts.

Lest I be accused of unfairness in this indictment, let me, after the fashion of the sorely tried colonists, also draw a "bill of particulars." Because these acts have been performed smilingly and with an engaging good nature, we must not be mislead as to their ultimate consequences for the Nation. So that public vigilance may be aroused, it is of the highest importance that the people thoroughly understand the inward purpose of this program which Mr. Roosevelt sponsors.

PARTY PLEDGES

The present administration's record, in violating the pledges of the Democratic national platform, has been so glaring that it requires little elaboration here. Never in the whole history of this country has there been so callous a betrayal of solemnly pledged principles or the suborning of a great party as has taken place during the past 2 years. Yet it must be obvious that our two-party system of government is rendered meaningless if those declarations made to the electorate are to become merely so many "scraps of paper" once victory at the polls has been achieved. Dishonesty and hypocrisy in political life must not be permitted to go unchallenged any more than they can be condoned in business or professional life.

No one better understood the importance of fulfilling campaign pledges than a former great leader of the Democratic Party, William Jennings Bryan. With almost prophetic insight of the present situation, as he spoke before the Ohio Constitutional Convention in 1912, he declared:

"Laws should be authorized dealing criminally with candidates who pledge themselves to specific measures and then, by official act, repudiate those pledges after election. Platforms should either be made binding or they should be prohibited. A platform has no meaning unless it is intended as a pledge, and a violation of such a pledge involves a greater degree of moral turpitude than the offenses against property rights which we now punish severely. A pledge publicly given by a candidate, and a platform promise not openly repudiated, should be binding in law as well as in conscience."

I here and now invite the leaders of both the Republican and Democratic Parties to see to it that this proposal is enacted into law. The first-hand demonstration of the socialistic doctrine of seizing power by "boring from within" other party organizations which we are now witnessing must be ended. That door should be closed and bolted against further misadventures. If the American people wish to embrace socialism or communism, let it be, not by any back-stairs route such as is in progress, but by a frank and direct show-down on the issue itself. I, for one, am confident of the verdict.

MONETARY PROGRAM

When we turn to the Roosevelt monetary program, with its substitution of "baloney" dollars for sound currency which had been pledged in the Democratic platform, no words of mine can adequately describe the chaos and confusion that have characterized our national policy. We have sabotaged all international exchanges, forced all foreign nations to adopt defensive monetary measures against us, and ended by completely wrecking American foreign trade.

The objective sought was the so-called "commodity dollar"; actually the search was for rubber money—something that would be low in value when applied to the payment of debts, but which became something quite different in the purchase of goods. In other words, we have been attempting to do business with two different kinds of money, an "internal" dollar and an "external" dollar. With the Warren-Pearsons theory, which stands condemned practically unanimously by all other economists, prices were to rise by the same percentage that gold was depreciated. Let me show you what really happened.

Exchange value for gold currencies did at once increase by the amount that the dollar had been devalued, but commodity prices, being influenced by the pound sterling rather than the dollar, have lagged far behind. Thus commodities, prior to the beginning of the Government's gold purchases in January 1934, rose only 18 percent compared to a gain of 48 percent for the franc. Before the price for gold was finally fixed, francs rose 7 percent further and commodities 3 percent. Thus from February 1933 to the present the total gains were 68 percent for gold, in terms of francs, against merely 33 percent for commodities. But for agricultural products which the world bought from us, prices to foreign purchasers, largely as a result of A. A. A. policies, rose from 150 to 250 percent. The result was to reduce farm exports to the lowest level in 50 years!

Mr. Roosevelt himself grudgingly admits the failure of this "bold experiment." But what is not yet recognized is the insuperable obstacle that has been erected to the recovery of foreign markets for our agricultural exports. The advantages of bargaining, which the debts owed by European nations to the American Government once gave us, are now hopelessly compromised, while price differentials, raised against our wheat and cotton, place us at a permanent disadvantage. Similarly the export of manufactured goods has been hurt by the unavailability of dollar exchange for foreign purchasers. This has been utilized instead by the Treasury in support of our fantastic silver policy through its price-lifting operations abroad.

The crying need of the world today is for stabilization of international currencies. Only thus can there be any lasting revival in our exports, upon which nearly one-fourth of our farm population and at least 5,000,000 workers in industry are dependent. There can be no stabilization because no foreign nation, with the memory of the last London Monetary Conference still fresh in mind, cares to trust the word of this administration. The world depression is prolonged because the President still stubbornly refuses to give up his hope of support by the inflationist bloc in Congress, which might be lost were the dollar's value finally fixed.

BANKING CRISIS

Likewise we are at last learning the truth about the banking crisis which culminated with Mr. Roosevelt's inauguration in March 1933. The revelations of Prof. William Starr Myers, of Princeton, show an unbelievable picture of a President-elect deliberately refusing cooperation to the patriotic appeal of the outgoing President in saving the Nation's banks. On February 17 President Hoover, by special letter delivered through the Secret Service, laid the facts of the situation before Mr. Roosevelt. What would you or I or any patriotic citizen have done under the circumstances? It seems to me that love of country could have given only one answer, and that unequivocally. But what did Franklin Delano Roosevelt do?

On March 1, nearly 2 weeks later, while the Nation trembled on the brink of a financial precipice, he replied in effect: "I am awfully sorry not to have acknowledged your letter sooner, but my secretary mislaid the reply I had prepared, thinking it merely a draft."

No one can possibly be misled by such a transparent and weak excuse. If Mr. Roosevelt did not wish to join with President Hoover in meeting the crisis, why did he not have courage to say so directly and give his reasons? But Franklin Delano Roosevelt did not intend to cooperate in the slightest degree. He was perfectly prepared to see happen what did happen—the closing of every bank in the United States—so that the magnificent gesture of reopening them might be his. In the light of such facts, does not the luster of that first "hundred days", to which the President's admirers are so fond of referring—perhaps in comparison with another equally famous hundred days—now appear to be slightly tarnished?

UNEMPLOYMENT

In the field of social policy, Mr. Roosevelt must be judged strictly by his handling of the great problem of unemployment. Its financial implications for the Government's own credit, together with the problem of rehabilitation for these millions of depression victims, transcend all other issues. Yet the plain facts are that the number of those on relief is today as great, if not greater, than a year ago. Instead of searching out and dealing with its underlying causes, the Relief Administration continues to temporize by "raking leaves" and other "boondoggling" makeshifts. What the unemployed demand are permanent jobs, not Mr. Hopkins' hastily improvised expedients.

By a series of measures, born in a misdirected zeal for reform, business men have been rendered timid and afraid. They have been harassed by innumerable regulations and permits, such as I have described as being exercised by the Secretary of Agriculture. Men and women now look upon the Federal Government, not as their friend or the impartial holder of the scales of justice, but as their enemy. The Roosevelt new deal has set up the untenable proposition that government is the great leveler. If we continue to take from those who have to give to those who need, we will soon prevent those who have, having, and those who need, getting.

Now, no nation has ever succeeded by penalizing the thrifty and industrious so that the slothful might be continued in their laziness. Yet what other interpretation can be put upon the administration's relief policies when Governors of western agricultural States are compelled to suspend the dole so that workers may be recruited for the harvest fields?

Mr. Roosevelt has declared, and properly, that there must be no political exploitation of human misery. Acting upon that principle Congress in April voted to the Executive nearly $5,000,000,000 for what was to be the final assault upon unemployment. Three and a half million men, the President promised would be put immediately to work. Yet months have gone by seemingly without the turning of an additional wheel. What is the impression made on the public when it is disclosed that promises for expenditures from this vast fund are being used to line up votes in Congress for the administration's "must" program? Cannot the inference be fairly drawn that this is a political fund after all, and that it is being used not only to coerce those who oppose the new deal, but to mobilize the vast army of voters who are among those who are among its beneficiaries? Are we to accept, without protest, this cynical extension on a national scale of the political methods of Tammany Hall?

TAX PROGRAM

It is charged that Mr. Roosevelt's equally famous tax measure was designed to "out-hooey" Huey Long. Higher taxes, to liquidate the debts of the new deal are inevitable. They must be faced unflinchingly. But Mr. Roosevelt's program characteristically avoids facing this fact. Before the House Ways and Means Committee it was disclosed the total number of persons affected by the new rates would be less than 1,000, while one single, lone individual fell within the 75 percent top bracket of the proposed schedule, and that individual was Henry Ford. And, before we leave the subject, let me point out how far existing taxes go toward this leveling of incomes. The latest report published by the Commissioner of Internal Revenue shows that persons with incomes of $50,000 or more contributed 51.83 percent of the total income tax for 1933, although their net incomes represented only 7.91 percent of the total net incomes so reported.

DIVISION OF WEALTH

Nothing is more cruelly deceptive than the idea that by taxation wealth is divisible. Wealth is something more than mere figures on a balance sheet, raw materials, or brick and mortar. The richest farm is merely a place to grow weeds until the energy of some able, industrious man has been applied in making it productive. The Government may take Mr. Ford's property, but the public thereby is the loser. In Mr. Ford's hands it is kept continuously at work. It provides high wages for scores of thousands of workers, purchasing supplies and materials that create employment in hundreds of other communities. The finished products

finally emerge to end the isolation of rural communities, speed commerce and industry, and bring pleasure to untold millions. But Mr. Ford's property, transferred to the control of the present administration, without his genius, immediately loses its productive character. In the Government's hands, whatever value remains becomes something to be frittered away by a thousand greedy and impractical spenders.

I cannot conceive of the American people being deceived by any such nonsense, or dividing on the proposition of envying one another's goods, or permitting themselves to pull down each other's houses. The real issue raised by the administration is whether as a nation we have lost our resourcefulness and courage and, in the psychology of despair, embraced a near communism, with Government doles exchanged for those things our forefathers held to be more precious than life itself. I cannot believe that a nation, born in a struggle for high principles and which has never hesitated to sacrifice blood and treasure in upholding those principles, will now ignominiously surrender to a Hitler form of national regimentation. What the country needs today is 50 Henry Fords in every field of endeavor, bending their genius to the creation of new industries which will put men back to work. Before such an attack the depression and the new deal both would fade as mists under a summer sun.

GOVERNMENT PAY ROLLS

And so I could go on ad infinitum, with the sins and transgressions of the Roosevelt administration, with its political sophistries, with its Socialist subversion of American ideals and institutions. I shall pass over the breaking down of the civil service, which, under Theodore Roosevelt, had been so largely removed from politics and made an efficient agency of government. Not since Andrew Jackson's time has Washington been so overrun with job hunters. More than 120,000 loyal new-deal adherents, not necessarily Democrats, have been attached to the public pay rolls since March 1933. Not least among these are the 200 young lawyers, followers of Felix Frankfurter, placed in key departmental positions, and the administration's 300 press agents, with salaries aggregating a million dollars a year, operating the greatest propaganda machine ever constructed. It is an interesting commentary that the waste in mimeograph paper with which the newspapers are bombarded costs the taxpayers $300,000 a year.

PUBLIC WASTE

I shall pass over also the flagrant extravagances that have attended these new-deal experiments. In 2½ years Franklin Delano Roosevelt has spent more money than was expended during the first 124 years of the Nation's history, or from George Washington's time down to that of Woodrow Wilson. Each month Treasury disbursements equal the cost of the Panama Canal. These expenditures run from a mere $18,000, used in efforts to grow mushrooms in abandoned West Virginia coal mines, to $90,000,000 allocated by the President for Professor Tugwell's rural resettlement project. For this newest relief agency the famous McLean mansion in Washington has been taken over as headquarters and a staff of approximately 7,000 persons is being engaged. The average salary of these employees will be $3,000 per year. Thus, out of the ninety million, $20,000,000 at once goes for overhead. Assuming a cost of $5,000 per family for resettlement, it requires no mathematician to discover that exactly 14,000 families, or 2 for each Government employee engaged, can be assisted to the "more abundant life."

These things would be ludicrous indeed were they not so tragic. How long can this game of frenzied finance continue without involving the country in complete ruin? Already more than 50 percent of the people's savings, as represented by deposits in the Nation's banks, are invested in Federal Government obligations. There is today not even the pretense of balancing the National Budget. Is not the Nation eating up its precious "seed corn" as predicted by Lord Macauley more than 75 years ago, when he wrote to an American friend:

"I seriously apprehend that you will, in some such season of adversity as I have described, do things which will prevent prosperity from returning; that you will act like people who should in a year of scarcity, devour all the seed corn and thus make the next years not of scarcity but of absolute famine."

Ladies and gentlemen, I do not wish to be an alarmist. I have profound faith in the practical common sense of the American people. But neither can I be a party to the prevailing pollyanna philosophy which seems to believe that, through some kind of political wizardry, we can escape from economic realities.

PUBLIC DUTY

The crisis is already here. It is your duty and mine, as patriotic citizens anxiously concerned for the future of our country, to see that a thorough realization of the present situation is brought home to the American people. If the present course is continued, inflation or repudiation and national dishonor are the inevitable consequences. Resolutely we must turn away from such dangerous shoals. Under new and courageous leadership the ship must be headed about and set again upon its true course. To this high duty, with the vigorous and determined action that is thus required, we must dedicate ourselves today.

CHALLENGE TO THE COURTS

Important as are these collateral issues, the most serious charge against Franklin Delano Roosevelt is that covert undermining of the Constitution which is now under way. The attempt is being made to "alibi" the failures of the New Deal by attacks upon the Supreme Court. I have shown Mr. Roosevelt's great mental elasticity when confronted with questions of constitutionality. Let us assume for a moment that in the highly important cases to come before the Supreme Court this fall the administration should lose. Let us examine the possibilities that may arise should the T. V. A. be denied its announced function as a "yardstick" for the electric-power industry—should the processing taxes, which Secretary Wallace has set up as "internal tariffs" to equalize price levels between agriculture and industry, be declared invalid as restricting commerce between the States—should the Wagner industrial disputes measure be held unconstitutional.

In such an eventuality the new deal is at once stripped of the political nostrums through which, like hypodermic injections, it sought to restore the Nation's economic health. The pretense of a "planned economy", which, by bureaucratic license, seeks to regulate all economic activity, must then be abandoned. A situation arises without parallel in American history. With the experiment of regimentation revealed to the public for what it really is—a disastrous and monumental failure—the issue is joined between utopian dreams and the actuality of economic law. Faced with such facts, how is the administration to justify itself to the people?

Now, the implications from such a contingency—from an unprecedented impasse between the executive and judicial branches of the Government—would be grave enough under any circumstances. How much more serious must they be when the administration, so challenged, is seeking reelection? When it asks, as it must, public ratification either on its record, or by "alibiing" that record?

THE SUPREME COURT

Is not the strain placed upon the Constitution, to which unintentionally and carelessly Congress has contributed, plainly evident? The Supreme Court is to be dragged into politics, not because it has performed its sworn duty in saying "no" to hastily conceived and imperfectly drawn legislation, but because it is charged with having thwarted the public will. It must be made the scapegoat to hide administrative incompetency. Nor can the Court defend or explain its own acts; it can speak only in the decisions it hands down. It must remain aloof from political battles which may be decisive for the Nation's whole future.

The dangers to the Republic from any such distorted controversy cannot be minimized. They rise above partisanship; they must be repelled by all believers in constitutional government. They become particularly serious because the inference is drawn by many competent observers that this attack upon the Court is to be led by no less a personage than the President himself. In a recent article widely published throughout the United States, Mr. Mark Sullivan, the distinguished political commentator and historian, declares:

"The common assumption is that Mr. Roosevelt hopes to make the Supreme Court and the Constitution less popular next year than they are now. The Court will be obliged to find unconstitutional the measures now being forced through Congress. Such decisions by the Court can be expected to offend groups of voters. The sum of these groups, offended by decisions handed down by the Supreme Court next year, might give Mr. Roosevelt the support he does not have now, both for his project of changing the Constitution or curtailing the power of the Supreme Court, and also for reelection to the Presidency.

"However, beneath this assumption about Mr. Roosevelt's motive lie some solid conditions which tend to support the assumption. The new deal cannot go on to fruit except by giving the Government greater power to compel the individual. That means the new deal cannot go on except by depriving the courts of their independence, depriving them of their present function of holding the scales even between the Government and citizen."

Now, those are sober and measured words. They cannot be dismissed as partisan or inconsequential. When fundamental principles established under the Constitution are involved, as I stated in the beginning, there are no differences between Republicans and Democrats. Interpretations of basic law cannot be made on the basis of current economic theories. Nor can there be any difference of opinion, I believe, as to the duties laid upon all patriotic citizens in this connection. We cannot proceed blindly down a road, ignoring all the danger signals that have been set, to end up at last in that catastrophe predicted by Mr. Roosevelt himself when as Governor of New York he said:

"It was clear to the framers of our Constitution that the greatest possible liberty of self-government must be given to each State and that any national administration attempting to make all the laws for the whole Nation * * * would inevitably result * * * in a dissolution of the Union itself."

The President himself has put the constitutional issue before the American people in the plainest possible terms:

"Any national administration attempting to make all the laws for the whole Nation * * * would inevitably result * * * in a dissolution of the Union itself."

CONCLUSION

With that statement I rest the case against Franklin Delano Roosevelt. In conclusion, let me add one further word. I should like to recall to you the warning of Daniel Webster, which, more than any words of mine, seems to sum up the present national crisis.

"It is hardly too strong to say", declared Mr. Webster, "that the Constitution was made to guard the people against the dangers of good intention, real or pretended. There are men in all ages who mean to exercise power usefully, but who mean to exercise it. They mean to govern all, but they mean to govern; they

promise to be kind masters, but they mean to be masters. They think they need but little restraint themselves. Their notion of the public interest is apt to be quite closely connected with their own exercise of authority. They may not, indeed, always understand their own motives. The love of power may sink too deep in their hearts even for their own security and may pass with themselves for mere patriotism and benevolence.

"* * * Are we under the domain of law, or has the effectual government of the country, at least in all that regards the great interest of the currency, been in a single hand? * * * The results are now before us. These pretended reforms, these extraordinary exercises of power from an extraordinary zeal for the good of the people, what have they brought us to? * * * Everyone knows that all the benefits of this experiment are but injury and oppression; all this reform but aggravated distress."

ACCOMPLISHMENTS OF THE PRESENT ADMINISTRATION—ADDRESS BY SENATOR VAN NUYS

Mr. LEWIS. Mr. President, I present an address of the senior Senator from Indiana [Mr. VAN NUYS] delivered at a dinner of the Indiana Democratic Editorial Association at French Lick, Ind., August 10, 1935, and ask that it be inserted in the CONGRESSIONAL RECORD, in view of the valuable information it contains.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Officers, members, and friends of the Democratic Editorial Association, I want to take this opportunity to express my appreciation of the pleasure of meeting and visiting with all of you on this auspicious occasion.

After the grievous grind of the last 7 months in Washington it is an inspiration to get back home and to confer face to face with the democracy of Indiana as represented at these meetings.

I know from a vast volume of daily correspondence and the scores of conferences which I have had since coming home that the people of Indiana are thoroughly conversant with all the major acts of the administration's legislative program during the present session.

To that program many of you have rendered valuable service in constructive criticism and suggestions which have been submitted to the different committees and in many instances acted upon favorably.

Although this session of Congress has seemingly been long drawn out, considering the many momentous and controversial subjects which have been acted upon or will be acted upon before we adjourn, I believe that it ultimately will be recognized as one of the most important, hard-working, and conscientious sessions in the history of Federal legislation.

During the special session, and to a great extent during the last regular session, we were engaged in recovery measures which required speedy enactment and which delegated unprecedented powers to the executive department in order that such measures might be speedily and effectively administered.

Despite all the adverse criticism which was directed at Congress for its alleged haste and subserviency during these sessions, I am proud of the record made. I am proud of the fact that Congress, joining hands with a discerning and determined Chief Executive, fearlessly and patriotically assumed its share of the responsibility of saving this Nation from complete economic and industrial collapse. Never in our later history has any administration been confronted with so many and such complex problems as confronted the Roosevelt administration on the 4th day of March 1933.

As evidence of the fact that these problems have been met successfully, compare present conditions of the farmer, the laborer, the home owner, the banker, the industrialist, the great masses of the men and women of America with the conditions surrounding these same groups 3 and 4 years ago and then deny, if you will, that the efforts of the last two years and a half have been worth while.

May I briefly and simply summarize some of these efforts.

BANKS

The first and most serious problem which confronted the new administration was the banking situation. More banks failed during the period from 1929 to 1932 than in all the previous history of the country. Under the proclamations of the President and the Governors of many States, every bank in the country was closed. The confidence of the people in all banking institutions was shattered. Congress was confronted by an unprecedented and desperate banking and economic condition. Something had to be done speedily and effectively.

Five days after the new administration had been inducted into office, the Emergency Banking Act to provide relief in the national emergency was approved. With that act and its successful operation you are all familiar. It provided for the reopening of banks upon a sound and stable basis. It resulted in the reorganization of many banking institutions. It preserved intact the rights of creditors and depositors. It successfully met the emergency until the more comprehensive and permanent Banking Act of 1933 could be enacted. This was done June 16, 1933.

As stated in the title the purpose of the 1933 act was to provide for the safer and more effective use of the assets of banks, to regulate interbank control and to prevent the undue diversion of bank funds into speculative operations. These objectives have been accomplished.

To my mind, one of the most effective provisions of this new banking act was the provision guaranteeing deposits. This provision did more than any other factor to reestablish substantial and justified confidence in all banking institutions. In guaranteeing deposits up to $5,000, it took care of 98 percent of the depositors in insured banks.

Since its enactment, bank deposits have increased more than $6,000,000,000. Money has been brought out of hoarding and put into the channels of business and trade. Bank failures are a rarity. Even upon failure, the depositor knows that he will receive 100 cents on the dollar and that his money will be available immediately.

Through the banking legislation of this administration, supplemented as it will be by the Banking Act of 1935, full confidence in our financial institutions has been restored. This is a momentous accomplishment. It is, in my opinion, one of the outstanding accomplishments of this administration. Without it, all efforts toward economic rehabilitation and recovery would have been futile.

AGRICULTURE

At the time the present administration was inducted into power, the returns to the American farmer had fallen to such depths that he scarcely received the cost of his plantings. He could not pay his debts. He could not meet the interest, much less the principal, of his mortgage indebtedness. He had no money for repairs or improvements. He saw the day rapidly approaching when he would lose the savings of a lifetime through foreclosure and sale. The American farmer was bankrupt.

Huge surpluses had piled up which continued to depress the price of farm products. This was largely due to a fallacious foreign policy. Through prohibitive tariffs and unsurmountable trade barriers, we lost our foreign markets. Foreign trade fell from $10,000,000,000 annually to less than $3,000,000,000. Without foreign markets these agricultural surpluses could not be disposed of. Year after year they continued to depress the price of farm commodities to lower and lower levels.

It was to meet this situation that the Agricultural Adjustment Administration was set up.

Criticize its methods, if you will; results justify its efforts. In 2 years, the income of the American farmer has been increased by more than $2,000,000,000.

The market price of all his products has been increased materially—in some instances more than 100 percent, excluding rental and benefit payments.

Farm cash income for 1934 was estimated at $6,100,000,000. This represents an increase of approximately 41 percent over the farm cash income of 1932.

One of the chief causes of the aforesaid bankruptcy of the American farmer was the lack of farm credit. That situation was met by setting up a new Farm Credit Administration, which amortized the debts, reduced the rates of interest, supplied working capital to the farmer, and saved hundreds of thousands of farms from foreclosure and sale.

The Federal land bank and land bank commissioners now hold more than one-fourth of the total farm debt of the United States.

Much criticism has been directed at the Agricultural Adjustment Administration, particularly its policy of acreage reduction and the slaughter of livestock. In the last analysis, such criticism has originated from sources which are neither familiar with nor engaged in the business of farming, planting, or grazing.

Standing out against this unfounded propaganda are the different referenda which have been submitted to the growers of corn, hogs, wheat, cotton, and tobacco. These show that the efforts of the A. A. A. are successfully meeting their problems and that such growers and planters overwhelmingly approve a continuance of the present program. Of those voting, at least 85 percent voiced their approval.

Nor is restricted production a permanent policy in the stupendous task of providing parity prices between what the farmer has to buy and what he has to sell.

In discussing the long-time view of the agricultural problem the Department of Agriculture says:

"Restricted production will not be the focal point of a permanent policy for agriculture. Lasting improvement in the welfare of farmers is necessarily bound up with increased production and consumption of agricultural products.

"A long-view policy for agriculture, therefore, cannot passively accept the present limited purchasing power for food and fiber products of large numbers of our people, nor conceive future productions on that basis.

"A long-view policy for agriculture will actively seek to remove barriers that now constrict international trade."

I will wager that if you drive through any farming community in Indiana and talk to the farmers face to face, you will find that here is one element of our industrial life that feels that our efforts of the last 2 years have been worth while.

They have taken on new hope. They are paying their delinquent taxes. They are paying off their mortgages. They are making needful repairs. They have money today for those necessities and simple luxuries to which they are so justly entitled after those long years of self-denial and stoical patience without even nominal compensation.

N. I. R. A.

When this administration assumed power between ten and fifteen million workingmen were tramping the streets of our cities and towns in search of employment.

Something had to be done, and done quickly, to relieve this condition.

Our efforts resulted in the passage of the National Industrial Recovery Act. The objectives of this act were the spreading of employment by reduction in the hours of work, the elimination of child labor, the prohibition of unfair trade practices and competition, and the creation of greater purchasing power.

One of the weaknesses in the administration of the act was the fact that it attempted to take in too much territory. But whatever weaknesses it may have developed, the ultimate results were wholesome.

Children who labored in sweatshops for 3 or 4 cents an hour were taken out of such industrial cesspools and restored to the playgrounds and schoolrooms of America.

Jobs were created for nearly 4,000,000 unemployed workmen. The annual volume of wages was increased by more than $600,000,000. Labor was assured the right of collective bargaining. And, above all else, the morale of the American workman was restored by knowledge of the fact that after all he was not just another forgotten man.

That business itself was not injured is best evidenced by the fact that right here in Indiana scores of industrial enterprises got out of the red and into the black for the first time in 2 or 3 years. Statistics show that the earnings of 1,435 representative industrial and trading establishments rose from $640,000,000 in 1933 to $1,071,000,000 in 1934—an increase of more than 66 percent.

As further evidence of the beneficial effects of the N. I. R. A. to business, I call your attention to the fact that many classes of industry today are voluntarily continuing their codes to the benefit of themselves and their employees.

Then came the Schechter decision in the Supreme Court, which held the N. I. R. A. unconstitutional. As one who has thumbed the law books for more than 35 years, I have no criticism to make of that decision. I believe in the courts. I believe in the right of the Supreme Court to declare acts of Congress unconstitutional. Although not expressly warranted by the Constitution, the assumption of this power has proved a very successful safeguard for the preservation of our constitutional form of government.

There was nothing particularly new in that decision. It held that Congress had delegated too much legislative power to the executive department, without providing sufficient standards for its exercise, and that the subject matter of the case was of wholly intrastate concern. Yet, the decision was heralded as evidence of the fact that this administration is determined to break down our beloved form of government. Nothing is farther from the truth and we have labored for weeks in revamping proposed legislation so that it may conform to the constitutional limitations set out in this last and numerous previous decisions of the Supreme Court. Statistics show that no greater percentage of legislative enactments under the present administration has been declared unconstitutional than under the last three Republican administrations.

In my opinion, the American Constitution, under which we have progressed so successfully for 150 years, is amply sufficient to meet every political, economic, and industrial exigency, which may arise in our country. There will be no tinkering with it, as far as I am concerned.

PUBLIC WORKS

As suggested hereinbefore, one of the major problems confronting the administration was unemployment. Underlying most of our measures there was the ultimate purpose of providing work for the unemployed millions, but other efforts have been centered directly toward that objective. They have been carried on under different names, but with a single purpose. They were the programs known as "Work Relief", the "C. W. A.", and the "Works Projects." Today we are carrying on under Works Progress.

The goal of all these programs was the same—to devise projects for the employment of the unemployed.

My examinations and contacts during the last two and a half years warrant the statement that the great overwhelming percent of men and women dependent upon public relief do not want the dole. They want work. This applies to labor, both skilled and unskilled, and to what is known as the "white collar" groups, clerical and professional men and women.

It is needless to say that long periods of enforced idleness breed discontent, loss of self-respect, indifference, and often crime.

It is to prevent the degeneration of this great mass of 10,000,000 willing and competent American workmen that these great public-works programs have been instituted and are being carried on today. No price is too exorbitant to save the morale of such a large percent of our citizenship.

In addition to above accomplishment, the expenditure of these vast sums of public moneys adds materials to the wealth of the Nation. About 600,000 miles of roads have been constructed or improved. Over 1,800 schools have been built and 30,188 rehabilitated. Grade crossings have been eliminated, hundreds of thousands of acres of invested swamp land have been drained, rural electrification has been started, water works, swimming pools, parks, sewage-disposal plants, and numerous other public improvements have been made possible. There is not a community in America which has not been benefited in some way by the public-works programs.

It is true that such programs cost more than the dole, but who will say that the humanitarian and economic results obtained in these endeavors are also not worth while?

H. O. L. C.

One of the saddest features of the depression was the fact that millions of American men and women, who had struggled, skimped, and saved, in order to possess a home and shelter for their old age, saw the results of these years of unremitting toil and effort swept away.

To me, among the most important pieces of legislation recommended by our President and enacted by a Democratic Congress, was the creation of the Home Owners' Loan Corporation.

I could discuss the accomplishments of this division at length, but this is unnecessary, for you who come from every county of the State are aware fully of the great results achieved.

Cold figures tell part of the story. From the time of the creation of this division in 1933, there has been closed 891,955 loans for an aggregate total of $2,693,547,209.

In Indiana alone—and I am proud to say that the efficient methods and system set up in our State have been copied throughout the Nation—the Home Owners' Loan Corporation closed 42,747 loans for a total of $97,647,712.

Remember that the money thus released immediately was placed in circulation through payment of delinquent taxes, repairs, and improvements and absorbed in the construction of new homes, thus aiding all branches of the construction industry and business in general.

There is no question—there can be no doubt, that contented and happy home owners are essential to the survival of the Nation. The haunting fear of the auctioneer's hammer, which pervaded the home owners of the Nation from 1930 until 1933, no longer exists.

FEDERAL HOUSING

Hand in hand with the activities of the H. O. L. C. is the Federal Housing Administration, created for the purpose of repairing and making livable existing homes, providing new homes at a cost and under conditions within easy reach of all; protecting the invested savings of all home owners and guaranteeing them a place which they can call their own, and returning to work millions of unemployed in the building industry.

The Indiana administration of the Federal Housing Administration is worthy of and has received the highest praise. It began functioning promptly and energetically, and by creation of a sound and secure base will be of importance in continuing the upswing which now we enjoy.

In the Nation as a whole the Federal Housing Administration has underwritten 291,879 projects involving a total expenditure of $114,169,554; and in Indiana it has underwritten 5,960 projects for a total of $1,958,975.

As in the case of the H. O. L. C., the Housing Administration is conducted on a sound business basis, and the money expended is in the nature of actual investments and not merely gifts.

C. C. C.

The creation of the Civilian Conservation Corps has proved a godsend to the unemployed young men of America.

It has kept them out of the ways and idleness and crime, strengthened their bodies, improved their minds, and made them capable and fit to assume the duties and responsibilities of citizenship. It has actually employed more than 1,000,000 men.

Permanent improvements worth millions of dollars have been made by the boys in these camps. But if the States and Nation never received a dollar in return for their labors, who will dare say that the moneys spent in their behalf have not been well spent?

I predict that the Civilian Conservation Corps will become a permanent part of our social and industrial activities.

SECURITIES ACT

The Securities Act, which met with so much opposition, has proved its worth in protecting the investing public from fraudulent and deceitful sales of securities.

Unrestrained speculation contributed as much as any other one cause to the depression which began in 1929. It withdrew immense funds from all banks for gambling purposes. It withdrew moneys needed to carry on legitimate business. It resulted in the breaking down of credit institutions.

Through the regulation of security exchanges such unrestrained speculation is prohibited, and investors are given access to information, which is essential to the intelligent purchase and sale of securities. Isn't this worthwhile?

The holding-company bill is directed toward the same general objectives—the protection of the investor and stockholder from excessive and unwarranted fees and charges, pyramided profits, and the exploitation of local solvent utility companies.

This administration has no apologies to make for its sincere and fearless efforts to curb greed, gambling speculations, fraud, and the exploitation of an uninformed and unsuspecting investing public in the matter of the purchase and sale of securities and the management of public-utility corporations.

UNITED STATES CREDIT

Our opponents are seemingly very much concerned about the credit of the United States.

While not daring to oppose the declared policy of the present administration to care for every helpless and homeless citizen until the return of better days, they see financial disaster as the direct result of such policy.

May I call the attention of such opposition to the fact that on July 15 the Treasury borrowed $500,000,000 at 1⅜ percent and the subscriptions received amounted to $2,975,000,000. On July 22 bids were asked on $100,000,000 of Treasury bonds. Subscriptions amounted to $511,000,000. On July 29 bids were asked on $100,000,000 of Treasury bonds. Subscriptions amounted to $320,000,000. On August 2 a $50,000,000 issue of Treasury bills was offered. Subscriptions amounted to $150,119,000.

All Treasury bonds are now selling above par, ranging from 101 to 117.

I ask you, does this indicate that the credit of the United States is even impaired, much less threatened by destruction?

Our political opponents, who are searching so frantically for an issue upon which they may ride back into power, must find one better fortified by facts than their unwarranted protest that the Roosevelt administration threatens to destroy the credit of the United States. The credit of the United States is sound and will be maintained.

Many additional accomplishments of this administration might be dwelt upon with interest.

Its monetary policy, which has established a fair relationship between creditor and debtor and maintained a dollar of stable purchasing power; the National Emergency Council, coordinating the work of emergency agencies; the Civil Works Administration, which temporarily employed over 4,000,000 persons; the Federal Emergency Relief Administration, which protected millions of families from starvation; the Public Works Administration, which has contributed substantially to industrial recovery and added materially to the wealth and security of the Nation; the Trade Agreements Act, through which our international trade will be substantially increased; the social security bill, now under consideration—all these and many more agencies have functioned and will function successfully to rehabilitate the economic strength of the Nation and at the same time meet the humanitarian and social demands of this unprecedented era.

I very briefly have summarized some of the major problems with which this administration has been confronted during the past 2½ years.

Attendant upon the proper solution of these problems, numberless affiliated questions had to be solved and legislated upon.

It is palpable that this administration has been compelled to meet this devastating depression upon scores of battle fronts. It has been one of the most stupendous undertakings ever demanded in the peace-time history of our country.

Proud and happy are we tonight that the Democratic administration now in control has had the courage, the ability, and the desire to accept this responsibility. And proud and happy are we that, irrespective of partisan politics, the overwhelming majority of the citizens of this country have cooperated in a patriotic endeavor to be of service in this crucial test. As evidence of that fact, may we never forget that over 2,300,000 employers voluntarily signed agreements, extending benefits to over 16,000,000 employees to help the President in his appeal for reemployment.

Some mistakes may have been made. That was inevitable. But such mistakes are of little concern compared to the aggregate wholesome contributions to the general welfare and the health, happiness, and prosperity of the masses of the American people.

The morale of our people has been preserved. They have more confidence, more optimism, renewed incentive for the exercise of a more vigorous and loyal American citizenship.

Despite the most vicious propaganda ever directed at a Chief Executive, they know that in Franklin D. Roosevelt they have a friend. They know that as President he will not be turned aside in his determination to secure the greatest economic and social good to the greatest number.

They know that he is possessed of the courage, the sincerity, the vision which are necessary to lift America and American institutions from the depths into which they had fallen and to guide and direct them in keeping with the sacred ideals and traditions of our glorious American Republic.

Our course plainly is marked—set down by the founders of this Republic, under the guiding hand of that lover of man, Thomas Jefferson.

I look with alarm upon those who would deviate from this course. America must go forward in the path of democracy and individual liberty. We cannot turn back the pages of history, as has been done across the seas, where the nations have eschewed democracy for autocracy in one form or another.

With this knowledge and confidence may we all patriotically and confidently carry on to even greater and more enduring accomplishments.

FLYING CONDITIONS AT WASHINGTON AIRPORT

Mr. GIBSON. Mr. President, referring once more to the necessity of a national airport, it has been predicted, in view of the dangers in connection with the operation of the present airport, that a crash was inevitable. In that connection I ask unanimous consent to have inserted in the RECORD an editorial appearing in a recent issue of the Washington Herald referring to the prediction made sometime ago by Capt. Eddie Rickenbacker.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Herald]

THE CRASH OCCURRED

Capt. Eddie Rickenbacker said in a recent letter to the Washington Herald that whenever he receives a telephone call from Washington he fears it may be the announcement of an airplane catastrophe at the Washington Airport.

The flying conditions here at the port are dangerous, and everybody knows it.

A so-called "military roadway" splits the landing field, and Rickenbacker, a man of great personal courage, lives in the fear that an embarking or landing plane will crash into an automobile load of persons crossing the roadway.

Eddie Rickenbacker's fears are justified.

The crash did happen.

The *Miami Flyer*, a 14-passenger airplane, seeking to avoid pedestrians and automobilists on the military roadway, overshot the landing field and crashed into a small hangar.

That the passengers were not killed was due only to the chance of kind fate.

That the people on the military roadway were not struck, crushed, and killed was due entirely to the bravery of the pilot who endangered himself to spare them the peril.

Washington will have, at some day, the greatest airport in America and probably in the world. Congress and the National Government eventually will see to that.

In the meantime, Washington is entitled to safe airplane facilities.

This safety can be obtained without waiting for action by Congress, without the appropriation of a single penny for expense.

It can be obtained by the issuance of an order which will close the military roadway.

A single sentence written on a sheet of paper can do that. Do it. Why delay? Why wait for the frightful accident that is certain to occur?

PRESENT MEAT-PRICE SITUATION—STATEMENT BY SECRETARY WALLACE

Mr. ROBINSON. Mr. President, I ask that a statement issued August 13, 1935, by Secretary of Agriculture Wallace relating to the present meat-price situation may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

American consumers deserve more accurate information about causes of present pork prices than that contained in Saturday's Associated Press dispatch from Chicago.

That dispatch, while correctly attributing first responsibility for present pork prices to the 1934 drought, defined the second cause as follows: "The Agricultural Adjustment Act, which provided for the destruction of 6,000,000 piggy sows or grown sows which would have been on the market this year. In addition, uncounted prospective litters were destroyed."

This analysis is attributed by the Associated Press to Chicago "meat authorities." I am curious to know if these unnamed sources are packers who are suing in court for recovery of processing taxes already paid or sequestered in court on the theory that the packers pay these taxes while at the same time spreading anonymous propaganda through the press to persuade consumers that the tax is borne by the consumers.

The interpretation of the effects of the 1933 sow slaughter on present pork prices, as contained in the Chicago dispatch, is a complete misstatement of the facts.

To start with, the statement that "6,000,000 piggy sows or grown sows" were killed is just about 3,000 percent wrong. The total number of sows purchased by the Government was not 6,000,000, but was, by actual count, 222,149, or about one-thirtieth of the number cited in the dispatch.

In the second place, the statement that these sows were "destroyed" is an error. In slaughtering of the sows the edible meat was saved, and 100,000,000 pounds of cured pork was distributed to families on relief rolls, as a result of the emergency buying operation.

Third, the part of the dispatch stating these sows "would have been on the market this year" is an absurdity. Farmers would not have held these sows until this year under any imaginable set of circumstances. The only kind of sows held for such lengths of time are blooded animals with records of high productivity, while farmers were in fact improving the blood lines of their herds by selling off their culls in 1933.

The rest of the statement that "In addition, uncounted prospective litters were destroyed" makes the distortion just about complete.

So with more misinformation than I believe I have ever seen packed into two sentences, the public is given the inference—which the meat packers fighting the farmers' program seem agreeable to have spread—that the Government's 1933 pig-purchase operation in some way contributed to increasing the prezent retail prices of pork. Consumers should be warned that a Nation-wide effort is being made by packers and other processors to undermine the farmers' program by spreading malicious and untrue propaganda of all kinds about the effects and purposes of the adjustment programs upon the consumers of the country.

The facts are that consumers now would be paying somewhat more for pork, if there had been no pig-purchase program in 1933. A few simple little facts, if widely understood by consumers, will show them why this is true.

These facts are: First, that the Government buying of both 222,149 sows, and 6,188,717 little pigs, was completed before October 1, 1933—nearly 2 years ago.

Second, that the sows purchased were due to farrow, or produce litters, in the fall of 1933.

Third, that the average age at which pigs are marketed is 9 months. This means that if there had been no Government buy-

ing, all of the 6,000,000 little pigs bought by the Government would have been marketed in the winter of 1933–34 and the spring of 1934; the 222,149 sows would have been sold off about the same time, most of them in February and March of 1934, and the pigs from their litters, born in the fall of 1933, would have gone to market not later than the fall of 1934.

Fourth (and this is a vital fact for everybody to remember), that the supply of pork is limited by the supply of feed. With a given supply of feed, farmers can market just so many pounds of pork, and no more. They may vary the number of pigs, but the total weight, whatever the number, is absolutely limited by the feed supply.

Fifth, that in 1934, when the little pigs and the sows and their litters would have been marketed if there had been no Government-buying program, the markets were already glutted by supplies forced on the market by lack of feed caused by the drought. That unprecedented drought reduced the 1934 corn crop by nearly a billion bushels and confronted farmers with the alternative of cutting down their hog herds or letting large numbers starve to death.

Sixth, that hog products are not usually held in storage for more than 6 months after slaughter.

When these facts are pieced together they spell out a story completely different from that which consumers are being asked almost every day to believe.

The true story is that the Government, with its 1933 pig purchases, reduced by less than 8,000,000 pigs (including the possible million pigs not littered by the 222,149 purchased sows) the number of marketings in 1934, when nearly 68,000,000 were slaughtered. The need for the 1933 reduction is shown by the fact that even after the reduction was made, the 1934 slaughter was comparable to the 1933 total slaughter of 73,000,000 for farm and commercial use, and the 1932 slaughter of slightly less than 71,000,000. All of these totals compare with the hog slaughter in years before we lost our export markets for pork, as for example in 1925 when slaughter was 68,000,000 head and when we exported 6.7 percent of our pork and 32 percent of our lard.

The average farm price of hogs for the year ending September 30, 1934, was $3.73 per hundred. Although very low, this price was somewhat higher than that of the previous year and higher than it would have been without the Government program. The slight increase in price plus benefit payments enabled the farmers to escape the disaster they would have faced.

All through 1934, when retail pork prices were moderate, consumers paid somewhat more for pork than they would have paid if the Government had not stepped in with its emergency program in 1933 to save the farmers from bankruptcy prices. I do not believe consumers begrudge the farmers that help in 1934, especially since the gains in farm buying power helped stimulate city business and aided in reviving city pay rolls. The Agricultural Adjustment Administration takes full responsibility for boosting farm income from hogs last year, and for the moderate increase in prices paid by consumers of pork in 1934.

As to present pork prices, the true story of the effects of the Government's program is different.

Bear in mind that the volume of pork farmers can market in 1935 is wholly regulated by the amount of feed on hand.

Now, while hog products are perishable, grain is not. It can be and is stored on the farm. The more corn farmers were forced to feed their hogs in 1934, when hogs glutted the market and prices were low, the less they had left to feed hogs in 1935 when hogs are scarce and pork prices are high.

So the real effect of slaughtering sows and pigs in 1933 under the Government program, in advance of the tremendous 1934 drought shortage of feed, was to save feed available for maintaining supplies of hogs in 1934.

The pigs killed in 1933 would, if fed out, have consumed sixty to seventy million bushels of corn in 1934.

Pigs now being marketed are fattened on the corn available in advance of this year's corn crop, or, in other words, on that produced in 1934 or held over from 1933. The slaughter of the pigs in 1933, therefore, saved sixty to seventy million bushels of corn, and this resulted in augmenting the 1934 supply of available corn by the equivalent of more than 700,000,000 pounds live weight of hogs.

The adjustment programs of last year caused a considerable shift from wheat and corn acreage into forage crops, which were even more desperately needed than grain to protect the livestock population from starvation and to protect the breeding stock, and which crops, in addition, were more drought-resistant and consequently produced more feed than either wheat or corn in areas of nearly total crop failure.

The adjustment plan included corn loans in 1933 and 1934, which resulted in the storage on farms of 270,000,000 bushels of corn in 1933, further augmenting in a vital way the 1934 feed supplies available for hogs now being marketed.

The net effects of the whole adjustment operation have been favorable both to farmers and consumers.

Farmers were saved from ruinous losses last year. Their marked recovery, in the face of the worst drought ever known, was brought about by revival from bankruptcy prices and by benefit payments financed out of processing taxes. Their improved purchasing power has contributed tremendously to general recovery. Farm improvement is now one of the principal factors in renewed industrial and business activity. Better employment has increased consumers' power to buy. Improved consumer buying power is a factor, independent of supply, in higher meat prices.

Consumers this year are paying higher prices, but not quite so high as they would have paid if the hog-buying operations 2 years ago had not conserved feed last year when it was acutely needed.

New supplies of this year's prospective 2,272,000,000-bushel corn crop soon will be available. Late this fall and early this winter the larger supplies of 1935 spring pigs will begin moving to market and prices will moderate. Larger supplies of grain-fed cattle also will be marketed in early 1936. Increased hog farrowings in the last half of 1935 will result in larger pork supplies next spring and summer.

So the situation will change, but the adjustment program will continue to function in accord with its dominant purpose. This purpose is to protect farmers and consumers, to iron out wide fluctuations of the commodity markets, to provide greater supplies in time of shortage and less when, due largely to loss of export markets, huge surpluses threaten farm prices, to enable farmers to obtain parity prices, which are prices fair to consumers and fair to farmers, and to avert disastrous extremes of supply and price which in the past have contributed so greatly to agricultural collapse and general economic depression.

REGULATION OF TOLLS ON INTERSTATE BRIDGES

Mr. LOGAN. Mr. President, I should like the attention of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Oregon [Mr. MCNARY] to the request which I am about to make.

I ask unanimous consent that the unfinished business be temporarily laid aside so that I may request consideration of House bill 7659. There has been an amendment proposed to the measure which will relieve all objections. The amendment excepts bridges on which the tolls are prescribed by contract entered into by or with any State or political subdivision there or any municipality. The bill allows regulation of tolls on bridges by the War Department which are unregulated at the present time.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky that the unfinished business be temporarily laid aside and that the Senate consider at this time a bill which the clerk will report by title?

The LEGISLATIVE CLERK. A bill (H. R. 7659) to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes.

The VICE PRESIDENT. Is there objection?

Mr. MCNARY. Mr. President, I would object to the consideration of general bills and orders on the calendar, but there has long been a custom here that bills affecting bridges and tolls are considered out of the regular order. For that reason, I have no objection.

Mr. KING. Mr. President, I should like to inquire of the Senator from Kentucky if this bill, if enacted, would interfere with the rights of the States?

Mr. LOGAN. Not at all. It would apply only to interstate bridges; there are only 8 of them in the United States, 4 of which are between Cincinnati and Newport.

Mr. KING. Are they bridges constructed by the Federal Government?

Mr. LOGAN. No; they are bridges constructed by private interests under the act of 1906. The War Department now regulates the tolls on all bridges that have been erected since that time, but prior to that there were a few bridges erected by contract with municipalities, which are unregulated, and nobody has authority to regulate them.

Mr. ROBINSON. Mr. President, the bill, as I understand, merely applies to those bridges constructed prior to the act which applies to all other bridges?

Mr. LOGAN. That is correct.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7659) to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes.

Mr. LOGAN. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 4, before the period, it is proposed to insert a comma and the following words:

Nor to any bridge on which the tolls are prescribed by a contract entered into by or with any State or political subdivision thereof, or any municipality.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed, as follows:

Be it enacted, etc., That hereafter tolls for passage or transit over any bridge over any of the navigable waters of the United States, if such bridge is used for purposes of travel or transportation in interstate or foreign commerce, shall be just and reasonable; but the provisions of this act shall not apply to any bridge subject to the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, as amended, nor to any bridge built under the authority of the legislature of the State across rivers or other waterways the navigable portions of which lie wholly within the limits of a single State, nor to any bridge on which the tolls are prescribed by a contract entered into by or with any State or political subdivision thereof, or any municipality.

SEC. 2. The Secretary of War is authorized, either upon complaint or upon his own initiative, to conduct an inquiry at any time for the purpose of determining whether any toll charged for passage or transit over any bridge to which this act applies is in violation of the provisions of section 1, and if he finds, after full opportunity for hearing, that such toll is in violation of such provisions he is authorized and empowered to determine and by order to prescribe what will be the just and reasonable toll to be thereafter charged, and after such order takes effect it shall be unlawful to collect a toll for such passage or transit in excess of that so prescribed. Any such order shall take effect upon the expiration of 30 days after its issuance.

SEC. 3. Any order issued under section 2 may be reviewed by the Court of Appeals of the District of Columbia, or the circuit court of appeals for any judicial circuit in which the bridge in question is wholly or partly located, if a petition for such review is filed within 3 months after the date such order was issued. The judgment of any such court shall be final, except that it shall be subject to review by the Supreme Court of the United States upon certiorari, in the manner provided in section 240 of the Judicial Code, as amended. The review by such courts shall be limited to questions of law, and the findings of fact by the Secretary of War, if supported by substantial evidence, shall be conclusive. Upon such review such courts shall have power to affirm or, if the order is not in accordance with law, to modify or to reverse the order, with or without remanding the case for a rehearing, as justice may require.

SEC. 4. In the execution of his functions under this act the Secretary of War, or any officer or employee designated by him, is authorized to hold hearings, examine witnesses, and receive evidence at any place designated by him, and to administer oaths and affirmations and, require by subpena the attendance and testimony of witnesses and the production of books, papers, and documents from any place in the United States. In any case disobedience to any such subpena the Secretary of War may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, papers, and documents. No person shall be excused from attending and testifying or from producing books, papers, and documents in any inquiry under this act, or in obedience to any such subpena, or in any cause or proceeding, criminal or otherwise, based upon or arising under this act, on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to criminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that any individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying. Any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce books, papers, or documents, if in his power to do so, in obedience to a subpena or lawful requirement under this act, shall, upon conviction thereof, be punished by a fine of not to exceed $1,000 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

SEC. 5. In any case where there is in effect a toll prescribed by an order issued under section 2, for passage or transit over any bridge to which this act applies, any person who demands or collects a toll for such passage or transit in excess of that so prescribed shall, upon conviction thereof, be punished by a fine of not to exceed $1,000 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

CONTROL OF TRADE IN ARMS AND AMMUNITION

Mr. GEORGE. Mr. President, I ask unanimous consent temporarily to lay aside the unfinished business in order that the Senator from Idaho [Mr. POPE] may ask for the present consideration of a bill in which he is interested.

Mr. POPE. I ask that the Senate proceed to the immediate consideration of the bill (S. 2998) to control the trade in arms, ammunition, and implements of war.

The VICE PRESIDENT. Is there objection to the requests of the Senator from Georgia and the Senator from Idaho?

Mr. JOHNSON. Mr. President, I object to the consideration of this measure at this time.

The VICE PRESIDENT. Objection is heard.

FEDERAL CONTROL OF ALCOHOLIC LIQUORS

The Senate resumed consideration of the bill (H. R. 8870) to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes.

The VICE PRESIDENT. The clerk will proceed with the reading of the bill.

The Chief Clerk resumed the reading of the bill.

The first amendment of the Committee on Finance was, in section 1, page 1, line 3, after the word "Alcohol", to strike out "Administration" and insert "Control", so as to make the section read:

That this act may be cited as the "Federal Alcohol Control Act."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. GEORGE. Mr. President, the first amendment raises one of the important questions to be considered in connection with the bill. The amendment is simply to strike out the word "Administration", in line 3, page 1, and insert "Control", but involved in it is a further question. The House bill proposed to create a Federal Alcohol Administration. The Senate committee has recommended that a "commission" be substituted for the "control administrator", and that the commission be made a separate and independent agency, the House having placed it under the Treasury Department. That is the substance of the amendment beginning in line 5, page 1, and extending to the end of page 2.

The Federal Alcohol Control Administration recommended very strongly the amendment reported by the Senate committee, and the Treasury concurred in the recommendation; that is, they recommended the action taken by the committee looking to the creation of a separate agency outside of the Treasury Department. The Federal Alcohol Control Administrator has no particular function that appertains to the Department of the Treasury. He has nothing whatever to do with the collection of revenue, and the Treasury has no direct function in connection with the control of alcoholic beverages other than the collection of revenue. It was thought best to consolidate power with authority. The House bill by placing the administration under the Treasury divorced completely the power and authority conferred by the bill.

I ask that the committee amendment may be agreed to.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment of the Committee on Finance was, on page 1, after line 4, to strike out:

FEDERAL ALCOHOL ADMINISTRATION

SEC. 2. (a) There is hereby created the Federal Alcohol Administration as a division in the Treasury Department.

(b) The Administration shall be headed by an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall for his services receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the exercise of his powers and duties outside the District of Columbia. No person shall be eligible to appointment, or continue in office, as Administrator if he is engaged or financially interested in, or is an officer or director of or employed by a corporation engaged in, the production or sale or other distribution of alcoholic beverages, or the financing thereof.

(c) The Administrator shall, without regard to the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation and duties of such officers and employees as he deems necessary to carry out his powers and duties, but the compensation so fixed shall be subject to the approval of the Secretary of the Treasury. The Administrator is authorized to adopt an official seal, which shall be judicially noticed.

(d) The Administrator is authorized and directed to prescribe such rules and regulations as may be necessary to carry out his

powers and duties. All rules and regulations prescribed by the Administrator shall be subject to the approval of the Secretary of the Treasury.

And in lieu thereof to insert the following:

FEDERAL ALCOHOL COMMISSION

SEC. 2. (a) There is hereby established a commission to be known as the "Federal Alcohol Commission", to be composed of three commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate. The terms of office of the commissioners first taking office shall expire, as designated by the President at the time of nomination, one at the end of the first year, one at the end of the second year, and one at the end of the third year after the date of the enactment of this act. A successor shall have a term of office expiring 3 years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy occurring prior to the expiration of such term shall be appointed for the remainder of such term. No person shall be eligible for appointment as a commissioner or continue in office as a commissioner if he is engaged or financially interested in, or is an officer or director of or employed by a company engaged in, the production or sale of alcoholic beverages or the financing thereof. Each commissioner shall, for his services, receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the performance of his duties as commissioner outside the District of Columbia.

(b) As designated by the President at the time of nomination: One of the commissioners shall be chairman of the Commission and shall be the chief executive officer of the Commission; another of the commissioners shall be vice chairman of the Commission and shall perform the functions and duties of the chairman in his absence or in the event of his incapacity caused by illness; and the third commissioner, who shall be a lawyer, shall be general counsel of the Commission. The Commission may function notwithstanding vacancies, and a majority of the commissioners in office shall constitute a quorum. The Commission shall meet at the call of the chairman or a majority of its members. The Commission is authorized to adopt an official seal, which shall be judicially noticed. The Commission shall be entitled to free use of the United States mails in the same manner as the executive departments.

(c) The Commission shall, without regard to the civil-service laws, but subject to the Classification Act of 1923, as amended, appoint and fix the compensation and prescribe the duties of such officers and employees as may be necessary to carry out its powers and duties, except that any such officer or employee receiving a salary at the rate of $5,000 or more per annum shall be appointed by the President, by and with the advice and consent of the Senate.

(d) The Commission is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its powers and duties.

Mr. GEORGE. Mr. President, I desire to suggest a slight amendment, a clerical or technical amendment to the text of the committee amendment. On page 3, line 19, after the word "sale", I move to insert the words "or other distribution."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 3, line 19, after the word "sale", it is proposed to insert the words "or other distribution", so as to read:

No person shall be eligible for appointment as a commissioner or continue in office as a commissioner if he is engaged or financially interested in or is an officer or director of or employed by a company engaged in the production or sale or other distribution of alcoholic beverages or the financing thereof.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 5, line 5, after the word "the", to strike out "Administrator" and insert "Commission", and in line 12, after the word "holding", to strike out "conference" and insert "conferences", so as to read:

(e) Appropriations to carry out powers and duties of the Commission shall be available for expenditure, among other purposes, for personal services and rent in the District of Columbia and elsewhere, expenses for travel and subsistence, for law books, books of reference, magazines, periodicals, and newspapers, for contract stenographic reporting services, for subscriptions for library services, for purchase of samples for analysis or use as evidence, and for holding conferences of State and Federal liquor-control officials.

The amendment was agreed to.

The next amendment was, on page 5, line 14, after the word "The" where it occurs the first time, to strike out "Administrator" and insert "Commission"; in line 17, after the word "out", to strike out "his" and insert "its"; and in line 18, after the word "as", to strike out "his" and insert "its", so as to read:

(f) The Commission may, with the consent of the department or agency affected, utilize the services of any department or other agency of the Government to the extent necessary to carry out its powers and duties and authorize officers and employees thereof to act as its agents.

The next amendment was, on page 5, line 23, after the word "the", to strike out "Administrator" and insert "Commission"; and on page 6, line 1, after the word "the", to strike out "Administrator" and insert "Commission", so as to read:

(g) The provisions, including penalties, of sections 9 and 10 of the Federal Trade Commission Act, as now or hereafter amended, shall be applicable to the jurisdiction, powers, and duties of the Commission, and to any person (whether or not a corporation) subject to the provisions of laws administered by the Commission.

The amendment was agreed to.

The next amendment was, on page 6, line 3, after the word "The", to strike out "Administrator" and insert "Commission"; in line 4, after the word "as", to strike out "he" and insert "it"; and in line 5, after the word "out", to strike out "his" and insert "its", so as to read:

(h) The Commission is authorized to require, in such manner and form as it shall prescribe, such reports as are necessary to carry out its powers and duties.

The amendment was agreed to.

The next amendment was, on page 6, after line 6, to insert:

(i) The Commission is authorized to make investigations and studies and to report thereon from time to time to the President and to the Congress, together with recommendations, with respect to matters necessary for the proper performance of the powers and duties conferred upon the Commission, and with respect to the production, distribution, and consumption of alcoholic beverages, including monopolistic practices, unfair methods of competition, and concentration of ownership in the alcoholic beverages industries, and control of retail outlets and prices; advertising, labeling, and merchandising methods with respect to alcoholic beverages, including standards of identity, quality, and size and fill of container therefor; and enforcement of the twenty-first amendment, State and Federal cooperation in the administration of alcoholic beverage control laws, and methods of promoting temperance. The Commission, whenever in its judgment such action will be in the public interest, may publish the results of such investigations and studies.

(j) The Commission shall make a report to Congress, at the beginning of each regular session, of the administration of the functions with which it is charged, and shall include in such report the names and compensation of all persons employed by the Commission.

The amendment was agreed to.

The next amendment was, on page 7, line 8, after the word "in", to strike out "distilled spirits, wine, and malt beverages" and insert "distilled spirits and wine,"; in line 11, after the word "to", to strike out "distilled spirits, wine, and malt beverages" and insert "distilled spirits and wine"; in line 14, after the word "the", to strike out "Administrator" and insert "Commission"; in line 17, after the name "United States", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 22, after the word "affiliate" and the comma, to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; on page 8, line 1, after the word "after", to strike out "the date of the enactment of this act" and insert "a majority of the commissioners first appointed take office"; in line 5, after the word "the", to strike out "Administrator" and insert "Commission"; in line 17, after the word "after", to strike out "the date of the enactment of this act" and insert "a majority of the commissioners first appointed take office"; in line 21, after the word "the", to strike out "Administrator" and insert "Commission"; in line 24, after the word "wholesale", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; on page 9, line 4, after the word "affiliate" and the comma, to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; and in line 6, after the word "effect", to strike out "January" and insert "March", so as to make the section read:

UNLAWFUL BUSINESSES WITHOUT PERMIT

SEC. 3. In order effectively to regulate interstate and foreign commerce in distilled spirits and wine, to enforce the twenty-first amendment, and to protect the revenue and enforce the postal laws with respect to distilled spirits and wine:

(a) It shall be unlawful, except pursuant to a basic permit issued under this act by the Commission—

(1) to engage in the business of importing into the United States distilled spirits or wine; or

(2) for any person so engaged to sell, offer or deliver for sale, contract to sell, or ship, in interstate or foreign commerce, directly or indirectly or through an affiliate, distilled spirits or wine so imported.

This subsection shall take effect 60 days after a majority of the commissioners first appointed take office.

(b) It shall be unlawful, except pursuant to a basic permit issued under this act by the Commission—

(1) to engage in the business of distilling distilled spirits, producing wine, rectifying or blending distilled spirits or wine, or bottling, or warehousing and bottling, distilled spirits; or

(2) for any person so engaged to sell, offer or deliver for sale, contract to sell, or ship, in interstate or foreign commerce, directly or indirectly or through an affiliate, distilled spirits or wine so distilled, produced, rectified, blended, or bottled, or warehoused and bottled.

This subsection shall take effect 60 days after a majority of the commissioners first appointed take office.

(c) It shall be unlawful, except pursuant to a basic permit issued under this act by the Commission—

(1) to engage in the business of purchasing for resale at wholesale distilled spirits or wine; or

(2) for any person so engaged to receive or to sell, offer or deliver for sale, contract to sell, or ship, in interstate or foreign commerce, directly or indirectly or through an affiliate, distilled spirits or wine so purchased.

This subsection shall take effect March 1, 1936.

This section shall not apply to any agency of a State or political subdivision thereof or any officer or employee of any such agency, and no such agency or officer or employee shall be required to obtain a basic permit under this act.

The amendment was agreed to.

The next amendment was, on page 9, line 18, after the word "the", to strike out "Administrator" and insert "Commission"; in line 23, after the word "law", to insert "or of a violation of any Federal law relating to liquor, including the taxation thereof"; on page 10, line 9, after the word "the", to strike out "Administrator" and insert "Commission"; in line 10, after the word "permit" and the comma, to strike out "he" and insert "the Commission"; in line 13, after the word "the" where it occurs the second time, to strike out "Administrator" and insert "Commission"; in line 16, before the word "shall", to strike out "he" and insert "it"; in line 17, after the word "for", to strike out "his" and insert "its"; in line 18, after the word "The" where it occurs the first time, to strike out "Administrator" and insert "Commission"; in line 24, before the word "for", to strike out "Administrator" and insert "Commission"; on page 11, line 1, after the word "the", to strike out "Administrator" and insert "Commission"; in line 2, after the word "to", to strike out "distilled spirits, wine, and malt beverages" and insert "distilled spirits and wine"; in line 10, after the word "practices" and the parenthesis, to insert "and of section 6 (relating to bulk sales and bottling)"; in line 13, after the word "to", to strike out "distilled spirits, wine, and malt beverages" and insert "distilled spirits and wine", so as to read:

PERMITS

SEC. 4. (a) The following persons shall, on application therefor, be entitled to a basic permit:

(1) Any person who, on May 25, 1935, held a basic permit as distiller, rectifier, wine producer, or importer issued by an agency of the Federal Government.

(2) Any other person unless the Commission finds (A) that such person (or in case of a corporation, any of its officers, directors, or principal stockholders) has, within 5 years prior to date of application, been convicted of a felony under Federal or State law or of a violation of any Federal law relating to liquor, including the taxation thereof; or (B) that such person is, by reason of his business experience, financial standing, or trade connections, not likely to commence operations within a reasonable period or to maintain such operations in conformity with Federal law; or (C) that the operations proposed to be conducted by such person are in violation of the law of the State in which they are to be conducted.

(b) If upon examination of any application for a basic permit the Commission has reason to believe that the applicant is not entitled to such permit, the Commission shall notify the applicant thereof and, upon request by the applicant, afford him due notice and opportunity for hearing on the application. If the Commission, after affording such notice and opportunity for hearing, finds that the applicant is not entitled to a basic permit hereunder, it shall by order deny the application stating the findings which are the basis for its order.

(c) The Commission shall prescribe the manner and form of all applications for basic permits (including the facts to be set forth therein) and the form of all basic permits, and shall specify in any basic permit the authority conferred by the permit and the conditions thereof in accordance with the provisions of this act. To the extent deemed necessary by the Commission for the efficient administration of this act, separate applications and permits shall be required by the Commission with respect to distilled spirits and wine, and the various classes thereof, and with respect to the various classes of persons entitled to permits hereunder. The issuance of a basic permit under this act shall not operate to deprive the United States of its remedy for any violation of law.

(d) A basic permit shall be conditioned upon compliance with the requirements of section 5 (relating to unfair competition and unlawful practices) and of section 6 (relating to bulk sales and bottling), with the twenty-first amendment and laws relating to the enforcement thereof, and with all other Federal laws relating to distilled spirits and wine, including taxes with respect thereto.

The amendment was agreed to.

The next amendment was, on page 11, after line 15, to strike out:

(c) (1) No basic permit issued under this act shall contain any condition prohibiting, nor shall any rule, regulation, or order, issued under this or any other act of Congress, prohibit, the use or sale of any barrel, cask, or keg, if made of wood and if of 1 or more wine-gallons' capacity, as a container in which to store, transport, or sell, or from which to sell, any distilled spirits, wine, or malt beverages. This subsection shall not apply to any condition in any basic permit issued under this act or any rule, regulation, or order issued in connection therewith to the extent that such condition applies in a State in which the use or sale of any such barrel, cask, or keg is prohibited by the law of such State.

(2) It shall be unlawful for any person to package or repackage distilled spirits for sale or resale in bottles unless such person is a distiller, a rectifier of distilled spirits, or a person operating a bonded warehouse qualified under the internal-revenue laws or a class 8 bonded warehouse qualified under the customs laws, holding a basic permit under this act, or is a proprietor of an industrial-alcohol plant or is an agency of a State or political subdivision thereof: *Provided*, That any other person may so package distilled spirits in bottles if he qualifies under the internal-revenue laws as a rectifier and holds a basic permit issued under this act for the rectification of distilled spirits.

(3) Notwithstanding the foregoing provisions of this subsection, no person who is subject to the occupational tax imposed by section 3244 "Fourth" of the Revised Statutes, as amended (U. S. C., Supp. VII, title 26, sec. 1394 (c)), on retail dealers in liquors shall package or repackage distilled spirits for sale or resale in bottles or be eligible to qualify as a rectifier of distilled spirits, and no such person, except a bona fide hotel or club, shall, for purposes of sale, remove from any such barrel, cask, or keg any distilled spirits contained therein. Any person who violates the provisions of this paragraph or paragraph (2) shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than 1 year, or both, and shall forfeit to the United States all distilled spirits with respect to which the violation occurs, and the bottles in which packaged.

Mr. ROBINSON. Mr. President, as I understand, this amendment relates to one of the controverted features of the bill. I am informed that the Senator from Missouri [Mr. CLARK] is interested in the amendment.

Mr. GEORGE. This is the bulk-sale provision of the bill, which will lead to some debate, and I ask unanimous consent that it be passed over and that unobjected-to amendments be first disposed of.

The VICE PRESIDENT. Without objection, the request of the Senator from Georgia is agreed to.

Mr. ROBINSON. There is another amendment, on page 28, extending down to the end of line 8, on page 29, which has relation to the same subject. I suggest that it also be passed over.

Mr. GEORGE. I ask that the same disposition be made of that amendment.

The VICE PRESIDENT. Without objection, the request is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 13, line 7, before the article "A", to strike out "(f)" and insert "(e)"; in the same line, after the word "the", to strike out "Administrator" and insert "Commission"; in line 10, after the word "the", to strike out "Administrator" and insert "Commission"; in line 11, after the word "the" where it occurs the first time, to strike out "Administrator"

and insert "Commission"; in line 15, before the word "finds", to strike out "Administrator" and insert "Commission"; and in line 18, before the word "finds" to strike out "Administrator" and insert "Commission", so as to read:

(e) A basic permit shall by order of the Commission, after due notice and opportunity for hearing to the permittee, (1) be revoked or suspended for such period as the Commission deems appropriate if the Commission finds that the permittee has willfully violated any of the conditions thereof, provided that for a first violation of the conditions thereof the permit shall be subject to suspension only; or (2) be revoked if the Commission finds that the permittee has not engaged in the operations authorized by the permit for a period of more than 2 years; or (3) be annulled if the Commission finds that the permit was procured through fraud or misrepresentation or concealment of material fact. The order shall state the findings which are the basis for the order.

The amendment was agreed to.

The next amendment was, on page 13, line 22, before the word "Orders", to strike out "(g)" and insert "(f)"; in the same line, after the word "the", to strike out "Administrator" and insert "Commission"; in line 25, after the word "the", to strike out "Administration" and insert "Commission"; on page 14, line 1, after the word "the", to strike out "Administrator" and insert "Commission"; in line 3, before the word "for", to strike out "Administrator" and insert "Commission"; and in line 6, after the word "the", to strike out "Administrator" and insert "Commission", so as to read:

(f) Orders of the Commission with respect to any denial of application, suspension, revocation, annulment, or other proceedings shall be served (1) in person by any officer or employee of the Commission designated by the Commission or any internal revenue or customs officer authorized by the Commission for the purpose, or (2) by mailing the order by registered mail, addressed to the applicant or respondent at his last-known address in the records of the Commission.

The amendment was agreed to.

The next amendment was, on page 14, line 7, before the article "A", to strike out "(h)" and insert "(g)"; and in line 20, after the word "the", to strike out "Administrator" and insert "Commission", so as to read:

(g) A basic permit shall continue in effect until suspended, revoked, or annulled as provided herein, or voluntarily surrendered; except that (1) if leased, sold, or otherwise voluntarily transferred, the permit shall be automatically terminated thereupon, and (2) if transferred by operation of law or if actual or legal control of the permittee is acquired, directly or indirectly, whether by stock-ownership or in any other manner, by any person, then such permit shall be automatically terminated at the expiration of 30 days thereafter: *Provided*, That if within such 30-day period application for a new basic permit is made by the transferee or permittee, respectively, then the outstanding basic permit shall continue in effect until such application is finally acted on by the Commission.

The amendment was agreed to.

The next amendment was, on page 14, line 22, before the article "An", to strike out "(i)" and insert "(h)"; in line 23, after the word "the", to strike out "Administrator" and insert "Commission"; on page 15, line 6, after the word "the", to strike out "Administrator" and insert "Commission"; in line 8, after the word "the", to strike out "Administrator" and insert "Commission"; in line 9, after the word "by", to strike out "him" and insert "it"; in line 10, after the word "the", to strike out "Administrator" and insert "Commission"; in line 15, after the word "the", to strike out "Administrator" and insert "Commission"; in line 17, after the word "the", to strike out "Administrator" and insert "Commission"; in line 19, after the word "the", where it occurs the first time, to strike out "Administrator" and insert "Commission"; in line 25, after the word "the", where it occurs the second time, to strike out "Administrator" and insert "Commission"; on page 16, line 2, after the word "the", to strike out "Administrator" and insert "Commission"; in line 4, after the word "The" where it occurs the second time, to strike out "Administrator" and insert "Commission"; in line 5, after the word "modify", to strike out "his" and insert "its"; in line 6, after the word "and", to strike out "he" and insert "it"; in line 9, after the word "and", to strike out "his" and insert "its"; in line 12, after the word "the", to strike out "Administrator" and insert "Commission"; in line 18, after the word "court", to insert "to the contrary"; and in line 19, after the word "the", to strike out "Administrator's" and insert "Commission's", so as to read:

(h) An appeal may be taken by the permittee or applicant for a permit from any order of the Commission denying an application for, or suspending, revoking, or annulling a basic permit. Such appeal shall be taken by filing, in the circuit court of appeals of the United States within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon the Commission, or upon any officer designated by it for that purpose, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission or unless there were reasonable grounds for failure so to do. The finding of the Commission as to the facts, if supported by substantial evidence, shall be conclusive. If any party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts by reason of the additional evidence so taken, and it shall file with the court such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court affirming, modifying, or setting aside, in whole or in part, any such order of the Commission shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347). The commencement of proceedings under this subsection shall, unless specifically ordered by the court to the contrary, operate as a stay of the Commission's order.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I desire to ask a question of the Senator from Georgia [Mr. GEORGE] in charge of the bill.

A criticism has been offered regarding the appeals provided for by this section. I am not offering an amendment; but I should like at this time, perhaps as well as any other, to hear what the Senator has to say about it. The criticism which comes to me is that if the appeals shall be made to the circuit court of appeals it will mean great expense, and will require litigants to travel long distances to the seat of one of those courts, and that the expense of procedure in the court will be great.

May I ask the Senator if the committee gave any thought to having appeals taken to the district court instead of the circuit court of appeals?

Mr. GEORGE. Mr. President, I may say that none of the committee amendments deals with the precise question now raised by the distinguished Senator from New York; but the question he raises was presented to the committee by Representative CELLER, of New York, and the committee gave due consideration to it. There is some force in the suggestion; but it was the view of the committee, at least at the time, that the jurisdiction to consider and to review any action taken by the Federal Alcohol Commission denying to a permittee or an applicant a permit, or modifying or changing or revoking it, should be vested in the circuit court of appeals, notwithstanding some slight increase in cost to the litigant, because it was deemed advisable to leave the jurisdiction in that particular court in order that we might remove as far as possible from local influences the decision of matters of this character involved in the regulation of the manufacture and sale of distilled spirits.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. HARRISON. In further answer to the Senator from New York in connection with this question, I may say that with reference to appeals in the cases involved here the committee followed the same policy which was adopted in the case of the Packers and Stockyards Act, the Communi-

cations Act, the Securities Act, and the Securities Exchange Act. The committee did not believe it would involve very great additional expense and thought probably the district courts were so clogged with litigation that a man who might wish to appeal could secure quicker action in this way.

Mr. COPELAND. I take it, then, that the feeling of the committee is that the procedure recommended here is parallel with the procedure in reference to appeals from other governmental agencies.

Mr. GEORGE. As recently decided and determined by the Congress.

Mr. COPELAND. The point which was raised involved not alone the question of the expense of going to the circuit courts of appeals, but the suggestion was made to me that the district courts are more readily accessible at all times of the year than are the circuit courts of appeals.

Mr. GEORGE. I think it will be found that appeals of this character could be decided more quickly and finally determined if jurisdiction should be vested in the circuit courts of appeals; and for most purposes, and in most districts, they are as readily available as are the district courts themselves.

Mr. COPELAND. I am forced to accept the explanation of the able Senator. I desired to be sure that the matter had been given consideration. I know now that it was talked over and thought about, so that no one can feel that there was any haste in the decision; that it was a deliberate conclusion.

Mr. GEORGE. I assure the Senator that the matter was given due consideration by the committee.

The PRESIDENT pro tempore. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 16, line 20, before the word "No", to strike out "(j)" and insert "(i)"; in line 23, before the word "more", to strike out "Administrator" and insert "Commission"; and on page 17, line 4, before the word "of", to insert "or agency", so as to read:

(i) No proceeding for the suspension or revocation of a basic permit for violation of any condition thereof relating to compliance with Federal law shall be instituted by the Commission more than 18 months after conviction of the violation of Federal law, or, if no conviction has been had, more than 3 years after the violation occurred; and no basic permit shall be suspended or revoked for a violation of any such condition thereof if the alleged violation of Federal law has been compromised by any officer or agency of the Government authorized to compromise such violation.

The amendment was agreed to.

The next amendment was, on page 17, line 8, after the word "distiller", to strike out "brewer"; and in line 9, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine", so as to read:

UNFAIR COMPETITION AND UNLAWFUL PRACTICES

SEC. 5. It shall be unlawful for any person engaged in business as a distiller, rectifier, blender, or other producer, or as an importer or wholesaler, of distilled spirits or wine, or as a bottler, or warehouseman and bottler, of distilled spirits, directly or indirectly or through an affiliate.

The amendment was agreed to.

The next amendment was, on page 17, line 14, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 17, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine", so as to read:

(a) Exclusive outlet: To require, by agreement or otherwise, that any retailer engaged in the sale of distilled spirits or wine, purchase any such products from such person to the exclusion in whole or in part of distilled spirits or wine sold or offered for sale by other persons in interstate or foreign commerce, if such requirement is made in the course of interstate or foreign commerce, or if such person engages in such practice to such an extent as substantially to restrain or prevent transactions in interstate or foreign commerce in any such products, or if the direct effect of such requirement is to prevent, deter, hinder, or restrict other persons from selling or offering for sale any such products to such retailer in interstate or foreign commerce; or

The amendment was agreed to.

The next amendment was, on page 18, line 5, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 7, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 24, after the word "signs", to insert "(excepting signs not exceeding $100 in aggregate value to any retailer in any calendar year)"; on page 19, line 2, after the word "value", to insert "except advertising specialties and graphic-arts advertising items of paper or paperlike substance and"; in line 4, after the word "such", to insert "further"; in the same line, after the word "the", to strike out "Administrator" and insert "Commission"; in line 15, after the word "the", to strike out "Administrator" and insert "Commission"; and in line 16, after the word "by", to strike out "him" and insert "it", so as to read:

(b) "Tied house": To induce through any of the following means, any retailer, engaged in the sale of distilled spirits or wine, to purchase any such products from such person to the exclusion in whole or in part of distilled spirits or wine sold or offered for sale by other persons in interstate or foreign commerce, if such inducement is made in the course of interstate or foreign commerce, or if such person engages in the practice of using such means, or any of them, to such an extent as substantially to restrain or prevent transactions in interstate or foreign commerce in any such products, or if the direct effect of such inducement is to prevent, deter, hinder, or restrict other persons from selling or offering for sale any such products to such retailer in interstate or foreign commerce: (1) By acquiring or holding (after the expiration of any existing license) any interest in any license with respect to the premises of the retailer; or (2) by acquiring any interest in real or personal property owned, occupied, or used by the retailer in the conduct of his business; or (3) by furnishing, giving, renting, lending, or selling to the retailer, any equipment, fixtures, signs (excepting signs not exceeding $100 in aggregate value to any retailer in any calendar year), supplies, money, services, or other thing of value, except advertising specialities and graphic-arts advertising items of paper or paperlike substance and subject to such further exceptions as the Commission shall by regulation prescribe, having due regard for public health, the quantity and value of articles involved, established trade customs not contrary to the public interest and the purposes of this subsection; or (4) by paying or crediting the retailer for any advertising, display, or distribution service; or (5) by guaranteeing any loan or the repayment of any financial obligation of the retailer; or (6) by extending to the retailer credit for a period in excess of the credit period usual and customary to the industry for the particular class of transactions, as ascertained by the Commission and prescribed by regulations by it; or (7) by requiring the retailer to take and dispose of a certain quota of any of such products; or.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, before we leave page 19, I desire to ask a question. Is it the understanding that the committee amendments only are being acted on at this time?

Mr. GEORGE. By unanimous consent, the committee amendments are being first considered.

Mr. TYDINGS. I shall have leave, then, after all the committee amendments shall have been adopted, to modify them by subsequent amendments?

Mr. ROBINSON. Mr. President, if the amendment referred to by the Senator is to a committee amendment, it should be presented while the Committee amendment is under consideration.

Mr. GEORGE. If the amendment relates to the language of the committee amendment, it should be considered when that is before the Senate.

Mr. TYDINGS. That is the reason why I asked the question. On page 19, lines 13 and 14, I move to strike out the words "to the industry."

The PRESIDENT pro tempore. That is not an amendment to a committee amendment.

Mr. TYDINGS. The next amendment includes the word "commission", which is a committee amendment; but unless this amendment should be offered in connection with the last three lines, the intent of the amendment would not be clear. Then, in line 14, page 19, I move to strike out "as ascertained by the Commission and prescribed by regulations by it." I understand that that amendment is satisfactory to Mr. Choate, of the Federal Alcohol Control Administration.

Mr. GEORGE. I may say to the Senator that apparently that amendment will be in order after the committee amendments shall have been disposed of.

The PRESIDENT pro tempore. That is the ruling of the Chair. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 19, line 20, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; and in line 22, after the word "of", strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine", so as to read:

(c) Commercial bribery: To induce through any of the following means any trade buyer engaged in the sale of distilled spirits or wine to purchase any such products from such person to the exclusion in whole or in part of distilled spirits or wine sold or offered for sale by other persons in interstate or foreign commerce, if such inducement is made in the course of interstate or foreign commerce, or if such person engages in the practice of using such means, or any of them, to such an extent as substantially to restrain or prevent transactions in interstate or foreign commerce in any such products, or if the direct effect of such inducement is to prevent, deter, hinder, or restrict other persons from selling or offering for sale any such products to such trade buyer in interstate or foreign commerce: (1) By commercial bribery; or (2) by offering or giving any bonus, premium, or compensation to any officer, or employee, or representative of the trade buyer; or.

The amendment was agreed to.

The next amendment was, on page 20, line 14, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; and in line 22, after the word "other", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine", so as to read:

(d) Consignment sales: To sell, offer for sale, or contract to sell to any trade buyer engaged in the sale of distilled spirits or wine, or for any such trade buyer to purchase, offer to purchase, or contract to purchase, any such products on consignment or under conditional sale or with the privilege of return or on any basis otherwise than a bona fide sale, or where any part of such transaction involves, directly or indirectly, the acquisition by such person from the trade buyer or his agreement to acquire from the trade buyer other distilled spirits or wine—if such sale, purchase, offer, or contract is made in the course of interstate or foreign commerce, or if such person or trade buyer engages in such practice to such an extent as substantially to restrain or prevent transactions in interstate or foreign commerce in any such products, or if the direct effect of such sale, purchase, offer, or contract is to prevent, deter, hinder, or restrict other persons from selling or offering for sale any such products to such trade buyer in interstate or foreign commerce; or.

The amendment was agreed to.

The next amendment was, on page 21, line 10, after the word "any", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 13, after the word "the", to strike out "Administrator" and insert "Commission"; in line 20, after the word "the", to strike out "Administrator" and insert "Commission"; in line 24, after the word "thereof" and the parenthesis, to strike out "(except that statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages are hereby prohibited unless required by State law and"; on page 22, line 5, after the word "or" where it occurs the second time, to strike out "importer of the product" and insert "distributor of domestically bottled products and the manufacturer and importer of imported products"; in line 10, after the word "rectification", to strike out "or in case of gin whether or not produced by blending or rectification"; in line 15, after the word "distilled" to insert a comma and "or in case of neutral spirits or of gin produced by a process of continuous distillation, the name of the commodity from which distilled"; on page 23, line 8, after the word "distiller", to strike out "brewer,"; in line 10, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; and in line 17, after the word "products", to strike out "No person shall remove from Government custody after purchase at any Government sale any distilled spirits, wine, or malt beverages in bottles to be held for sale, until such bottles are packaged, marked, branded, and labeled in conformity with the requirements of this subsection", so as to read:

(e) Labeling: To sell or ship or deliver for sale or shipment, or otherwise introduce in interstate or foreign commerce, or to receive therein, or to remove from customs custody for consumption, any distilled spirits or wine in bottles, unless such products are bottled, packaged, and labeled in conformity with such regulations, to be prescribed by the Commission, with respect to packaging, marking, branding, and labeling and size and fill of container (1) as will prohibit deception of the consumer with respect to such products or the quantity thereof and as will prohibit, irrespective of falsity, such statements relating to age, manufacturing processes, analyses, guarantees, and scientific or irrelevant matters as the Commission finds to be likely to mislead the consumer; (2) as will provide the consumer with adequate information as to the identity and quality of the products, the alcoholic content thereof (except that, in case of wines, statements of alcoholic content shall be required only for wines containing more than 14 percent of alcohol by volume), the net contents of the package, and the manufacturer or bottler or distributor of domestically bottled products and the manufacturer and importer of imported products; (3) as will require an accurate statement, in the case of distilled spirits (other than cordials, liqueurs, and specialties) produced by blending or rectification, if neutral spirits have been used in the production thereof, informing the consumer of the percentage of neutral spirits so used and of the name of the commodity from which such neutral spirits have been distilled, or in case of neutral spirits or of gin produced by a process of continuous distillation, the name of the commodity from which distilled; (4) as will prohibit statements on the label that are disparaging of a competitor's products or are false, misleading, obscene, or indecent; and (5) as will prevent deception of the consumer by use of a trade or brand name that is the name of any living individual of public prominence, or existing private or public organization, or is a name that is in simulation or is an abbreviation thereof, and as will prevent the use of a graphic, pictorial, or emblematic representation of any such individual or organization, if the use of such name or representation is likely falsely to lead the consumer to believe that the product has been endorsed, made, or used by, or produced for, or under the supervision of, or in accordance with the specifications of, such individual or organization: *Provided*, That this clause shall not apply to the use of the name of any person engaged in business as a distiller, rectifier, blender, or other producer, or as an importer, wholesaler, retailer, bottler, or warehouseman of distilled spirits or wine, nor to the use by any person of a trade or brand name used by him or his predecessor in interest prior to the date of the enactment of this act, including regulations requiring, at time of release from customs custody, certificates issued by foreign governments covering origin, age, and identity of imported products.

The amendment was agreed to.

The next amendment was, on page 23, line 25, after the word "upon", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine", and on page 24, line 3, after the word "the", to strike out "Administrator" and insert "Commission", so as to read:

It shall be unlawful for any person to alter, mutilate, destroy, obliterate, or remove any mark, brand, or label upon distilled spirits or wine held for sale in interstate or foreign commerce or after shipment therein, except as authorized by Federal law or except pursuant to regulations of the Commission authorizing relabeling for purposes of compliance with the requirements of this subsection or of State law.

The amendment was agreed to.

The next amendment was, on page 24, line 7, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 10, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 12, after the word "the", where it occurs the first time, to strike out "Administrator" and insert "Commission"; in line 15, after the word "than", to strike out "January" and insert "March"; in line 17, after the word "consumption", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 19, after the word "the", to strike out "Administrator" and insert "Commission"; in line 21, after the word "the", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 22, after the word "the", to strike out "Administrator" and insert "Commission"; in line 23, after the word "as", to strike out "he" and insert "it"; on page 25, line 1, after the word "the", where it occurs the first time to strike out "Administrator" and insert "Commission"; in line 2, after the word "the", where it occurs the first time, to strike out "Administrator" and insert "Commission"; in the same line, after the word "the", where it occurs the second time, to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; in line 11, after the word "the", to strike

out "Administrator" and insert "Commission"; in line 15, after the word "in", to strike out "part," and insert "part"; and in line 16, before the word "upon", to strike out "Administrator" and insert "Commission", so as to read:

In order to prevent the sale or shipment or other introduction of distilled spirits or wine in interstate or foreign commerce, if bottled, packaged, or labeled in violation of the requirements of this subsection, no bottler, or importer of distilled spirits or wine, shall, after such date as the Commission fixes as the earliest practicable date for the application of the provisions of this subsection to any class of such persons (but not later than Mar. 1, 1936, and only after 30 days' public notice), bottle or remove from customs custody for consumption distilled spirits or wine, respectively, unless the bottler or importer, upon application to the Commission, has obtained and has in his possession a certificate of label approval covering the distilled spirits or wine, issued by the Commission in such manner and form as it shall by regulations prescribe: *Provided*, That any such bottler shall be exempt from the requirements of this subsection if the bottler, upon application to the Commission, shows to the satisfaction of the Commission that the distilled spirits or wine to be bottled by the applicant are not to be sold, or offered for sale, or shipped or delivered for shipment, or otherwise introduced, in interstate or foreign commerce. Officers of internal revenue and customs are authorized and directed to withhold the release of such products from the bottling plant or customs custody unless such certificates have been obtained, or unless the application of the bottler for exemption has been granted by the Commission. The district courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Commission upon any application under this subsection; or.

The amendment was agreed to.

The next amendment was, on page 25, line 22, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine"; on page 26, line 2, after the word "the", to strike out "Administrator" and insert "Commission"; in line 7, after the word "the", to strike out "Administrator" and insert "Commission"; in line 10, after the word "thereof" and the parenthesis, to strike out "except that statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages are prohibited and"; in line 19, after the word "rectification", to strike out "or in case of gin whether or not produced by blending or rectification", so as to read:

(f) Advertising: To publish or disseminate or cause to be published or disseminated by radio broadcast, or in any newspaper, periodical, or other publication or by any sign or outdoor advertisement or any other printed or graphic matter, any advertisement of distilled spirits or wine, if such advertisement is in, or is calculated to induce sales in, interstate or foreign commerce, or is disseminated by mail, unless such advertisement is in conformity with such regulations, to be prescribed by the Commission, (1) as will prevent deception of the consumer with respect to the products advertised and as will prohibit, irrespective of falsity, such statements relating to age, manufacturing processes, analyses, guaranties, and scientific or irrelevant matters as the Commission finds to be likely to mislead the consumer; (2) as will provide the consumer with adequate information as to the identity and quality of the products advertised, the alcoholic content thereof (except that, in case of wines, statements of alcoholic content shall be required only for wines containing more than 14 percent of alcohol by volume), and the person responsible for the advertisement; (3) as will require an accurate statement, in the case of distilled spirits (other than cordials, liqueurs, and specialties) produced by blending or rectification, if neutral spirits have been used in the production thereof, informing the consumer of the percentage of neutral spirits so used and of the name of the commodity from which such neutral spirits have been distilled.

Mr. WALSH. Mr. President, the purpose of all the committee amendments now being acted upon, as I understand, is to remove beer moving in interstate commerce from the jurisdiction of the Federal Alcohol Commission.

Mr. GEORGE. I will say to the Senator from Massachusetts that those amendments have already been adopted. The pending amendment has no relation to that subject.

Mr. WALSH. Most of the amendments appearing on the previous pages which have been adopted relate to the subject of beer, and the removal of the control and regulation of the sale of beer in interstate commerce.

Mr. GEORGE. The Senator is correct.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment of the committee.

The next amendment was, on page 26, in line 24, after the word "distilled", to insert a comma and "or in case of neutral spirits or of gin produced by a process of continuous distillation, the name of the commodity from which distilled"; and on page 27, line 8, after the word "advertising", to insert "The prohibitions of this subsection and regulations thereunder shall not apply to the publisher of any newspaper, periodical, or other publication, or radio broadcaster, unless such publisher or radio broadcaster is engaged in business as a distiller, rectifier, or other producer, or as an importer or wholesaler, of distilled spirits or wine, or as a bottler, or warehouseman and bottler, of distilled spirits, directly or indirectly or through an affiliate", so as to read:

(3) as will require an accurate statement, in the case of distilled spirits (other than cordials, liqueurs, and specialties) produced by blending or rectification if neutral spirits have been used in the production thereof, informing the consumer of the percentage of neutral spirits so used and of the name of the commodity from which such neutral spirits have been distilled, or in case of neutral spirits or of gin produced by a process of continuous distillation, the name of the commodity from which distilled; (4) as will prohibit statements that are disparaging of a competitor's products or are false, misleading, obscene, or indecent; (5) as will prevent statements inconsistent with any statement on the labeling of the products advertised. This subsection shall not apply to outdoor advertising in place on June 18, 1935, but shall apply upon replacement, restoration, or renovation of any such advertising. The prohibitions of this subsection and regulations thereunder shall not apply to the publisher of any newspaper, periodical, or other publication, or radio broadcaster, unless such publisher or radio broadcaster is engaged in business as a distiller, rectifier, or other producer, or as an importer or wholesaler, of distilled spirits or wine, or as a bottler, or warehouseman and bottler, of distilled spirits, directly or indirectly or through an affiliate.

The amendment was agreed to.

The next amendment was, on page 27, line 21, after the word "The", to strike out "Administrator" and insert "Commission", so as to read:

The Commission shall give reasonable public notice and afford to interested parties opportunity for hearing, prior to prescribing regulations to carry out the provisions of this section.

The amendment was agreed to.

The next amendment was, at the top of page 28, to insert:

BULK SALES AND BOTTLING

SEC. 6. (a) It shall be unlawful for any person—

(1) To sell or offer to sell, contract to sell, or otherwise dispose of distilled spirits in bulk except, under regulations of the Commission, for export or to the following, or to import distilled spirits in bulk except, under such regulations, for sale to or for use by the following: A distiller, rectifier of distilled spirits, person operating a bonded warehouse qualified under the internal-revenue laws or a class 8 bonded warehouse qualified under the customs laws, a wine maker for the fortification of wines, a proprietor of an industrial alcohol plant, or an agency of the United States or any State or political subdivision thereof.

(2) To sell or offer to sell, contract to sell, or otherwise dispose of warehouse receipts for distilled spirits in bulk unless such warehouse receipts require that the warehouseman shall package such distilled spirits, before delivery, in bottles labeled and marked in accordance with law, or deliver such distilled spirits in bulk only to persons to whom it is lawful to sell or otherwise dispose of distilled spirits in bulk.

(3) To bottle distilled spirits unless the bottler is a person to whom it is lawful to sell or otherwise dispose of distilled spirits in bulk.

(b) Any person who violates the requirements of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than 1 year or both, and shall forfeit to the United States all distilled spirits with respect to which the violation occurs and the containers thereof.

(c) The term "in bulk" means in containers having a capacity in excess of 1 wine gallon.

Mr. GEORGE. Mr. President, this is an amendment which goes over.

The PRESIDENT pro tempore. The amendment will be passed over, and the next amendment of the committee will be stated.

The next amendment was, on page 29, line 10, before the word "The" where it occurs the first time, to strike out "6" and insert "7"; in line 22, after the word "the", to strike out "Administrator" and insert "Commission"; and on page 30, line 2, before the word "and", to strike out "Administrator" and insert "Commission", so as to read:

PENALTIES

SEC. 7. The district courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory, of the district where the offense is committed or threatened or of which the offender is an inhabitant or has his principal place of business, are hereby vested with jurisdiction of any suit brought by the Attorney General in the name of the United States, to prevent and restrain violations of any of the provisions of this act. Any person violating any of the provisions of sections 3 or 5 shall be guilty of a misdemeanor and upon conviction thereof be fined not more than $1,000 for each offense. Subject to the approval of the Attorney General, the Commission is authorized, prior to commencement of court proceedings with respect to any violation of this act, to compromise the liability arising with respect to such violation (1) upon payment of a sum not in excess of $500 for each offense, to be collected by the commission and to be paid into the Treasury as miscellaneous receipts; and (2) in case of repetitious violations and in order to avoid multiplicity of criminal proceedings, upon agreement to a stipulation that the United States may, on its own motion upon 5 days' notice to the violator, cause a consent decree to be entered by any court of competent jurisdiction enjoining the repetition of such violation.

The amendment was agreed to.

The next amendment was, on page 30, at the beginning of line 11, to change the section number from 7 to 8; in line 23, after the word "the", to strike out "Administrator" and insert "Commission"; in line 24, after the word "to", to strike out "him" and insert "it"; on page 31, line 6, before the word "shall", to strike out "Administrator" and insert "Commission"; in line 7, after the word "to", to strike out "him" and insert "it"; in line 8, after the word "and", to strike out "his" and insert "its"; in line 10, after the name "United States", to strike out "courts" and insert "court"; in line 11, after the word "suspend", to insert "in whole or in part"; and in line 12, after the word "the", to strike out "Administrator" and insert "Commission", so as to read:

INTERLOCKING DIRECTORATES

SEC. 8. (a) Except as provided in subsection (b), it shall be unlawful for any individual to take office, after the date of the enactment of this act, as an officer or director of any company, if his doing so would make him an officer or director of more than one company engaged in business as a distiller, rectifier, or blender of distilled spirits, or of any such company and of a company which is an affiliate of any company engaged in business as a distiller, rectifier, or blender of distilled spirits, or of more than one company which is an affiliate of any company engaged in business as a distiller, rectifier, or blender of distilled spirits, unless, prior to taking such office, application made by such individual to the Commission has been granted and after due showing has been made to it that service by such individual as officer or director of all the foregoing companies of which he is an officer or director together with service in the company with respect to which application is made will not substantially restrain or prevent competition in interstate or foreign commerce in distilled spirits. The Commission shall, by order, grant or deny such application on the basis of the proof submitted to it and its finding thereon. The district courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Commission upon any application under this subsection.

The amendment was agreed to.

The next amendment was, at the top of page 33, to insert:

DISPOSAL OF FORFEITED DISTILLED SPIRITS AND WINE

SEC. 9. Notwithstanding any provisions of existing law, distilled spirits and wine forfeited or condemned summarily or pursuant to court decree or otherwise, by or under any law of the United States, shall not be sold or otherwise disposed of publicly or privately but shall be destroyed at such time as such forfeiture or condemnation has become final; except that any such distilled spirits and wine certified by Government chemists to be of a quality equivalent to United States Pharmacopoeia quality or to be suitable for medicinal purposes shall be placed in the custody of the United States Public Health Service and disposed of by the Surgeon General of such Service, in accordance with regulations to be prescribed by him, to hospitals operated or maintained in whole or in part by the United States, for use by them for medicinal purposes only.

The amendment was agreed to.

The next amendment was, on page 33, line 18, to change the section number from 8 to 10; in line 23, after the word "the", to strike out "Administrator" and insert "Commission"; in line 24, after the word "effect", to strike out "on the date that the Administrator first appointed under this act take office" and insert "when a majority of the commissioners first appointed under this act have taken office", so as to make the section read:

FEDERAL ALCOHOL CONTROL ADMINISTRATION

SEC. 10. The Federal Alcohol Control Administration established by Executive order under the provisions of title I of the National Industrial Recovery Act is hereby abolished. All papers, records, and property of such Federal Alcohol Control Administration are hereby transferred to the Commission. This section shall take effect when a majority of the commissioners first appointed under this act have taken office.

The amendment was agreed to.

The next amendment was, on page 34, line 4, to change the section number from 9 to 11; after line 4, to strike out:

(1) The term "Administrator" means the heading of the Federal Alcohol Administration.

And in lieu thereof to insert:

(1) The term "Commission" means the Federal Alcohol Commission.

The amendment was agreed to.

The next amendment was, on page 36, after line 3, to strike out:

(8) The term "malt beverage" means a beverage made by the alcoholic fermentation of an infusion or decoction, or combination of both, in potable brewing water, of malted barley with hops, or their parts, or their products, and with or without other malted cereals, and with or without the addition of unmalted or prepared cereals, other carbohydrates or products prepared therefrom, and with or without the addition of carbon dioxide, and with or without other wholesome products suitable for human food consumption.

The amendment was agreed to.

The next amendment was, on page 36, line 14, before the word "The", to strike out "(9)" and insert "(8)"; and in line 16, after the word "of", to strike out "distilled spirits, wine, or malt beverages" and insert "distilled spirits or wine", so as to read:

(8) The term "bottle" means any container, irrespective of the material from which made, for use for the sale of distilled spirits or wine at retail.

The amendment was agreed to.

Mr. GEORGE. I now ask that the Senate recur to the amendments which were passed over.

Mr. HARRISON. Mr. President, before we enter upon the subject of bulk sales, may I ask the Senator from Georgia if he does not think it wise to let the amendments of the Senator from Maryland be considered? As I understand the Senator from Maryland, the Federal Alcoholic Control Administration does not object to it.

Mr. TYDINGS. That is correct.

Mr. HARRISON. The Senator wants the amendment to go to conference so that it may receive further consideration.

Mr. TYDINGS. I do not think the amendments will lead to any debate. They are very short, merely involving changes in the wording. If the amendments should go to conference and the Administration should not want them in the law, I would have no objection to their being taken out. The amendments are four in number.

Mr. GEORGE. Mr. President, I ask unanimous consent that the amendments of the Senator from Maryland may now be stated and considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. TYDINGS. Mr. President, the first amendment is to section 5 and proposes to strike out the words "to the industry" in lines 13 and 14 on page 19, to change the comma in line 14 on page 19 to a period, and to strike out the words "as ascertained by the Commission and prescribed by regulations by it", beginning on line 14 and ending on line 16, page 19.

Mr. WALSH. What is the effect of the first amendment?

Mr. TYDINGS. It simply proposes a change of the wording, so that the act may be administered in line with the practices of the business. I understand that Mr. Choate is not opposed to any of these amendments, and I ask only that they go to conference.

Mr. GEORGE. Mr. President, that is agreeable.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 19, lines 13 and 14, it is proposed to strike out the words " to the industry ", and on line 14, page 19, to change the comma to a period and to strike out the words " as ascertained by the Commission and prescribed by regulations by it."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, the second amendment is to section 5 (d) and proposes to add before the semicolon on line 6, page 21, the following proviso:

Provided, That this subsection shall not apply to transactions involving solely the bona fide return of merchandise for ordinary and usual commercial reasons arising after the merchandise has been sold.

Mr. KING rose.

Mr. TYDINGS. Does the Senator wish to have an explanation of the amendment?

Mr. KING. No. Has the Senator properly attached it to the section, and identified it?

Mr. TYDINGS. It is properly worded. I examined it.

Mr. GEORGE. Mr. President, it will be agreeable to take the amendment to conference.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to amend section 5 (d), on line 6, page 21, by adding before the semicolon the following:

Provided, That this subsection shall not apply to transactions involving solely the bona fide return of merchandise for ordinary and usual commercial reasons arising after the merchandise has been sold.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, there are two more very short amendments. One proposes to amend section 5 (f) by inserting, after the word " rectification ", in line 19, page 26, the words " if a representation of age is made."

Mr. GEORGE. Mr. President, the amendment has been given some consideration by other members of the committee, and it will be agreeable to take it to conference.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 26, line 19, after the word " rectification ", it is proposed to insert the words " if a representation of age is made."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TYDINGS. The last amendment is to section 7 and proposes to strike out the words " prior to commencement of court proceedings ", in lines 22 and 23 on page 29. I may say that if this amendment, or any of the amendments, should prove to be ill-advised, after further consultation, I would have no objection to its elimination.

Mr. GEORGE. Mr. President, the amendment is accepted for consideration by the conference.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 29, lines 22 and 23, it is proposed to amend section 7 by striking out the words " prior to commencement of court proceedings."

The amendment was agreed to.

Mr. TYDINGS. I thank the Senator from Georgia.

Mr. JOHNSON. Mr. President, I desire to offer an amendment.

Mr. GEORGE. Mr. President, we are proceeding somewhat irregularly, because there are some committee amendments as yet undisposed of, unless there is objection raised by some other Senator, it is quite agreeable to me to have the bill thus considered.

The PRESIDENT pro tempore. Without objection, the amendment of the Senator from California will be received and will be stated.

The CHIEF CLERK. On page 23, line 17, after the word " products ", it is proposed to insert a proviso, as follows:

Provided, further, That nothing herein nor any decision, ruling, or regulation of any department of the Government shall deny the rights of any person to use any trade name or brand of foreign origin not presently effectively registered in the United States Patent Office which has been used by such person or predecessors in the United States for a period of at least 5 years last past.

Mr. GEORGE. Mr. President, I understand that this amendment is perhaps inspired by a recent ruling of the Federal Trade Commission. It would seem to have a proper and legitimate purpose, and for the committee the amendment is accepted, insofar as I can accept it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The question now is on the first amendment passed over, which will be stated.

Mr. HARRISON. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HARRISON. That is the only committee amendment left, is it not?

The PRESIDENT pro tempore. There were two amendments passed over.

Mr. HARRISON. But they both relate to the same subject matter.

Mr. GEORGE. One is the amendment on page 11, which strikes out certain House text, and the other amendment is on page 28, a committee amendment, which is intended to supply the provision stricken out on page 11.

The PRESIDENT pro tempore. Does the Senator from Georgia ask unanimous consent that the two amendments be considered together?

Mr. GEORGE. I submit that request.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. GEORGE. Mr. President, this is the single remaining committee amendment undisposed of, and it raises the important and controversial question of bulk sales. The committee, after careful consideration, decided that the provision inserted in the bill by the House authorizing bulk sales under certain conditions and restrictions should be stricken out, and the advice of the Federal Alconol Control Administration followed. That is the remaining amendment, and upon that, of course, there are Members of the Senate who desire to be heard.

The PRESIDENT pro tempore. The clerk will state the two amendments passed over.

The CHIEF CLERK. The first amendment passed over was, on page 11, beginning with line 16, where it is proposed to strike out down to and including line 6, on page 13, as follows:

(c) (1) No basic permit issued under this act shall contain any condition prohibiting, nor shall any rule, regulation, or order, issued under this or any other act of Congress, prohibit, the use or sale of any barrel, cask, or keg, if made of wood and if of one or more wine-gallons capacity, as a container in which to store, transport, or sell, or from which to sell, any distilled spirits, wine, or malt beverages. This subsection shall not apply to any condition in any basic permit issued under this act or any rule, regulation, or order issued in connection therewith to the extent that such condition applies in a State in which the use or sale of any such barrel, cask, or keg is prohibited by the law of such State.

(2) It shall be unlawful for any person to package or repackage distilled spirits for sale or resale in bottles unless such person is a distiller, a rectifier of distilled spirits, or a person operating a bonded warehouse qualified under the internal-revenue laws or a class 8 bonded warehouse qualified under the customs laws, holding a basic permit under this act, or is a proprietor of an industrial alcohol plant or is an agency of a State or political subdivision thereof: *Provided*, That any other person may so package distilled spirits in bottles if he qualifies under the internal-revenue laws as a rectifier and holds a basic permit issued under this act for the rectification of distilled spirits.

(3) Notwithstanding the foregoing provisions of this subsection, no person who is subject to the occupational tax imposed by sec-

tion 3244 "Fourth" of the Revised Statutes, as amended (U. S. C., Supp. VII, title 26, sec. 1394 (c)), on retail dealers in liquors shall package or repackage distilled spirits for sale or resale in bottles or be eligible to qualify as a rectifier of distilled spirits, and no such person, except a bona fide hotel or club, shall, for purposes of sale, remove from any such barrel, cask, or keg any distilled spirits contained therein. Any person who violates the provisions of this paragraph or paragraph (2) shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than 1 year, or both, and shall forfeit to the United States all distilled spirits with respect to which the violation occurs, and the bottles in which packaged.

The second amendment passed over is on page 28, line 1, where the committee proposes to insert the following:

BULK SALES AND BOTTLING

SEC. 6. (a) It shall be unlawful for any person—

(1) To sell or offer to sell, contract to sell, or otherwise dispose of distilled spirits in bulk except, under regulations of the Commission, for export or to the following, or to import distilled spirits in bulk except, under such regulations, for sale to or for use by the following: A distiller, rectifier of distilled spirits, person operating a bonded warehouse qualified under the internal-revenue laws or a class 8 bonded warehouse qualified under the customs laws, a wine maker for the fortification of wines, a proprietor of an industrial alcohol plant, or an agency of the United States or any State or political subdivision thereof.

(2) To sell or offer to sell, contract to sell, or otherwise dispose of warehouse receipts for distilled spirits in bulk unless such warehouse receipts require that the warehouseman shall package such distilled spirits, before delivery, in bottles labeled and marked in accordance with law, or deliver such distilled spirits in bulk only to persons to whom it is lawful to sell or otherwise dispose of distilled spirits in bulk.

(3) To bottle distilled spirits unless the bottler is a person to whom it is lawful to sell or otherwise dispose of distilled spirits in bulk.

(b) Any person who violates the requirements of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than 1 year or both, and shall forfeit to the United States all distilled spirits with respect to which the violation occurs and the containers thereof.

(c) The term "in bulk" means in containers having a capacity in excess of 1 wine gallon.

Mr. CLARK. Mr. President, I rise for the purpose of opposing the committee amendment having to do with the subject of bulk sales. The first committee amendment, the one appearing on pages 11, 12, and 13 of the bill, forbids bulk sale of liquor except by certain persons and under certain conditions specified in the bill. The second committee amendment now under consideration, appearing on pages 28 and 29, is intended to legalize certain regulations of the Treasury Department which have been heretofore made without any authority of law whatever, and, indeed, probably in violation of the law.

The committee inserted these amendments, Mr. President, upon the argument and in the belief that the authorization of bulk sales would tend to increase the difficulties of the enforcement of regulations and would also tend to promote bootlegging. I believe the evidence before the committee and evidence within the general knowledge of the public conclusively demonstrates that the present situation with regard to bootlegging in the United States—and bootlegging is admittedly prevalent—is due to an unholy combination between a group of distillers in the country practically constituting a trust, and the Bottle Trust. I believe it has been proved that the prevalence of bootlegging is due to the fact that more than 80 percent of the business of distilling liquor in this country is in the hands of only nine concerns closely affiliated with the Bottle Trust, which has led to a condition in which the American people now purchase liquor in the most beautiful bottles in the history of the country, but the worst quality of liquor in our whole history as a nation. It is my belief that the way to break up bootlegging is to permit the purchase of better liquor at cheaper prices.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. ROBINSON. The statement has been repeatedly made to me by persons who claim to have some knowledge of the bootlegging problem that the continuance of bootlegging is attributable in large part to the fact that what has been called the "Whisky Trust" has promoted combinations which have fixed the price of legal liquor at such high rates that many consumers of spirituous liquors have preferred to continue the old practice of dealing with bootleggers, and that the bootleggers' product competes very successfully in many areas principally for that reason. Is the Senator especially acquainted with the facts involved?

Mr. CLARK. Mr. President, I do not think there can be any question whatsoever that the statement made by the Senator from Arkansas is entirely correct. In the old days before prohibition in areas where the selling of liquor was permitted at all, competition between legal sales of liquor and illegal sales of liquor was practically negligible. Since the prohibition amendment has been repealed, there is no reason why there should be any such condition of bootlegging as exists today, except for the fact—I should not say except for the one fact, because I do believe that the mistake of Congress in making the taxes on liquor too high also contributes to that end—but to my mind the principal cause of the condition of bootlegging, which the Treasury and the Federal Alcohol Control Administration frankly admit, lies in the regulation having to do with the sale of liquor only in bottles, and the combination between a small number of distillers who completely dominate the market and the combination of glass manufacturers, with interlocking directorates and interchangeable directorates, who have been able by a tremendous campaign of advertising of inferior, rotgut liquor in beautiful, high-priced bottles, to put the small distiller, unable to engage in such an advertising campaign, at a tremendous and complete disadvantage.

Mr. ROBINSON. Mr. President, will the Senator yield to another statement at this point?

Mr. CLARK. I yield.

Mr. ROBINSON. In the body at the other end of the Capitol when this bill was under consideration and this phase of it was being discussed the statement was made that it takes 40 cents to make the best gallon of whisky that can be made by distillers, and it costs 50 cents to carry it for 4 years in the barrel, and at the end of 4 years the whisky stands the distillers a cost of less than $1 per gallon.

The further statement was made by another Member of the House that—

> There is a lot of good liquor that has been bottled in bond that is in excess of 4 years old that is selling for approximately $36, and it contains 3 gallons.

That is, $12 per gallon.

According to these facts which are presented to the body at the other end of the Capitol by Members of the House who have studied the subject, it costs less than $1 to make a gallon of good whisky, and it sells for $12 a gallon under the regime of the trust to which the Senator from Missouri has referred.

Mr. CLARK. I will say to the Senator from Arkansas that I believe the figures which he has read from the debate in the House of Representatives to be extremely conservative. There was very impressive testimony in the fall of 1933 in the joint hearings before the Ways and Means Committee of the House and the Finance Committee of the Senate that the actual cost of the production of liquor was much less than the figures set out by the Senator from Arkansas.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. TYDINGS. Am I to understand the Senator from Missouri is advocating the abolition of the sale of liquor in bottles altogether?

Mr. CLARK. Not at all. I am advocating the permission to sell liquor also in bulk.

Mr. TYDINGS. The reason for my question is that the evils of which the Senator complains would still exist, would they not, even if the alternative of selling in bulk were granted?

Mr. CLARK. It is evident I have not made myself plain to the Senator from Maryland. With the combination between the Bottle Trust and a small number of distillers, with their large advertising campaigns, it is impossible for the small, independent distiller, who cannot compete in the advertising campaign with the large distillers, to sell an excellent quality of liquor, as was admittedly done in most cases when liquor was sold in bulk.

Mr. TYDINGS. I follow that; but what I do not follow is why, if we should permit the sale of whisky in bulk, that would put the small distiller in a position where he could break down this big trust, with all its propaganda, of which the Senator speaks.

Mr. CLARK. Because he would be able to sell to the club or the hotel, as the House provision now stands, or, as I think it ought to be, to any retailer, and they would then have an opportunity of buying in bulk and building up a reputation for a house brand, which was exactly the situation that existed prior to prohibition.

Mr. TYDINGS. That is true, but that would only be a drop in the bucket, because the hotels and the clubs are not large consumers of whisky.

Mr. CLARK. I will say that, so far as I am concerned, if my view should prevail and the committee amendment should be voted down, I then propose to offer an amendment authorizing any licensed distributor of liquor by the drink to have the same privileges as in bulk sales.

Mr. TYDINGS. The Senator built up his argument, and I can sympathize with and understand it, upon the fact that bad whisky was being sold in very elaborate bottles; that the big whisky interests had enough money to put on an advertising campaign, and by virtue of these two facts the small distiller was at a disadvantage. I fail to see, save to a remote degree, how the adoption of the Senator's amendment would take away the tremendous advertising ability which the big trust has on the one hand, or would stop it from selling in fancy bottles with their beautiful labels on the other hand; so the net result would be that the evil against which the Senator speaks, if I understand him correctly, would still exist, but would be minimized to whatever extent the bulk sales might inject themselves into the picture.

Mr. CLARK. That is precisely the situation. The theory of the suggestion which I have been advancing is that by affording them an outlet to the market the smaller distillers would be able to break the monopoly now in the hands of the small group of distillers who were the insiders.

Mr. President, it is worth while at this time very briefly to review the history of the Federal Alcohol Control Administration. The Federal Alcohol Control Administration came into being under the provisions of the N. R. A.; but, unlike other codes which were theoretically formed by the members of the industry, there were no legalized, authorized members of the industry to form a code for the control of the disposal of liquor, and the result was that the Distillers' Institute was set up by the little group of insiders who had had medicinal permits during the prohibition days. As the result, according to the testimony of Mr. Choate and other officials of the F. A. C. A. before the Finance Committee, one concern, National Distillers, Inc., owns 39 companies outright, controls 3 others, and has affiliates and marketing contracts with many others in addition. In 1934 this 1 concern produced 22.96 percent of the whisky produced in the United States; together with only 2 other companies, they produced 47.44 percent; and, together with 6 more companies, produced in excess of 80 percent. These nine companies, constituting the Whisky Trust, really produced in the year 1934 more than 80 percent of the liquor; and, as I have said, in my profound belief, contributed very much to the prevalence of bootlegging by keeping the price so high and selling such poor liquor that the bootlegger still had an opportunity to exist.

At the same time, the time of the repeal of prohibition, this one company, the National Distillers, owned 45 percent of the bonded whisky in the United States, and the independents and rectifiers who later came into competition with them were dependent upon the aged whisky for blending.

Incidentally, in passing, I should like to say that, so far as I am concerned, as one who was an advocate of the repeal of the eighteenth amendment, because I believed that it was wrong in principle, to begin with, and had completely broken down, I was opposed to the legalization after repeal of the sale of liquor by the drink. It was a subject with which, of course, Congress had nothing to do except in the District of Columbia. I opposed the provision in the present law affecting the District of Columbia authorizing the sale of liquor by the drink. Not only the District of Columbia but every State which has authorized the sale of liquor, I believe without exception, has authorized the sale of liquor by the drink. The argument I am making is that the provisions of this bill, if these two committee amendments be adopted, make a distinction between the sale of liquor by the drink from a bottle and the sale of liquor by the drink from a barrel, which is absolutely illogical, not founded on any reason whatever, and can only result in the perpetuation of the combination between the Distillers Trust and the Bottle Trust and the perpetuation of bootlegging.

I believe, Mr. President, that Congress made a very serious mistake in putting the tax on liquor so high, the tariff on the importation of liquor so high, and the quota of liquor to be brought in from foreign countries so low until the production in the United States of aged liquor, good liquor, had had a chance to catch up with the consumption, for thereby a premium was put on bootlegging and evasion and violation of the law.

To return to the National Distillers Co., which is the leading organization of the small group that controls the entire production of liquor in the United States, it is affiliated with the Owens-Illinois Glass Co., which produces more bottles than all other companies in America combined, as will be shown by standard statistics and other well-recognized authorities.

Incidentally the Owens-Illinois Glass Co. is one of the 10 largest stockholders in National Distillers, Inc., and both the president and vice president of the Owens-Illinois Glass Co. are on the board of directors of National Distillers, Inc., the leading member of the Whisky Trust.

It is exactly the same combination, branched out, that also controls numerous cooperage companies. For example, the Export Cooperage Co., at Russellville, Ark., is entirely owned by the Chickasaw Wood Products Co., of Memphis and Louisville, which, in turn, is controlled outright by National Distillers, Inc.

I understand that some telegrams have been sent to Members of the Senate by this cooperage company arguing against bulk sales, and that is being taken as a great admission from the cooperage interests. I call attention to the fact that that company is merely a subsidiary of National Distillers, Inc., which is affiliated with the Owens-Illinois Glass Co., and which, through the combination, dominates the Whisky Trust.

Mr. President, I should like to make it perfectly plain that, so far as I am concerned, I believe that this question should be decided entirely without reference to the interests and claims of the cooperage interests or the bottle interests either; I do not believe that the conflicting interests of the bottle manufacturers and the manufacturers of cooperage should even be considered in the matter; but I say that it has been perfectly apparent to me from the hearings before the Finance Committee and the arguments adduced that the Treasury Regulations, promulgated without any authority of law, together with a combination of the distillers' interests and the bottle makers' interests, have brought about the condition with which we are now faced.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Arkansas.

Mr. ROBINSON. With reference to the statement just made that the regulations of the Alcohol Control Unit, promulgated without authority of law, are responsible for the conditions of which he complains, let me say that I have not been made acquainted with the provision of law under which the regulation in question has been made. It is my understanding that it was made under the general authority to make regulations for carrying out the purposes of the act of the Congress.

Mr. CLARK. I may say to the Senator that nobody else has been made acquainted with the authority under which the regulations were authorized. In the hearings before the House Committee on Ways and Means that specific question was asked of the Treasury officials without any answer being made, and in the hearings before the Finance Committee I

myself asked the Administrator of the Federal Alcohol Control Administration and was answered by a plea of complete ignorance on the subject.

Mr. ROBINSON. Mr. President, will the Senator yield further?

Mr. CLARK. I am glad to yield to the Senator.

Mr. ROBINSON. I agree unqualifiedly with the statement made by the Senator that the issues involved in this amendment should be resolved by the Congress independently of the interests of the manufacturers of bottles and of the cooperage organizations; but it is the contention of the cooperage organizations that they have been arbitrarily and unnecessarily discriminated against, in that the requirement has been made by the control authority for the use of glass containers to the exclusion of wooden containers.

Mr. GEORGE. Mr. President, may I call the attention of the Senator from Arkansas and the Senator from Missouri to the fact that during the last Congress an act was passed, commonly referred to as the "Bottling Act", which was a Treasury bill; and it is under that law that the use of bottles has largely been promoted, and, as the cooperage people think, their products discriminated against?

Mr. ROBINSON. Mr. President, will the Senator from Missouri yield further?

Mr. CLARK. Yes.

Mr. ROBINSON. I thank the Senator from Georgia, and I now recall that when I brought the matter to the attention of the alcohol enforcement unit it was stated that the regulations were based on the act of the Congress.

Mr. CLARK. Of course, that Bottling Act is on the statute books, but there is very grave question of fact as to whether the regulations are authorized by that act, and Treasury officials who undertook to explain the matter before the Ways and Means Committee of the House, to my mind, completely failed to show the authority in that act for the regulations which they had enunciated. Mr. Choate, the Federal Alcohol Control Administrator, before the Finance Committee completely refused to undertake to justify it under any act of law.

Mr. ROBINSON. It is my understanding that they did seek to justify it under the Bottling Act.

Mr. CLARK. That was true before the Ways and Means Committee, but Mr. Choate who, as the Senator knows, is himself a very eminent lawyer, refused absolutely to justify it on that ground.

Mr. ROBINSON. When asked to point out the provision of the act that justified the regulation which the Senator is criticizing, they did not do so and did not make it clear, at least, to my mind.

Mr. CLARK. That is perfectly true. Let me say to the Senator that whether the Treasury regulation was authorized or whether it was not, it was certainly an extremely profitable regulation for the bottling industry. So the president of the Owens-Illinois Glass Co., who is also, as I have said, a director of National Distillers, Inc., last year was one of those very few fortunate souls in the United States who paid an income tax on more than a million dollars of income, almost entirely as the result of this regulation.

Mr. ROBINSON. His income was derived from the business of manufacturing and selling bottles?

Mr. CLARK. It was entirely derived, as I understand, from the business of manufacturing and selling bottles; not, of course, exclusively for the bottling of whisky, but I think that anyone who studies the increase in the business of this bottling company, and one or two other companies after prohibition repeal, cannot fail to be impressed by the fact that the tremendous increase, manyfold their former business, is due to that regulation.

Mr. ROBINSON. It has been stated—it was so stated in the debate in the other body—that the effect of these regulations and their enforcement requiring the use of glass containers and forbidding the use of wooden containers has been to depress the cooperage industry very greatly.

Mr. CLARK. That statement, Mr. President, is absolutely undisputed before either the Ways and Means Committee of the House or the Finance Committee of the Senate. I take it that there can be no question on earth as to the accuracy of the Senator's statement.

Mr. LEWIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SHIPSTEAD in the chair). Does the Senator from Missouri yield to the Senator from Illinois?

Mr. CLARK. Certainly.

Mr. LEWIS. As the record has disclosed, the Owens-Illinois Glass Co. is by natural implication a constituent of mine, being in Illinois. I know something of the officers, something of the company. I should like to ask the Senator from Missouri if the evidence from the investigation was such as to indicate there has been a cooperation or participation by the glass company in aid of a Whisky Trust in the sense the able Senator has been pointing out.

Mr. CLARK. In answer to the question of the Senator from Illinois, I should like to make it perfectly clear that I am not reflecting upon the Owens-Illinois Glass Co., and particularly not on their officers, whom I know to be very high-class men; but it is a fact that the president and vice president of that company are both directors in National Distillers, Inc. It is a further fact that National Distillers, Inc., is the predominant factor in the small group of distillers who completely and absolutely dominate the market at this time. I say, therefore, it is not unreasonable or unfair to assume that there is a close combination between those companies when the fact is that there is an interlocking directorate.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CLARK. Certainly.

Mr. McKELLAR. The Senator said there is a Whisky Trust composed of eight members.

Mr. CLARK. Nine members.

Mr. McKELLAR. Nine principal members, and that there is a Bottle Trust; that they have interlocking directorates and they have very unusual power and control over the distribution of liquors. Did the committee, of which the Senator from Missouri is a very prominent member, consider the question of interlocking directorates and prohibiting interlocking directorates in this bill?

Mr. CLARK. We did not. I think that would be a most excellent thing to do.

Mr. McKELLAR. Does not the Senator think an amendment ought to be offered by which interlocking directorates between the Whisky Trust and the Bottle Trust should be eliminated and prohibited?

Mr. CLARK. I entirely agree with the Senator from Tennessee upon that point. I do not believe, however, with the regulations made in pursuance of this bill or with the Treasury regulations in existence which are to be legalized by the committee amendment, if it shall be adopted, that we could reach the situation by prohibiting membership on both boards of directors by the same men.

Mr. President, I wish to call attention to what seems to me to be the most specious argument advanced in behalf of the present regulations. It is to the effect that the sale of liquor from the barrel, that is, in bulk, makes it easier to adulterate the liquor, to water it, to doctor it, and cut it down. On the contrary, the apparent fact, the perfectly obvious fact, is that it is more difficult to adulterate liquor in the barrel for sale by the drink than it is to adulterate liquor in the bottle for sale by the drink. When the bottle is behind the bar it is a comparatively easy feat to doctor or adulterate the liquor in the bottle. The danger of discovery and of conviction and of suffering the penalties of the law is very much less than it is when a man undertakes to doctor a whole barrel of liquor, because it is just as easy for the Government inspector or a Government official to drop a hydrometer into a barrel and discover that it has been adulterated as it is to drop a hydrometer into a bottle for the same purpose. The much greater bulk, the much greater content of the barrel, renders it a very much more hazardous transaction to adulterate liquor in the barrel for sale by the drink than to adulterate liquor in the bottle for sale by the drink.

The fact is that the regulation was never founded on good reason in the first place. As I have stated, the whole administration was set up under the N. R. A., the industry being represented by a concern called the National Distillers' Institute, which was organized by a group of five distillers, I believe, who were on the inside, with an original outright contribution, as I believe the testimony disclosed, of $5,000 apiece, who were able to employ the services of a gentleman who had been connected with the Treasury Department prior to the repeal of the prohibition amendment, in charge of the industrial alcoholic permit section, who left his former employment to go with the National Distillers at a compensation of $30,000 a year, and who was a member of the committee which prepared the regulations.

Mr. President, I make no charge against anyone, but I say the very obvious fact, proven and admitted of record, in connection with these remarkable regulations tends to show that a group of insiders simply established some regulations for their own behoof. I further say that the inevitable effect of the combination has been to keep up the price of liquor and to promote the sale of an inferior grade of liquor, and has thereby promoted the prevalence of bootlegging which all concerned, including the Treasury officials, freely admit to exist. Therefore, I believe the two committee amendments should be rejected.

Mr. GEORGE. Mr. President, this is a question of some considerable importance and it ought not to be decided on a difference between the bottle makers and the cooperage makers of the country. We have no concern with them in considering this type of legislation, and they ought not to be permitted to influence it at all.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Georgia yield to the Senator from Missouri?

Mr. GEORGE. I yield.

Mr. CLARK. Let me say I entirely agree with the Senator's statement. My discussion of the relationship between the distillers and the bottle makers was gone into for the purpose of explaining the existence of the regulation.

Mr. ROBINSON. Mr. President, will the Senator from Georgia yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Arkansas?

Mr. GEORGE. Certainly.

Mr. ROBINSON. Undeniably the distillers, bottle makers, and cooperage concerns have, or believe they have, some interests involved, because in all probability every Member of Congress, both in this branch and the other branch, has received communications from groups urging the retention of the regulations and from other groups urging their elimination. I agree that the primary consideration is the public interest. If the Congress should find that the method by which this matter is being handled conduces to the suppression of bootlegging and gives the consuming public a good product at a reasonable price, there is no occasion for eliminating the regulations.

However, it is found that it has tended to build up a combination through which the prices of legal liquor have been made unreasonably high; I think the conclusion is warranted that something should be done to suppress bootlegging rather than to contribute to it in the way I have suggested.

I may add that I am not an expert on the liquor question. I know a little something about it, but I know very little about it. I do not claim to know as much about it as either the Senator from Georgia [Mr. GEORGE] or the Senator from Missouri [Mr. CLARK]. [Laughter.]

Mr. GEORGE. We are not qualifying as experts. [Laughter.]

The matter ought not to be settled, because it is a much larger problem, on the basis of the dispute between the bottle makers and the cooperage interests, but of course if the same public purpose can be subserved by dealing fairly in our legislation with any or all industries, we would be disposed to take that course and should take that course. The large question here is whether it can be done. I wish to call attention to the fact that, without being considered an expert, it seems to me everyone is obliged to reach the conclusion that if bulk sales shall be permitted, it will be found very easy to adulterate whisky in large quantities and to dispense such whisky after adulteration.

I also wish to call attention to the fact that the Treasury officials have taken a very positive, very definite, and possibly a very justifiable position upon that question, not only in this particular proposed legislation, but in an act which we passed last year, known as the "Bottling Act." The Treasury officials take the position—and certainly we must accept their statement as being true—that if bulk handling of whisky by the wholesalers and by the retailers shall be permitted, the Treasury will have greatly to increase their revenue force; and it is estimated that an additional cost of $5,000,000 will be involved if the bulk sales provisions carried in the House bill shall be enacted into law.

Mr. KING. Mr. President, will the Senator yield?

Mr. GEORGE. Just a second. I desire to call attention to another fact.

The committee amendment does not prohibit all bulk distribution. It makes possible and authorizes bulk distribution to distillers, to rectifiers, to operators of internal-revenue bonded warehouses, to customs-manipulation bonded warehouses, to proprietors of industrial-alcohol plants, and to all State agencies and State stores. A large bulk distribution of whiskies is made possible under the committee amendment. What the committee amendment seeks to do is to make it more difficult to carry on successfully the bootlegging which would necessarily follow, as the Treasury Department and the Federal Alcohol Control Administration think.

I now yield to the Senator from Utah.

Mr. KING. Mr. President, I was interested in the statement which the Senator has just made as to the increased cost of enforcing the law to the extent of $5,000,000 if bulk sales should be permitted along the lines indicated in the statement to which the Senator has referred. I cannot understand upon what facts the Treasury officials base that conclusion. The present Treasury tax collectors have knowledge of the vendors and the vendees, and the States and municipalities have rather drastic laws under the terms of which they very quickly determine who sell in bulk or purchase in bulk, whether wholesalers or retailers or otherwise. So it seems to me that the Treasury officials exaggerate the difficulties and the increased cost that would result.

Mr. GEORGE. I think the Senator is entirely wrong—in fact, I know he is wrong—because it is the duty of the Treasury to collect the tax on whiskies; and if we are going to permit bulk sales; if we are going to let wholesalers and retailers receive and handle whisky in bulk, the Treasury cannot collect the tax if the wholesalers and retailers are disposed to sell illicit liquors, liquors that have not paid the revenue tax, unless a man is kept on the premises. He must go constantly to the premises. These men, of course, now have to visit each liquor place. They must, of course, go and test the whiskies; but if bulk sales shall be permitted, it will increase the cost by $5,000,000 annually. We may argue about it as long as we choose, but it is just a plain Treasury estimate and calculation.

Then, Mr. President, it seems to me to be true beyond all peradventure of doubt that it is much easier to engage in one unlawful operation than to engage in innumerable unlawful operations, which must take place when bootleg liquor is diluted or put into bottles. It is easier to put bootleg liquor into a barrel, because it is just one operation. That is simply common sense. The labor saving, the risk taking, may not be underestimated when we consider that by a single operation a great bulk of liquor may be handled.

It is true that bootleg liquor may be put in bottles. There is no question about that. It is also true that if one bottle be taken and confiscated and forfeited, the loss to the wholesaler or retailer or dealer is not so great as if a barrel were taken; but the man who is going to handle bootleg liquor does not count that kind of cost. He makes up his mind in

the first instance that he is going to take his chances with the law, and he does not figure whether he is going to lose a few bottles or a whole barrel; and it is so much easier, so much simpler, so much safer, to put the bootleg liquor into the container in which the bulk sale was originally made.

There is, however, another very important question involved in this particular bill. It is a matter of very serious importance, and I wish to call the attention of the Senate to it.

When we repealed the eighteenth amendment, we did not stop with the mere repeal of the amendment; but we declared in the twenty-first amendment to the Constitution that—

> The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

If that is the responsibility and duty of the Congress—and it is—then it is the responsibility of the Congress equally to take every step which will legitimately protect the dry States. If we permit bulk sales of liquor in all the States adjoining a dry State, it will be entirely impossible for such State to protect itself against the steady and almost uninterrupted flow of liquor inside its borders. That has been the experience of dry States in the past, because we did not prohibit the sale of liquor in bulk until the repeal of the eighteenth amendment.

Mr. McKELLAR. Mr. President, may not liquors be transported in bottles and in cases just as easily as in barrels, or more easily?

Mr. GEORGE. Yes; they may be.

Mr. McKELLAR. Would not the shipments of such liquors into dry territory be greater if put in bottles and cases than if put in barrels?

Mr. GEORGE. No; because the whole question with which we are dealing comes back to the liquor which does not pay any tax, the bootleg liquor; and if bulk sales should be permitted by the wholesaler and by the retailer, it would be easy enough to refill the containers, and States adjacent to or adjoining dry States would have a much better opportunity to engage in the illicit traffic in whisky in violation of the State law.

I now call attention to the fact that the legislatures of 18 States have affirmatively prohibited the sale of liquor in bulk.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from Missouri.

Mr. CLARK. The Senator does not contend, does he, that the enactment of the provision in the House bill would in any way affect the requirements of any State which prohibited bulk sales?

Mr. GEORGE. I undoubtedly do, because that was the effect of the testimony before the committee. I am coming to that; but I wish again to call attention to the fact that 18 States have affirmatively prohibited bulk sales within their borders to wholesalers, to retailers, or to consumers. Why? Because, however we may argue about it here, those 18 States know very well that it is easier to bootleg liquor if bulk sales are permitted.

Not only have 18 States prohibited bulk sales but in 11 other States State monopolies or State stores have been authorized and established, which control the bulk sales within those States; and there are, of course, 9 States which still prohibit the sale of whisky legally in any form within their borders. So that out of the whole number of our States 29 are controlling the sale of liquor in bulk, and in 9 others no sale is legalized, whatever the form in which the liquor is distributed.

Mr. President, the commissioner in charge of law enforcement in the State of New York—I have forgotten the precise legal title—appeared before the committee and gave the committee very informative and enlightening information. He called attention to the fact that while the House bill protected the State which by its law had prohibited bulk sales, nevertheless if bulk sales were permitted under the Federal act the State adjoining the dry State, or the State which had prohibitd bulk sales, would be subjected to many more difficulties in the enforcement of its law. His testimony impressed me, and impressed me very strongly, as it undoubtedly did other members of the committee.

Minds may differ as to whether there will be a better opportunity to prevent bootlegging if bulk sales shall be outlawed, and reasonable men may take different positions upon that question. It seems to me the weight and force of the reasoning is in favor of the committee amendment. It is certainly the judgment of the Treasury Department, whose officials have had considerable struggle in their effort to collect the revenue, and it is certainly the judgment of the Federal Alcohol Control Administration that bulk sales directly tend to increase the distribution of bootleg liquor, and that by prohibiting and restricting bulk sales, as the Senate committee amendment does restrict and prohibit them, the problem will be much more easily handled.

It seemed to the committee that the judgment of those charged directly with the responsibility of protecting the revenue and of administering the law of the land, who have given to this subject study, and have been compelled to examine and reexamine the whole question from time to time over many, many months, could well be relied upon in considering this important feature of the bill.

It was also pointed out by some of the witnesses who appeared and who spoke from experience that there would be no very great increase in the use of barrels in any event, even if bulk sales were permitted.

They pointed out that barrels were already used and that under Treasury Regulations the cooperage industry as an industry was faring about as well as it would fare if bulk sales were permitted. But that seemed to me to be more or less beside the question in the settlement of the problem upon a basis of sound public policy whether bulk sales should be permitted or restricted or prohibited.

Mr. President, I do not care to argue the question longer. It is important, and I think that there should be a full representation of the Senate when the vote is taken on the amendment. I merely wish to call attention to the fact that the committee amendment does not prohibit bulk distribution to distillers, to the rectifiers, and to the operators of internal revenue bonded warehouses or customs bonded warehouses, or proprietors of industrial-alcohol plants, or to any State agency or State monopoly, and I call attention also to the fact that the majority of the States where this question has been considered themselves decided that either the total prohibition of bulk sales or the restriction of bulk sales very much in line with the Finance Committee amendment was desirable.

Mr. GIBSON. Mr. President, I am in thorough accord with what the able Senator from Georgia has so well stated. The sale of liquor in Vermont is handled by the State, through State-operated stores. We have three commissioners to carry out the law. In connection with what the Senator has stated, I ask unanimous consent that two telegrams and a letter, one from each of the members of the commission, may be inserted in the RECORD and that the letter may be read by the clerk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegrams were ordered to be printed and the letter to be read, as follows:

BURLINGTON, VT., *July 27, 1935.*

Hon. ERNEST W. GIBSON,
United States Senate:

As a member of the Vermont liquor control board I hope that you will see your way clear to oppose House bill No. 8870. Am convinced it will make our law more difficult to enforce.

MAURICE WALSH.

SHELBURNE, VT., *July 27, 1935.*

Hon. ERNEST W. GIBSON:

Bill to legalize sale of liquor in bulk, if passed, would complicate conditions in Vermont. We can no doubt prohibit sale in such containers, but I am convinced it would aid bootlegger and make enforcement much more difficult. Trust you will oppose passage of bill.

CLARENCE MORGAN,
Chairman Liquor Control Board.

C. S. EMERY & Co.,
CUSTOMHOUSE BROKERS,
Newport, Vt., July 27, 1935.

Hon. ERNEST W. GIBSON,
United States Senate, Washington, D. C.

DEAR SENATOR: I desire to call your attention to the passage by the House of Representatives of the Federal Alcohol Administration Act, H. R. 8870, authorizing the sale of spirituous liquors in bulk.

It is my opinion this provision will not work harmoniously with Vermont's present liquor laws. I believe that it will facilitate bootlegging and make it easy to procure spirituous liquors from other sources than the State stores. Our liquor legislation was not drawn with a view of protecting the State in the event that the Federal Government authorized the sale of spirits in bulk. For the above reasons I trust you will oppose this provision of the bill when it is under consideration in the Senate.

With warm personal regards, I am

Respectfully yours,

CARROLL A. DAVIS.

Mr. KING. Mr. President, for information, may I ask the Senator from Vermont upon what theory is the view stated in this letter taken? It would seem to me that they would more easily detect the bringing in of a large quantity of liquor in barrels than they would detect the bringing in of smaller quantities, or even larger quantities, in bottles.

Mr. GIBSON. Mr. President, we have an unusual situation with respect to my State. For 90 miles our State borders on the Dominion of Canada, and in that 90 miles there are over 60 line-crossing roads, many of them unguarded, making smuggling easy. That section has been a paradise for the bootlegger. It is the theory of the Vermont commission that it would be much easier for the bootlegger to violate the law with the bulk-sales provision in the law.

Mr. KING. As I understand the Senator, his contention is that they could see a bottle more quickly than they could see a barrel.

Mr. GIBSON. My contention is that the bootleggers could bring in liquor in bulk more easily than in bottles.

Mr. ROBINSON. Mr. President, taking note of what the Senator from Vermont has just stated, it seems to me it is entirely inconsistent. I never heard of anyone bootlegging liquor by the barrel, and if any other Senator has ever heard of such a thing, I should like to have him rise and say so. Liquor is not bootlegged by the barrel. It is bootlegged by the bottle.

Mr. CLARK. Mr. President, the very term itself implies that it is trade in bottled goods. The very name "bootleg" originated from a man carrying a bottle around in his boot.

Mr. ROBINSON. Certainly; but waiving any technical question as to what bootlegging actually consists of, we know that it is the illegal manufacture and sale of intoxicating liquor, and anyone who contends that it is easier to bootleg by the barrel than it is to bootleg by the bottle makes an argument which my poor mentality cannot comprehend.

Mr. GIBSON. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. GIBSON. If he will come with me along the Canadian border and see the truck loads of bulk packages—yes, even of barrels and kegs at times—which come in from Canada, I think I can convince even the Senator from Arkansas.

Mr. ROBINSON. Mr. President, I have been on the Canadian border, and one day in crossing the border during prohibition times my automobile was searched by an agent, and not one drop of liquor did he find. [Laughter.] He took me into his office and showed me 120 quarts of liquor which he said had been brought in from Canada, or attempted to be brought in, by officials of various neighboring States, and he did not show me one keg and he did not show me one barrel. [Laughter.]

What we have just heard is an illustration of the nature of argument that is expressed here to uphold the bottle trade. I think, on the whole case, bootlegging is promoted by the regulations which are involved in these amendments, rather than discouraged and prevented. In making that statement I do not of course mean to imply that it is the purpose of any agent or officer of the Government to promote bootlegging. We all realize, or we ought to realize, that one of the important problems of this period is the suppression of bootlegging, with which are affiliated a thousand other forms of law violation.

I have no patience with the industry, no sympathy or toleration for it; but if you can answer the argument of the Senator from Missouri when he said that in testing a barrel of liquor which might or might not have been diluted you perform a single act, and in testing bottles you perform 180 acts, you are able to show that it is more difficult to detect adulteration when liquor is in a barrel than when it is in a bottle. The statement of the fact is almost axiomatic.

You are not going to suppress bootlegging so long as you contribute to the making of the prices of legal liquor so high that the consumers of it will prefer to buy an outlawed product rather than the legal product. The old question as to whether liquor ought to be legally manufactured and sold or manufactured and sold at all is not answered by any provision of this proposed legislation. The theory underlying our proceeding here is that in many of the States liquor may be legally sold. The practical result of our method of dealing with the subject seems to have been to put a premium on the continuance of bootlegging rather than to prevent or to destroy the practice.

We are not primarily concerned with the commercial interests of those who manufacture bottles and those who manufacture staves or barrels, but there is no justification, in my judgment, for a policy which apparently is a discriminatory policy, which permits the use of one class of containers and excludes or denies the use of another.

I am entirely content to submit the issue to the Senate.

Mr. LEWIS. Mr. President, it is no purpose of mine to enter into a discussion as to the merits of the question of the bottle and the barrel. I am moved, however, in listening to the able Senators, to consider a very serious phase which seems to me, unfortunately, to be omitted at a time when it should be considered. The Senator from Missouri this morning disclosed by a schedule repeated by him in his address the clear evidence of cooperation between what could be called the "Whisky Trust" and those who were adjacent to its pursuits in that they either made the containers of glass or wood. That, sir, brought to my mind the return to this Nation of the influence, and later, sir, of the political power, of that section of industry which we describe as a "Whisky Trust."

I am surrounded by historians of my country. Who of them forget that under the administration of President Grant the very element described by the able Senators here today advanced themselves in such great volume and to such power that they not only attacked the Nation in its honor and the distinguished President of the United States in his glory but robbed an administration of credit before the Nation and held the Republic before the whole world in shame? Are we to have a repetition of that? Are those who are growing powerful in their numbers soon to step out and assert the sovereign privilege of conducting the Government by control of politics, now that they have the privilege of legally dealing in beverages recently prohibited?

Mr. President, if I may be pardoned for some allusion which looks like a personal reflection of pride or praise to myself, I may say that I stood on this honorable floor and opposed the amendment known as the 18th amendment. I fought it upon the ground that I felt it invaded the privilege of local home rule; that it was in violation of the privilege of the States to conduct their own affairs upon the matter of their food and their drink. I opposed it because I felt it was a violation of a principle fundamental and essential to this Republic—that is, that the control of the home should be left to the family.

I deplored to see that upon one test mine was the only adverse vote. That I had to justify my position with my constituents upon my return to Illinois is a very natural conclusion. I opened the fight later in my own State by going first to residents of the country outside of my dear home, Chicago, to seek to impress upon them the necessity of returning the whole subject to the States in order that the people of the States, in their counties or cities or vil-

lages, might resume control, and impose such supervision as would guarantee the return of a morality to the home.

Sir, the results of that election and the result of that fight need not concern Senators other than to indicate to them that a people wholly moral and temperate in all respects found it agreeable to support my honorable colleague [Mr. DIETERICH] and myself in these controversies.

At this point, sir, I wish to leave a word of warning. If these masters of the Whisky Trust, if these captains of the Whisky Trust, if these commercial manipulators of smuggling and outrage under the laws shall not cease their evil performances I warn them that they will bring upon this country shortly another issue of prohibition, but instead of it being a mere matter of to drink or not to drink, it will be the direct issue of national morality. The teachers of the schools will be summoned; the preachers of the churches will be heralding the news of the issue, the various congregations of the church of Christ, whatever may be their divisions upon the mere theories of religion, will all be united into one, and to these will be added that citizenship of America which puts above the mere profit and gain that may come from illicit traffic, the high morality of the Republic. So those who think that now, by reason of the elimination of the national prohibition amendment, they are licensed to continue the immorality, the vulgarity, and the corruption which they are initiating in great cities of my country, and in the States of my Nation, will awake to realize that not only will they be wiped out of existence, but they will bring on this Nation an issue which shall again divide this people, and set fury and flame to work in every locality of decency and honor in the Republic. I advise the masters of the Whisky Trust to beware! This Nation will not always be played with, either by fools on the one hand with respect to economic questions, or by a corrupt and immoral traffic.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LEWIS. I yield.

Mr. McKELLAR. Following that line of thought, does not the Senator think that the Whisky Trust has made a pretty good start, when it has combined and confederated together into nine big companies which control the liquor business, and then when it enters into a combination by means of interlocking directorates with another big trust, the Glass Bottle Trust, which provides the containers in which the liquor is transported for sale? Does not the Senator think the liquor business has followed out its former foolish policy of trying to rule or ruin, just as it did before?

It seems to me that in undertaking to control the liquor business by combining and confederating, by means of interlocking directorships, with those other great concerns, the Whisky Trust is following the same plan which it foolishly followed many years ago in attempting to control the people of this country. Such a course should not be followed. I wish to say that I should willingly vote for a bill which would abolish the interlocking directorates which the Senator from Missouri has so clearly pointed out. We have done it in other businesses, and we ought to do it in the liquor business. We ought to say to the liquor business that it shall not control, but that it shall be controlled by the American people.

Mr. LEWIS. Mr. President, I reply to the Senator from Tennessee by saying I was startled by the developments shown in the speech of the able Senator from Missouri. I live in a State which has within it one of those concerns defined by him as apparently an offender against the Government at least in respect to the consideration which should be given to the Government. I have no doubt that the Senator from Tennessee has much foundation for saying that the interlocking directorates have given courage to each of the participants, as well as to the concomitant combination itself, to feel themselves exempt from the procedure of the law and to be indifferent to the moral consideration which is due this Republic.

I regret, sir, to announce that I have seen the gradual growth and the multiplying power of these institutions in the great city where I live and in the great cities surrounding us; and in those States, sir, which heretofore had distinctive prohibition, now that it has been modified, instead of being content with leaving the question for home rule and to be guided along the lines of what might be called a "temperate" movement, the liquor interests have proceeded to rush wildly, audaciously, openly, corruptly, and defiantly into the violation of every local or national law upon the theory that they had been licensed to be the criminals in the Republic in the highest phase of profit wherever their business can be engaged in. It is that practice against which I raise a voice, not only, sir, upon the high ground of morality but because I see these people and their influence opening and intruding an issue upon the Republic which, if the acts under the present system shall be multiplied, will envelop every other issue before the Republic and, subordinating every other theory prevailing, will dominate the country again, and we shall have a renewal of those personal disputations which grew so bitter, so violent, and led, sir, to open clashes and schisms in families, in the homes and in the churches, in cities and States and Nation, and we shall again be engaged in a great conflict, resulting in turbulence, in quarrels, and bringing in its wake political corruption.

I therefore raise this voice at this moment in which I take the floor that, if the matters which the Senators have pointed out are true, the final conclusion will be that to which I allude, the deliberate destruction of these agencies by themselves as they place dishonor upon the Republic.

The Senator from Tennessee makes the query, Do I not think that the evidence indicates that they are returning to the old system and the same old order? I deplore to feel there is too much evidence of it, and if these new concerns are able to inject into the bottle the old methods I am sorry to say that the Holy Scripture in its famous apothegm, that old wine cannot be put in new bottles, has been disproved. These interests are adopting the system of putting their old theories into their new bottles, and I warn them there is an explosion awaiting them by which, I hope, they will be blown to atoms in their new undertaking to destroy the morality of the Nation and the honor of the Republic.

Mr. GEORGE. Mr. President, before the vote is taken on this question, I wish to make one further statement. The commissioners of alcohol control in all the States, insofar as they appeared before the committee by letter or otherwise, advocated the provision which the committee have inserted in the bill.

I wish to submit to the Senate very seriously that the opinion of a gentleman of the character and standing of Mr. Mulrooney, who is now the commissioner of alcohol control in the State of New York, where there is a tremendous traffic in liquor, and who, prior to the time of becoming commissioner of alcohol control of the State of New York, was commissioner of police of the city of New York, is worthy, it seems to me, of very careful consideration. He gave it as his unqualified, definite, positive, firmly fixed opinion that bulk sales, as permitted by the House bill, would make it more difficult to prevent bootlegging.

I wish to say again, Mr. President, that we are going to have bootlegging whether we have bulk sales or whether we have bottle sales. I do not think there can be any doubt about that. Our distinguished leader on this side was disturbed about the difficulty of bootlegging with barrels. As a rule, bootlegging is not carried on with barrels, the liquor goes into the bottle anyway before it is bootlegged; there can be no doubt about that, but it is necessary to have a source from which the bottle or other container is filled. The real problem of bootlegging is the manufacture of liquor in this country illicitly; it is the illegal making of whisky and its distribution either in bottles or barrels, for that matter. The question that is presented to the Senate is simply the candid one of whether it can be more easily bootlegged by bulk, if bulk sales are permitted.

I realize, Mr. President, as we all realize, that so long as the inducement is there we will have violations of the whisky laws. In other words, so long as the price is sufficiently high, somebody is going to make illegal whisky and is going to sell it, and it does not matter whether we permit bulk sales or outlaw bulk sales; that becomes, at least, a

matter of secondary importance. The real difficulty, in my judgment, is the high tax on liquor of $2 per wine gallon, which is, so to speak, collected at the source, and which is pyramided until it becomes a dollar or more a quart. Until we find some other way of collecting the tax finally from the consumer rather than collecting it as we now collect it at the bonded warehouse, with all the opportunity of pyramiding the tax, of course, we are going to have bootlegging.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from New York.

Mr. WAGNER. Since the Senator from Georgia refers to Commissioner Mulrooney, perhaps I may be permitted to say that I am guided entirely by his opinion in my vote upon this question. I myself do not know sufficiently about it.

I merely wish to say, in addition to what the Senator has said as to Commissioner Mulrooney, that while in the history of New York City there may have been some police commissioners who were his equal, none has excelled him as a police commissioner of New York, both from the standpoint of unusual capacity and unquestioned integrity; and similar tribute must be paid to him in the conduct of the office which he now occupies. If I were to search the United States to find a man whose opinion upon this question I would regard as worthy of the greatest respect, I do not know that I could find one with the unusual experience and superior knowledge of Commissioner Mulrooney.

Mr. GEORGE. Mr. President, on this question I think there should be a full vote, and therefore I suggest the absence of a quorum.

Mr. CLARK. Mr. President, will the Senator withhold the suggestion for a moment?

Mr. GEORGE. I withhold it.

Mr. CLARK. I simply desire to say that, so far as the States are concerned, which forbid bulk sales by their own State laws, they will not be affected in the slightest particular by the provisions of this proposed act. On the contrary, it is impossible for them to be affected.

It is perfectly true that Mr. Mulrooney, who undoubtedly is an excellent gentleman, as the Senator from New York [Mr. WAGNER] has said, appeared and opposed the provision permitting bulk sales, but after repeated cross-examination he was unable to point out in any particular how the permission for bulk sales would interfere with the enforcement of the law of the State which prohibits bulk sales. I submit that the same situation was developed when the Senator from Vermont was interrogated a little while ago by the Senator from Arkansas as to how a State which prohibited bulk sales by its own State law would be affected in any manner by this provision of the pending bill. Without any reflection on Mr. Mulrooney, I simply desire to repeat that, when put on examination as to the basis of his statement, he was totally unable even to suggest any way by which the enforcement of the law of the State of New York if it continued to prohibit bulk sales would be affected by the provisions of this proposed act.

Mr. BARKLEY. Mr. President, I am compelled to go to a committee meeting, and I wish to say just a word with reference to this provision.

I realize how difficult it is for us to get away from our unconscious loyalty to the industries which are located within our States. I think it would be most unfortunate, however, if this question should be decided on any basis of that sort. I suppose most of us have industries that are interested in both sides of this question, on the theory that its decision may either help or hurt them, dependent upon what we do.

I have had some experience as a prosecuting attorney in the county and State in which I live, and I know how easy it is to evade all laws and all regulations pertaining to the subject of liquor.

The committee has stricken from this bill all reference to beer. It is rather an unusual procedure, in view of the fact that all States, so far as I know, and heretofore all Federal control, have included all forms of intoxicating liquor in the purview of their regulations and restrictions and in their enforcement statutes. Beer, of course, is an intoxicating liquor; we all know that to be so; the Supreme Court of Wisconsin held, as a matter of law and fact, that it was an intoxicating liquor, and that decision was upheld by the Supreme Court of the United States.

I am not now arguing the merits of that amendment, reported by the Finance Committee, eliminating beer from this bill. I am assuming that that elimination will remain in the bill and that the question will have to be worked out in conference. I mention it, however, as an element in the probable cumulative difficulty of enforcement that may result from the action of the Senate on these two propositions.

In the committee I voted, as I shall vote on the floor, for the elimination of bulk sales, not because of any interest, direct or indirect, I have in either bottles or in barrels. If I should vote for my own local interest, I should probably vote for bulk sales, because there is a factory in my home city which is indirectly interested in this subject. But I am thoroughly convinced that it would be more difficult to enforce the regulations if bulk sales were permitted, and that it would be infinitely easier to adulterate liquor, and thus escape the payment of the Government tax—which is one of the fundamentals of this bill, anyway—by permitting bulk sales as against the requirement for sales in bottles, except as provided in the committee amendment.

A whole barrel of liquor can be adulterated by one operation, and a bottle of liquor can be adulterated by one operation, but in order to adulterate a barrel of liquor in bottles it is necessary to go through 180 operations in order to adulterate the same amount of liquor that could be adulterated by one operation if it were in a barrel.

A barrel of whisky contains 45 gallons, which is subject to some evaporation during the process of aging. Probably about 5 gallons evaporate during the period which under the old law was required for the aging before the liquor could be bottled. It had to remain in the warehouse in barrels for 4 years. That is where whisky gets its color. When it is put in the barrel it is as white as water. The barrel is charred on the inside, and the charring is what causes the coloring to come into the liquor. After 4 years it is bottled; the Government labels and stamps are attached; and when one buys a bottle of that sort of liquor with the Government stamp on it he knows exactly what he is getting, because no bottle can be opened so as to adulterate it or have its contents poured out and other substances put in and the bottle then resealed so that the tampering cannot be observed; it is simply an impossibility.

That is not true of liquor sold from a barrel or a keg. Liquor may be taken out of a barrel, if it is behind the counter, being sold at retail by the drink or otherwise, and there is no way to identify what is on the inside of the barrel. There is no label on it to identify its contents. By boring a hole in the barrel or taking the bung out of the barrel, the entire contents could be emptied and an entirely different content put in the barrel to be sold at retail or in any other way permitted by law, and the purchaser would have no way of knowing whether or not he was getting what he ordered or bought.

The same thing is true with respect to the consumption of liquor where it is sold by the drink. In a hotel or restaurant or anywhere else where liquor may be sold by the drink, if one ordered a certain type of liquor or a certain brand, he could require that the bottle be brought to him so he would know he was getting what he ordered. I presume most people do not take that precaution, but at least they would have the right to do it. It is no trouble for the seller to bring to one's table or the counter, or wherever the customer may be, a bottle of liquor branded under the supervision of the Government of the United States, with the tax paid on it and the stamp attached to the bottle. But if the customer were being served out of a barrel it would be quite difficult for the seller to bring the barrel to his table or his automobile or anywhere else in order that the customer might see whether he was getting what he had ordered.

The committee amendment is advisable purely as a matter of law enforcement, purely as a matter of suppressing the

bootlegger—and by "bootlegger" I do not mean simply the man who goes from house to house or office to office or person to person selling spurious liquors; I am talking about the man who operates a business under the guise of being a legitimate liquor dealer, but who violates his permit or the regulations of State or Federal Government enacted for control of the business.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. Certainly.

Mr. NORRIS. I was interested in the Senator's description of the customer being served from a barrel or from a bottle. Would it not be in the interest of the customer, and would he not get more for his money if served out of a barrel than if served out of a bottle?

Mr. BARKLEY. If he could turn the barrel up and drink out of it as he would out of a bottle, probably it would be difficult to stop him until he had been satiated. I am speaking of the places where liquor is sold by the drink. When a customer orders a drink of liquor, straight whisky, or a highball, and the waiter brings it to him in a little glass, probably, if he should be under any suspicion that he was not getting what he ordered, then it would be more difficult to bring the barrel out to show the customer that he was getting what he had ordered than to bring the bottle to him. Even if the barrel were brought to the customer under such circumstances, he would not know whether or not he was getting what he had ordered.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BARKLEY. Certainly.

Mr. CLARK. The question of whether the customer is shown the bottle or the barrel does not indicate what is in the bottle any more than it indicates what is in the barrel, does it?

Mr. BARKLEY. Yes; I think so. A man may go into a place and order a drink of Old Taylor or Old Crow or Old Overholt or some other brand. I am not engaged in an advertising campaign here, but I happened to think of those brands, even though my knowledge of liquor is limited.

Mr. CLARK. I notice the Senator confined his list to Kentucky products.

Mr. BARKLEY. Oh no, one of them is made in Pennsylvania. I mentioned them simply as examples. Many people, by reason of habit, prefer a certain brand because they are used to it. The point I am making is that it is infinitely more difficult to adulterate that brand if it is in a bottle, sealed under the sanction and enforcement of the Government of the United States, than it is if it is behind a counter in a barrel or a keg.

I do not wish to go into further detail about the matter because I am compelled to leave the Chamber to attend an important committee meeting. I simply wanted to state my views and the reasons why I voted in committee to eliminate the bulk-sales provision, and the reasons why I shall vote on the floor of the Senate to eliminate it. I have no interest one way or the other except my interest in the matter of law enforcement and regulation of the sale of liquor in the United States, and the collection of the tax due upon it.

Mr. GEORGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	Hale	McNary
Ashurst	Carey	Harrison	Maloney
Austin	Chavez	Hastings	Metcalf
Bachman	Clark	Hatch	Minton
Bailey	Connally	Hayden	Moore
Bankhead	Copeland	Johnson	Murphy
Barbour	Davis	King	Murray
Barkley	Dieterich	La Follette	Neely
Borah	Fletcher	Lewis	Norbeck
Brown	Frazier	Logan	Norris
Bulkley	George	Lonergan	Nye
Bulow	Gerry	Long	O'Mahoney
Burke	Gibson	McAdoo	Overton
Byrd	Glass	McCarran	Pittman
Byrnes	Gore	McGill	Radcliffe
Capper	Guffey	McKellar	Reynolds
Robinson	Shipstead	Townsend	Van Nuys
Russell	Smith	Trammell	Wagner
Schall	Steiwer	Truman	Walsh
Schwellenbach	Thomas, Okla.	Tydings	Wheeler
Sheppard	Thomas, Utah	Vandenberg	White

Mr. LEWIS. I announce the absence of the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], and the Senator from Idaho [Mr. POPE], necessarily detained from the Senate, and the absence of the Senator from West Virginia [Mr. HOLT], occasioned by illness.

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 208. An act for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.;

S. 280. An act for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer;

S. 405. An act for the suppression of prostitution in the District of Columbia;

S. 447. An act conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States;

S. 457. An act for the relief of John W. Beck;

S. 490. An act for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd;

S. 540. An act for the relief of Fred Luscher;

S. 658. An act for the relief of K. W. Boring;

S. 1045. An act for the relief of A. Cyril Crilley;

S. 1070. An act for the relief of William A. Thompson;

S. 1214. An act for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston;

S. 1326. An act for the relief of Robert A. Dunham;

S. 1409. An act for the relief of the General Baking Co.;

S. 1497. An act to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army;

S. 1577. An act for the relief of Skelton Mack McCray;

S. 1640. An act for the relief of Dan Meehan;

S. 1696. An act for the relief of Mary Sky Necklace;

S. 1735. An act for the relief of the estate of W. W. McPeters;

S. 2034. An act to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes;

S. 2076. An act for the relief of Domenico Politano;

S. 2168. An act for the relief of the Bell Telephone Co. of Pennsylvania;

S. 2225. An act authorizing adjustment of the claim of the Western Union Telegraph Co.;

S. 2312. An act for the relief of the Western Construction Co.;

S. 2373. An act for the relief of Harry Jarrette;

S. 2374. An act for the relief of Elliott H. Tasso and Emma Tasso;

S. 2388. An act authorizing and directing the Secretary of the Interior to cancel patent in fee issued to Victoria Arconge;

S. 2393. An act for the relief of the widow of Ray Sutton;

S. 2426. An act to provide for the creation of a memorial park at Tampa, in the State of Florida, to be known as "the Spanish War Memorial Park", and for other purposes;

S. 2488. An act for the relief of the widows of an inspector and certain special agents of the Division of Investigation, Department of Justice, and operative in the Secret Service Division, Department of the Treasury, killed in line of duty;

S. 2635. An act for the relief of Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest;

S. 2666. An act for the relief of the Nacional Destilerias Corporation;

S. 2751. An act for the relief of Walter C. Price and Joseph C. Le Sage;

S. 2808. An act for the relief of Grier-Lowrance Construction Co., Inc.;

S. 2818. An act for the relief of Blanche L. Gray;

H. R. 6453. An act to amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", etc., as amended by the public resolution of March 3, 1927; and

H. R. 8963. An act granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.

FEDERAL CONTROL OF ALCOHOLIC LIQUORS

The Senate resumed the consideration of the bill (H. R. 8870) to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce, and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes.

Mr. GEORGE. Mr. President, by unanimous consent the committee amendment on the latter part of page 11, all of page 12, and part of page 13, striking out the House text, and the committee amendment inserting the language found on pages 28 and 29 of the bill have been considered together; and I presume the agreement would carry with it one vote on the amendments. At any rate, I ask unanimous consent that there be but one vote, because the matter stricken out relates to bulk sales and the matter incorporated relates to the same subject.

Mr. McNARY. Mr. President, would that change the normal vote? Ordinarily the parliamentary situation would be such that a Senator desiring to support the committee would vote "yea."

Mr. GEORGE. That is true in this case.

Mr. McNARY. Would the Senator's proposal in any way change the nature of the vote?

Mr. GEORGE. Not at all. The vote would be "yea" on both proposals, and they are properly considered together.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. GEORGE. I ask for the yeas and nays on the amendments.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). On this question I have a pair with the senior Senator from New Hampshire [Mr. KEYES] and therefore withhold my vote.

The roll call was concluded.

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], and the Senator from Idaho [Mr. POPE] are necessarily detained from the Senate.

The Senator from West Virginia [Mr. HOLT] is detained by illness.

The Senator from Alabama [Mr. BLACK], the Senator from Washington [Mr. BONE], and the Senator from Colorado [Mr. COSTIGAN] are in attendance upon committee meetings.

Mr. AUSTIN. I announce a general pair between the Senator from Iowa [Mr. DICKINSON] and the Senator from Mississippi [Mr. BILBO].

Mr. WALSH. My colleague, the junior Senator from Massachusetts [Mr. COOLIDGE], is necessarily absent. If present, he would vote "yea."

The result was announced—yeas 59, nays 24, as follows:

YEAS—59

Adams	Carey	Hale	McGill
Ashurst	Copeland	Hastings	McNary
Austin	Davis	Hatch	Maloney
Bailey	Fletcher	Hayden	Metcalf
Barbour	Frazier	Johnson	Minton
Barkley	George	La Follette	Moore
Borah	Gerry	Lewis	Murphy
Bulkley	Gibson	Logan	Neely
Byrd	Glass	Lonergan	Norbeck
Byrnes	Gore	Long	Norris
Capper	Guffey	McAdoo	Nye
O'Mahoney	Sheppard	Townsend	Wagner
Radcliffe	Smith	Tydings	Walsh
Russell	Steiwer	Vandenberg	White
Schall	Thomas, Okla.	Van Nuys	

NAYS—24

Bachman	Chavez	McCarran	Robinson
Bankhead	Clark	McKellar	Schwellenbach
Brown	Connally	Murray	Shipstead
Bulow	Dieterich	Overton	Trammell
Burke	Harrison	Pittman	Truman
Caraway	King	Reynolds	Wheeler

NOT VOTING—13

Bilbo	Costigan	Donahey	Keyes
Black	Couzens	Duffy	Pope
Bone	Dickinson	Holt	Thomas, Utah
Coolidge			

So the amendments of the committee were agreed to.

Mr. FLETCHER. Mr. President, I offer the amendment which I send to the desk, to be inserted on page 34, after line 2.

The VICE PRESIDENT. The Senator from Florida offers an amendment, which will be stated.

The CHIEF CLERK. On page 34, after line 2, it is proposed to insert the following:

SEC. 11. That section 610 of the Revenue Act of 1918, as amended (U. S. C., Supp. VII, title 26, sec. 1310), is amended by adding at the end thereof the following new paragraph:

"The provisions of the internal-revenue laws applicable to natural wine shall apply in the same manner and to the same extent to citrus-fruit wines which are the product of normal alcoholic fermentation of the juice of sound ripe citrus fruit, with or without the addition of dry cane, beet, or dextrose sugar (containing, respectively, not less than 95 percent of actual sugar, calculated on a dry basis) for the purpose of perfecting the product according to standards, but without the addition or abstraction of other substances, except as may occur in the usual cellar treatment of clarifying or aging."

SEC. 12. Section 612 of the Revenue Act of 1918, as amended (U. S. C., Supp. VII, title 26, sec. 1301), is amended to read as follows:

"SEC. 612. That under such regulations and official supervision and upon the giving of such notices, entries, bonds, and other security as the Commissioner, with the approval of the Secretary, may prescribe, any producer of wines defined under the provisions of this title, may withdraw from any fruit distillery or special bonded warehouse grape brandy, or wine spirits, for the fortification of such wines on the premises where actually made, and any producer of citrus-fruit wines may similarly withdraw citrus-fruit brandy for the fortification of citrus-fruit wines on the premises where actually made: *Provided*, That there shall be levied and assessed against the producer of such wines or citrus-fruit wines a tax (in lieu of the internal-revenue tax now imposed thereon by law) of 20 cents per proof gallon of grape brandy, citrus-fruit brandy, or wine spirit whenever withdrawn and hereafter so used by him in the fortification of such wines or citrus-fruit wines during the preceding month, which assessment shall be paid by him within 10 months from the date of notice thereof: *Provided further*, That nothing contained in this section shall be construed as exempting any wines, citrus-fruit wines, cordials, liqueurs, or similar compounds from the payment of any tax provided for in this title.

"Any such wines or citrus-fruit wines may, under such regulations as the Secretary may prescribe, be sold or removed tax free for the manufacture of vinegar, or for the production of de-alcoholized wines containing less than one-half of 1 percent of alcohol by volume.

"The taxes imposed by this section shall not apply to de-alcoholized wines containing less than one-half of 1 percent of alcohol by volume."

SEC. 13. Section 613 of the Revenue Act of 1918, as amended (U. S. C., Supp. VII, title 26, sec. 1300 (a) (2)), is amended by inserting after "grape brandy" a comma and the following: "or containing citrus-fruit wine fortified with citrus-fruit brandy."

SEC. 14. Section 42 of the act entitled "An act to reduce the revenue and equalize duties on imports, and for other purposes", approved October 1, 1890, as amended (U. S. C., Supp. VII, title 26, sec. 1302 (a)), is amended by inserting at the end thereof the following new paragraph:

"The provisions of this section and section 43 shall apply to the use of citrus-fruit brandy in the preparation of fortified citrus-fruit wines in the same manner and to the same extent as such provisions apply to the use of wine spirits in the fortification of sweet wines, except that citrus-fruit wines and citrus-fruit brandy made with sugar as herein indicated may be used in fortification: *Provided*, That citrus-fruit brandy prepared from one citrus fruit shall be used only for the fortification of a citrus-fruit wine prepared from the same kind of citrus fruit."

SEC. 15. Section 3255 of the Revised Statutes, as amended (U. S. C., Supp. VII, title 26, sec. 1176), is amended to read as follows:

"SEC. 3255. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may exempt distillers of brandy made exclusively from apples, peaches, grapes, oranges, pears, pineapples, apricots, berries, plums, pawpaws, persimmons, prunes, figs, cherries, or dates and distillers of citrus-fruit brandy

made exclusively from citrus fruit, from any provision of this title relating to the manufacture of spirits, except as to the tax thereon, when in his judgment it may seem expedient to do so: *Provided*, That where, in the manufacture of wine or citrus-fruit wine, artificial sweetening has been used the wine, citrus-fruit wine, or the fruit pomace residuum may be used in the distillation of brandy or citrus-fruit brandy, as the case may be, and such use shall not prevent the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, from exempting such distiller from any provision of this title relating to the manufacture of spirits, except as to the tax thereon, when in his judgment it may seem expedient to do so: *And provided further*, That the distillers mentioned in this section may add to not less than 500 gallons (10 barrels) of grape cheese not more than 500 gallons of a sugar solution made from cane, beet, starch, or corn sugar, 95 percent pure, such solution to have a saccharine strength of not to exceed 10 percent, and may ferment the resultant mixture on a winery or distillery premises, and such fermented product shall be regarded as distilling material."

SEC. 16. Section 3246 of the Revised Statutes, as amended (U. S. C., Supp. VII, title 26, sec. 1394 (h), (i), and (j)), is amended to read as follows:

"SEC. 3246. Nothing in this chapter shall be construed to impose a special tax upon wine makers who sell wines of their own production where the same are made, or at the general business office of such wine maker: *Provided*, That no wine maker shall have more than one place of business for the sale of such wine that shall be exempt from the special tax. No special tax shall be imposed upon apothecaries as to wines or spirituous liquors which they use exclusively in the preparation or making up of medicines unfit for use for beverage purposes.

"No special tax shall be imposed upon manufacturing chemists or flavoring-extract manufacturers for recovering tax-paid alcohol or spirituous liquors from dregs or marc of percolation or extraction, if such recovered alcohol or spirituous liquors be again used in the manufacture of like medicines or flavoring extracts."

Mr. FLETCHER. Mr. President, I have submitted this amendment to the committee, and the members of the committee are familiar with it. I think the committee will make no objection to the amendment, because it is embodied in a bill which I introduced and which was referred to the Finance Committee, known as "Senate bill 2302." The bill was referred to the Treasury Department, and I have here the report of the Bureau of Internal Revenue, which says:

> With these suggested changes, insofar as the internal-revenue laws are concerned, it is recommended that S. 2302 be enacted into law.

This amendment is the same as the bill, with the changes suggested by the Internal Revenue Bureau.

Mr. HARRISON. Mr. President, I desired to ask the Senator whether he had incorporated the changes suggested by the Treasury Department.

Mr. FLETCHER. I have. I have followed their suggestion.

Mr. GEORGE. Mr. President, this amendment was submitted to the Finance Committee and, as the Senator from Florida has said, it has the approval of the Treasury Department.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. McNARY. Mr. President, I desire to offer an amendment on page 3, line 6, after the word "Senate", where I move to insert the words "Not more than two members of the commission shall be members of the same political party."

The VICE PRESIDENT. It will be necessary to reconsider the vote by which the committee amendment was agreed to.

Mr. GEORGE. Mr. President, I ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote is reconsidered. The Senator from Oregon offers an amendment, which the clerk will state.

The CHIEF CLERK. On page 3, line 6, after the word "Senate" and the period, it is proposed to insert the words "Not more than two members of the commission shall be members of the same political party."

Mr. GEORGE. There is no objection to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. COPELAND. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 34, after line 2, after the amendment of Mr. CONNALLY heretofore agreed to, it is proposed to insert the following:

SEC. 18. (c) Title II of the Liquor Taxing Act of 1934 is amended to read as follows:

"SEC. 201. (a) There shall be levied, collected, and paid upon all distilled spirits sold at retail a tax of $2 on each proof-gallon or wine-gallon when below proof and a proportionate tax at a like rate on all fractional parts of such proof- or wine-gallon.

"(b) No tax shall be imposed upon any distiller or importer under paragraph (4) of subdivision (a) of section 600, as amended, of the Revenue Act of 1918, in respect to any distilled spirits taxable under this section.

"SEC. 202. The internal-revenue tax imposed by the preceding section upon distilled spirits shall be collected from retailers, who shall affix to every bottle or other container of distilled spirits at the time of its first retail sale or retail transfer unopened in a container for on or off-premise consumption, and to every bottle or other container of distilled spirits out of which any part of the contents is removed for the purpose of retail sale, transfer, or use on or off the premises, before such container is opened, a stamp or stamps indelibly canceled, denoting the quantity of distilled spirits contained therein and evidencing payment of all internal-revenue taxes imposed on such spirits, and in the case of imported spirits, of all customs duties imposed thereon.

"SEC. 203. Any licensed retailer possessing or coming into possession of distilled spirits upon which all internal-revenue taxes and customs duties imposed by law shall have been paid, shall be entitled to purchase such stamps as are necessary for stamping the containers of distilled spirits in the manner required by the preceding section. Stamps for this purpose may be purchased by such retailer only from the collector of internal revenue for the revenue district in which such retailer's place or places of business for retail sales shall be located. Such retailer shall present satisfactory proof to such collector of internal revenue that such tax and customs duties on such distilled spirits have been paid. Such stamps shall be sold by the collector to such retailer at a price of 1 cent for each stamp, except that in case of stamps for containers of less than one-half pint, the price shall be one-fourth of 1 cent for each stamp.

"SEC. 204. No person shall manufacture, distill, rectify, import, transfer, or sell at wholesale or at retail any distilled spirits unless such person shall have furnished a surety-company bond given by a company, companies, or syndicate of companies approved by the Commissioner of Internal Revenue and guaranteeing the payment of all taxes and customs duties imposed by law on such distilled spirits, with such terms and conditions and in such penal sum as may be approved by said Commissioner. The provisions of this section shall not apply to any regularly established common carrier receiving, transporting, delivering, or holding for transportation or delivery distilled spirits in the ordinary course of its business as a common carrier.

"SEC. 205. The Commissioner, with the approval of the Secretary of the Treasury, shall prescribe (a) regulations with respect to the time and manner of applying for, issuing, affixing, and canceling stamps required by this title, the form and denominations of such stamps, proof that applicants are entitled to such stamps, and the method of accounting for receipts from the sale of such stamps; and (b) such other regulations as he shall deem necessary for the enforcement of this title.

"SEC. 206. All distilled spirits found in any container required to bear a stamp by this title, which container is not stamped in compliance with this title and regulations issued thereunder, shall be forfeited to the United States.

"SEC. 207. Any person who violates any provision of this title, or who, with intent to defraud, falsely makes, forges, alters, or counterfeits any stamp made or used under this title, or who uses, sells, or has in his possession any such forged, altered, or counterfeited stamp, or any plate or die used or which may be used in the manufacture thereof, or any stamp required to be canceled by this title, or who makes, uses, sells, or has in his possession any paper in imitation of the paper used in the manufacture of any such stamp, or who reuses any stamp required by this title to be canceled, or who affixes any stamp issued under this title to any container of distilled spirits on which any tax is unpaid, or who makes any false statement in any application for stamps under this title, or who has in his possession any such stamps obtained by him otherwise than as provided in this title, or who sells or transfers any such stamp otherwise than as provided in this title, shall on conviction be punished by a fine not exceeding $1,000 or by imprisonment at hard labor not exceeding 5 years, or by both. Any officer authorized to enforce any provisions of law relating to internal-revenue stamps is authorized to enforce the provisions of this section and the provisions of section 7 of the act of March 3, 1897, relating to the bottling of distilled spirits in bond."

(d) This section shall take effect 60 days after the date of enactment of this act.

Mr. GEORGE. Mr. President, I ask unanimous consent that the reading of the amendment, which is entirely technical, be dispensed with. As a matter of fact, as I understand it and as the committee understood it, the amendment simply provides for the collection of the taxes at the time of the final sale rather than the first sale or intermediate sale.

Mr. COPELAND. That is correct.

Mr. GEORGE. I think that is all that is sought to be accomplished by this particular amendment. There has been a hearing by a subcommittee of the Finance Committee, and the Treasury has not approved the amendment as yet because of administrative difficulties. I am quite willing to take the amendment to conference because it unquestionably would add to the revenue, in my judgment, and it would also tend to prevent bootlegging. I should be very glad to take it to conference.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. COPELAND. Mr. President, although the amendment has been adopted, for the benefit of the conferees and others who may be interested in it, I should like to make a statement concerning it.

My State vigorously opposed continuance of the eighteenth amendment and did everything possible to bring about its repeal. Let it not be said that opposition came alone from those of doubtful repute. On the contrary, hundreds of thousands of the most honorable and highly favored of our citizens demanded action.

When the matter of repeal was under consideration, on all sides there was a demand for a new deal after repeal. A solemn pledge was made to observe the liquor laws and to frown upon all efforts to evade them after repeal. There can be no question that the spirit of patriotism then demanded and now demands that not a drop of non-tax-paid liquor shall be knowingly consumed.

What is the truth about the liquor business? Has the repeal of prohibition resulted in abolition of bootlegging? As I shall show directly, more than 50 percent of the spirituous liquor consumed in the United States is illicit liquor. The able committee in charge of this bill is disturbed over the present situation. Let me quote from page 2 of the report:

> Further, during prohibition, unscrupulous persons entered into the liquor business, with the consequences known to all. The bootlegger and the racketeer have not yet disappeared from our national life. Under existing Federal law there is no means of keeping the criminal from entering the legalized liquor field. The executive branch of the Government (except to a limited extent in the case of distilleries) is powerless to prevent the most notorious criminal from entering into the business of production or distribution of alcoholic beverages. The revenue cannot be adequately protected, the "tied-house" control cannot be curbed, the public cannot be protected from unscrupulous advertising, the consumer cannot be protected from deceptive-labeling practices; in short, the legalized liquor traffic cannot be effectively regulated if the door is left open for highly financed gangs of criminals and racketeers to enter into the business of liquor production and distribution.

I had intended to exhibit on the floor of the Senate several bottles of liquor to show how imperfect and ineffective are the efforts of the Government to control bootlegging. On the top of each bottle is the flimsy and unreliable evidence that the tax has been paid. Yet not a man in the Government service can testify with certainty that that slip was not pasted on a bottle of illicit liquor, of non-tax-paid liquor.

This bill creates a Federal Alcohol Administration which shall issue permits to distillers, rectifiers, wholesalers, and importers for the manufacture and sale of spirituous liquors. It sets up rules which determine fair competition and lawful practices, prevents the old abuses of the exclusive outlet, the tied house, interlocking directorates, bribery and consignment sales, and sets up labeling and advertising regulations to protect the public.

Were the bill to pass in its present form—without vital amendment—it would be known as "the Federal Alcohol Administration bill." The public at large will have the impression that all of the present evils attending liquor control have been solved. The public will believe that the difficulties arising out of hurriedly organized national and State methods of control and administration have been corrected; that organized crime which attended the activities of bootleggers, rum runners, and all other illicit purveyors of liquor will hereafter cease to exist.

The bill in its present form fails to provide the remedies which the present serious liquor-control situation requires. The amendment I have introduced, I truly believe, furnishes the legal instrumentality which will go far toward correcting the present evils which every informed person knows exist. I believe it is of extreme importance that full and favorable consideration be given this amendment or a proper substitute for it.

Let me outline first what the liquor situation is today. Then let me tell you what I hope may be accomplished through the passage of this amendment.

The American liquor problem today, as I see it, comprises, in a broad sense, just two elements upon which all competent experts agree:

First. Bootlegging and illicit selling continue to absorb at least 50 percent of the present consumption of spirituous liquors. Therefore the Government is collecting taxes on less than 50 percent of the consumption of such liquors. In short, less than one-half of liquor actually consumed now pays a penny of tax.

Second. Retail tax-paid prices are high, which is an additional encouragement to illicit selling.

A means can be found to put out of business organized bootlegging mobs and, if so, illicit selling can be practically eliminated. The same means will make it possible to reduce prices to the consumer by from 25 to 40 percent. If this can be done, obviously what we now consider as the American liquor problem will have been solved.

This is the purpose of the amendment which I have proposed. By its passage I believe that these definite results would be achieved.

What causes the present loss of collectible revenue? What causes the loss of $300,000,000 annually? What causes the continuation of bootlegging, rum runnings, and attendant racketeering, and the high retail prices which the public is today forced to pay?

The primary factor, the cause of the pathetic failure of our efforts, will be eliminated by this amendment. That factor is the present method of collecting at the source the $2 Federal excise tax and the $5 import duty due on spirituous liquor sold in the United States.

Because these taxes are collected at the source before spirituous liquors have been put into distributive channels, there results a pyramiding of overhead and profit, not only on the manufacturer's cost of the merchandise but more importantly on the tax and duty which each successive distributor automatically considers part of his base cost upon which he computes his operating mark-up. Hence each successive handler adds his operating profit not only to the manufacturing value of the goods but additionally he adds his normal percentage of profit to the taxes and duties as well. The net result of this pyramiding practice is that for each dollar of tax or duty collected by the Federal Government the consumer pays approximately $1.90.

Let me explain how these taxes are pyramided: Today a distiller, who is bottling liquor, tax-pays his liquor at the distillery. Of liquor costing him $1 a gallon, he uses 3 gallons to bottle 12 quarts, making 1 case of whisky; he pays to the Federal Government at the time of this operation $6 of excise taxes. His bottling and casing cost him approximately $1.50.

So he now has a case of bottled liquor on the floor of his distillery in which he has an investment of $3 for whisky, $6 for Federal taxes, and 12 cents for Federal strip stamps, which is the little stamp, the little piece of camouflage supposed to be evidence of tax payment. Then he puts on another $1.50 for bottling and casing, making, in all, a total investment of $10.62.

Now, here is the point: To this $10.62 item he adds on an operating profit, which not only has to include the profit on his investment and risk as a manufacturer but, likewise, his costs for advertising and distribution. Most of the large distillers at this point add on 25 percent, which would make a distillery price to the wholesaler of $13.27 on the case. Let us allow 23 cents for freight to New York. Therefore, the price delivered to the New York wholesaler would be $13.50.

New York State imposes a State tax of $1 a gallon, or, in this instance, $3 a case, which the wholesaler must pay, so that his investment on this case of liquor now becomes $16.50. To this is added the prevailing wholesale mark-up of 15 percent, or $2.48, making a total delivered price to the retailer of $18.98.

To this $18.98, the retailer puts on another one-third for fast-moving merchandise such as this low-cost item would be. He would add from 40 percent to 50 percent on higher priced, slower-selling goods. On the 33⅓-percent mark-up his price for the bottle of whisky I show to the consumer-purchaser would be at the rate of $25.30 a case, or he would sell that whisky for $2.11 a quart.

To recapitulate, what has happened is this: On the $6.12 which the Federal Government received from the distiller, there was added an operating profit of 25 percent by the distiller, which amounts to $1.53; next there was a 15-percent operating profit by the wholesaler, which amounts to $1.15; and a retailer's operating profit of 33⅓ percent, which amounts to $2.93, making in all a payment by the consumer of $11.73 for Federal taxes, of which the Federal Government received only $6.12. In short, for every dollar of tax which the Federal Government received, the consumer paid more than $1.90 and the Federal Government received only 24 percent of the consumer's retail dollar.

In this way a high tax-paid market is created which allows the large margin necessary for bootleggers, rum runners, and all other illicit sellers to continue their operations on a highly profitable basis; it deprives the Federal and State Governments of millions of dollars of revenue now provided by law; it places an unnecessary price burden upon the consumer with no compensating advantages; but most important of all it encourages the continuation of a disregard for law and order, and provides the principal source of financing for bootleggers, racketeers, kidnapers, and all other elements of the underworld.

Under the method proposed in this amendment, all taxes on liquor will be collected at the point of retail sale, rather than at the source of manufacture or distribution. Surety bonds will be posted by every corporation or individual manufacturing or selling liquor guaranteeing the payment of all taxes due.

By reversing the process of tax collection so that taxes will be payable at the point of retail sale, there will be eliminated the pyramiding of overhead and profits as liquor passes from manufacturer or importer to wholesaler, to retailer, to consumer. This saving of overhead and profits on taxes should reduce prices to the consumer from 25 to 40 percent.

If the system I propose is inaugurated—

(a) All retailers, whether for on-premise or off-premise consumption, will affix to each bottle canceled revenue stamps covering the total amount of taxes due the Federal Government.

(b) Stamps will be available for purchase at points designated by the Commissioner of Internal Revenue. In other words, licensees for either off-premise or on-premise consumption will be charged with the responsibility of buying the stamps necessary to cover sale or use, and of canceling them as soon as they are put on a bottle.

(c) A system of accounts and records will be created by the Commissioner of Internal Revenue covering the transaction from licensed distiller or importer to licensed wholesaler to licensed retailer, for off- or on-premise consumption. This system of records and accounts will check all shipments and sales by:

1. Distiller or importers and rectifiers to wholesalers.

2. Wholesalers to retailers against the actual stamp purchases made for the designated periods by retailers. (The Government already uses a similar system in the case of rectifiers who pay tax at the time of purchase.) In other words, working the check-up backward, retailers' package-sales records, and on-premise consumption licensees' records of withdrawals from inventory must check against actual records of stamp purchases by licensees.

For example, if a retailer begins, under this plan, with an initial inventory of 1,000 gallons and buys 200 gallons during the month, and sells 300 gallons during the month, his month's end inventory will show 900 gallons on hand and his duplicate receipts will show stamps purchased to cover the 300 gallons sold.

The retailer cannot make sales without such sales being reflected in the check-up of his running inventory, because the combined records of wholesalers will show the exact amount of stamps which all retailers should have bought during any period; whereas the combined records of all distillers', rectifiers', and importers' sales must check with the sales of wholesalers.

(d) Bootlegging under this plan apparently would be largely eliminated; the bootlegger can only operate profitably if he sells against a high tax-paid market; no bootlegger can make and bottle whisky as cheaply as a licensed distiller.

Now let us see what happens on that same case of liquor under the method which is proposed by this amendment. The 3 gallons of whisky would cost the distiller $1 per gallon. His casing cost of $1.50 would be the same, but because he did not prepay his tax he would have a distillery cost before overhead was added of $4.50. To this he would add his profit of 25 percent, making it $1.13; allowing the same 23-cent item as freight to New York, his delivered New York price, tax deferred, would be $5.86. The wholesaler would add on his normal 15-percent operating margin of 88 cents, making a price to the retailer of $6.74, to which the retailer would add his 33⅓-percent operating margin, or $2.25, making a price to the consumer before taxes of $9, or 75 cents per quart. Now there would be due under this system 51 cents in Federal taxes per quart and 25 cents in State taxes per quart, which obligation would be canceled by the retailer by his affixing to the bottle at the time of sale 51 cents in Federal tax stamps and 25 cents of State stamps. So the consumer's price at the time of purchase for the identical bottle of liquor would be $1.51 instead of $2.15, a reduction of 64 cents, or approximately 30 percent of the present retail price.

Also, an additional advantage would lie in the fact that although the price to the consumer was materially reduced, the Federal Government would collect a considerably higher portion of the consumer's retail dollar. Under the present method, its collection would be 24 percent. Under the method proposed its collection would be 34 percent.

The present method of collecting taxes by the Treasury, no matter how efficiently administered, is impractical because it is a method which was designed to collect taxes when the major portion of spirituous liquor was sold in barrels and not in bottles, as is the legally required method of today.

Up to the time of national prohibition perhaps 80 percent of all spirituous liquor sold by distillers, rectifiers, and importers was transferred to the point of actual consumer sale in barrels. Wholesalers, retailers, and on-premise consumption licensees, such as restaurants, hotels, and clubs, could buy barreled whisky. The on-premise licensee bought his bar whisky in barrels; the wholesaler or chain retailer bought barreled whisky and bottled it himself for his local consumer trade, mostly under his own label. Today, in most States there is a State regulation which requires that a distiller cannot sell in bulk and that all whisky must be sold in bottles by the distiller to a wholesaler, who in turn sells to the on-premise licensee. Previously, as a barrel was taken out of bond the imposition of the tax upon the contents of the barrel did not lend itself to the amount of

pyramiding as is compelled by the present system of distribution as prescribed by the various State laws.

Furthermore, there was little, if any, opportunity for tax evasion becaues the amount of tax on each barrel was evidenced by a canceled revenue stamp which, immediately previous to the period of prohibition, amounted to $55. Hence the initial bookkeeping record required to trace and control a barrel of liquor was a unit involving $55 and covered 50 gallons of tax-paid liquor.

Today, however, the primary bookkeeping record, which would have to be used were the same system of control to be followed, would relate really to one pint of liquor, as the pint is more frequently sold than any other unit. This involves a tax payment to the Government of 25 cents. Even so, this tax payment is not evidenced by a 25-cent Federal tax stamp being pasted on the pint bottle and canceled, but by what is known as a "strip stamp" which costs 1 cent, and which in the past has been readily obtainable by illicit sources, as well as the legitimate distiller, rectifier, or importer.

The importance of what I say lies in the fact that previously one stamp had to be paid for, used, and recorded, a stamp which covered 200 pints and cost $55. Today 200 individual records, each involving 1 cent (or at least 25 cents were a prepaid tax stamp to be affixed) would have to be kept in order that the same amount of control might be exercised. Mathematically, today records would have to be kept on perhaps 1,000,000,000 units of sale annually, whereas the number of units of sale before prohibition on which proper records were to be kept, would not have exceeded 2,000,000 to cover the barrel sales, which represented 80 percent of the total traffic.

I am positive that the present method of tax collection can never result in the elimination of illicit selling even if the appropriations for strict enforcement are greatly increased. It would require the old time army of inspectors with failure as certain as they experienced. Furthermore, retail prices to the consumer under the present method of tax collection cannot be substantially reduced, regardless of the most severe competition among distillers, wholesalers, and retailers.

There is another point: The plan of tax collection provided for in my amendment affords a legal instrumentality which will probably be the largest contributing factor in stamping out all illicit selling. This instrumentality makes it possible to enforce existing law which provides that a buyer who willfully and knowingly purchases non-tax-paid liquor becomes a party to a conspiracy with the seller to defraud the United States Government of its lawful taxes and therefore the Attorney General may prosecute all parties in liquor tax violation cases as conspirators engaged in an effort to defraud the United States Government.

With the passage of the twenty-first amendment, and the subsequent passage of liquor-control laws under this amendment in the respective States where the sale of liquor is now legal, a Federal tax on spirituous liquor of $2 per gallon is due on every gallon of liquor manufactured in the country.

If the system I advise is put into operation, an individual willfully and knowingly buying liquor without each bottle having affixed to it the proper canceled tax stamps, by that purchase enters into a conspiracy with the bootlegger to defraud the United States Government.

A retailer purchasing liquor from a bootlegger for the refilling of previously used bottles, likewise, by such purchases, enters into a conspiracy with the seller to defraud the United States Government, because he is refilling a bottle bearing canceled Federal stamps.

The retailer selling for off-premise consumption would be unlikely to sell individual bottles without canceled stamps. He would not dare do this because such unstamped bottles would be conclusive evidence of tax evasion.

Perhaps the most forceful demonstration of the probable efficiency of the method of tax collection proposed in this amendment is furnished by the method of tax collection which is now in operation in the District of Columbia. This affords us an exact comparison between the results obtained by a method similar to the one proposed by my amendment and the much smaller percentage of tax collection by the Federal Government throughout the country. The District of Columbia requires an excise tax of 50 cents per gallon to be imposed. When the retailer puts newly bought merchandise into his stock, he affixes to each bottle a District of Columbia beverage stamp, which has been indelibly canceled by being stamped with the retailer's license number.

A comparison of gallonage tax collections by the District of Columbia Board and by the United States Department of Internal Revenue seems to indicate that when tax stamps are affixed by the retailer at the time of sale, greater revenue accrues than if taxes are paid at the source.

For example, during the month of January 1935, Federal excise taxes were paid on about five and one-half million gallons of distilled spirits. According to Mr. Graves and Mr. Mellott, of the Treasury Department, there are approximately 225,000 outlets throughout the United States which are licensed to sell liquor. Hence, each outlet averaged tax payments on about 20 gallons of liquor for the month of January 1935.

In the District of Columbia there were 653 outlets paying the 50 cents per gallon District of Columbia tax by affixing a canceled tax stamp on each bottle. During the same period, January 1935, the District A. B. C. Board collected taxes on about 130,000 gallons, or almost 200 gallons per outlet.

Therefore, during a corresponding period the District of Columbia taxes paid by stamp at point of retail sale were approximately 10 times the Federal excise taxes collected at the source.

Furthermore, the last year's per capita tax paid consumption in wet States was less than seven-tenths of a gallon, whereas the District of Columbia tax-paid consumption is running at a rate exceeding 2.8 gallons per capita, or four times the national average. This would seem to indicate that the District of Columbia, through its method of tax collection at the point of retail sale, is obtaining results more nearly approximating the actual legal consumption of its population, or else it would indicate that the per capita consumption in the District is four times the national average in the wet States. Of course, we could not credit this.

You may be under the impression that I am unduly stressing the enormity of the present-day bootlegging traffic and you may have the opinion or may be told that this traffic is rapidly disappearing. Such a conclusion is far—very far—from the truth. Let me read you some excerpts from the press:

"We now have facts from which the reasonable inference is * * * that bootleg production continues on so huge a scale as to constrain us to the conclusion that our people must now be consuming greater quantities of spirits than they did in pre-prohibition days. * * * The Government is losing more taxes than it gets. A colossal criminal industry, necessarily highly organized, still exists. * * * If any progress is ever to be made in either control or temperance, if ever the expected revenue is to be realized, this criminal industry must be destroyed."—Joseph H. Choate, Jr., in the public press on April 29, 1934.

"In the State of Delaware, our legal sales of alcohol are approximately one-half of the per capita consumption in 1914 * * * 50 percent of the alcohol consumed in our State is of bootleg variety, 50 percent legal."—From a letter to the National Civic Federation, dated August 10, 1934, from Hon. Pierre S. du Pont, liquor commissioner for the State of Delaware.

"D. Frederick Burnett, State commissioner of alcoholic beverage control, said in a review of the first year of repeal, that 50 percent of the liquor now being consumed in New Jersey is illicit and the State is being flooded with bootleg liquor."—New York World-Telegram, November 30, 1934.

"New York State Tax Commissioner Mark Graves, has estimated that the State was actually consuming as much as 25,000,000 gallons with tax being paid on an estimated 6,200,000 only."—Washington (D. C.) Post, December 2, 1934.

"In the National Capital bootleggers are delivering liquor in case lots to hotel rooms. During the discussions with distillers and bottle makers, it was disclosed that 90 percent of the business in one well-known type of rum was bootlegged; that only 15 percent of the business of one popular brand of rye was legitimate."—Secretary of the Treasury Morgenthau at a press conference, June 21, 1934.

"Thomas Jefferson Coolidge, Acting Secretary of the Treasury, stated that despite repeal 'There appears to be an increase in liquor smuggling along the northeastern coast.' Mr. Coolidge said, 'The Department had been informed of at least 14 smuggling

vessels along the seaboard from Delaware to Maine."—New York Herald Tribune, July 24, 1934.

"Rum fleet grows," says Morgenthau. Testifying on March 8, 1935, before the House Ways and Means Committee, Mr. Morgenthau said that in the last 4 months of 1934 known alcohol smugglers had started more than 750,000 gallons of alcohol to the United States. At this rate, he asserted, the annual internal-revenue loss would be $8,625,981; the loss in customs duties would be $21,564,952, a total of $30,190,933. Mr. Morgenthau recalled that before repeal it had been expected liquor smuggling would be reduced, * * * but commencing with the spring of 1934 liquor smugglers again appeared along our coasts and their operations have now increased to alarming proportions; 39 foreign vessels are presently known to the Coast Guard to be engaged in the traffic. Inasmuch as these vessels are hovering beyond our customs waters, they are not subject to seizure under existing laws and hence they carry on their smuggling operations almost with impunity.—New York Evening Sun, March 8, 1935.

"The Treasury's 'revenue police' carried on vigorously today. * * * Reports showed 2,110 persons arrested in what was probably the most productive drive ever made against the underworld. * * * In about 24 hours 900 moonshine stills with a daily capacity of 219,866 gallons were gathered in by the Alcohol Tax Unit."—New York Times, March 17, 1935. (The annual capacity of these stills exceeds last year's total tax-paid production.)

"Burnett declared 56 percent of the liquor sold in the State is illicit. He asserted:

"'The police are in cahoots with the bootleggers and the State is in the grip of this illicit industry.'"—Syracuse Journal, April 1, 1935.

Obviously conditions are getting worse, not better. In April 1934 Mr. Choate "feared" that seizure of illicit plants for the first 3 months indicated that the year's total would amount to 7,952 illicit plants with a combined annual capacity of 271,623,080 gallons. Actually the year's total was 10,947, almost 3,000 more than the "incredible" potential.

On July 24, 1934, Acting Secretary of the Treasury Coolidge was "alarmed that rum row off east coast grows to 14 ships." Less than a year later Secretary Morgenthau reported 39 vessels carrying on "their smuggling operations almost with impunity."

Since conditions today are admittedly no better than they were last year, it must be conceded that no less than 50 percent of distilled spirits consumption is not being tax paid. The full fiscal year's internal-revenue collections were on approximately seven and a half million gallons of imported spirits and 75,000,000 gallons of domestically distilled spirits. If seven and a half million gallons of spirits were imported illicitly, the tax loss to the Federal Government on this item alone would represent $52,500,000; the tax loss on 75,000,000 gallons of illicitly made domestic spirits would be $150,000,000. Additionally, the State governments would lose approximate $100,000,000, making a total Federal and State tax loss exceeding $300,000,000.

The Chairman of the Finance Committee sent a copy of this amendment to Secretary Morgenthau and asked his opinion. The Secretary sums up his opinion in his concluding paragraph:

> It is my view that the proposed amendment would render the administration of law very difficult, and the collection of the revenue on distilled spirits impracticable, if not impossible, and it is urgently recommended that the amendment be not adopted.

In his letter the Secretary does not suggest any method by which this enormous tax loss can be recovered for the Federal and State Governments. His published statements and those of other officials qualified to judge admit that this huge tax loss exists. No plan has been devised by the Treasury which assures that these huge tax evasions can be prevented. I contend that until the Secretary submits a program which will assure collection of this enormous revenue for the Government that the plan proposed by this amendment should be adopted and enforced until the Treasury evolves a better plan.

The Secretary contends that the cost of checking up on the 225,000 licensed retail outlets would substantially increase the cost of enforcement. Even were this to be true, were enforcement costs to double and with $300,000,000 additional revenue to result, admittedly it would be worth while. However, I contend that enforcement costs would be considerably less than they are today if this system is adopted. The present Treasury expenditure of $5,000,000 annually, which is being paid to the 2,000 agents engaged to protect the revenue, could be materially reduced and better results obtained.

In the District of Columbia there are two agents checking 650 retail outlets. The Treasury's 2,000 agents would have to check 225,000 outlets. Hence, each District agent today checks 375 outlets, whereas a Federal agent would check approximately 100.

Yet the District is doing a better tax-collection job than is the Federal Government if gallonage-tax collections are the indication, for the District gallonage-tax collections are seven times those of the National Government when computed on a retail outlet basis. This proves conclusively that the District system of collecting at the point of retail sale is seven times as efficient as is the system which the Secretary insists should be continued.

Millions are being spent for enforcement which does not enforce and for tax collection which fails to collect. The fault does not lie with the Secretary's administration, but rather in the system which he and his aids urgently recommend must be continued.

I claim that by deferring the payment of excise taxes and import duties until a retail sale is made, all distilled spirits whether illicit or legal would be tax-paid, because the evidence of tax payment would be compulsory upon the retailer who makes the sale. A thousand-dollar penalty bond would be forfeited if an agent of the Government caught him in the act of selling illicitly. Furthermore, he would be guilty of a conspiracy to defraud the United States Government, which is a felony and subject to severe penalty.

In addition, this plan provides that the retail licensee would be compelled each month to report the amount of his excise stamp purchase; also that in his application for a surety bond he would file an initial balance sheet and operating statement. His balance sheet would reflect amount of his cash on hand, investment in inventory, investments in fixtures and equipment, prepaid insurance, other assets.

His operating statement would give terms of his lease, amount of his rent, his monthly pay roll to clerks and messengers, his sales in proof-gallons, his sales in dollar value.

Last year's total tax-paid consumption amounted to less than 83,000,000 gallons. The Treasury reports there are 225,000 licensed retail outlets selling distilled spirits. This means that each retail outlet averaged sales of less than 370 gallons, or approximately 30 gallons per month. What a travesty!

Domestic whisky today costs an average of approximately $1.25 per pint. Thirty gallons would reflect gross sales of about $300 per month in the average retail liquor store. The retailer's gross profit on this amount, due to competition, could not exceed $100. Hence an investigator of the Government in checking a New York City retailer's monthly report against receipts for excise stamp-tax purchases could logically inquire how this retailer could pay $100 monthly license fee, $200 monthly rent, $300 monthly clerk hire, and such incidentals as insurance, lights, advertising, association dues, and last, but not least, upkeep of himself and his family, where $100 was the gross amount available for such expenditures.

Furthermore, evasion would become more evident if my amendment were adopted, because the legitimate licensees' reports would reflect considerably higher tax payments and stamp purchases and, therefore, the illegitimate tax-evading retailer would more quickly be run to earth. The surety companies issuing bonds to protect themselves against severe penalty losses would be of great assistance in the analysis of these retailers' reports. If, on the other hand, the monthly reports reflected more nearly the amount of tax payments which would be necessary in order that a man's volume would be great enough to keep him in business, the objective for which this plan has been designed would be achieved, namely, that the hundreds of millions of dollars not now being paid would be collected by the Federal and State Governments.

High retail prices caused by the pyramiding of overhead and profit on taxes result in a high tax-paid consumer market, which encourages illicit selling. No excise tax nor import duty reductions are necessary to bring about low retail prices if the proposed method of tax collection is adopted, because lower retail prices can be attained by tax deferment than could be possible were the present $2 excise tax to be reduced to $1.10 and the import duty from $5 to $2.50.

The Secretary offers no suggestion as to how the present high retail prices can be reduced, whereas he will probably admit that there is a definite relationship between high retail prices and large-scale illicit selling. Under the present system of tax collection retail prices cannot be substantially reduced and, therefore, the Secretary's insistence that the present method be pursued unwittingly is an encouragement to bootleggers and rum runners.

To me one of the most important matters for us to consider at the present time is what it would accomplish in increased revenues. It is evident that this plan for reversing the method of collecting taxes should result in the collection of $300,000,000 annually of excise taxes and import duties which are not now being collected. This session of Congress is being prolonged because there is now being rewritten a new tax measure. Any new tax measure which will result in $300,000,000 of additional taxes would, in my opinion, impose so heavy a burden upon industry in this country as seriously to deter our return to more normal conditions. On the other hand, here are taxes which are due the Federal Treasury by law and which are not being collected. I earnestly recommend that an effort be made to collect these taxes by the method proposed.

I am confident that if this plan is adopted—

First. Illicit selling would be reduced to so small an amount as to make it impossible for large organized groups of illicit sellers to remain in business.

Second. Federal and State revenues from distilled spirits would increase by more than $300,000,000 annually.

Third. Retail prices to consumers would be reduced by from 25 to 50 percent.

The declared purpose of the bill before us contains the statement that it is intended—

> To protect the revenue derived from distilled spirits, * * * to enforce the twenty-first amendment, and for other purposes.

To meet the demands of this title is exactly what I have in mind by presenting this amendment. It extends the bond from the warehouse to the retailer, and by requiring payment of the tax by the retailer it will protect "the revenue derived from distilled spirits."

Not only this, I am confident it will prove to be the most effective weapon that can be imagined against violations of the twenty-first amendment. It will tend to law observance and hasten a return to respect for law.

Mr. MURPHY. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 22, line 8, it is proposed to strike out all after "(3)" down through "(4)" in line 18; and on page 23, line 17, after the word "products", and the amendment of Mr. JOHNSON heretofore agreed to, to insert the following:

> The regulations of the commission shall prohibit the designation of any product as neutral spirits, or as any type of whisky or gin, for nonindustrial use, if the neutral spirits contained therein are distilled from materials other than grain. Such regulations shall also require that the labels of all distilled spirits (other than cordials, liqueurs, and specialties) to which neutral spirits have been added by blending or rectification, and that the labels of all neutral spirits and of gin, for nonindustrial use, whether produced by blending or rectification or by a process of continuous distillation, shall state thereon the percentage of neutral spirits contained therein, the name of the commodity or commodities from which such neutral spirits have been distilled, and the percentage thereof derived from each such commodity. As used herein, the term "neutral spirits" includes ethyl alcohol.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CONNALLY. Mr. President, I desire to offer an amendment.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 34, after line 2, after the amendment of Mr. FLETCHER heretofore agreed to, it is proposed to insert the following:

> SEC. 17. To prevent monopoly, and to facilitate financing through warehouse receipts issued by independently owned bonded warehouses qualified under the internal revenue laws:
>
> (a) Section 1 of the act of March 3, 1877 (19 Stat. 393; 26 U. S. C. 382) is amended by striking out the words "not exceeding 10 in number in any collection district" and by adding to said section, at the end thereof the words "the Commissioner of Internal Revenue, under such regulations as he may promulgate from time to time with the approval of the Secretary of the Treasury, may, in his discretion, establish such warehouses adjacent to distilleries, and may, in his discretion, permit the removal of brandy directly from the distillery to such warehouses, and from such warehouses to the distillery warehouse of the producing distiller."
>
> (b) Section 51 of the act of August 27, 1894 (28 Stat. 564; U. S. C. 393), is amended by striking out the words "not exceeding 10 in number in any collection district" and by adding to said section, at the end thereof, the words "the Commissioner of Internal Revenue, under such regulations as he may promulgate from time to time with the approval of the Secretary of the Treasury, may, in his discretion, establish such warehouses adjacent to distilleries, and may, in his discretion, permit the removal of spirits directly from the distillery to such warehouses, and from such warehouses to the distillery warehouse of the producing distiller."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to further protect the revenue derived from distilled spirits and wine, to regulate interstate and foreign commerce and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes."

Mr. LA FOLLETTE. Mr. President, I move to reconsider the vote whereby the bill was passed.

Mr. GEORGE. I move to lay that motion on the table.

The VICE PRESIDENT. The question is on the motion of the Senator from Georgia.

The motion to lay on the table was agreed to.

Mr. GEORGE. Mr. President, I ask that the bill as it passed the Senate be printed with the Senate amendments numbered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. GEORGE. I move that the Senate insist upon its amendments, ask for a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. KEYES, and Mr. LA FOLLETTE conferees on the part of the Senate.

INCOME AND INHERITANCE TAXATION

Mr. HARRISON. Mr. President, I move that the Senate proceed to the consideration of House bill 8974, being the tax bill.

Mr. McNARY. Mr. President, just a word. I have no objection, but I should like to have the understanding that the Senate will not take the bill up for consideration until tomorrow.

Mr. HARRISON. I may say that I have no intention of asking the Senate to proceed with the bill this afternoon. I merely want to have its status fixed and then to ask that the Senate proceed with its consideration tomorrow.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. HARRISON. Mr. President, I ask that the formal reading of the bill be dispensed with, and that it be read for amendment, the committee amendments to be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

THE BUSINESS AND POLITICAL SITUATION

Mr. McKELLAR. Mr. President, for some time there has been considerable criticism of the present administration. I desire to say a few words this afternoon about what the administration has done in the 2 years and 5 months since it has been in power.

Mr. President, nearly 2,000 years ago the great Savior of mankind, who spake as never man spake, said, among other things, "By their fruits ye shall know them." This wise method of judging the works of men never has been and never will be improved upon. Whatever anyone may think about the matter, it will be by this rule that President Roosevelt and his administration will be judged.

Measured by this rule, the fruits of Mr. Roosevelt's administration have been good; his work has been untiring; his record has been clean; and the success of the measures he has inspired during days of great trouble and distress and under odds the most difficult that ever faced a President has been outstanding and remarkable.

One important measure, the N. R. A. bill, was declared unconstitutional in part, and some measures did not have the beneficial effect expected; but, taken as a whole, the policies created and put into force under the leadership of President Roosevelt have accomplished what few persons thought could be accomplished by the National Government. The goal of Mr. Roosevelt's policies has been recovery, and this, in splendid measure, has been accomplished; and, in my judgment, the inconsequential mistakes made will soon be forgotten.

It has been said that all Americans are prone to forget their troubles. I think this is true. When the ills that beset us are gone, they are often soon obliterated from our minds.

Lest we forget, I am, therefore, going to call to Senators' attention our national economic and financial situation just prior to Mr. Roosevelt's inauguration.

More than 11,000 banks had failed within a then recent period. Over $4,000,000,000 of depositors' money had been lost or tied up in those banks. The condition of our banks was so grave that the first official act of President Roosevelt was to close them temporarily and reopen them. Senators will recall that Congress immediately passed a bill guaranteeing bank deposits, and, incidentally, over the protest of most of our banks and bankers. Factories had closed down and were closing down all over the country. The prices of farm products were below the cost of production. The prices of cotton, corn, wheat, cattle, hogs, and other agricultural products had fallen so low that the farmers did not feel like raising more. Business was at a standstill. Money could hardly be borrowed at any rate of interest. Banks were afraid to lend it, and business men were afraid to borrow it. Transportation companies were looking receivership in the face all over the country. More than 10,000,000 people were out of work. The laboring man was penniless, the capitalists were frightened out of their wits, and penury and in many cases starvation was looking the common run of men and women in the face. The country was at its lowest ebb, financially, agriculturally, industrially, and in a business way. The previous administration had tried a number of nostrums, it is true, but all had failed.

Two years and five months have passed away. Two years and five months of unrelenting toil and masterful leadership have removed substantially every distress that afflicted our people on March 4, 1933. To my personal knowledge, during these 2 years and 5 months the President has worked day and night and on Sundays to bring about relief from the terrible financial and economic condition in which we had been engulfed; and now some are forgetting everything except inconsequential mistakes, and they are beginning to criticize the President. Now some are forgetting, in our present prosperity, the ills that beset us 2 years and 5 months ago. They are overlooking them, they are disregarding them, and are talking about the petty mistakes which have been made.

I wish to review some of the measures that have been put in force to bring about a better order of things in our then distressed country. In my personal judgment, the foremost and most effective of all of these measures has been the Agricultural Adjustment Act. Under this measure, and those passed in support of it, the prices of all farm products have gone up on an average more than 100 percent. The farmers have gotten out of the depression. They are back to normal. There is no informed person who can truthfully deny that the farmer's condition has been immeasurably improved during this period. Products of the farms constitute the principal basis of all prosperity. When the condition of the farmer is prosperous, the country is prosperous. The Agricultural Adjustment Act, backed up by measures like the Bankhead Cotton Control Act, and the various other acts passed by this administration for the benefit of the farmers, has worked wonders in the farmer's interest.

I desire to show, Mr. President, just what the material benefits to the farmers have been in this period of 2 years and 5 months. I shall quote from statistics which cannot be gainsaid. I shall take the important agricultural products first, and give the prices of those products on March 4, 1933, when the present administration came in, and the present prices of the same products.

First, let us take corn. In January 1933 corn was selling at 23 cents a bushel. Today it is selling at 80 cents a bushel.

Wheat in 1933 was selling at 43 cents a bushel. Today it is selling at 96 cents a bushel.

Steers were selling at $5 a hundredweight in 1933, and today they are selling at $12 a hundredweight.

Hogs were selling at $2.94 a hundredweight in January 1933, and today they are selling at $9 a hundredweight.

Cotton was selling at about 5 cents a pound when this administration came in, and today it is selling at between 11½ and 12 cents a pound.

Tobacco was selling at $10 a hundredweight at that time, and today it is selling at $23 a hundredweight.

Wool was selling then at 18 cents a pound, and it is selling today at 25 cents a pound.

Butter was then selling at 18 cents a pound, and today it is selling at 29 cents a pound.

Cheese was then selling at 12 cents a pound, and it is now selling at 17 cents a pound.

Flour, per barrel, was then selling at $3.80, and today it is selling at $7.16.

Beef was then selling at 10 cents a pound, and today it is selling at 18 cents a pound.

Hams were then selling at 10 cents a pound, and they are now selling at 18 cents a pound.

Cottonseed: I digress long enough to say that cottonseed generally in our part of the country is the colored man's cash crop. What has happened to cottonseed in those 2 years and 5 months? Then it was worth $11 a ton. Today it is worth $44 a ton, an increase of about 400 percent. If ever an administration brought succor and relief to the farmers of the country, this administration has done so.

Some say that what has been done is not economically sound. Perhaps it is not; but it has done the job, and the farmers are receiving more than 100 percent increase on all their products. Two years and five months ago the farmer did not know whether he would get the cost of production when he planted his crops. Today he knows he will get a living price for his crops when they are raised. That is the difference between then and now. That is what has been done since the administration came in.

We talk about little mistakes which have been made. Mistakes have been made. What man who ever does anything makes no mistake? Of course, mistakes have been made. However, the result has been that the farmers have been tremendously benefited, and every one knows it. Every Senator on this side of the aisle who is against the administration, and every Senator on the other side of the aisle who is against the administration, knows that the farmers of our country, who are the backbone of all our prosperity, have prospered under this administration and under its policies. When men talk about a crisis, and the mistakes which have been made in it, let them not forget the great thing which has been done, which has given back prosperity to the farmers.

Depressions, such as the one we have been going through, affect two classes of our citizens more than any others, next to the farmers. Those two classes are the bankers and the laboring men. Some claim this administration has been too considerate of the laboring man. I have looked through the records, I am familiar from actual knowledge with the passage of acts by the Congress, and I find that while this administration has looked after the interests of the laboring man actively, earnestly, and systematically, it has in like manner looked after the banks and the bankers in the same, earnest, honest, and effective way.

Indeed, I believe more bills have been passed for the benefit of bankers and banking than have been passed for the benefit of labor and the laboring man. The first official act of the President when he entered upon the duties of his high office was to put the banks in order. At the same time he and the Congress, realizing the rights of labor and of the laboring man to receive a just part of the fruits of his toil, have looked after his interests, too. Is there any man who will say that the administration ought not to have done that? Is there any man who will say that our attitude toward both the banks and the laboring men was not right? Of course, there is no man who will make such a statement.

Our banks suffered tremendously from the depression and our laboring people likewise suffered from it to an alarming degree. Our banks have been practically restored to normal. They have been put in more than 100 percent better condition, and our laboring men have maintained at least most of their standards. I believe in thus standing up for labor and in thus protecting the interests of the banks, both of which are so necessary in our economic life, that our President and the Congress have simply done their duty.

Nor has the business man's plight been overlooked. When President Roosevelt came into office business was practically at a standstill. The big merchant and the little merchant were idle. Neither is any longer idle. Both are again busy. There is not any better barometer of business than the income tax. In 1933 the individual income taxes paid in the United States amounted to $294,000,000; in 1934 they amounted to $354,000,000; and in 1935 they were $448,000,000. The corporation income tax in 1933 was $319,000,000; in 1934 it was $321,000,000; and in 1935 it was $465,000,000. The increase in the yield from the corporation tax is the most significant of all. It shows the enormous improvement in business conditions.

The income of the Government from other sources during the same 3 years is likewise indicative of the tremendous improvement in business conditions. In 1933 our total internal revenue was $1,619,000,000. In 1934 it was $2,300,000,000, and in 1935 it was $2,773,000,000, and without any substantial increase in taxes.

I will cite Tennessee as an example. The figures for Tennessee are even more striking. In 1933 the amount collected was $4,246,000, in 1934 it was $5,164,000, and in 1935 it was $8,303,000, showing an increase of approximately 100 percent. Yet daily we hear statements that this administration has not been a success. Remember the condition in 1933 and then see the tremendous changes, all for the better.

There has likewise been a vast improvement in the transportation business. Railroads prior to March 1933 were failing and going into the hands of receivers. And, notwithstanding that since that time there has been a great increase in bus, truck, and airplane transportation, there are now few railroads in the hands of receivers, and the railroads are very greatly better off. Railroad stocks on the whole have more than doubled in value, and although the railroads have had a hard time they are well on the road to recovery. I firmly believe and anticipate that they will soon be prosperous.

Thus we find farmers prosperous; banks and laboring men in better condition; newspapers prosperous; merchants prosperous; the aircraft industry, under new legislation, honest and prosperous; busses and trucks making distinct progress; railroads in much better condition; manufacturers in much better condition; lumber on the upgrade; and even the condition of lawyers, doctors, dentists, and other professional men much improved. All one has to do is to keep in mind the frightful conditions in 1933 and then look around and see our wonderfully increased present prosperity. Anyone who is intellectually honest and not blinded by partisanship cannot fail to give credit to Franklin Roosevelt and his administration for what has been done.

It must also be recalled that during this administration the Farm Loan Act was passed, saving thousands of farms from foreclosure and at the same time aiding and relieving banks by the settlement of these slow loans. Under the Farm Loan Act more than $2,913,647,154 have been spent in the 2 years the act has been in operation.

What for? For the purpose of saving the farmers from having their farms sold under mortgage. Nearly $3,000,000,000 has been invested for this purpose by the Government, and well invested. There is no chance of the Government losing it.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. MURPHY. And that money is being loaned to the farmers at the lowest rate of interest in all history.

Mr. McKELLAR. The Senator's statement is absolutely correct; the money has been loaned to the farmers at the lowest rate of interest at which they ever borrowed money—$3,000,000,000 of it—the Government will not lose a cent, and the farmers are greatly benefited. Yet there are critics of the present administration who ask what has it done for the benefit of the American people.

I may add that in Tennessee alone $33,000,000 has been spent for relief of the owners of farms and to keep mortgages on such farms from being foreclosed.

If so much service has been rendered to the farmers of our Nation, how much greater service has been rendered the home owners? The Home Owners' Loan Corporation Act was passed, saving hundreds of thousands of homes from foreclosure under mortgage, and at the same time relieving the banks of an enormous number of slow loans. The owners of those homes were saved from having their furniture thrown out and what little equity they had in their homes destroyed and lost. There has been spent for that purpose, or, rather, invested by the Government at a low rate of interest, the sum of $2,800,000,000. The loans are perfectly good, just as good as Government bonds themselves. The Government stands no chance to lose anything. Yet we still hear that the administration has not improved conditions in the United States.

In Tennessee alone $30,000,000 have been spent to keep homes from being foreclosed under mortgages bearing heavy rates of interest; homes have been saved, and we have a happy people living in these homes, the mortgages on which have been paid, and on farms, the mortgages on which have been paid.

In like manner the Federal Housing Act was passed and the Federal Housing Administration established. Under this act $203,168,348 has been expended for the betterment of homes and improving housing conditions. Has this been done at the expense of the Government? Not to the extent of a nickel. Under the housing act every dollar of the money comes from private sources; and consider the tremendous improvement which has taken place in every State. Gentlemen may talk about mistakes all they please, and there may have been mistakes here and there, but I am citing results—the concrete results—that a man though a fool can understand, and though blind can see.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Iowa.

Mr. MURPHY. And every one of those homes and every one of those farms would have been lost to the owners, and the occupants would have been turned out on the highways and on the streets, if the policy of the preceding administration, the policy of deflation, had been permitted to continue.

Mr. McKELLAR. In my judgment, the Senator from Iowa is exactly correct. In every newspaper in this land notices of foreclosures of homes, foreclosures of farms, were

being advertised, and the occupants were about to be turned out when this great new leader came forward and took charge of our country. When he took charge, one of the first things he did was to recommend to Congress that the homes of the people and the farms of the people be saved—and they have been saved. Three billion dollars have been spent under such circumstances that every dollar of it is certain to come back to the Government; $3,000,000,000 for homes, in round numbers; $3,000,000,000 for farms, in round numbers; and those home owners and those farm owners would have been on charity if the present administration had not taken the action it did. "By their fruits ye shall know them", said our holy Savior. If we judge by that splendid rule, which has never had a superior, we must say that this masterful leader has done his work well; and who cares about the inconsequential mistakes when we find so much good?

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. I yield.

Mr. BANKHEAD. I should like to ask the Senator if he has reflected upon the difference in the attitude of the people 2 years ago as compared with their present attitude? Does he recall that about 2 years ago a great gathering of farmers absolutely mobbed a judge in the West for foreclosing mortgages, and now in the same territory they are holding mass meetings pleading that present conditions may be continued?

Mr. McKELLAR. Yes, Mr. President; what the Senator from Alabama has said is indeed true. What a marvelous change, not for the worse but for the better, has come to the people of the Nation.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. McKELLAR. Certainly.

Mr. MURPHY. The mobbing of that judge occurred in my State. The mob had begun to set fire to railroad bridges. They had set fire to telephone poles. Mobs in Kansas had broken into stores to steal food for sustenance. Such crimes had begun to be prevalent throughout the country.

Mr. McKELLAR. Yes, Mr. President; what the Senator from Iowa has said is indeed true. What was our pitiful condition 2 years and 5 months ago? We all remember it. But how soon we forget.

Lord God of Hosts, be with us yet,
Lest we forget—lest we forget.

Let us not forget. Surely the Members of this body will not forget the conditions of 1933 when we looked a hopeless and helpless country in the face. Now that prosperity is returning, now that conditions are becoming normal, now that business is getting good, now that factories are operating, now that the farmers are receiving double what they then got for their products, now that the laboring man is still maintaining his standards, let us not forget all the present great administration has done.

I come now to the next accomplishment of Mr. Roosevelt's administration—the Reconstruction Finance Corporation. I digress long enough to say that that Corporation was organized during the administration of Mr. Hoover, but it did not accomplish any important results. It was operated on restricted lines; it was managed by men who were holding back everything; it was controlled by men who did not believe in the Government lending money at all. Its operations were small under the Hoover administration. But when the Roosevelt administration came into power, the powers of the Reconstruction Finance Corporation were increased, its operations were enlarged, and its benefits extended. Mr. Jesse H. Jones, of Texas, has been its director, and no institution of the Government of a like kind has ever been so successful. It has been of simply enormous benefit to banks, to insurance companies, to railroads, to mortgage companies, and of late to industrial concerns. Under the very able management of Mr. Jones, the Government will not only not lose anything, but the Reconstruction Finance Corporation will be found to be a paying institution. The Government will make enormous profits from it. It has not been a failure; it has been a marvelous success; and yet carping critics every day, principally in editorials, as I shall point out a little later, are talking about the mistakes the present administration has made, and saying not a word about our return to prosperity and the tremendously better conditions which now exist around us.

Mr. President, I have not as yet referred to the act passed during this administration by which bank deposits up to $5,000 are guaranteed. That was done after Mr. Roosevelt came into office and upon his advice. Congress enacted that law. What has been the result of it? Just prior to the time when Mr. Roosevelt came into office there were 11,000 bank failures in this country and $4,000,000,000 were tied up in failed banks.

There have not been to exceed 10 bank failures since; practically no money has been tied up, and today, under the present law, every depositor in the banks of the country knows when he puts his money in a bank that he can draw it out whenever he wants to do so. In my judgment, that is one of the best laws ever enacted by the Congress. Ninety-eight percent of all bank deposits are for less than $5,000. Therefore, they are fully insured. The F. D. I. C., like the Reconstruction Finance Corporation, is a money-making corporation. It has paid all losses and has a balance since it has been operating of over $4,000,000.

I was very happy the other day when the Senator from Michigan [Mr. VANDENBERG] rose in his place across the aisle and paid high compliment to this great institution and to its management. The Senator from Michigan, speaking of Mr. Leo T. Crowley, chairman of the board, said—and remember, Mr. President, this is not from the Democratic Campaign Committee; this is not a statement from Mr. James A. Farley; this is not a statement from friends of the new deal; it is from one of the most prominent candidates for the Presidency on the Republican side. Listen to what the Senator from Michigan said:

From my observation I think I have never seen a difficult and perplexing public responsibility more ably discharged than during the last 18 months of the Federal Deposit Insurance Corporation, presided over by Mr. Crowley.

Could there be greater praise? Bank deposits are secured. If President Roosevelt had done nothing else than to secure passage on his recommendation to the Congress by the bill guaranteeing the deposits of the small depositors in the banks of the United States, he would have done a wonderful work.

Nor must we forget the act, recommended by the President, by which the United States went off the gold standard. We are frequently criticized for that act. We were losing our foreign trade. We would have lost it all, perhaps, if it had not been for this act recommended by our President and passed by the Congress. All the other nations except three or four had gone off the gold standard. The United States was losing her foreign trade by leaps and bounds and probably would have lost it all if we had not gone off the gold standard. The result has been highly beneficial to our foreign trade and credit, nor has it been hurtful to our financial standing. Never in the history of our Republic has our credit been better and never has our financial standing been more secure than it is today. It is first class. Every American should be proud of it, and I believe most of them are proud of it.

I should like to mention also the Bankhead Cotton Control Act, which has been approved by practically all the cotton farmers of our country, though, I believe, not by all of them. There were a few dozen or possibly a few hundred who did not approve of it. But by overwhelming numbers the benefit coming from the Bankhead Cotton Control Act have been approved by the cotton farmers.

I had intended next to refer to the air mail acts, but, inasmuch as I helped to pass them, I shall leave that subject for the time being and pass on to something else.

Under the administration of President Roosevelt large appropriations have been made for building hard-surfaced roads throughout the country, and now we have splendid roads in every State in the Union.

I have already referred to a number of railroad acts, and I should refer to the reciprocal tariff act. All of these, advocated and supported by this administration, have added to our trade and business, and they are aiding in our recovery; and yet we are allowing the administration to be criticized every day.

Perhaps the most outstanding piece of legislation of the administration is the Social Security Act. That act brings in a new order. It takes care of many of those unfortunate persons who have never been taken care of before.

One of the outstanding acts of this Congress, under legislation recommended by the President, is the Tennessee Valley Authority Act. Not only has it done good to Tennessee, not only has it done good to the States through which the Tennessee River flows but it has done good to the entire Nation in this way: It has had an enormous effect in reducing the prices of electric current throughout the United States. It has focused the public mind on the inordinate prices previously charged by private power companies for current, and has been a tremendous factor in reducing the price of electricity all over the country, and it is going to do even more. It is going to bring the price of current to every home and to every farm to the very minimum cost.

After all this has been done by this administration, just as soon as recovery is apparent, there are some who are beginning to forget it all and are looking only at the mistakes which have been made.

Mistakes of judgment have been made. I should not give a tinker's hurrah—and if I were not in this Chamber I might use another and shorter word—for any man who did not make mistakes. President Roosevelt has made some mistakes; yes. Let us admit it; but see what he has done for the American people.

If I found a man who made no mistakes I should know that there was something wrong about him, and you would know it. But why consider mistakes when the country is enormously better off, and when every sign points not only to reasonable recovery but to full and complete recovery, as I think I shall prove in a few moments? The fact is that recovery is already here; but I shall reach that subject in a moment.

Let us, however, consider some of the so-called "mistakes." First, let us take the N. R. A. Some claim that it was a mistake, and they denounce it, and the more because the Supreme Court of the United States has declared it unconstitutional.

Mr. President, I am a lawyer. I believe in the Constitution of the United States. I believe in the Supreme Court of the United States and the other courts of the United States. When the Supreme Court speaks, I yield. It is my duty under my oath of office to yield. I have every respect for its opinions. But, Mr. President, every informed man in the country must know that while the N. R. A. legislation was on the statute books, it did a wonderful amount of good. Is there any Senator on this floor who will rise and say that the N. R. A. did not do any good? I do not believe so. It put hope and courage in business all over the country. That is shown. That is indubitably proved by what has happened since it was declared unconstitutional. The N. R. A. was declared unconstitutional, but business keeps it just the same. It keeps it, by common agreement, substantially as it was before; and only a few days ago this body passed a bill providing for its further use and further retention.

Talk about that act being a mistake. We all know it did a wonderful amount of good while it was on the statute books, and it is still doing good; and not only that, but business is going to keep it in its permanent relationships.

The next active criticism was aimed at the Agricultural Adjustment Administration. Incidentally, some Senators who voted for the act creating that Administration are now criticizing it. I was one of those who voted for it, and I am stronger for it today than I ever was since I voted for it. Instead of condemning the A. A. A., I wish to say that it has done more for the farmers of the country than any other law ever passed for their relief. Having done the farmers great good, that good has percolated all along down the line, thus benefiting the people of the entire country.

The recent Supreme Court decision in the N. R. A. case made it necessary to amend the A. A. A. act, and it has been amended. To show you that the A. A. A. was not a mistake, when it came up the other day for amendment, and was voted on again, there were 64 votes in this body in favor of the amendments to the Agricultural Adjustment Act, and how many Senators voted that it was a mistake? Just 15—just 15—just 15.

Why talk about the Agricultural Adjustment Act being a mistake when it has raised all farm prices over 100 percent on the average, and when the belief of Congress that it was not a mistake has been reasserted here?

Mr. President, there are some complaints about the processing tax.

Mr. BANKHEAD. Mr. President, while the Senator is on the subject of the vote on the A. A. A., I should like to refresh his mind on the point that one of the Republican Members of this body who is prominently spoken of as a candidate for President—I refer to the senior Senator from Iowa [Mr. DICKINSON]—after numerous attacks on this program, got up and walked out of the Chamber just before the vote was taken on the A. A. A. amendments, so that he would not have to vote against them.

Mr. McKELLAR. I did not know that. I did not see the Senator do that; but if he had attacked it, after hearing the arguments, and after knowing the wonderful benefit the Agricultural Adjustment Administration has conferred upon the farmers of the country, I do not see how in decency he could have done anything else than to walk out. I think he was wise in walking out.

I next come to some complaints about the processing tax. Many have claimed that it is not economically sound. Some Senators were not here when that claim was made, but it has been made almost every day. A great many Senators have talked about what was economically sound and what was economically unsound.

Economically sound. It is said that the processing tax is not economically sound. Many say that it is opposed to our hitherto accepted standards. That may be so. I am not here to combat that statement; but, Mr. President, whether or not it is economically sound, whether or not it is in accord with our preconceived standards in this country, the processing-tax has been a success. It has succeeded all along the line. It has made business better. It has given the farmers relief. It has been a wonderful contribution toward recovery in this country.

At first, Mr. President, much criticism was aimed at the Securities Act. It will be recalled that when we passed that bill, brokers—what my distinguished friend from Idaho [Mr. BORAH] called international bankers—and those associated with them, were selling the stocks and bonds of foreign nations all throughout the country at virtually par, 98½ cents on the dollar, many of them. In less than a year they were not worth 5 cents on the dollar. Millions, even billions of dollars of American money—money of American women, money belonging to the estates of minor children—were invested in the stocks and bonds of foreign countries that never have been paid and never will be paid, and even the interest on them is not being paid. That, however, was not all that these bankers did—these fly-by-night bankers, these investment brokers. They sold our own worthless securities all over the country at enormous prices, and the securities went bad.

When President Roosevelt came in, he recommended that no such financial skullduggery as that should go on. He recommended the establishment of a securities commission which would make it certain that every man or woman who invested in securities got substantially what he or she bought. Complain about it? Why, I heard speeches here by the hour that the country was going to the demnition bow-wows if ever that bill should pass. It was passed, however.

It will be recalled that bankers and brokers in America sold valueless stocks virtually for par; and that had more to do than perhaps anything else with bringing about the financial debacle of 1929. The international bankers, their

representatives in this country, and many of those who make their living not by the sweat of their brow but by imposing on others, were active and vigorous in selling these worthless stocks and bonds. Since that law was enacted, what has been the result? No more do we find worthless stocks and bonds being sold. They are all sold nearly at their value.

Much complaint—some of it honest, some of it bought and paid for, as we have seen by the investigation here—has been made about our regulation of holding companies. Much criticism has been leveled at the administration because we legislated about holding companies. Every man and every woman within the sound of my voice knows that there is no economic reason for the existence of a holding company. What does a holding company do? Does it perform any service? No. It merely takes away the earnings of the corporation it holds and devotes them to its own use. Holding companies. Holding companies toil not, neither do they spin, but Solomon in all his glory was never arrayed financially as have been the holding companies in this country.

Do they work for their money? No; they do not work for their money. They scheme and get the money for which other men work. During the two previous administrations they were allowed to exist. The depression came upon us, and they helped to bring it about. They have no legitimate business. Their only business is extracting dividends from honest corporations.

There are not many men today in active business or professional life who have not at one time or another in their careers been injured or robbed by these holding companies. They are a blot upon the body politic, and, in my humble judgment, they should be eliminated at the earliest date possible.

Mr. President, we hear complaints about taxes. We are to have the tax bill before us on tomorrow, and what I am going to say about the subject of taxation will apply to that bill.

Some complaints have been made that we have been borrowing enormous sums of money for relief and imposing no taxes with which to pay it back. The President of the United States, our great leader, recommended a tax bill which would bring in perhaps $250,000,000 or $300,000,000 a year more than we are now collecting, and as soon as he recommended it all the critics dropped their complaints about not raising taxes with which to pay for extraordinary expenses, and at once began to shout their denunciation of President Roosevelt for a so-called share-the-wealth proposal. Of course, no such proposal as that has been recommended by the President. On the contrary, the tax proposals recommended by President Roosevelt are in direct line with the policy of the Government since 1914. We passed an income-tax law that year, and what President Roosevelt has recommended to this Congress is in direct line with the policy we have pursued since that time.

I merely wish to speak for a moment of how the Government obtains its money. Our tariff tax of about $300,000,000, our tobacco tax of about $466,000,000, our stamp tax of about $60,000,000, our miscellaneous internal-revenue tax of $312,000,000, our excise taxes of $338,000,000, our liquor taxes of $430,000,000, our sundry taxes, such as those on admissions to theaters and the like, of $80,000,000, all total $1,986,000,000.

Let us omit the exact figure and say these taxes have amounted to $2,000,000,000 every year recently. All these taxes are consumption taxes; they are not taxes on the rich. Two billion dollars of taxes collected by the Federal Government are consumption taxes. They tax the poor man in exactly the same way that they tax the rich man. Indeed, if I do not use tobacco and the Senator from North Carolina [Mr. REYNOLDS], who sits before me, does use tobacco, he pays more of the tax on tobacco than I pay, but, taking it by and large, the Senator from North Carolina, and the Senator from Tennessee, and Mr. John D. Rockefeller, and the colored man down on Mr. Rockefeller's farm in Florida, all pay about the same proportion of that $2,000,000,000.

How is the other billion dollars of the $3,000,000,000 revenue collected? $500,000,000 comes from corporation incomes; $500,000,000 from individual incomes. The $500,000,000 collected from corporations is, again, a consumption tax. It is all placed on consumption. The corporation merely requires the consumer or the purchaser of its goods to pay the tax. It is paid on the prices of the goods. The consumer pays it.

Therefore we find that $2,500,000,000 of our regular annual income is paid by the consumers of the country, rich and poor alike, men and women alike. If the Senator from Utah [Mr. KING] buys good clothes he pays more. If I do not buy good clothes, I do not pay as much as he does, but it is evened up. If the Senator from Utah has a colored boy driving his car, that boy pays just about as much of the $2,500,000,000 of the Federal income as the Senator pays, and just about as much as Mr. Ford or Mr. Rockefeller pays, because $2,500,000,000 of the tax receipts represent consumption taxes levied on poor and rich alike.

When it comes to the individual income tax, of $500,000,000, the rule is entirely different. The rule is that the tax is laid on those who are best able to pay it. That tax cannot be passed. It cannot be included in the prices of goods. There is no way in the world by which the taxpayer can get around it. So when we talk about soaking the rich, I must say that the rich people do not pay the tax. Most of it is paid by the ordinarily well-to-do men and women of this country. The rich men seem to be able to escape it.

It was developed in a hearing before a Senate committee not so very long ago that Mr. J. Pierpont Morgan has not paid any income tax to the United States Government since the depression. He employed experts to figure out how much he had lost, who balanced his losses against his income, and so he did not pay any income tax at all. I paid a tax; the Senator from Utah paid one; every other Senator paid his tax; and every other person of reasonable means paid a tax, but those who are able to protect themselves employ the experts. It was developed that Mr. Morgan even paid the Government of Great Britain an income tax, but not a dime did he pay the United States, which protected his great interests, not a dime to this Government, which protected his great wealth.

The newspapers said that Mr. Morgan spent many thousands of dollars at the Carlton Hotel when he was in Washington attending the hearing here, but he had not a dollar to give his Government.

I hope the pending tax bill will provide, honestly, intelligently, and efficiently, a method for making citizens of this country pay taxes in accordance with their wealth. It is not right that they should do anything else.

I am a very poor man, but my recollection is that in the year when Mr. Morgan testified he first paid no tax, I paid something like $450 as an income tax, but Mr. Morgan, who could spend thousands of dollars in defending himself against paying taxes, did not pay a cent of income tax. Is that right? Talk about soaking the rich. It is not being done, and it is not done by the pending tax bill.

Five-sixths of our ordinary Federal taxes—and I am excluding, of course, the processing taxes, and I am excluding the unusual expenditures, the emergency expenditures, in the statement I am making—five-sixths of all our taxes are put upon poor and rich alike, and surely the wealthy can bear their just proportion of the remaining one-sixth.

The income taxes will be increased but a hundred million dollars, all told, and we ought to pass without a word this tax bill which the President has sent to us. The wealthy, if they are patriotic citizens, should be glad to pay out of their incomes, out of what are at times their enormous incomes, their proportion of the taxes according to their wealth, in this time when we are just about getting out of the trouble we have suffered.

Mr. President, the estimated individual income revenue is $500,000,000, and the estimated corporation tax revenue is

$500,000,000. The tax imposed on income-receiving individuals is a tax on wealth. When we tax all the people for nearly five-sixths of our national income and the better-off group of our people for only one-sixth, it is easy to see that this recommendation of the President is not a soak-the-rich plan, nor is it a divide-the-wealth plan. There is not a semblance of relationship between this plan and the plan to divide the wealth. This tax bill is nothing but an amendment to the policy we began in 1914.

It is therefore perfectly apparent, from these figures and from the facts, that if the Government should increase inheritance taxes, say $150,000,000, or if it should increase the income taxes a hundred million or even a hundred and fifty million dollars, it would not be an undue hardship on those who receive the greatest benefits from the Government. This is especially true because incomes have vastly increased in the last 2 years and 5 months.

Of course, in the foregoing figures I have not included some $600,000,000 or $700,000,000 known as the "processing tax", which the Government receives and pays out as a special fund.

I should say here that the ordinary receipts of the Government from all sources in round numbers are about $3,700,000,000, and the expenditures, not including extraordinary expenditures for recovery and relief, are about $3,700,000,000. Included in these round figures, however, is the sum of about $700,000,000 in processing taxes, and in the expenditures this sum is paid out as required by law.

This brings us down to the much-discussed present outstanding debt.

Some complain about our increasing national debt. As of June 1, 1935, our national debt amounted to $28,700,892,624.53. On August 31, 1919, we reached the highest post-war peak of our debt—$26,596,701,648.01. By simple subtraction this shows apparently that our debt is $2,104,190,976.52 greater than it was at the highest post-war period. This does not show the true condition, however, because from the present indebtedness of $28,700,892,624.53 must be deducted $4,306,852,093 of perfectly good commercial assets in the hands of the R. F. C. and other governmental agencies, which must be deducted from the present total debt, leaving our present net debt of $24,314,040,531.53. These figures are taken from a statement of the Treasury of date May 30, 1935.

Thus it will be seen that, after all that has been said about our national debt, after all the newspaper stories which have been written about it, the debt is about $2,000,000,000 less than it was after the war was over. Instead of our national debt being higher than it was at the post-war peak, in August 1919, it is lower by more than $2,000,000,000.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. REYNOLDS. I should like to ask the Senator from Tennessee if there cannot reasonably well be deducted from the national indebtedness of some $28,000,000,000 several billion dollars in the form of structures which have been erected throughout the United States of a nature which will be permanent and lasting and of considerable benefit and educational value to the American people?

Mr. McKELLAR. Yes, Mr. President. I was just reaching that point.

Further than that, during the past 2 years and 4 months, up to July 1, 1935, we have invested $316,687,556 in permanent and much-needed buildings throughout the country. We have also invested $900,000,000 in good roads throughout the country, and have made other permanent improvements too numerous to mention here.

Remember that in the last 2 years and 5 months we have invested nearly $1,000,000,000 in hard roads in this country, which will remain there for half a century. So when we consider the expenditures for roads and buildings, we find there should be deducted from the debt nearly another billion and one-half dollars.

Prior to October 1929, we had a number of prosperous years, and reduced taxes, as I remember, four different times. Notwithstanding this reduction of taxes, we reduced the national debt by something like $10,000,000,000. The depression hurt us more than the war, and cost the country much more than the war cost. When prosperity returns, however, the debt will be easily reduced, and taxes will likewise be reduced in the same fashion it was done after the war. When prosperity returns the debt will go down exactly as it did in the years 1924 to 1929, and it will disappear almost like the mist before the morning sun.

A number of other criticisms are often made, but they are more or less puerile, like the one that comes from high Republican sources, that the President is "seeking to pervert or subvert the Constitution." Of course, everyone who knows the President knows he would not do this if he could, and also—that which is much more important—he could not if he would. The Supreme Court is the final arbiter on all constitutional questions, and the Congress passes the laws. A charge, therefore, that the President is seeking to pervert or subvert the Constitution is, of course, idle.

The silliest of complaints are those claiming that the Government is being turned into a socialistic government. Hear me, Senators. That is the charge which we have been hearing, that this Government is being turned into a socialistic government. I deny it. It is not being turned into a socialistic government. It is just as much of a democracy as it ever was, and probably more so than it has been at any time since the days of Thomas Jefferson. Opposition to a few rich men and a few rich corporations running the Government largely in their own interest is not socialism. Because we are opposed to a few great business magnates in this country who are undertaking to run the Government, that is not socialism. Because they are trying to run the Government in their own interest, and we are preventing them from running it in their own interest, that is not socialism.

It is true that this administration does not get its orders from international bankers, or from the big interests, as former administrations have done. It is true that men who labor are, under this administration, considered a part of the Government and are given the equal protection of the laws. It is true that this administration is undertaking to place the burdens of government upon the people as a whole, but, having regard always to the ability of those best able to bear the burdens. It is true that the "under dog", so to speak, is being given consideration by this administration. It is true that this administration is opposed to robbery by speculation and gambling. It is true that the gamblers and the speculators are being regulated and controlled. It is true that the banks are required to do a banking business. It is true that this administration has not permitted the farmers to be ousted from their farms by foreclosure. That, however, is not socialism. Because this Government of ours steps in and with its mighty hand prevents the sale under foreclosure of mortgages, the ousting of farmers from their farms and their homes, shall it be said that that is socialism? It is a tremendous compliment to socialism if that is socialism, but I do not believe it is socialism.

It is true that home owners have not been allowed to be ejected from their homes. It is true that this administration has given great consideration to the welfare of all the people, and has not confined itself solely to benefiting those who needed the Government's protection least; but this is not socialism. This is democracy, and it is democracy of the Jeffersonian type. It is democracy not in name only but in fact. It is ridiculous to talk about this country going into socialism.

The important question, however, is, What have been the fruits of President Roosevelt's administration?

"By their fruits ye shall know them." What have been your fruits, Mr. Roosevelt?

We have seen the policies he has put into operation. We have seen what the results of those policies have been. Since 1929 there has been but one preeminent question in this country, and that has been the question of recovery. What has been accomplished since 1933?

I am not going to quote from the Democratic National Committee. I am not going to quote from anyone in the

national administration. I am going to take a single issue of three newspapers to show what this administration has done. I shall quote from the issues of Sunday before last. I am going to prove that nine-tenths of what is being said in editorials in this country and otherwise in criticism of this administration is not correct. For the present, Mr. President, I am going to let 2 Republican newspapers and 1 independent newspaper tell that story.

On Sunday before last, while I was considering the matters I have been talking about this afternoon, I picked up first the Washington Post; and I wish to read just a few headlines—not an editorial, not one man's opinion, but headlines as to news, as to facts. Let me read from the Washington Post, a Republican newspaper. On the first page of the edition of Sunday a week ago I read:

Rising trade brings cheer to new deal. Statistics for first half of year indicate slump ending.

That was a headline in the paper.

Value of home building shows 228 percent boost over June 1934.

Does that sound like recovery? From page 3 of the Post I read:

Home Owners' Loan Corporation, reports Fahey, finds majority of loan holders paying up on time.

Another one from page 4:

Federal Deposit Insurance Corporation is lauded by Vandenberg for bank help.

"Lauded by Vandenberg!" He is not a member of the Democratic National Committee. He is not a member of the new deal. I want to say for him that he is a perfectly splendid man. I am told by some newspapers that some are thinking of nominating him for the Presidency on the Republican ticket. Here is this man high enough in his party councils and in the estimation of many of the people to be spoken of as a candidate for President of the United States, lauding the Federal Deposit Insurance Corporation for bank help.

Senator says results more than justify creation.

Again from the same page I quote:

Federal Court upholds A. A. A. in tax action.

Again from page 8 I read:

T. V. A. reviews achievements.

From the same page I read another headline:

Reported rise in trade aids new-deal cause.

All these are headlines, appearing on almost every page of the paper except the editorial page.

From page 10 I read:

Upswing noted by 10 referees in bankruptcy.

The bankruptcy referees had a convention here recently.

Another headline reads:

Members of associations from four sections of United States polled.

From page 4 of section 5, I read:

Survey shows construction gains in year.
Totals for first half of 1935 reveal consistent increases.

But listen to this. Are we getting out of the woods? Are we increasing in financial strength and in a business way? Listen to this from page 4, of section 5, of the Washington Post:

ELKINS, W. VA.—More work is in progress at the present time than there has been in 10 years.

That goes back to 1925.

More work is in progress at the present time than there has been in 10 years. Scarcity of painters, carpenters, paperhangers, and so forth, is holding up work.

From page 4 of section 6 I read:

Life companies double buying of securities.
Largest buyer last year was Equitable, with $395,945,792.

Again:

Continuing rise shown by indexes.

Again:

Stocks continue advance in fairly active section.

Again:

Favorable reports in motors and steel boosted the general list to new highs.

Again:

Acacia Mutual makes record progress in '35.

Again:

New shares listed on stock exchange.

Again:

Heavy industry looms bright in trade view.

Again:

Cotton exports larger for week.

Again:

Peoples Drug chain reports net of $375,372.

Again:

Roads install 106 engines.

Again:

Consumption of tin up 15 percent over last year.

Again:

Curb advances with utilities setting place.

Also:

Chain stores report heavy sales for June. Grocery volume rises to new high level.

Also:

Chemical sales gain in half year.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Tennessee yield to the Senator from New York?

Mr. McKELLAR. Gladly.

Mr. COPELAND. I am very much interested in what the Senator is saying. No doubt he can relieve some distress of mind which I have.

Mr. McKELLAR. I hope so.

Mr. COPELAND. I have been reading over the figures relating to carloadings. The Senator spoke about carloadings. He said the railroad business has been improving because the railroads are buying materials. What does the Senator think about the significance of the figures regarding carloadings?

Mr. McKELLAR. The carloadings have increased over last year.

Mr. COPELAND. I wish that were so.

Mr. McKELLAR. Let us have the figures the Senator has.

Mr. COPELAND. I have here the figures down to the 20th of July. The carloadings this year, 1935, to July 20, are 16,808,332 as against 17,177,596 in 1934. Not alone are those figures disturbing in their total, but——

Mr. McKELLAR. Carloadings depend very much upon the season of the year. If the Senator is comparing one year against the other the figures are likely to be misleading. I know that in the headlines the carloadings are shown to be ahead of what they were. According to the Senator's figures there was a difference of about 300,000 out of 17,000,000. That is pretty close.

Mr. COPELAND. I need a little more comfort than that.

Mr. McKELLAR. Very well, I shall try to comfort the Senator.

Mr. COPELAND. For the week of July 6, this year, the figures were under those of last year, and under those of 1933. The same thing is true of the week of July 13 and likewise of the week of July 20. I shall present the figures to the Senator so he may reassure me. These figures to me are very disturbing. I should think there would be no truer index of the recovery of the country than the carloadings.

Mr. McKELLAR. Oh, I can give the Senator all the comfort he wants about that.

Mr. COPELAND. I need it.

Mr. McKELLAR. There never was a more inaccurate index of the country's recovery than carloadings at this particular time. Why? Because for the last 8 or 10 years trucks and busses have taken away much of the business of the railroads. If there had been no depression, the probability is the figures would have been substantially as they are anyway, because, as the Senator knows and as every other well-informed man in the country knows, the trucks have increased in number by leaps and bounds and are taking away the business of the railroads. That is one of the unfortunate things about the present condition.

I referred to the railroads a little while ago and stated that because of the truck and bus competition the railroads have lost tremendously of their business. However, I invite the attention of the Senator to the fact that, taking the stocks of the railroads, he will find they have gone up over 100 percent as a whole since March 4, 1933, when Mr. Roosevelt assumed the duties of the Presidency.

Mr. COPELAND. If the Senator will bear with me for just a moment, of course, I had taken into consideration the fact which, as the Senator says, is well known, that trucks and busses are taking a tremendous amount of business away from the railroads.

Mr. McKELLAR. And airplanes, too. The railroads now are in competition with busses, trucks, and airplanes. The Senator would be astonished by the enormous amount of airplane business which is done in this country, especially express business; and the busses have carried enormous quantities of freight. The Senator can hardly get into his automobile and drive two blocks without running into a truck full of freight that ordinarily would have gone to a railroad; and, of course, under those circumstances carloadings cannot be taken as a sign of recovery or lack of recovery.

Mr. COPELAND. My trouble has been that the truck has run into me, not that I have run into the truck; but I have realized, of course, that there has been an increase in that line. There could not have been much increase, however, as between this year and last year.

Mr. McKELLAR. Yes; there has been an enormous increase every year. The bus business has gone upward by leaps and bounds. If the Senator has a particle of doubt about it, after the Senate adjourns I will take him in my car and we will drive over to Baltimore and we will see hundreds of busses.

Mr. COPELAND. I know that; but they were there last year, and year before last.

Mr. McKELLAR. Not so many; nothing like the present number. There are more now than there ever were before in the history of the country.

Mr. COPELAND. The Senator, then, is not disturbed by reason of the fact that we have had a million less carloadings this year than last year?

Mr. McKELLAR. No. It is just one of the unfortunate troubles of our railroad situation. The Senator from New York is chairman of the Committee on Commerce. I believe the Interstate Commerce Committee has that particular duty to perform; but, in my judgment, there ought to be some regulation of trucks and busses and all other forms of transportation.

Mr. COPELAND. Of course, that has all been turned over now to the Interstate Commerce Commission.

Mr. McKELLAR. Yes; I know it has.

Mr. COPELAND. So there will not be any trouble from now on.

Mr. McKELLAR. It will be worked out.

Mr. President, in conclusion I desire to quote from the Washington Star, another of our best-known Republican newspapers, of the same date. All these are headlines, nothing but headlines:

Wheat advances sharply.
Idle funds push equities upward on broad front.
Abundant supply of easy money lifts market to new 1935 high.
Earnings indicate trend to lower costs.
Cautious attitude adopted toward stocks as market continues steady upward climb.
Cash Register earns $561,138 in quarter.
Many small homes sold on sales-contract basis.
Dividend maintained by Kroger directors.
Trade continues advance despite seasonal signs. Retail sales maintain rise over 1934—Summer goods moved rapidly. Upturn is surprise in basic industries. Steel mills boost production. Construction total remains at higher levels.
Stocks end week at new 1935 high. Associated Press average hits 46.6 as volume climbs to 734,240 shares.
Motor accessories earnings nearly doubled in year.
Reynolds Spring nets $246,911 in half year.
Zinc price soars $2 a ton in week.
Withdrawals of crude oil show big gain.
Chemical trade records advance. Half year's business well ahead of 1934, review states.
Week's business over 1934 level.

And another headline about the Senator from Michigan [Mr. VANDENBERG].

Now comes the New York Times, certainly a critic of the new deal, certainly not a Democratic newspaper, certainly an independent newspaper, and one of the greatest newspapers in the world. I suppose, perhaps, it is the greatest newspaper in the world. I read now from the first page of the New York Times of that one day—only one day. It would take me a week to read the favorable business headlines, showing increase in business, if I should read a whole week's newspapers; but this is just one day, Sunday.

From the first page of the New York Times:

Buying wave sends stocks to year's peak in heaviest Saturday trading in a month.

In section 3:

Steel and motor shares lead stocks higher.
Bonds being paid before maturity.
Insurance companies jump to purchase of securities.
Industrial trade continues to gain.
Sales 6/8 percent higher.
All merchandise markets active except cotton-goods division.
Philadelphia sales up. New England sales gain.
Large expenditures are indicated in the St. Louis territory.
Steel operations higher.
Wheat and hog prices up.
South's outlook brighter.
Increase in industrial activities features trend in district.
Farm income in June exceeded 1934 figures.
Canners foresee record 1935 pack.
Southwest crops larger.
Retailers raising fall price figures.
Good orders placed in wholesale market.
Scrap dealers hopeful.
Garment standards hold.
Furniture and furs due for sales rise.
Home furnishings to hang up record.
Best fall season since 1929.
Good orders placed in wholesale market.

Mr. President, I am quoting two Republican newspapers and one independent newspaper. I am not quoting the advocates of the new deal. I am not quoting the Democratic National Committee. I am quoting from unfriendly sources. I am quoting from those who are opposed to what the administration is doing. All of this is from one day's issue of three newspapers.

This speech is not a defense of Mr. Roosevelt or his administration. Neither needs a defense at my hands. It is simply a recital of the facts of history during the past 2 years and 5 months.

The good fruits of this administration are apparent to all, except those who are so blinded with self-interest or prejudice that they will not see them. Most of the new-deal measures already passed received not only the great majority of Democratic votes but averaged receiving about half of the Republican votes in the Senate as well. Many of these measures have received the votes and support of Senators Borah, Johnson, Norris, La Follette, McNary, Couzens, Nye, Frazier, Vandenberg, Capper, Gibson, and the late Senator Cutting, and generally the votes of Senator Shipstead, and sometimes the votes of Senator Steiwer and other Old Guard Republicans. Under these circumstances, I wish to say to the Republicans in the Senate that it is going to be very difficult for them to fight these successful measures. In my judgment, neither our party nor the country has ever had a more courageous or a more successful leader in all our history.

Mr. President, in conclusion there is just one other matter to which I wish to call attention. I have read from three newspapers of Sunday a week ago. I now wish to read from the Evening Star, one of those newspapers, of yesterday, on the second page. Listen to this:

INCOMES IN THE UNITED STATES JUMP $5,000,000,000

"Incomes in the United States jump $5,000,000,000." Senators, when this administration has such a record, why should we talk about the trifling mistakes which have been made? Yes; as I said before, mistakes have been made; but surely these facts outweigh all the mistakes which have been made. The country has virtually returned to prosperity and happiness. Let us not check it. Let us wish it well. Let us go forward with it. Let us stand by what has been done, and let us continue to stand by the great leader who has made it all possible.

EMERGENCY RELIEF IN PUERTO RICO

Mr. TYDINGS. Mr. President, I have a bill relating to Puerto Rico which I should like to have considered, and I ask the Senator from Arkansas whether it would interfere with the program he has in mind.

Mr. ROBINSON. It is my information that the bill to which the Senator refers will not occasion prolonged debate or discussion, and I make no objection to its consideration.

Mr. TYDINGS. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 3140. This is a bill to which the Senator from Maine (Mr. WHITE) objected the other day. Since then it has been considerably modified. I introduced it by request, and I should like to send it to the desk and have the amendments read, if the bill may be considered.

The PRESIDING OFFICER (Mr. GUFFEY in the chair). Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3140) to provide that funds allocated to Puerto Rico under the Emergency Relief Appropriation Act of 1935 may be expended for permanent rehabilitation, and for other purposes.

Mr. McNARY. Mr. President, I should like to have the bill read, for the information of the Senate.

The PRESIDING OFFICER. The clerk will read.

The bill was read, as follows:

Be it enacted, etc., That all sums which the President has segregated or allotted or shall segregate or allot for projects in Puerto Rico out of the money appropriated by the Emergency Relief Appropriation Act of 1935 shall constitute a special fund to provide relief and work relief and to increase employment in Puerto Rico. The fund thus established shall continue available for expenditure until June 30, 1940. All income derived from operations financed out of this fund and the proceeds of the disposition of property acquired therewith shall constitute a revolving fund, which shall remain available for expenditure for the purposes and in manner authorized herein and in the Emergency Relief Appropriation Act of 1935 until Congress shall provide otherwise, notwithstanding any limitation of time contained in the said Emergency Relief Appropriation Act of 1935. Any agency or agencies lawfully designated or established to administer funds allotted hereunder or the revolving fund herein authorized may be continued so long as the said funds or any of them remain available for expenditure.

Projects for rural rehabilitation in Puerto Rico may include the acquisition, development, maintenance, and operation of agricultural and industrial properties and enterprises. A reasonable charge may be made for materials and services produced or made available by any project: *Provided*, That such materials and services may also be supplied as compensation, in whole or in part, for services rendered by persons employed upon any project.

SEC. 2. Notwithstanding the provisions of section 15 (f) of the Agricultural Adjustment Act, as amended by section 8 of the act of May 9, 1934, or any action taken thereunder, all or any part of the unobligated balance of taxes heretofore or hereafter collected from the processing of sugar beets or sugar cane in Puerto Rico and/or upon the processing in continental United States of sugar produced in or coming from Puerto Rico are hereby authorized, in the discretion of the President, to be transferred to the revolving fund authorized by this act. Not exceeding $10,000,000 of this fund may, in the discretion of the President, be set aside in the Treasury for use as an insurance fund to insure individual agriculturists in Puerto Rico, but to the extent only of such insurance fund and its accretions, against damage by hurricane to their farm dwellings and farm buildings, growing crops, plants, and trees, including trees used as shade for growing crops, warehouses, and produce in barns and warehouses: *Provided*, That said fund may be so employed only during such periods as the Secretary of the Interior shall find and determine that commercial insurance is not available, or, if available, only at rates impractically high, and policies of insurance shall be issued hereunder only pursuant to such terms and premium rates as the Secretary of the Interior shall prescribe by regulations duly promulgated. Until otherwise provided by law all moneys collected as premiums on such insurance or otherwise in connection with the administration of such fund or the operation of such insurance activity shall constitute accretions to the fund and shall be held, together with the original insurance fund and all additions thereto, as a revolving fund for the purposes of such insurance.

Mr. TYDINGS. Mr. President, this bill does not increase the amount of money to be spent in Puerto Rico, but it provides how the money shall be spent.

Mr. McNARY. I have no objection.

Mr. VANDENBERG. Mr. President, if there was to be objection, I wanted to urge that the objection be withdrawn. I think I am familiar with the matter, and I entirely concur in the opinion of the Senator from Maryland.

Mr. TYDINGS. Mr. President, there are two amendments which I desire to offer.

The PRESIDING OFFICER. The clerk will state the first amendment.

The LEGISLATIVE CLERK. On page 2, line 14, after the word "agricultural", it is proposed to strike out the words "and industrial properties and."

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 3, line 14, after the word "available" where it occurs the first time, it is proposed to insert the words "and at premiums sufficiently high to keep the principal of the original insurance fund intact."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 350) to authorize the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 350) to authorize the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States was read twice by its title and referred to the Committee on Foreign Relations.

PUERTO RICAN TAXES AND DUTIES

Mr. KING. Mr. President, I ask unanimous consent for the present consideration of House Joint Resolution 290, Calendar No. 1250. I invite the attention of the Senator from Wyoming to this measure. I called his attention to it a moment ago, and he said he had no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 290) to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934, which was read, as follows:

Whereas in enacting the act approved June 18, 1934, ratifying the taxes and duties imposed by Joint Resolution No. 59 enacted by the Legislature of Puerto Rico, and approved by the Governor of Puerto Rico May 5, 1930, the Congress understood and intended in ratifying such Joint Resolution No. 59 of the Legislature of Puerto Rico that the "import duty" thereby and by subsequent acts of the Legislature of Puerto Rico "levied on all coffee imported into Puerto Rico" included and was intended to be levied upon all coffee brought into Puerto Rico whether from a foreign country or from any State, Territory, District, or possession of the United States, or other place subject to its jurisdiction: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the act of Congress entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934, be, and it is hereby, amended so as to read as follows:

"That the taxes and duties imposed by the Legislature of Puerto Rico by Joint Resolution No. 59 approved by the Governor of Puerto Rico May 5, 1930, and by Act No. 77 approved by the Governor of Puerto Rico May 5, 1931, as amended by Act No. 7 approved by the Governor April 9, 1934, including therein such taxes and duties on coffee heretofore or hereafter brought into Puerto Rico from any State or Territory or District or possession of the United States, or other place subject to the jurisdiction of the United States, are legalized and ratified, and the collection of all such taxes and duties made under or by authority of either of said acts of the Puerto Rican Legislature, including such taxes and duties on coffee heretofore or hereafter brought into Puerto Rico from any State, Territory, District, or possession of the United States, or other place subject to the jurisdiction of the United States, is legalized, ratified, and confirmed as fully to all intents and purposes as if the same had, by prior act of Congress, been specifically authorized and directed."

Mr. KING. Mr. President, House Joint Resolution 290 passed the House of Representatives on June 16 of this year. It was referred to the Committee on Territories and Insular Affairs of the Senate, and after full consideration it received the unanimous support of the committee.

As Senators know, for many years Puerto Rico produced a superior quality of coffee, which found a ready market in many of the European countries. Unfortunately, Puerto Rico is subject to devastating hurricanes, one of which in 1928 destroyed a very large part of the coffee plants in the island and also the protective shade trees necessary in coffee culture. It requires a number of years to restore the production of coffee to its former status. A number of countries which grow coffee of an inferior grade, knowing that the Puerto Rican coffee found a ready market in various European countries at a higher price than that produced in some other countries which exported coffee, shipped to Puerto Rico this inferior grade and there mixed it with the Puerto Rican coffee and shipped the product as genuine Puerto Rican coffee to those countries where the latter had found ready and profitable markets.

To meet this situation, Congress, in the Tariff Act of 1930, authorized the Legislature of Puerto Rico to impose a duty upon coffee imported into the island. The Puerto Rican Legislature passed a joint resolution which imposed an import duty on coffee imported into Puerto Rico of 10 cents per pound. However, this resolution was approved a few days before the tariff act referred to became a law. The result was that the Court, as I am advised, declared the Puerto Rican resolution void. On June 18, 1934, an act of Congress was approved which expressly ratified the joint resolution which was held to be void.

There is no question as to the intention both of Congress and of the Legislature of Puerto Rico, namely, that coffee imported into Puerto Rico, whether from the United States or from any other country, was to be subject to the duty provided in joint resolution 59 of the Puerto Rican Legislature.

Notwithstanding the act of Congress approved June 18, 1934, a recent decision has been rendered, in which the majority of the Court of Customs and Patent Appeals held that while the act of Congress ratified the joint resolution passed by the Puerto Rican Legislature, the language did not cover coffee which was shipped from the United States to Puerto Rico. In other words, the court held that joint resolution 59 covered only coffee imported into the islands from foreign countries, but did not apply to coffee shipped to the United States and from the United States to Puerto Rico. This has resulted in coffee grown in some South American countries being shipped to the United States, but not for consumption there, but for the purpose of transshipping the same to Puerto Rico, thus resulting in escaping the import duty of 10 cents per pound.

The resolution before us is to meet the situation, and to make it clear beyond peradventure of a doubt that all coffee shipped into Puerto Rico, whether from the United States or from other countries, shall pay the duty provided in the resolution passed by the Puerto Rican Legislature.

I should add that since the passage of joint resolution 59, the Puerto Rican Legislature has passed a number of measures approved by the Governor, imposing further taxes and duties, which are referred to in the measure before us. One of these resolutions increases the duty upon coffee from 10 cents to 15 cents per pound.

The measure before us is designed to protect the growers of coffee in Puerto Rico and at the same time to enable the Puerto Rican government to obtain needed revenue. Primarily, as I have indicated, the purpose is to protect the coffee growers of Puerto Rico against devices and schemes to mix inferior coffees with Puerto Rican coffees, and to that extent impose upon European countries, which for many years have purchased large quantities of Puerto Rican coffee, preferring it because of its superior qualities to that grown in other countries.

Mr. President, I ask for a vote upon the resolution.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution. The joint resolution is ordered to a third reading, read the third time, and passed.

Mr. KING. Mr. President, I ask unanimous consent to have a letter written by the Governor of Puerto Rico to the Chairman of the Insular Affairs Committee of the House inserted in the RECORD without reading.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ROOM 6011, INTERIOR DEPARTMENT,
Washington, D. C., April 27, 1935.

Hon. LEO KOCIALKOWSKI,
Chairman Insular Affairs Committee,
House of Representatives, Washington, D. C.

MY DEAR MR. KOCIALKOWSKI: I am enclosing herewith draft of a bill to amend the act of Congress approved June 18, 1934, ratifying Joint Resolution No. 59 of the Puerto Rican Legislature approved May 5, 1930, imposing a 10-cent import duty on coffee imported into Puerto Rico. The enactment of this amendatory bill at the present session of Congress as an emergency matter is necessary to protect a vital portion of the administration's program for the rehabilitation of the Puerto Rican industries.

You will remember that the ratifying act of June 18, last, was passed by the Congress to cure the situation created by a decision of the United States Court of Customs and Patent Appeals a few days earlier (June 12, 1934) in the Porto Rico Brokerage Co. case that the act (joint resolution) of the Puerto Rican Legislature was invalid and void because at the time it was passed the Congress had not yet given that legislature the power to enact such legislation, the Puerto Rican act having been approved May 5, 1930, a month and 12 days before the approval of section 319 of the Tariff Act of 1930, approved June 15 of that year, which specifically authorized the Legislature of Puerto Rico "to impose tariff duties upon coffee imported into Puerto Rico, *including coffee grown in a foreign country* coming into Puerto Rico from the United States." (Italics mine.)

At the time the ratifying act was passed last June, it was understood that it would fully cover the situation, including the coffee brought into Puerto Rico from the United States, which appeared to be specifically included in the definition of "coffee imported into Puerto Rico" by the phraseology of section 319 of the Tariff Act of 1930.

However, it now develops that upon a rehearing of the Porto Rico Brokerage Co. case, the majority of the Court of Customs and Patent Appeals has held in a decision handed down a few days ago (Apr. 19, 1935)—over a strong dissenting opinion by presiding Judge Graham, concurred in by Judge Bland—that, while the act of Congress of last June fully ratified the joint resolution of the Puerto Rican Legislature of May 5, 1930, yet the phraseology of that resolution was itself too narrow to cover foreign-grown coffee coming into Puerto Rico from the United States, but related only to technical "imports" directly from foreign countries. This decision ignores the actual intent of the legislature, as well as of the Congress in the ratifying act of last June, to protect the Puerto Rican coffee industry from a flood of cheap foreign-grown coffee, whether coming direct from the foreign growers or indirectly through other ports of the United States into which it has been admitted duty free. As said by presiding Judge Graham in his dissenting opinion (p. 8) in the Porto Rico Brokerage Co. case:

"The said ratifying act was expressly enacted to meet our former decision herein and to make it certain that the duties already collected might be retained for the use of the Government in the stricken island. How it can be believed, or even imagined, that the Congress intended only to ratify the duties collected on the coffee brought into the island directly from foreign countries, while the large and preponderating quantities brought from the United States should be admitted free, is beyond my comprehension."

I am also enclosing with this copies of the majority opinion and of the dissenting opinion of the Court of Customs and Patent Appeals, as well as a copy of my letter to Secretary of War Dern of June 15, 1934, in explanation of the bill which became the act of last June. The need for this legislation remains now as stated in my letter at that time.

You will notice that the draft of this amendatory bill is so worded as to include not only Joint Resolution 59 of the Legislature of Puerto Rico of May 5, 1930, but also the later Puerto Rican acts

on the same subject, No. 77 of 1931 and No. 7 of 1934, so as to establish a uniform meaning for "imports" of coffee into Puerto Rico under all those acts. The later acts raise the rate of the duty from 10 to 15 cents a pound.

Sincerely yours,

BLANTON WINSHIP,
Governor of Puerto Rico.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment in the Regular Army.

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of J. H. Jenkins, of Colorado, to be a regional director of the Resettlement Administration.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Emma E. Hyland to be postmaster at Camden, N. J., in place of C. H. Ellis.

The PRESIDING OFFICER (Mr. GUFFEY in the chair). The reports will be placed on the Executive Calendar.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Logan	Reynolds
Ashurst	Copeland	Lonergan	Robinson
Austin	Costigan	Long	Russell
Bachman	Davis	McAdoo	Schall
Bailey	Dieterich	McCarran	Schwellenbach
Bankhead	Fletcher	McGill	Sheppard
Barbour	Frazier	McKellar	Shipstead
Barkley	George	McNary	Smith
Black	Gerry	Maloney	Steiwer
Bone	Gibson	Metcalf	Thomas, Okla.
Borah	Glass	Minton	Thomas, Utah
Brown	Gore	Moore	Townsend
Bulkley	Guffey	Murphy	Trammell
Bulow	Hale	Murray	Truman
Burke	Harrison	Neely	Tydings
Byrd	Hastings	Norbeck	Vandenberg
Byrnes	Hatch	Norris	Van Nuys
Capper	Hayden	Nye	Wagner
Caraway	Johnson	O'Mahoney	Walsh
Carey	King	Overton	Wheeler
Chaves	La Follette	Pittman	White
Clark	Lewis	Radcliffe	

The PRESIDING OFFICER (Mr. McGILL in the chair). Eighty-seven Senators have answered to their names. A quorum is present.

If there be no further reports of committees, the clerk will state the first nomination on the Calendar.

GOVERNOR OF VIRGIN ISLANDS

The Chief Clerk read the nomination of Lawrence W. Cramer, of New York, to be Governor of the Virgin Islands.

Mr. TYDINGS. Mr. President, I have no desire to endeavor to influence the vote of any Member of the Senate on the nomination of Mr. Cramer to be Governor of the Virgin Islands, but, as one of those who have lately been engaged in the investigation of the government of the Virgin Islands, I should like to take 5 minutes or so to state my own position.

During the course of that investigation the Governor of the Virgin Islands, Mr. Pearson, resigned, and was transferred to another position in the Interior Department. Mr. Cramer was a Lieutenant Governor under Governor Pearson in charge of the island of St. Croix. Most of our investigation into the administration of affairs in the Virgin Islands did not have to do intimately with Mr. Cramer. However, when Mr. Cramer was nominated the committee had quite extensive hearings, and had Mr. Cramer before it, and examined him at some length.

I believe it is the opinion of the investigating committee, composed of five Senators, that the old regime—the Pearson administration—had lost the popular good will which ought to be present in any successful administration. Perhaps this was not altogether the fault of the Pearson administration. At any rate, it is the belief of every member of that committee that, rightly or wrongly, the large majority of people in the Virgin Islands desired a change in administration.

Senators may recall that several times extensive mass meetings were held, particularly in St. Thomas, and to a lesser extent in St. Croix; and those holding the mass meetings marched to the Governor's house, and in one case to the house of the Lieutenant Governor, Mr. Cramer, where the spokesmen for the groups petitioned for a change in administration and other changes in governmental policies.

So far as I know, nothing has appeared reflecting on the integrity of Mr. Cramer in connection with his administration in the islands. True, four or five transactions having to do with the acquisition and sale of property came in for very severe criticism by some of the native officials elected by the people who compose the Colonial Council of St. Croix. On one occasion there was a considerable tax claim made by the United States Government. As I recall, the amount of taxes involved was around $90,000. The attorney for the Government stated that the claim was a good claim, that it could be collected, that it ought to be collected, and that the institution against which the tax claim was lodged was in a position to pay the claim, had the Government insisted on collecting it in full.

The Colonial Council of St. Croix was appealed to and asked to adopt a resolution authorizing the Lieutenant Governor, as I recall, to settle this $90,000 claim in some way by compromise. We were told by the members of the Colonial Council that Mr. Cramer represented that a sum of approximately $25,000 or $30,000, as I recall, should be received by the Government in settlement of this claim, and we were told that upon this assertion the Colonial Council adopted the resolution authorizing the Lieutenant Governor to settle the claim. The claim was subsequently settled for $5,000.

This caused a great deal of resentment in the Virgin Islands. When Governor Cramer—then Lieutenant Governor Cramer—was on the stand he explained in some detail his connection with this matter. He denied that he had made any such representations as had been testified to; that a sum of $25,000 or $30,000 was to be received, but said that $5,000 was the amount he thought was proper, and therefore he accepted the $5,000 and gave the institution a release.

However, against this evidence is the statement of the Government attorney that the claim was good, that the liens were filed by the Government, and that the claim could have been collected in full. It was an income-tax claim against a corporation in the Virgin Islands filed under the peculiar law obtaining there which makes some exceptions to our income-tax law.

The incident which I have tried to explain fairly, and both sides of which I have tried to present, was the only thing that might be directly charged to Governor Cramer as maladministration. However, it is only fair to say that Mr. Cramer's defense seemed to be more or less ingenuous, and perhaps he may have been right and the council wrong. There was a disagreement in the evidence as to the fact, so the committee had to draw its conclusions, and I have tried to give the Senate that picture.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WALSH. I do not care to inquire concerning the incident which the Senator has just discussed, but I should like to inquire from him to what extent the present administration has lost the confidence of the people of the islands.

Mr. TYDINGS. I speak only for myself, since the committee as a whole has never taken action on the subject matter of the interrogatory of the Senator from Massachusetts; but I believe it would be the opinion of at least a majority of the committee, if not all of them, that even if the Pearson administration had been efficient, the time had almost come when it would be very difficult to obtain the degree of cooperation in the Virgin Islands necessary to maintain an orderly government.

Mr. WALSH. Was the opposition more than that of a faction?

Mr. TYDINGS. I should say it was. It is my opinion that there was considerable opposition.

Mr. WALSH. Did the opposition come from all classes of the population?

Mr. TYDINGS. Yes; it did. In the Virgin Islands only about 800 people vote; for in order to vote a man must have $350 worth of property, a certain income, and be 25 years of age. Only males vote. Most of the elected officials were antagonistic to the central government, and they were the persons through whom the central government had to translate its laws and decrees. Therefore, if those who could vote were to such a large degree in opposition to the government and those who could not vote were continually holding mass meetings, at least the physical evidence is that the administration had lost the good will of the people who inhabit the islands.

Mr. WALSH. The Senator spoke of at least one occasion when a large number of people visited the homes of the Governor and Lieutenant Governor and showed something of a marked spirit of protest against the administration.

Mr. TYDINGS. That is true, except I am bound to say that when these large protest meetings were held for the most part they were very orderly. There is no reflection on the natives to any considerable extent in any incident that occurred.

Mr. WALSH. Are the natives educated, intelligent people?

Mr. TYDINGS. The degree of literacy in the Virgin Islands is remarkable. I have heard it asserted that it is higher than in the United States. We were impressed with the fact that those who testified, colored men for the most part, possessed a degree of intelligence which would have surprised the Members of the Senate who were not present to hear it.

Mr. WALSH. To what extent, in the opinion of the Senator, did Cramer share in the responsibility of the administration which became unpopular and was unsatisfactory to the natives?

Mr. TYDINGS. In answer to the Senator's question, that is one of the principal reasons why, individually, I am not going to vote to confirm Mr. Cramer, because even if he were a superadministrator, which I do not at all believe he is, having been a part of the old administration his appointment will be looked upon in an antagonistic spirit by all those who opposed the old administration. Mr. Cramer would undertake his duties under very much of an initial handicap.

It was also the sense of the Committee on Territories and Insular Affairs that they would rather have had the islands go back under the Navy at least for the time being, but, inasmuch as the President had sent this nomination to us, of course, we could do nothing about that. I think three-fourths of the members of the Committee on Territories and Insular Affairs wanted the islands put back under the Navy Department as a temporary measure until they could be reorganized. That is my own thought, although normally I am not one who favors military or naval control of our outlying possessions. However, in this case I believe it would have been best.

I shall be glad to answer any questions that I can. I am not here to try to make votes against Mr. Cramer. I regret that I cannot support him. I should like to do so. As a matter of the evidence brought out before the committee, and after viewing all the surrounding circumstances, I believe Mr. Cramer will be most fortunate, indeed, when he shall take his duties, in the event his nomination shall be confirmed, if there shall not be a recurrence of many of the incidents which happened when Governor Pearson was in control of the administration there. I believe we owe it to the people of the Virgin Islands to give them a new deal, as it were, to have a new set-up, in order that the old scars may be wiped out. I myself do not intend to vote for Mr. Cramer's confirmation.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Kentucky?

Mr. TYDINGS. I yield.

Mr. BARKLEY. Since the announcement of the appointment of Mr. Cramer has been carried in the public press and has reached the Virgin Islands, has there been any public manifestation of disapproval which would be regarded as on a par with their objection to the old administration?

Mr. TYDINGS. I may answer the Senator in two ways. First, all the members of the colonial government who were elected by the people opposed Mr. Cramer's nomination. They went on the stand and testified against him.

Secondly, various members of the committee, and I particularly, I believe, have received numerous letters, telegrams, and cables from the Virgin Islands both in support of Mr. Cramer and in opposition to him. I have tried to have these analyzed. It appears that those who are endorsing Mr. Cramer are the officeholders of the present administration or at least a major part of them are officeholders, who naturally will want to be in good standing with any Governor in order that they may keep their places.

Mr. WALSH. Mr. President, does the Senator mean officeholders appointed by the Government of the United States?

Mr. TYDINGS. Yes; appointed by the central government there, which is, of course, the Governor General of the Virgin Islands. So far as I can learn, the opposition to Mr. Cramer likewise for the most part does not consist of any appointive officials, but of elective officials and large masses of the people who have only a vote and the right to work in the islands, and no connection with the government whatsoever.

Mr. BARKLEY. I am not very familiar with internal conditions in the Virgin Islands. Is there any considerable contingent of the people there who would be affected or agitated by a native desire to prevent the appointment of any outsider as Governor of the Virgin Islands?

Mr. TYDINGS. I do not believe the people generally object to an outsider being Governor of the Virgin Islands.

Mr. BARKLEY. So the opposition could not be traced to that reaction?

Mr. TYDINGS. I do not believe so.

Mr. President, having made what I hope is a fair statement of the matter and particularly in reference to Mr. Cramer, on whose integrity, as I have said, there is no reflection, and feeling that the best interests of the islands and of the United States would be served by having someone who was not connected with the old regime, I shall consequently vote against the confirmation of his nomination.

Mr. HAYDEN. Mr. President, as one of the majority of the membership of the Committee on Territories and Insular Affairs who recommended that the Senate confirm the nomination of Lawrence W. Cramer to be Governor of the Virgin Islands, I should like to state briefly to the Senate the reasons for making that recommendation.

The chairman of the committee [Mr. TYDINGS] has very properly stated that there is nothing in the evidence taken at the hearings which in any way reflects upon the character or the integrity of Mr. Cramer. His life history as given to the committee is entirely worthy. At the age of 19, in Wisconsin, he voluntarily enlisted in the Army, served overseas during the World War, was severely wounded by shrapnel and spent 5 months in hospitals recovering from wounds, the scars of which he still bears. Upon his return to the United States, Mr. Cramer entered the University of Wisconsin, graduated in 1923, and then attended Columbia University, where he specialized in political economy and civil government, and obtained his master's degree. He was then retained as instructor in government as a member of the faculty of Columbia University until the time of his appointment as Lieutenant Governor of the island of St. Croix in 1931.

Of course, the people in the Virgin Islands, as a result of the recent political turmoil, probably would like to see a complete turn-over in their government. One faction desires to win a complete victory over the other faction in the selection of a new Governor, and thereby secure control of all political appointments. The President of the United States, after examining very carefully into the situation, came to the conclusion that it was best for the people of the

islands to have someone as Governor who has a background of experience in the government of the islands. As a result of that study the President has submitted to the Senate the nomination of Mr. Cramer.

My judgment is that no man can be sent to the Virgin Islands to be a real Governor who will be satisfactory to all the people residing there. The population of the Virgin Islands conducted the same protests against the Danish Government when Denmark owned the islands. They were opposed to government by the United States Navy when our Navy Department controlled the islands. They have exhibited these same tendencies under the government instituted by the Department of the Interior, and they will do so again and again, no matter who may be sent as an executive to supervise and control the political affairs.

Mr. KING. Mr. President, will the Senator yield?

Mr. HAYDEN. Certainly.

Mr. KING. Does the Senator think he is using the right word in calling these meetings "protests"? Of course, the Senator did not hear that testimony which was taken by the subcommittee, as I understand, except in connection with Mr. Cramer's nomination, but the testimony before the subcommittee shows that many of the people there do not have the franchise, and it has been the habit from time immemorial for them to meet from time to time in the market place to voice their views in regard to domestic or foreign affairs. It is simply a mode of expression. The fact that they meet there in the market place may not be always regarded as a protest, although they do at times in those meetings, which they have in the market places in the two principal islands, voice their opposition to the administration, whether it be in the past or in the present. I do not think it is fair to assume, though, that those meetings are meetings of agitators, or that they have indications or indicia of mob demonstrations. They are merely the voice of the people expressing themselves in the best way they can.

Mr. HAYDEN. I am perfectly willing to accept the modification of my statement suggested by the Senator from Utah; but the fact remains of record that similar proceedings took place under Denmark, under the Navy, and under Governor Pearson. Such demonstrations of dissatisfaction will continue to take place under any form of government which may be established in the Virgin Islands.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HAYDEN. In just a moment. The Senator from Utah has indicated a point which I wish to develop briefly.

Perhaps one way to ameliorate some of the political difficulties now existing in the Virgin Islands is to establish a different type of government. The existing government is an inheritance from Denmark, under which only 800 persons in the entire group of islands are entitled to vote. To my mind, that is not an adequate representation of popular sentiment.

I am sure that the Committee on Territories and Insular Affairs within a year will undertake to complete such studies as have been made, and will bring to the Senate legislation providing for a proper and suitable form of government for the Virgin Islands. Therefore I look upon this nomination of Mr. Cramer as a mere interim appointment, one to bridge a gap until the necessary legislation may be enacted by Congress.

I am quite sure that the majority of the committee are not satisfied with the kind of government which has prevailed in the Virgin Islands. For that reason Senators should not consider that we are confirming a Governor who is to preside indefinitely under the old system. There is sure to be a change, and when the form of government is revised it may then be advisable to have another kind of Governor. The entire matter may be considered upon its merits at the next session of Congress.

I now yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I think the Senator from Arizona has inadvertently created in the minds of many Senators an inaccurate impression about these meetings, because, except in a very limited number of cases, the people of the islands had no right to vote under the Danes. The Danish Government threw every safeguard they could around open mass meetings, so that the people could express themselves, and the proper officials could hear the complaints, and provide the necessary remedies. It would be only fair, however, if I should say that under the Danes and under the Navy the character of the protest meetings was entirely different than under the recent administration. The protest meetings under the Danes and under the Navy were simply in the form of petitions, while the protest meetings under the Pearson administration were for the removal of the officials. There were no protests worthy of the name for removal of officials either under the Danes or under the Navy, but there have been numerous protest meetings for removal of officials under the recent administration.

Mr. HAYDEN. For the information of the Senate, I wish to add that when the time comes to consider a proper form of government for the Virgin Islands, it is my hope that serious consideration will be given to a return to control by the United States Navy. I am convinced that under a suitable organic act which will allow adequate local representation in the colonial councils, so that the voice of the people may be adequately heard, there will be material economy through permitting, as was the case before, the ranking naval officer at that station to be the Governor, and allowing the medical and sanitary service to be provided by the Navy. In that way we shall save the taxpayers of the United States great sums of money, and a more just and a more efficient government will be obtained for the people of the Virgin Islands.

Mr. NORRIS. Mr. President——

Mr. HAYDEN. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator a question. I am prompted to ask it by the observation just made by the Senator from Maryland [Mr. TYDINGS], in which he said that the recent protests were different from the other protests; that they were almost entirely confined to objections to the Governor and to requests for the removal of officials. I desire to ask the Senator how far that statement would apply to the Lieutenant Governor, or whatever his official designation is. In other words, what connection did he have with the government against which the people were protesting? What part of it was he responsible for?

Mr. HAYDEN. Mr. Cramer was the Lieutenant Governor and in charge of the island of St. Croix, which is one of the principal islands, the largest island of the group. It is my understanding that the protests by the people were not directed against him. They were primarily directed against Governor Pearson.

Mr. NORRIS. That is what I desired to bring out—whether or not these protests were directed against him—because, if so, I think we ought to consider the nature of them and whether or not they were justified. I should very much dislike to have a Governor removed, even though there were protests against him, if his action was justified, regardless of the protests.

Mr. TYDINGS. Mr. President, I may say to the Senator from Nebraska that only one of these protest meetings was directed against Lieutenant Governor Cramer; and, if my recollection serves me right, it was at the time when the $90,000 claim, which would have been revenue in the island treasury, was settled for $5,000. I think that statement is accurate.

Mr. NORRIS. Mr. President, if the Senator will yield——

Mr. HAYDEN. I yield.

Mr. NORRIS. Take the case of that claim: The first query that occurs to me is, Should it have been settled for $5,000, even though the people there wanted $90,000? I presume they would like to get as much as they could out of it; but was the action of Cramer in settling it for $5,000, if he was the one who did it, fair and just under all the circumstances, or was it not?

Mr. TYDINGS. Mr. President, may I answer the Senator?

Mr. HAYDEN. Certainly.

Mr. TYDINGS. My opinion is—and I tried to get some understanding of the claim—that the claim ought to have been settled at its full amount; but it is only fair to say that because many of the taxpayers were Danish citizens, and the Bank of Denmark was involved in the matter, perhaps the diplomatic angle might have been indirectly responsible for the desire of the officials to scale down the claim. Basically, however, in my opinion, the claim was just, and should have been paid in full.

Mr. NORRIS. Would the allowance of the claim in full have involved the Danish Government or the bank?

Mr. TYDINGS. No; except that the bank was the Danish Bank, which was acting as trustee for the taxpayers, and that brought in the international angle, so to speak. I do believe, however, that the claim was just, and I do believe it could have been collected in full, and should have gone into the native treasury for roads, schools, and what not.

Mr. KING. Mr. President——

Mr. HAYDEN. I yield to the Senator from Utah.

Mr. KING. I wish to add one item of testimony to which my friend from Maryland has not alluded, namely, that when this claim was being pressed for payment Governor Pearson, or the Lieutenant Governor, I am not sure which, transmitted the claim or the controversy to the Department of the Interior, and the representative of the Department of the Interior said that it should be or might be reduced to $43,000, and recommended that that amount be paid.

Mr. TYDINGS. That is true.

Mr. KING. I know of no reason why it should not have been paid.

Mr. HAYDEN. Mr. President, I have no desire to detain the Senate.

I wish to emphasize the fact that we have before us the nomination of a man against whose character and integrity there are no serious charges of any kind. The President of the United States, having considered the situation, has decided that he would like to have a man with a large measure of local experience at the head of affairs in the Virgin Islands. All of us realize—including the President, I am quite sure—that in the very near future there must be a fundamental change in the form of government of the Virgin Islands.

Mr. Cramer is well educated, of good character, a man of courage and of ability. I am entirely confident that he will have no more difficulty than would anyone else who might be placed in charge there as the chief executive officer. In a very short time the same factions will be arousing the same antagonisms, and whoever is Governor is sure to have trouble on his hands. I feel sure that the difficulties in the islands can be better controlled by a man who knows and understands local conditions than by sending out a perfect stranger to be the Governor. Somebody cannot be substituted in place of nobody. Somewhere there may exist an indefinite, intangible, nebulous sort of person who would make a perfect Governor of the Virgin Islands. We do not know who or where he is. The candidate submitted by the President of the United States will, in my judgment, make a satisfactory Governor, and therefore his nomination should be confirmed by the Senate.

Mr. METCALF. Mr. President, it is always disagreeable to criticize a man who is appointed to a position by our President. I was a member of the committee which investigated affairs in the Virgin Islands, and it is my opinion, certainly, that a more thorough investigation is needed, and that a great many changes should be made in the government there.

I do not like to say things against anyone. No Senator here has ever heard me indulge in criticism of anybody, but what can I do when I know what was disclosed by the evidence, which, I think, should convince anyone that a change should be made in the administration of the Virgin Islands?

I think the removal of Pearson was a step in the right direction, but I think putting the Lieutenant Governor in charge as Governor would be a step in the wrong direction and not conducive to good and honest government.

Mr. Cramer has made many enemies in the islands; many people do not like him. I have a statement here by a man from the islands, who said this:

> Mr. Cramer as Governor of the islands would be a hopeless situation for the people. We would never make progress with a man as Governor in whom there could be no respect established, especially the high respect that we are accustomed to vest in the Governor of the islands. Mr. Cramer, in fact, in our opinion, would simply carry out the policy that was carried out by the present administration.

Mr. President, we must remember that Lieutenant Governor Cramer is a part of the old administration. If he is the man who should be made Governor, he ought to have seen and known the mistakes that were being made by the administration there. When he was asked whether he would keep in office some of the people about whom I will read later, he told the committee that he would probably keep them unless some new evidence was adduced.

The Colonial Council of St. Thomas has voted, I believe 9 to 1, to return to a form of government administered by the Navy.

A very curious thing occurred in the islands. During the course of a manslaughter trial the judge sent out to have a doctor testify. He had been subpenaed to attend, but he was dining with the Lieutenant Governor, and the Lieutenant Governor is alleged to have said, "Don't bother about that. Do not bother about the subpena." What kind of respect for the courts would there be if he were Governor of the islands?

When Judge Wilson appeared before the committee, I was very much impressed with him. If he is not an honest and an able man, then I should never try to pick one. After he had testified, I met the person who I understood had requested his appointment, and putting as much of a scowl on my face as possible, I said to him, "You do not mean to tell me that you endorsed the appointment of this man?" A look of sorrow came over the man's face and he just looked at me. I said, "Well, I think you recommended a very good man, and if all of your patronage is as good as that, you will do a good job for your country." The judge was too good to stay down in the Virgin Islands. They would not keep him.

The case to which I have been referring was the Dr. Knott case, in which the evidence shows that Mr. Cramer interfered with the processes of the court. If we are to judge by what he has done in the past, may we not conclude that, if he is made Governor, he will again interfere with the administration of justice?

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. METCALF. I yield.

Mr. TYDINGS. I am afraid some of the Senators have lost the point. Dr. Knott did not appear at the trial, but was subsequently arrested on a bench warrant and fined for contempt of court.

Mr. METCALF. That is quite true; he was fined for contempt of court.

Mr. ROBINSON. Who was?

Mr. METCALF. The doctor was, for not obeying a subpena issued by the court.

Mr. NORRIS. Is Cramer to blame for that?

Mr. TYDINGS. Cramer was the doctor's host, and he told him not to bother about the subpena.

Mr. NORRIS. What did Cramer say about it?

Mr. TYDINGS. He admitted that if he had it to do over he would not repeat what he did; that he was not very proud of it.

Mr. METCALF. The Acting Governor, a Mr. Herrick, I understand, was forced to suppress a mass meeting of the people who wanted to condemn the appointment of Cramer. It is too bad. There should be appointed as Governor a man big enough and fine enough to reorganize the whole government in the islands, so that they would have something in the way of good government.

I find the statement of a case here which I should like to read. It seems that the Government attorney had started an investigation of alleged corruption in the islands. Some fraud

was uncovered, but the investigation was stopped by this radiogram from Ickes to Government Attorney Baer:

You will not proceed further in investigation of Public Works Department undertaken by you until authorized to do so by me. Please send immediately full information regarding entire matter.

(Signed) HAROLD L. ICKES,
Secretary of the Interior.

I believe that if we want justice in the Virgin Islands we had better put the judge under the Department of Justice. It seems to me that would be the better way to handle it.

Later Mr. Ickes sent a letter to Government Attorney Robinson, ordering him to walk out of the court and refuse to prosecute a man named "McIntosh." I shall read a portion of the letter. It is addressed to Attorney Robinson. I do not understand that he is in any way related to the majority floor leader:

I have been discussing with Director Gruening certain of the problems regarding the administration of justice in the Virgin Islands, and while I apprehend that the stage of acute difficulty has probably passed, nonetheless there are still outstanding some disturbing possibilities.

I think, from what I heard in the committee hearings, there was a little graft around the corner.

I have in mind the McIntosh case, and I have seen and read your memorandum to Director Gruening on that matter. If your motion is granted in due course, the matter will naturally be closed. If, however, the motion is denied, it seems to me that an extremely delicate situation may arise. I am sending you this letter by way of instructions in the event that the latter should prove to be the case.

I am, of course, aware of the applicable provision in the St. Thomas Code, title IV, chapter 1, section 4, which provides as follows:

"SEC. 4. The judge of the district court in extraordinary cases, and in the interest of public justice, may receive from any person a complaint, and if, in his opinion, public justice requires that the same be prosecuted, he may order the Government attorney to file and prosecute any information covering the matter charged in the said complaint."

It seems to me that this has application to a case where the Government attorney is disinclined to prosecute a prima facie violation of law, either because of negligence, inadvertence, or perhaps improper influence. It does not seem to me that this provision of the Code, fairly construed, can be held to apply to the situation where the Government attorney is convinced that he has no evidence upon which to prosecute or where the instigation of a prosecution would unjustifiably subject to trial an innocent defendant.

Consequently, in the event that this motion is denied and if you are convinced not only there is no evidence to justify prosecution, but also that a prosecution in the circumstances would constitute a violation of your oath, I am of opinion that you have the right to refuse to prosecute.

In those circumstances it seems to me that you should state your position to the court firmly, but calmly, and with due respect, so that if you should thereafter be deemed in contempt, the question will be purely one of law quite separated from any element of personal disrespect or contumelious conduct. In that event you will then be able to take an appeal to the Circuit Court of Appeals at Philadelphia in order that the question may be resolved by a competent and authoritative tribunal.

* * * In the event that this should prove not to be the case I think you should cable me at once so that the application for a stay can be made directly to the court at Philadelphia.

This seems to me a more desirable method of proceeding than to apply to the Governor for a pardon; I need not rehearse the considerations which might be involved in the latter alternative.

This letter is sent to you by way of instructions against a contingency which it is hoped will not arise. You will consider this as personal to your office and not to be shown to or discussed with any other official in the islands.

As I remember, the man was found guilty.

It is astonishing how many million dollars have been spent down there and how much the government of the islands costs. I think the Assistant Secretary of Agriculture flew down there with a companion, and after looking around he advised the Government to go into the rum business there, and the Government spent over $100,000 to buy an old distillery. Whether or not it was worth that, I do not know, but I understand from some evidence before the committee that the Government has about 250,000 gallons of St. Croix rum by this time. I do not know whether, under the bill which the Senate has just passed, that rum can be shipped up in barrels or in bottles. At all events, the St. Croix rum does not interest me. I never tasted it. Perhaps the Senator from New York [Mr. COPELAND], who knows almost everything about what to eat and drink, can tell us something about it.

Mr. COPELAND. Mr. President, I am told that ice, sugar, and pineapple juice make a good drink. So the chairman of the committee tells me. I wish to ask the Senator whom he meant when he said the Government spent money down there.

Mr. METCALF. The Virgin Islands Co., the P. W. A., and other Government agencies.

Mr. COPELAND. Does the Senator mean that our Government spent it there?

Mr. METCALF. Yes.

Mr. COPELAND. What did the Government do in the way of establishing a distillery, and how much did it spend?

Mr. METCALF. I am not sure of the exact amount, but I understand something over $100,000 was spent to buy the distillery.

I ask to have printed in the RECORD at this point a statement of receipts and expenditures of the government of the Virgin Islands from March 18, 1931, to April 30, 1935.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Summary statement of receipts and disbursements, government of the Virgin Islands, Mar. 18, 1931, to Apr. 30, 1935

	Federal, municipal, harbor board, and trust funds	Virgin Islands Co.	Grand total
Balances, Mar. 18, 1931:			
Cash	$251,764.47		
Investments (trust funds)	289,589.14		
Total	541,353.61		$541,353.61
Receipts:			
U. S. Treasury warrants	2,933,565.14		
Less deposits in U. S. Treasury, unexpended balance	273,958.61		
Total	2,659,606.53		
Grants, Federal Emergency Relief-Civil Works Administration	576,369.00	$160,000.00	
Municipal revenues	863,721.01		
St. Thomas Harbor Board revenues	103,708.56		
Repayments on loans made from trust funds	190,684.26		
Interest on loans made from trust funds	46,303.19		
Miscellaneous receipts	54,412.10	2,157.62	
Less deposits in U. S. Treasury	13,528.05		
Total	40,884.05		
Loan, Federal Surplus Relief Corp		150,000.00	
Capital stock (3 shares, at $10 each)		30.00	
Total net receipts	4,481,276.60	312,187.62	4,793,464.22
Net increases in investments in trust funds	41,294.13		41,294.13
Total	5,063,924.34	312,187.62	5,376,111.96
Expenditures:			
Municipal:			
From revenues	854,736.89		
Deposits contributed by U. S. Government	853,199.73		
Total	1,707,936.62		
Central administration:			
Salaries and expenses	855,360.53		
Purchasing properties	83,000.00		
Public Works Administration:			
Labor and material	502,167.44		
Purchase of properties to be operated by the Virgin Islands Co.	289,439.74		
Federal Emergency Relief and Civil Works Administration	535,531.46		
Subsistence Homesteads Authority	26,439.81		
St. Thomas Harbor Board	105,068.75		
Trust funds (aid to poor and miscellaneous expense)	75,762.65		
Virgin Islands Co.:			
Purchase rum inventory		26,519.82	
Purchase raw material		17,036.02	
Operating expenses		12,335.48	
Administration expense		16,812.55	
Total expenditures	4,180,707.00	72,703.87	4,253,410.87
Loans made from trust funds	242,290.84		242,290.84
Refund to American Red Cross	3,333.79		3,333.79

Summary statement of receipts and disbursements, government of the Virgin Islands, Mar. 18, 1931, to Apr. 30, 1935—Continued

	Federal, municipal, harbor board, and trust funds	Virgin Islands Co.	Grand total
Balance, Apr. 30, 1935:			
Cash	$306,709.41	$239,137.09	
Investments (trust funds)	330,883.30		
Accounts receivable		346.66	
Total	637,592.71	239,483.75	$877,076.46
Grand total	5,053,924.34	312,187.62	5,376,111.96

Mr. COPELAND. Mr. President, is the Senator complaining because the quality of the rum manufactured there is not good?

Mr. METCALF. I have never tasted it, but I am against the Government's going into the rum business. I am particularly against that. I should rather have the Government go into any other business than the rum business. It is bad enough when it goes into other businesses.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. NORRIS. I agree with the Senator from Rhode Island. I do not wish to have the Government go into the rum business; but I cannot help wondering in what way the laws which permit the Government to go into the rum business have any effect on the question before the Senate as to the confirmation of Mr. Cramer.

Mr. METCALF. This rum business is under the Governor of the Virgin Islands, and his policies prevail.

Mr. NORRIS. Very well. Let us assume that under the law it is his duty to buy and sell rum. What difference would it make who was in the office?

Mr. METCALF. If the Senator from Nebraska were in that office, I think he would send word to the President of the United States that he did not believe in the Government's going into the rum business.

Mr. NORRIS. What effect would that have? That would not make any difference.

Mr. METCALF. Some people have an effect when they go down to see the President. They can get their patronage, and a great deal of money for their States. I cannot do so, but other Senators can.

The Senator from New York wished to see the statement I have placed in the RECORD. He may look at it now.

I do not know how many million dollars have been spent in the Virgin Islands. I have been told that the amount has risen to several million dollars, and it costs about $400,000 a year to run that government. Those figures are not accurate. Perhaps the chairman of the committee can tell us.

Mr. TYDINGS. Probably it might be of interest to the Senate to know that the Federal Government contributes about $200,000 every year to the normal routine expenses of the Virgin Islands.

Mr. ROBINSON. Mr. President, how long has that practice been in existence?

Mr. TYDINGS. The $200,000, as I recall have been contributed yearly for about 7 or 8 years.

Mr. ROBINSON. Mr. President, will the Senator from Rhode Island yield to me to ask a question?

Mr. METCALF. Certainly; I yield.

Mr. ROBINSON. I think what I shall ask was implied in the inquiry of the Senator from Nebraska.

The Senator from Rhode Island has criticized Mr. Cramer because of the rum business which is being carried on in the Virgin Islands under the auspices of the Government. Does the Senator mean to imply that Mr. Cramer initiated or inaugurated the policy or is responsible for the creation of the policy?

Mr. METCALF. Not at all.

Mr. ROBINSON. Then, as an administrative officer, as suggested by the Senator from Nebraska, he was probably merely carrying out or attempting to carry out the law.

Mr. NORRIS. Mr. President, may I ask the Senator a question about this exhibit?

Mr. METCALF. Surely.

Mr. NORRIS. I notice that a part of the expenses and I think a part of the income come from what is called on this sheet "the Virgin Island Co." Does that mean the government?

Mr. KING. Mr. President, may I answer that question?

Mr. NORRIS. May I ask another question first? I wonder if a proper construction of these receipts from the rum inventory and raw material operating expenses would mean that the Virgin Island Co. has contributed these various amounts as cash revenue to the Virgin Island government?

Mr. METCALF. I have not studied the auditor's report, but I certainly think not; at least, no net revenue.

Mr. KING. Mr. President, if the Senator will yield, I can answer that question.

Mr. METCALF. I yield.

Mr. KING. One of the activities of the new regime, the Pearson regime, was to organize the company to which the Senator has referred. All the capital was paid by the United States and the capital stock is owned by three directors, as I now recall. I am not sure whether the Secretary of the Interior is one of the directors.

Mr. METCALF. They paid in only $10 apiece to become shareholders.

Mr. KING. I understand, but it is a Government-owned organization and the capital stock was paid in by the Government of the United States.

Mr. METCALF. It is a Government holding company.

Mr. KING. But it is a corporation organized by the United States for the purpose of engaging in the activities of the corporation.

Mr. NORRIS. Mr. President, will the Senator yield further?

Mr. METCALF. Certainly.

Mr. NORRIS. I notice on the sheet headed "Schedule 1" various items are set forth. Here is a column headed "Federal municipal harbor board and trust fund." There is another column headed "Virgin Islands Co."

Mr. METCALF. That is the holding company to which I referred.

Mr. NORRIS. What does it hold?

Mr. METCALF. It holds the rum business and the sugar business.

Mr. NORRIS. In that company I understand there is capital stock to the amount of three shares at $10 each owned by the Virgin Islands government.

Mr. TYDINGS. Those qualifying shares are owned by the Secretary of the Interior and two other secretaries.

Mr. METCALF. It is a very curious thing, but the other day, going through these matters relating to the Virgin Islands, we came upon certain letters. Here is a letter to James C. Tily, commissioner of public works. He was on a vacation in Pennsylvania. He was called "Dear Chief" by Mr. McKenzie, his subordinate, who was writing to him, a sort of lieutenant, who said in his letter:

> Thursday a. m. first thing and we start the book and end such installments as are finished.

This is one of the superintendents of public works who is saying this:

> Thursday morning, first thing and we start the book and end such installments as are finished. Let me take the investigation which has been the most important part of the 1934 review. I think I am perfectly safe in saying we are like Ivory soap, 99 percent pure. I have reason to believe that your St. Croix department is clear and St. Thomas probably the same, with the exception of Snowden—a case of theft on the part of the individual who admitted the charge, and, although not particularly an "I" man, I believe Dennis and I have done a good job.
>
> I will just outline some of the charges and at the same time tell you they were all successfully refuted and unquestionably proved groundless or excusable.
>
> Tallman got $300 per month from P. W. D. and $300 from rum factory. Don and I and the pay rolls cleared it up.

It must be very nice to be on two pay rolls for the same month.

Mr. NORRIS. That would seem to be an indication of the "holding" company. [Laughter.]

Mr. METCALF. I continue.

Don and I and the pay rolls cleared it up. Swagin $600 bucks a month.

Bromley and I connived to move a dam from his property to one on which I have an option for our own profit and at the expense of the Government. Showed the boys the dam on my property and that's O. K. Damned if it ain't.

We had Hanson (central factory) on our pay rolls when he was not working for P. W. D. Our bills, Hanson, and all showed no dishonesty, and no other way of paying. The new set-up will give us a way to pay such bills. Not guilty. A good laugh for one of the boys and myself when Hanson said: "I send the bill and they doctor it up there."

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Montana?

Mr. METCALF. I yield.

Mr. WHEELER. Will the Senator say that any testimony produced before the committee with reference to the confirmation of Cramer showed that he was in any wise culpable for any of the acts to which the Senator has referred?

Mr. METCALF. None at all. He was simply in charge.

Mr. WHEELER. He was in charge?

Mr. METCALF. Certainly.

Mr. WHEELER. And the Senator charges him with culpability?

Mr. METCALF. I do not. I charge him with failure to know what was going on.

Mr. WHEELER. There was no evidence before the full committee showing that he was not bright enough or that there was any culpability of any kind or character attaching to Mr. Cramer. I challenge any member of the committee to show there was any culpability on the part of Mr. Cramer in any way, shape, or form.

Mr. METCALF. I read further:

Norman Skeoch got $8 per day from us for truck hire and at the same time was employed personally by Briggs department. Not guilty.

Bromley had P. W. D. men clearing his land. His books and ours showed not guilty.

It goes on with one thing after another.

Mr. NORRIS. Is that some of the evidence?

Mr. METCALF. This was a letter which came to the committee. I am reading this to show the little things which were involved. There was not much involved.

Mr. NORRIS. What judge was this? This was not the fine man you have been speaking about, but it was some other judge?

Mr. METCALF. At present I am not talking about his case. When we read this letter to Cramer, I said to him:

Would you continue the author in an office if you were Governor? If you were Governor, would you retain this man who has done these things stated by his own pen?

He said:

I would until I found out different.

I am saying a man like that should not be Governor of the Virgin Islands.

I think the Virgin Islands ought not to be under the Secretary of the Interior. I think he is too far away to know what is going on there.

Mr. WHEELER. Mr. President, under whom does the Senator think they should be?

Mr. METCALF. I am not ready to advise about that. I think the whole situation ought to be changed. There is no reason why the United States should not administer her possessions as well as England administers hers. When we spend $2,000,000 on this and $400,000 on that, as has been done in the Virgin Islands, it is time something was done about it.

Mr. WHEELER. Whom does the Senator think the islands should be under if not under the Secretary of the Interior?

Mr. METCALF. I have not decided what my position is on that point.

Mr. WHEELER. Does the Senator think there is anything wrong with the honesty or the integrity or the moral character of Mr. Cramer?

Mr. METCALF. I do not think there is, but I do not think he should be Governor.

Mr. WHEELER. Why does the Senator think he should not be Governor?

Mr. METCALF. Because he ought to have known these things were going on. Would the Senator have a superintendent of a mill who approved the actions of McKenzie and Tily?

There was another case where a man named "McIntosh", chief bookkeeper for public works in the islands, had been indicted for stealing Government material. Do you think it right to interfere with a Government attorney in his prosecution? Oh, no; that will not do! The courts must be let alone.

Cramer admitted before the committee that he advised Governor Pearson to stop the public-works investigation, and in the same breath he complimented this Government attorney for pursuing the public works.

Cramer admitted that he voted in the Virgin Islands elections while a Government official there and strongly defended his action.

Cramer did not get on well with the ministers there. Both the Catholic and the Anglican pastors are openly critical of and hostile to him. That is what we heard from them.

Many of the members of the St. Croix Colonial Council, as well as the chairman of the municipal committee, are unalterably opposed to Cramer. He has been living there. They know him. You and I do not know him very well. Four out of seven of the island newspapers are unfavorable to his selection, and even now mass meetings are being held down there against his appointment.

The administration of the islands is so bad that it is necessary to clean it out from top to bottom. We are not going to get anywhere by promoting a Lieutenant Governor who will only encounter the same troubles as were encountered by his predecessor.

Mr. VANDENBERG. Mr. President, I wish to make a brief observation regarding the Cramer nomination. I should not be satisfied to let the record close without it, because I feel that we carry a peculiarly delicate responsibility when we impose Governors upon our external possessions.

I was not a member of the special subcommittee which investigated affairs in the Virgin Islands, but I am a member of the Committee on Territories and Insular Affairs, and heard all the testimony in the Cramer confirmation case.

In the first instance I agree with the position taken by the chairman of the committee, the Senator from Maryland [Mr. TYDINGS]. So far as I am concerned, I know nothing which reflects upon Mr. Cramer's integrity. As average candidates for this sort of a position go, I presume Mr. Cramer probably is on a par with what would ordinarily be available for this kind of an assignment. My conception of our responsibility goes to a totally different phase of the matter. I repeat, it goes to the question of our responsibility to these people who are our helpless wards when we impose government upon them from abroad.

It seems to me the conclusion is irresistible if anyone wishes to listen to the witnesses who came before our committee that it will be utterly impossible for Mr. Cramer to have a chance to succeed if he shall go to the Virgin Islands as Governor. That does not necessarily involve any criticism of Mr. Cramer. I should like to make it as plain as I can that I am resting my decision not upon Mr. Cramer but upon the situation which he would confront in the position for which he has been nominated.

The witnesses who came before our committee were not merely casual, haphazard citizens. They were the officially elected spokesmen of the people of the Virgin Islands. Practically all of them were colored men. I should add that they were of a high order of intelligence. Invariably the testimony was that Mr. Cramer's background in the islands precluded any opportunity for his administration to succeed,

because of the prejudices—rightly or wrongly, nevertheless the prejudices—which are inherent in the situation.

It occurred to me, as suggested by the Senator from Arizona [Mr. HAYDEN], that probably no Governor could succeed there; that the people of the islands are so tender and so critical in respect to the Governorship that probably no man could be assigned to the post who could win their approval. So I took the trouble to ask all of them, after they had indicated their disapproval of Mr. Cramer, whether any Governor they had ever had was satisfactory; and invariably they all named some Governor during the naval administration.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHEELER. But each and every one of them said he did not wish to return to government by the Navy, did he not?

Mr. VANDENBERG. No, Mr. President; I think they all agreed that they did not desire a permanent government by the Navy, but I think repeatedly the witnesses said they thought it would be advisable to return to a naval interregnum during the rewriting of the organic act.

Mr. WHEELER. Let me correct the Senator. If the Senator will read the record, he will find that each and every one of them said he did not wish to have the government turned over to the Navy, but that he preferred the Navy to the man they had had previously; but each and every one of them refused to commit himself to the statement that he desired a naval officer as Governor. I asked the witnesses whether or not they wanted a naval governor, and each and every one of them said "No"; but they preferred the naval government to what they had had previously.

Mr. VANDENBERG. I disagree with the Senator from Montana in his interpretation of the testimony of the witnesses upon this point, although it is not particularly important. I agree with him that they are opposed to a permanent government by the Navy. I agree with him that they do not voluntarily seek such a government; but I think the Senator will find in the record a letter written by the chief spokesman for the people of the islands in which he specifically recommends that there be a temporary return to the Navy of the government of the islands until a new organic act may be written and a civil administration instituted.

Mr. WHEELER. Mr. President——

Mr. VANDENBERG. Just a moment.

So far as I am concerned, I agree with the position of the Senator from Montana that we do not wish to be guilty of putting our possessions under military rule, and I am just as much opposed as is he to any permanent naval or military regime in any of our possessions. In view of the answers given by the witnesses, however, and in view of the official action taken within the past 10 days by the municipal council of St. Thomas in favor of a temporary naval regime, I cannot escape the conclusion that in the difficult dilemma in which the United States finds itself at this moment in the Virgin Islands it might be well to return to a naval regime until such time as we may rewrite the organic act, and again institute the type of civil government which the situation requires.

I now yield to the Senator from Montana.

Mr. WHEELER. Mr. President, is it not a fact that no matter whom we might send down there as Governor, he would be unsatisfactory to most of the people?

Mr. VANDENBERG. That is the question. As I said a moment ago, I think almost any Governor would be unsatisfactory. Satisfaction is a relative term so far as anybody's service in this job is concerned.

Mr. WHEELER. I understand the statement was made on the floor of the Senate that 90 percent of the organizations there are opposed to this man. As a matter of fact, practically all the labor organizations said they were in favor of him. Practically all the politicians there said they were opposed to him.

There was a political group in the islands opposed to him because they could not impose their will upon him. Anybody we send down there will not be satisfactory to some of the politicians, because they go out and make speeches and congregate, and no matter what the Government of the United States does or what the Government says these spokesmen, these politicians, are going to be opposed to the Governor.

In my judgment, the mistake we made was when we took over the Virgin Islands, and paid the money we did pay for them, but we have them; but I challenge any Senator on the floor of the Senate to point to one single thing Mr. Cramer did when he was Lieutenant Governor which reflects upon his honesty, his integrity, or his intelligence.

Mr. VANDENBERG. The Senator is putting up a straw man, so far as I am concerned, because I have made the statement that I had utterly no comment to make regarding his character.

Mr. WHEELER. Nobody reflected upon his honesty; nobody reflected upon his integrity.

Mr. VANDENBERG. That is entirely beside the point I am undertaking to make.

Mr. WHEELER. Nobody reflected on his honesty; nobody reflected on his intelligence; nobody denied that he would make a good Governor.

Mr. VANDENBERG. That is the third time the Senator and I have agreed on that premise.

Mr. WHEELER. Exactly; but if you do not reflect upon his honesty, and do not reflect upon his intelligence, and do not reflect upon his capability——

Mr. VANDENBERG. For the fourth time I agree with the Senator.

Mr. WHEELER. Never mind whether it is the fourth time or the fifth time. What other qualifications do you ask for in the Governor of the Virgin Islands?

Mr. VANDENBERG. I seem to have utterly failed to impress the Senator from Montana with my viewpoint. So far as the credentials which he recites are concerned, my recollection somewhat differs from his own. It is my understanding that some of the labor groups on the islands favor Mr. Cramer and some do not; but that is beside the point. My understanding is that the politicos, to whom the Senator refers, who are enjoying Federal bounty, are heartily in favor of Mr. Cramer, and that they compose the backbone of his sustaining support. But it is perfectly obvious to me that the mass of Virgin Islanders are not satisfied with the contemplation which is presented by the approach of their former Lieutenant Governor in this new and more powerful capacity.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. VANDENBERG. In just a moment, unless the Senator wants to repeat that Mr. Cramer has integrity, and the other qualities upon which we have already satisfactorily agreed, so far as I am concerned.

Mr. WHEELER. No; I think that is thoroughly established. But 11 members, as I understand, of the Colonial Council of St. Croix, where Mr. Cramer was the Lieutenant Governor, and where he lived, have announced themselves in favor of him. The St. Croix labor union, and some other kind of a union, a mechanics' union, down there, were in favor of him. Four of the homestead organizations were in favor of him, and the Citizens Progressive League was in favor of him.

We find 11 members of the Colonial Council of St. Croix, where he lives, where he was Lieutenant Governor, and where he was actually domiciled, in favor of him. The labor organization of St. Croix, the mechanics' organization of St. Croix, were in favor of him, as was the Citizens Progressive League.

Mr. VANDENBERG. The Senator needs to read the list only twice; he does not need to read it a third time.

Mr. WHEELER. I am like the Senator from Rhode Island; I am entitled to repeat. [Laughter.]

Mr. VANDENBERG. Mr. President, I think it is perfectly futile for us to argue indefinitely as to whether Mr. Cramer has a majority of petitioners in his favor or a majority against him. In spite of anything which my able and agile friend from Montana may submit to the Senate, he cannot

change the impression borne in upon me as I listened, in a totally dispassionate and objective way, to the testimony that came to the Committee on Territories and Insular Affairs in respect to this situation. I cannot escape the conclusion which the distinguished chairman of the committee, the Senator from Maryland [Mr. TYDINGS], has reached, that it would be unfortunate to send this particular nominee to the Virgin Islands in the capacity of Governor; that it would be infinitely better for us, for Mr. Cramer, and for the Virgin Islands that some other Governor should preside, and I think the Senate takes a considerable responsibility upon itself in respect to future events in the Virgin Islands by confirming the nominee.

Mr. REYNOLDS. Mr. President, I have listened with a great deal of interest to the observations made by my colleagues on both sides of the Chamber in reference to the subject matter pertaining to the confirmation of Mr. Cramer, and I must be perfectly frank in stating that I have been delightfully appalled, because while sitting here I have learned with delight that those who are opposing the confirmation of Mr. Cramer as Governor of the Virgin Islands, all, without one single exception, each and every one, agree unhesitatingly that the man whose name is being discussed by us at this hour is a man of splendid character.

Not one single word has been said upon the floor of this Chamber that reflects upon the integrity of the man whom we are now considering as the next Governor of the Virgin Islands; and how those who oppose him here in this body can expect to convince the Members of this body that he is not the proper man to supervise, so to speak, the people of the Virgin Islands is beyond my comprehension.

Let us find out something about the man concerning whom we speak. He is an American, a hero of the World War, a veteran of the greatest war the world has ever known. A native of the Northwest, he found himself upon a battlefield on foreign shores, and willingly spilled his own red blood in defense of his country. Could I present a finer or better record than that?

After having returned from shores beyond to his native soil, being an ambitious man and one worthy of the recognition he found abroad, he sought an education in the schools of his own country, and by due diligence and perseverance he finally graduated from the university of his native State, and thereafter he secured a master's degree, as I believe has been testified here by the Senator from Arizona. While at Columbia University, he gave thought and study to the very subjects which might be of benefit to his Government and to him particularly if he were selected in a capacity of the sort to which he has now been chosen.

In 1917 our Government purchased the Virgin Islands in the West Indies from Denmark for a consideration of $25,000,000; and I am willing and ready to agree with the able senior Senator from the State of Montana [Mr. WHEELER] that that was the first mistake we made insofar as this subject is concerned.

At the time we made that purchase those in authority in this country had been given to understand that the Germans desired to acquire the Virgin Islands for the purpose of establishing a submarine base, and for no other purpose. So, having been advised of that, your Government and my Government, through the then Secretary of the Treasury, Mr. MCADOO, now a Member of this body, drew a check for $25,000,000, and caused it to be sent to the proper authorities of the former possessor of the islands.

Mr. President, from all the information I have, which I believe to be reliable, from the very day we became the possessor of the Virgin Islands the inhabitants of the islands have been dissatisfied with our rule. Everyone who knows anything about the situation knows that to be the truth, and no one in this body or elsewhere will venture to dare deny that statement and assertion.

When first we came in possession of the islands they were placed under the direction and administration of the Navy; and, to repeat, since the very first day the naval arm of our great Government took charge, some twenty-odd-thousand inhabitants have been dissatisfied with our rule; and throughout the years when the inhabitants of those islands were under the direction of the Navy Department there was constant criticism of the administration.

Time passed, and the government of the islands was transferred from the Navy to the Interior Department during the time Mr. Hoover was President of this country; and he caused to be named in 1931 the first civil Governor of the Virgin Islands, Mr. Pearson, a humble but an honest man. Not a single word has ever been uttered before the committee which held the hearings or elsewhere which would reflect upon the character, the honesty, or the integrity of Governor Pearson.

The only criticism which has ever fallen from the lips of a single soul pertaining to the former governorship and the former Governor himself was that he had not been experienced in matters pertaining to the government of external possessions; and, because the 22,000 inhabitants of the three isles objected and protested against his rule he sent in his resignation. Then the great President of the United States, Franklin Roosevelt, after having given thorough thought and mature consideration to the man who could best serve the people of the islands and at the same time best serve the Treasury of the United States and the taxpayers contributing thereto, named none other than Mr. Cramer himself.

I stand here today not assuming in the slightest degree to name the Governor of the Virgin Islands, nor does any single Member of this body; but we are here for the purpose of saying whether or not the President of the United States was right when he brought to the attention of this body the name of Cramer.

If I may have the further indulgence of the Senate, I say now, and as sincerely as I may, that, in my humble opinion, the President of the United States could hardly have named a better man under the circumstances. Why? I ask myself that question as Senators respectively direct that inquiry to me. The answer is that the President was right in naming Cramer. The President could not have found a man better fitted for the job than Cramer. Why? Because the President of the United States, being a man of sound judgment and discretion, recognized the fact that since the year 1913, when first we acquired the islands, in the market place at St. Thomas the voices of the natives had been raised to the heavens against every single official who had been sent there to administer the government for them.

The President of the United States knew that the man for this post was Cramer. He recognized the fact that for one to serve well and creditably upon the islands and amongst the natives, firstly, he should know the natives. Having served there for several years with Governor Pearson, the man best fitted for the task assigned is none other than the present nominee of the President of the United States. Cramer served as Lieutenant Governor of the islands, with his domicile established on the Isle of St. Croix, a distance of some miles from the capital, St. Thomas; and not a single act of omission attributed to the governorship of Mr. Pearson can be placed at the door of Cramer, whose nomination we are now considering.

Mr. President, I agree with the Senators who have preceded me that regardless of whom we send to the islands, there will be trouble. Mark my words: As surely as I now stand in this Chamber, regardless of whom we may send there as Governor of the islands, we shall, so long as we are in possession of the islands, be met by the same criticism with which we have been met in the past, and with which we are met at the present time.

It was said by my distinguished friend from Rhode Island [Mr. METCALF] that every man who testified before our subcommittee of the Committee on Territories and Insular Affairs, was opposed to sending Cramer to the islands as the chief executive officer. It must be remembered, however, that every man who testified before the subcommittee was brought here, and for what purpose? For the purpose of testifying against Governor Pearson. Could it reasonably be expected that those who were in opposition to the present administration, those who had been brought here to testify against Mr. Pearson himself, would have spoken one word

of kindness or one syllable of commendation or recommendation of Cramer?

Mr. President, I listened with a great deal of interest to what was said by the Senator from Rhode Island [Mr. METCALF]. He said that Cramer should not be made Governor of the islands because, on inquiry directed to him before the committee, Cramer had the audacity and the nerve to say that he actually would keep in his employ as the chief administrative officers of the island those who had formerly been connected with the islands.

To my way of thinking, may I say to the Senator from Nebraska [Mr. NORRIS], believing that he will entirely agree with that which I am about to say, the finest tribute that could possibly have been paid to Cramer was the very statement made by the Senator from Rhode Island when he condemned Cramer and said he ought not to be made Governor because he would retain some of those who had been affiliated with the present administration.

I say it is the best recommendation, the finest commendation that could have been uttered, because Cramer knew, as he sat facing the Subcommittee on Territories and Insular Affairs during this inquiry, that he had then been selected by the President of the United States to be the next Governor of the Virgin Islands. He knew he was being criticized, and he well knew then that if he answered that question in the affirmative and gave expression to the thoughts of his own heart when he said he would retain those who had been formerly affiliated with the administration it would injure his chances for confirmation, because he knew that the majority were opposed to the continued governorship of Pearson and those who had been connected with him.

But Cramer evidenced to me and evidenced to others that he is a man who can be depended upon because he had the unadulterated courage—and "courage" in this instance is the only word I desire to employ—to say to the members of the committee who were passing upon his future, "Accept me or reject me, but I shall not discharge any man connected with that administration unless evidence pertinent and appertaining to such a man is of such a nature as to reflect upon his honesty and integrity to the extent that I am convinced that he ought to be discharged."

The experience Mr. Cramer has had upon the island of St. Croix as Vice Governor of the island will prove to be of inestimable value not only to the 22,000 inhabitants of the three islands, but of value to the Treasury of the United States and to the taxpayers of this Government.

The Senator from Rhode Island referred to the rum business in the islands. From what he had to say in regard to this subject, a vistor in the gallery would have thought that the man who started the manufacture of rum in the Virgin Islands was none other than Cramer himself. The Presiding Officer knows, and every Member of this body knows, that the principal interest of the Virgin Islands has been that of the manufacture of a rum which gained for itself an international reputation. When Cramer was assigned to St. Croix in the Virgin Islands he was simply carrying on under the instructions of this Government, which he was endeavoring as best he could to serve.

Mr. President, in conclusion, since the hour is growing late, I desire to reaffirm my statement to the effect that, in my humble opinion, not a better man could possibly be selected to serve as Governor of the Virgin Islands than Mr. Cramer. In so concluding I desire respectfully again to remind the Members of this body that not one single word has been uttered which would reflect upon the character, the integrity, the honesty, or the capabilities of the President's nominee, Mr. Cramer.

Mr. LA FOLLETTE. Mr. President, at this late hour I shall detain the Senate for but a moment. In my opinion, the real difficulty in the Virgin Islands is in their economic condition. The islands are in a desperate economic plight, which has existed for many years. So long as that economic plight exists and so long as the people of the islands have to live under the conditions now prevailing, there is bound to be discontent and difficulty in the administration of the islands.

Therefore, as it seems to me, we are not in a position to solve the problem which is creating the discontent and the difficulties in the Virgin Islands. It is a larger question, in other words, than the individual who is to be Governor of the islands under the present organic law, a larger question than the rewriting of the organic law and provision being made for a more satisfactory form of government.

In any event, Mr. President, until we assume the responsibility and achieve some success in bettering the economic conditions of the people who reside in the Virgin Islands, we shall continue to have difficulty insofar as our administrative responsibilities are concerned.

Without desiring to reflect upon the subcommittee or any member of it, I may say that, in my opinion, in view of the economic plight of these people, the conduct of the committee was not calculated to solve any of the problems which are confronting them or wisely to affect the responsibility of our Government in administering the affairs of the islands. The fact, as I understand, is that only those who are opposed to the administration of Governor Pearson were given an opportunity to be heard before the subcommittee, and not a single person was given an opportunity to be heard upon the other side.

I submit that in a situation where the people were in such desperate economic plight, the conduct of the subcommittee and the reports of its proceedings as they were carried back to the islands could have but one effect, namely, to spread discontent and to make a bad situation worse.

Insofar as the present nominee under consideration is concerned, I wish to say that, in my judgment, he is eminently qualified for the position, both by training and by experience. I believe he is eminently qualified insofar as integrity and executive ability are concerned. If we are ever to put the administration of our possessions upon a sound and satisfactory basis, in my opinion, it will be done when more men of the training, the background, the experience, and the character of Mr. Cramer shall be placed in positions of responsibility.

It seems to me to be very significant that, after all the testimony and after all the investigation, no Senator is able to come before the bar of the Senate and submit a single item of evidence which reflects upon the character, the integrity, or the ability of the nominee whom we are considering.

Therefore, I shall cast my vote in favor of the confirmation of Mr. Cramer.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination? [Putting the question.] The ayes have it, and the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Joseph A. Ziemba, of Chicago, to be collector of customs, customs collection district no. 39, with headquarters at Chicago, Ill.

Mr. LEWIS. Mr. President, I move the confirmation of this nomination, in view of the complete fitness and qualification of the nominee for the office.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

RESETTLEMENT ADMINISTRATION

The legislative clerk read the nomination of Sherman E. Johnson, of South Dakota, to be regional director.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

Mr. McKELLAR. Mr. President, the nomination of the postmaster at Camden, N. J., has been favorably reported. I ask unanimous consent that it may be acted upon this afternoon.

The VICE PRESIDENT. Is there objection? The Chair hears none. The clerk will read the nomination.

The legislative clerk read the nomination of Emma E. Hyland to be postmaster at Camden, N. J.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 12 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Wednesday, August 14, 1935, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 13 (legislative day of July 29), 1935

GOVERNOR OF VIRGIN ISLANDS

Lawrence W. Cramer to be Governor of Virgin Islands.

COLLECTOR OF CUSTOMS

Joseph A. Ziemba to be collector of customs, customs collection district no. 39, with headquarters at Chicago, Ill.

REGIONAL DIRECTOR, RESETTLEMENT ADMINISTRATION

Sherman E. Johnson, of South Dakota, to be regional director, Resettlement Administration.

POSTMASTERS

NEBRASKA

Fred Ferguson, Deshler.
Ben D. A. Quigley, Indianola.
Lenna L. McReynolds, Nehawka.
Catherine Childs, Oakdale.

NEW JERSEY

Emma E. Hyland, Camden.

NORTH CAROLINA

William G. Crutchfield, Haw River.
Annie L. Scott, Sanford.
Margaret W. Davis, Walnut Cove.

NORTH DAKOTA

Norbert T. Connery, Gackle.
Paul Kietzke, Streeter.

OHIO

Herbert L. Gray, Gnadenhutten.
Bert L. Peer, Groveport.
William A. Cowen, Loudonville.
George R. Kinder, Rockford.
Albert S. Keechle, Waverly.
Charles A. Kampf, West Lafayette.

VIRGINIA

Robert C. Wilkinson, Warm Springs.

WASHINGTON

Roy Emerson, North Bonneville.
George L. Gordon, Silverdale.
George C. Eller, Wenatchee.

WEST VIRGINIA

Virgil W. Knight, Burnsville.
Glenn A. Fowler, Harrisville.
Lee S. Switzer, Weston.
Oma Corder, West Union.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 13, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Heavenly Father, may our prayer reach the depths of earnestness that it may become a real avenue of approach to Thee; hear us gracious Lord. We pray for a noble passion for God and for the social order, for a quiver of aspiration that shall put us high in the ranks of good, upright men. Let our station be as a jewel which only retains its luster in the setting of work. For the sake of ourselves, our country, and for our families, kindle our souls and endow them with intelligent enthusiasm for the wise, happy, and the enduring things of life; and unto Thee we ascribe all glory and honor. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 8963. An act granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6914. An act to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 3019) entitled "An act to amend sections 1, 3, and 15 of an act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes, approved June 28, 1934 (48 Stat. 1269)", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PITTMAN, Mr. ADAMS, Mr. HATCH, Mr. NORBECK, and Mr. NYE to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the joint resolution (S. J. Res. 59) entitled "Joint resolution providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the 'Sesquicentennial Constitution Commission'", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ASHURST, Mr. KING, and Mr. BORAH to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1214. An act for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston;

S. 1409. An act for the relief of the General Baking Co.;

S. 1577. An act for the relief of Skelton Mack McCray;

S. 1640. An act for the relief of Dan Meehan;

S. 1696. An act for the relief of Mary Sky Necklace;

S. 2168. An act for the relief of the Bell Telephone Co. of Pennsylvania;

S. 2374. An act for the relief of Elliott H. Tasso and Emma Tasso;

S. 2426. An act to provide for the creation of a memorial park at Tampa, in the State of Florida, to be known as the "Spanish War Memorial Park", and for other purposes; and

S. 2635. An act authorizing the appropriation of funds for the payment of the award in claim of Sudden & Christenson, Inc., and others.

The message also announced that the Senate had adopted the following resolution:

Senate Resolution 183

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES V. TRUAX, late a Representative from the State of Ohio.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 m. o'clock tomorrow.

PRESS OF NATION AGAINST NAVAL-MILITARY GAG BILL, S. 2253

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my own remarks and insert certain excerpts from newspapers.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, the Military Affairs Committee of the House recently reported out the military disaffection bill, and it has met with almost unanimous opposition of the press of the Nation. One newspaper system has given the bill its support, and possibly there may be some small support here and there, but I have not been able to find it.

But I do find the substantial press of the Nation aroused against the bill. We see the dignified, conservative, complete and fair in newsgathering, the New York Herald Tribune (Republican), with its brilliant contemporary, the New York Times (Independent), vigorously opposing the enactment of the particular bill; at the same time we see joining in this fight two other able New York papers, both liberal, the Post (Stern paper) and the World-Telegram (Scripps-Howard). Among writers and columnists we find H. L. Mencken, high on the right, the conservative, and Heywood Broun, way over on the left, the liberal, banging at the bill with full lusty blows. Among those joining battle against this bill we also find the New Republic and the Nation, liberal weeklies.

ALL CLASSIFICATIONS OF NEWSPAPERS OPPOSE

So it must be observed that the opposition is not confined to any section of the press or any section of the Nation. Reactionary—radical, progressive, conservative, liberal, labor, religious—newspapers and periodicals of all classifications see the dangers in the bill. For that reason I believe these editorials are worthy of our consideration.

And the chief trade paper among all news men and news publishers, the Editor and Publisher, has taken official cognizance and is showing the printed world the viciousness of the bill, particularly that without any conviction of crime one's house can be broken in for searches and seizures. In its issue of August 10, under the head of "Useless and Perilous", it says:

Fathered by groups of Army and Navy officers, the Tydings-McCormack bill is likely to be reported out of committee any day, giving Congress opportunity to kill this proposed censorship. That is its true nature, despite protests that no censorship of the press is contemplated or empowered by the act. Designed to enable the punishment of Communist propagandists said to be working in Army posts, ships, and shipyards, the bill as drawn puts into peacetime operation the search and seizure provisions of the 1917 Espionage Act—source of many unjustified persecutions during the war. * * *

Labor interests fought inclusion of the National Guard, and won what may be a shadow without substance if the bill becomes law. If the omissions are significant, the law is meaningless; if the omissions are a subterfuge to be interpreted later by a friendly court, the law is immeasurably dangerous to free speech and free press.

This is a newspaper fight and should be won. Only our Fascists approve a law which reads "any book, pamphlet, paper, print, article, letter, or other writing of the character described in section 1 of this act may be taken from any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued under the 1917 Espionage Act." Conviction is not necessary.

Serving no end not adequately covered by existing law, and setting up new perils for free political expression, this bill should be defeated. There is no place for military Cheka among our institutions.

EDITORS OF NATION AROUSED

And as an indication of the wide-spread disapproval of the bill, the Literary Digest of August 10 devotes nearly a full page to denunciations of the bill by newspapers of the Nation. I quote it verbatim:

THREAT SEEN IN ANTISEDITION BILL—NAVY SPONSORED CENSORSHIP MEASURE TO PROTECT ARMED FORCES FROM RADICAL PROPAGANDA AROUSES OPPOSITION OF NATION'S EDITORIAL WRITERS

Nobody paid much attention to a bill listed as S. 2253 when it slipped through the Senate without debate and without a record vote. It was not until after the House Military Affairs Committee had reported it out favorably that the press became aroused to a threat to its freedom.

The request for the legislation, variously labeled a "disaffection" bill, an "antisedition" bill, and a "censorship" bill, came from the Navy Department, disturbed by the circulation of revolutionary pamphlets in the fleet stationed on the Pacific coast.

Senator MILLARD E. TYDINGS, of Maryland, as a Democratic member of the Senate Naval Affairs Committee, passed along the measure, providing for a $1,000 fine or 2 years' imprisonment for any person who by speech or writing advises, counsels, urges, or solicits any member of the military or naval forces of the United States to disobey the laws or regulations governing such military or naval forces, and further authorizing seizure of such incendiary matter with warrants issued under the old war-time Espionage Act.

Col. Henry L. Roosevelt, Acting Secretary of the Navy, gave his stamp of approval.

"Existing law is inadequate to curb this propaganda", he said. "The pamphlets and leaflets are carefully worded to avoid the insurrection and sedition provisions of the Criminal Code, and the publishers likewise escape by avoiding the use of the mails. * * * The bill will protect the armed forces of the United States from contaminating influences of propaganda which has for its ultimate object the overthrow of the Government by force."

When Representative JOHN W. MCCORMACK, Democrat, Massachusetts, sponsored the legislation in the House, only Representative MAURY MAVERICK, Democrat, of Texas, spoke out against it, as "one of the most outrageous invasions of human rights ever attempted."

A report of the House Military Affairs Committee minority, signed by Representatives MAVERICK and PAUL J. KVALE, Farmer-Labor, of Minnesota, characterized the bill as a "12-inch gun to kill a gnat", and added: "Experience has shown that in their application and enforcement such bills are used against labor in its activities."

"Insidious assaults on the constitutionally guaranteed freedom of the press have been suspected from time to time in the last 2 years, but the first bill seriously to threaten Federal interference with the publication of newspapers, magazines, and books has just been favorably reported to the House", reported Walter Karig in the Newark (N. J.) Evening News (Ind.).

"Camouflaged as a patriotic measure to prevent distribution of radical propaganda in the Army and Navy, the bill gives the Military and Naval Establishments broad powers to censor and punish the press. It is a delegation of authority over civilians unprecedented in peace time."

Morris D. Ervin, in the Cincinnati Times-Star (Republican), classified it as an example of the nut legislation which creeps into the tail-end of a prolonged session of Congress.

EDITORIAL BARRAGE

Once awakened to the threat, columnists and editorial writers who are often antithetical in their views on other points loosed a united barrage of the most withering adjectives at their command.

"Idiotic" and "palpably dishonest", said Henry L. Mencken in the Baltimore Sun (Independent Democrat), adding: "It is of no value to me, or to anyone else, to be able to say only what cops and district attorneys approve, or what is generally believed. * * * What is really valuable is the right to say what the generality of standardized and unreflective men do not believe, and if you take it away from Communists you take it away from everyone. * * * Dr. TYDINGS abandons fair play to aid and abet a passel of silly red baiters."

"A bill that for sheer vindictiveness, maliciousness, and downright arrogance is probably without parallel," said the Wichita (Kans.) Beacon (Independent). The Birmingham News (Independent Democrat) found it "ridiculous" and the New York Herald Tribune (Independent Republican) said it is "dangerous" and "superfluous" and belongs with the "must-not" legislation.

The Detroit News (Independent) seemed to speak for its colleagues when it concludes: "The bill is thoroughly evil and should be killed in its entirety."

WALTER KARIG, OF NEWARK EVENING NEWS, STARTS FIGHT

I would call attention to the fact that Walter Karig, Washington correspondent of the Newark Evening News, really started this great national fight for liberty of speech and press.

Mr. Speaker, to even refer to the events today in Europe is sickening. But I have found a very interesting editorial from the Cincinnati [Ohio] Enquirer of July 21, entitled "Liberty Endangered", which discusses the naval-military gag bill in light of recent and contemporary history of Europe. It says:

Every day's news from abroad brings vividly to our minds the perils that go with any surrender of civil liberty. If we could

only realize more fully how men in generations gone have struggled to establish freedom of speech and the press, we might not accept so readily the various inroads that are being made on liberty in America. One such attack on liberty is to be found in the bill introduced by Senator TYDINGS, of Maryland, and passed by the Senate, with the ostensible purpose of preventing seditious activity in the Army and Navy.

There is not the slightest danger of any mutiny in the armed forces of the United States. Nor do Army officers who are lobbying for this bill say there is any such danger. They merely want the statute on the books so that if and when the danger arises, the censorship will be ready to operate. * * *

Such a bill is unnecessary. That ought to defeat it. But if more argument is necessary, let the gentlemen of Congress look for just a moment at the status of human liberty in the Fascist states. We should not take a step in that direction, however small, for our liberties to speak and write as free men are too precious to risk in a law so easily bent into the pattern of oppression. The officers of our Army have plenty to do these days without undertaking to make laws regulating the conduct of citizens.

GOV. BIBB GRAVES VETOES ALABAMA SEDITION MEASURE

Recently in Alabama the Governor, Hon. Bibb Graves, vetoed the State sedition act, and received warm approval from the press of the Nation. Although from the surface, public opinion in Alabama seemed at first that it might have approved the bill, his courageous action immediately met the enthusiastic approval of the people and the press of his State.

And on July 24, under the heading "Another Threat to Freedom of Expression", the Birmingham News, quoted by the Literary Digest said, to quote more fully:

The McCormack-Tydings bill now before Congress is a ridiculous measure which should be killed at once. It is the same type of measure that the Street antisedition bill is in Alabama.

The proposal of such a law would indicate that someone is afraid of the truth. This country needs a press and a public that will print and speak aloud those truths which are anathema to the politicians, the Army, and the Navy; in fact, to anything or anybody in public life. Whenever the publication of the truth is feared it is safe to conclude that there is something wrong somewhere.

I am particularly proud as a southerner and a Texan that this veto came from the South. I feel that Gov. Bibb Graves has helped to preserve the great traditions of liberty established by Jefferson.

MASSACHUSETTS AGAINST BILL

The State of Massachusetts is aroused against this military gag bill. This seems reasonable, for in that State in the year 1770 occurred the Boston Massacre, by the British troops. The history of Massachusetts is the history of America; it is bright and heroic. The First Continental Congress in 1774, referring to an act of the British Parliament to tyrannize over the people of Massachusetts Bay of New England, similar to the present bill, said, such "statutes are impolitic, unjust, and cruel, as well as unconstitutional, and most dangerous and destructive of American rights." (See United States—Formation of Nation.)

Today in Massachusetts the newspapers editorialize against the bill. The Boston Herald, July 24, said:

What amounts virtually to a sedition bill of the same brand as the notorious alien and sedition laws of 1798 has passed the Senate and is now pending, in slightly modified form, in the House. The amendments have not removed the dangerous characteristics of the bill. On the contrary they have vastly enlarged its capacity to do harm.

The all-inclusive possibilities of such elastic provisions are clear. Anybody who questioned the wisdom of an act of Congress might be charged with such disaffection. Anybody who objected to a big-navy policy, or who advocated pacifism in any degree, or who opposed war as an instrument of national policy, or who charged munitions makers with profiteering would likewise be an offender.

Thousands of clergymen in this country have recorded themselves against war. Many religious bodies have adopted resolutions for the promotion of peace. Numerous secular organizations are busy with arguments in the interest of better international relations. All these might come within the scope of such a law.

There is plenty of existing law to deal with such real perils as this bill is alleged to contemplate. We do not want any new law, purporting to protect soldiers and sailors, which could be employed to intimidate all who speak or publish and to incriminate many thousands of the finest and most patriotic citizens. There is no justification for any Hitlerizing measures in the United States.

The spirit of liberty is not dead in Massachusetts

And the Des Moines (Iowa) Register on July 24 said editorially, under the heading "It's Either Useless or Dangerous":

There is no need for such a law, at least in time of peace. Harsh punishment is already provided for mutiny or insubordination in the Army and Navy. This proposed measure has entirely too much the appearance that it might have originated in Germany.

SCRIPPS-HOWARD OPPOSES GAG

The Scripps-Howard papers syndicate have published numerous editorials and news items opposing the gag bill; several of its columnists, Herbert Little, Max Stern, and Heywood Broun, have done their part to damn and down it. One of the Scripps-Howard editorials, entitled "No Gag Law", is as follows:

This innocent-looking bill purports to protect the soldiers and sailors from radical attempts to incite disobedience and disaffection. Its Army and Navy sponsors do not say there is any trace of disaffection in the armed forces. If there were, of course, there are a dozen laws to care for both the inciters and the incited. Why, then, this drastic peacetime gag legislation? * * *

It is against the interest of efficient national defense to discourage criticism. Worse, a step toward military censorship over civilian speech or press is a step toward Fascism. We trust the House buries the proposal.

The contribution to the liberal thought of the Nation, the work of its editorial writers and columnists, the able cartoons of H. L. Talburt, of the Scripps-Howard papers, is well known.

SPIRIT OF JEFFERSON NOT DEAD IN VIRGINIA

Many Virginia papers are making an active fight against the bill. No wonder, for it is the State of Jefferson, who was the jealous guardian of American liberties, we might say the father of American liberty and religious freedom.

From the Roanoke (Va.) World-News, July 27, an editorial on "Military Censorship", we see:

It is well sugar-coated by an appeal to patriotism and an appearance of desire to protect the armed forces of the country from subversive influences. But apparently this measure seeks to shut off any comment on the immense sums the country is now spending on war preparation, or any criticism of a policy of building gigantic battleships that many observers now regard as obsolete as instruments of warfare.

This editorial, it will be seen, brings out the fact that such a law will be detrimental to national defense.

The Virginia Pilot, in an editorial of July 25, headed "A Thoroughly Bad Bill", said:

In origin it traces back to the fears of some naval authorities that the Bolsheviks are likely to take over the Army and Navy. But any calm examination suggests unmistakably that it is unnecessary, foolish, and dangerous. * * *

The country wishes none and needs none of this kind of dictatorial suppression of constitutional rights. It wants no Hitler spirit dominating the Army, no Mussolini spirit gripping the Navy. The proper place for this bill is in the wastebasket, and the sooner it is put there the better.

The Danville (Va.) Register on July 27, under the heading "Friends of Free Speech Are Nodding", said:

A bill that would put into the hands of the jingoes, preparedness advocates, big Army and Navy men, and militarists in general, an effective instrument of censorship has slipped through the United States Senate by the process known as "unanimous consent." * * *

How complete the triumph of the cult of militarism and militaristic thought in America would be if the Tydings-McCormack bill passed, those who fear for the freedom of the press one minute and not the next would soon see. During the campaign that preceded the building of the largest Army and Navy the country has had in time of peace, generals and admirals did a great deal of talking. The newspapers frequently disagreed with them, sometimes were humorous at their expense, and sometimes were severely critical. Under the military censorship imposed by the Tydings-McCormack bill the newspaper that didn't agree with the bellicose admiral or major general might find itself barred from the mails. Every newspaper in the country has its readers in the Army and Navy nowadays.

In the Richmond Times-Dispatch of July 26 there is a long editorial entitled "More Dangerous Than Reds", part of which reads as follows:

We trust that the Virginia delegation in Congress will be found alined solidly against any such piece of potential Hitlerism as this. It is sufficiently distressing that a Virginian, Secretary Swanson, should have been instrumental in securing the bill's introduc-

tion, although we do not believe he was aware of its potentiality. We do not know whether Senators GLASS and BYRD were familiar with the terms of the measure when it was slipped through the Senate by unanimous consent. Probably they were not. But the nine Virginia Representatives will not be able to offer a valid excuse for supporting such dangerous and subversive legislation when it comes before them on final passage.

EXAMPLES OF PERSECUTION

The New York Post prophesied the use to which the disaffection bill would be put on July 27, headed "News Stories of the Future."

LANSING, MICH., December 17.—The Reverend B. H. Dwightenhammer was arrested today, charged with violating the Federal incitement to disaffection act. The United States attorney declared that a United States sailor was present in the congregation when the Reverend Dwightenhammer expressed himself as opposed to war.

MEMPHIS, TENN., November 14.—The homes of four labor leaders were raided today by United States agents, a quantity of strike bulletins were seized, and their owners were arrested. It was charged the material would have incited to disaffection had it fallen into the hands of soldiers and sailors, and that, therefore, it was contraband.

NEW YORK, December 4.—The publisher and editors of the Nation, liberal weekly, were arrested this morning, charged with violating the incitement to disaffection act. It was alleged that they had mailed a copy of their magazine, containing an article demanding a reduction in military appropriations, to a marine subscriber stationed at Quantico, Va. All copies of the issue on hand were seized.

The imaginary incidents detailed above may seem like silly and extreme applications of the terms of the incitement to disaffection bill, which has passed the Senate (quietly, while no one was looking), and has been reported favorably by the House Committee on Military Affairs.

How much more silly and extreme, then, is a bill which could easily lend itself to just such uses? * * *

When a district attorney starts waving the flag before a boggle-eyed jury and shouting the Communist menace, intent to incite disaffection will be found, no matter how innocent the publication. * * *

A true patriot stands by the right of free speech, even when what is said offends him. A fake patriot, a patrioteer, would preserve that right only for those who agree with him. The patrioteers wrote the McCormack bill.

So far there has not been an expression of administration opinion on it. In an age of mounting repression, civil liberties is the most vital issue of the day. What does the new deal have to say about this pernicious piece of legislation?

Another able editorial, entitled "Hitlerizing America", written by Irving Brant, editor, in the St. Louis Star-Times, is partly as follows:

Isn't it strange that in a country whose institutions are built upon freedom of opinion—free speech, free press, and religious freedom—two of these should be under constant attack and need day-and-night defense?

It is probable that if this bill had been a law in 1932 the editor of the Star-Times could have been sent to prison under it for editorials concerning the bonus-army battle in Washington, since the tenor of the writing was to discourage soldiers of the Regular Army from obeying orders to throw tear bombs into houses containing women and children. In fact, if that bill were a law today the writing of this editorial might subject the writer of it to a term in the Federal penitentiary.

And that's the kind of measure which has gone through one House of Congress and been approved by a committee of the other. What are American lawmakers thinking of when they attempt to put such measures on the statute books? Have the lost their minds completely? Have they lost their faith in liberty?

President Roosevelt, if he felt like doing it, could put a check upon this un-American legislation by a fireside talk that would clear up the attitude of his administration and arouse the people to a sense of the danger they face. He has the opportunity for a defense of freedom of opinion that would live in history with Milton's Areopagitica, and the moral duty to undertake it.

It would be impossible to even quote the hundreds of editorials and news stories over the Nation. Briefly, however, I shall mention a very few:

The St. Louis (Mo.) Post-Dispatch on July 16 called it a "threat to the fundamental principle of freedom of speech * * * a subterfuge"; the Portland (Ore.) Oregonian said "the red menace exists in the mind of a commander, one Kirkman of the Navy"; the Louisville (Ky.) Courier-Journal on July 26 referred to it as "a bit of hysteria"; and probably the strongest editorials appear in the Sun-papers of Baltimore, Md. I regret that I cannot quote them in full, but at least 10 or 15 vigorous editorials have appeared in those papers.

The labor press is vigorously opposing the bill all over the Nation. The Minneapolis (Minn.) Labor Review of August 2 has an editorial titled "Serving Czarism" and calls it "the rottenest piece of peace-time gag measure ever passed by the United States Senate"; the Kerne County Union Labor Journal says "the bill is without precedent." The Progressive Miner published in Marissa, Ill., in an editorial on August 2 says "the labor press is particularly menaced by the Tydings-McCormack gag bill." Labor, the official journal of the railroad men, published here in Washington, also vigorously editorializes against the bill.

There are hundreds of other editorials and stories condemning the bill from all over America and they are well worth reading. However, those I have offered show fairly well a cross section of thought of the country and to include the many additional editorials and news stories would too greatly increase the size of the RECORD.

VIOLATES BILL OF RIGHTS

Mr. Speaker, I am opposed to the military disaffection bill because it violates what I believe to be practically all of our fundamental liberties as set out in the Bill of Rights, particularly the first and fourth amendments to our Constitution. The report made by the committee, including both the majority and minority reports, is no. 1603 and is dated July 22, 1935, Seventy-fourth Congress, first session, and this reference is made for any future research. I agree with many of the assertions in the majority report, yet I would like to make a few brief comments on certain apparently erroneous conclusions.

In the majority report it says "only direct action punishable"; however, the committee specifically refused to put in any such wording, and even if placed therein would not benefit the bill. I only show this to indicate what the bill really means. The report says:

We surely all can agree that whoever seeks to persuade a soldier or sailor to disobey lawful commands and orders should be punished. To do so is more serious than urging or advising a policeman, or a fireman, or health officer, or a cook, a chauffeur, a railroad engineer, an airplane pilot, a sheriff, a judge, a bank cashier, or any other trustee, agent, or attorney to be disloyal or to refuse to do his duty.

In other words, according to the majority report, it is much worse in peace time to tell a national guardsman not to kill you than it is to get a policeman not to do his duty, or a fireman to let a house burn up, a health officer to let disease spread, a cook to give you poisoned food, a chauffeur to drive you in a river, a railroad engineer to wreck the train, an airplane pilot to do something awful, a sheriff to have a lynching, a judge to be crooked, a bank cashier to be—we will say—human, or for a trustee, agent, or attorney to violate their duties. It is all very ridiculous. If we start out on any kind of legislation like this, there will be no limit to it. The majority report purports to say that opposition to this bill is something like opposition to national defense—it is the opposite. Since such a bill will keep the truth from coming to the surface in conditions which show improper, inadequate, and inefficient national defense, this bill will only hurt national defense.

In the majority report, out of a clear sky, in connection with national defense, the report says: "Witness George Washington, Benjamin Franklin, Thomas Jefferson, and every leader from their day to the present time." What does this mean? I only know one thing, that George Washington with internal problems much more serious than today needed no such law; that Benjamin Franklin specifically opposed such as this; and Thomas Jefferson, on hundreds of occasions, denounced all such laws and simply despised the thought of them. Then we see in the majority report "Recent revolutions began in navies." I deny the implication that a revolution is about to occur in the Navy of the United States. The enlisted men in the Navy are patriotic, and the officers, I hope, intelligent enough to lead them. Then there are other long statements about the Communists telling their people to fraternize with the sailors and marines. Is the purpose of this bill to make that unlawful? Can it be made unlawful?

Then in the report it is suggested there must be for the soldiers and sailors intellectual insulation against disloyalty. In other words, if the soldiers and sailors have brains, they must be hermetically sealed. Personally, I think our soldiers and sailors not only have brains but they are not disloyal, and that this bill merely reflects upon them.

Mr. Speaker, I ask unanimous consent to include in the RECORD only a short portion of the minority report, which is as follows:

MINORITY VIEWS

The following is submitted by Mr. MAURY MAVERICK, of Texas, and Mr. PAUL J. KVALE, of Minnesota:

"SECTION 1. FOREWORD

"The bill is said to have as its purpose the riddance of Communists and communistic influence from the Army and Navy. But Assistant Secretary Roosevelt testified, as to Communists in the Navy, that there were 'none, among either the officers or enlisted men' and as to communistic influence, that it was 'absolutely infinitesimal.' General Smith testified that, 'While there has been much effort on the part of subversive groups to penetrate the armed forces, it appears that their efforts have not met with a great deal of success.'

"This bill, then, proposes, in effect, to use a 12-inch gun to kill a gnat. The truth is that it is not really aimed at Communists—that is a subterfuge—but at the honest peace-time expression of opinions on anything remotely concerning the Army or Navy by decent American citizens of any projects favored by profiteering munition makers and similar interests. It is a brash piece of Hitleristic fascism.

"*Analysis and introduction to bill*

"This bill is—

"I

"In violation of the first amendment to the Constitution in practically every part of it, especially in reference to the abridgment of the press. The amendment reads as follows:

"'Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.'

"The claim may be made by the proponents of the bill that the bill is constitutional (and granting that it is, purely for the purposes of argument) it is unquestionably in direct violation of the spirit of the Constitution expressed in the first amendment; and certainly this kind of law unavoidably invites abuses in administration which will be unconstitutional (*Yick Wo* v. *Hopkins*, 118 U. S. 356).

"II

"In violation of the fourth amendment to the Constitution, which is as follows:

"'The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the places to be searched, and the persons or things to be seized.'

"III

"Unnecessary, as no likelihood of mutiny, sedition, or revolution now exists in the United States Army or Navy.

"IV

"An insult to the loyalty and patriotism of the enlisted men and a reflection on the ability and efficiency of the officers. (One of the undersigned served during the war as a noncommissioned officer and the other as a lieutenant; we feel entitled, on behalf of the enlisted men and officers of the Army, to resent that proposed insult.)

"V

"The first effort in the history of America to pass such a law in peace time.

"VI

"Modeled on Fascist and communistic lines, being wholly opposed to the genius of American institutions.

"VII

"An intended suppression of organized labor.

"MAURY MAVERICK.
"PAUL J. KVALE."

There is a good deal more in the report, but reference is made to this for anyone who cares to read it.

Mr. Speaker, I think it quite necessary that we reestablish and reaffirm our belief in the personal, fundamental, and political liberties set out during the beginning of our Republic. All over the world we see violations of civil liberties and as far as I am concerned, I think our economic troubles have only begun. I do not think the spurt in business is going to be enough to put 12,000,000 people to work, so if we have economic troubles in the future it is essential we solve our problems peacefully like civilized human beings. The press of the Nation deserves great commendation for calling the attention of the American people to this un-American bill.

POWERS OF THE UNITED STATES SUPREME COURT

Mr. GAVAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GAVAGAN. Mr. Speaker, ladies and gentlemen of the House, the right of the Supreme Court of the United States to declare invalid acts of Congress in conflict with the Constitution is a principle of our Government so self-evident as to need no proof; and the contention that such right and power does not and should not exist is an argument so unsound on its face as to appear to need no reply. Nevertheless, exactly that contention is now being made in certain quarters in this country, has appeared in certain newspapers with considerable demagogic appeal, and has recently even been propounded to this House by a Member, Hon. FRED J. SISSON, of New York (see address of Mr. SISSON, CONGRESSIONAL RECORD, July 16, p. 11246)—and it must be answered—not to disprove that which needs no disproving, but in order that statements the uninformed might accept as sound may not go unchallenged.

The argument has been made that the power of the Supreme Court to declare acts of Congress contrary to the Constitution void, does not exist in law and is an arbitrary assumption of power unnecessary and harmful to our form of Government. Mr. SISSON, in making that argument, stated that his remarks did not represent the result of an exhaustive investigation of the power of the Federal judiciary to pass upon the constitutionality of acts of Congress, but Mr. SISSON did purport to make and prove two points in his address. First, that neither the Supreme Court nor any of the lower Federal courts have, under the Constitution, any right to adjudge an act of Congress unconstitutional, or in any suit between private litigants to pass upon the constitutionality of an act of Congress; and second, that the exercise or assumption of such power by the Supreme Court or other Federal courts is not only unnecessary in our system of government but is also positively harmful, and its continued assumption and exercise in these times constitutes a danger to our form of government and our economic system such as may at any time cause them to break down.

I repeat, this contention is so unsound that it carries its own refutation on its face, but I shall endeavor to refute it at some length to make the answer completely clear and conclusive. Like Mr. SISSON, I do not purport to give here the results of an exhaustive investigation of this question, but unlike Mr. SISSON, not because such investigation might weaken my argument, but solely for the simple reason that no exhaustive investigation is necessary to show that this power of the highest court in our land is founded upon the highest authority, and to show that without it, American constitutional government, as we know it, would cease to exist.

Before going forward with this discussion, I wish to state, that just as Mr. SISSON does not wish to be charged with a desire to undermine the Government, so also I do not believe that I should be criticised as being a Tory or a reactionary. To defend the power of the Court to declare improper acts of Congress contrary to the Constitution does not mean that I am opposed to a liberal interpretation or to amendments of that instrument; nor does it mean that I am opposed to progress or innovations in our system of government necessary or advisable as the result of modern developments in our economic and social situation. Nor do I feel that there is anything so sacred in the Supreme Court or the Constitution as to make them immune to constructive criticism, or that there is anything so immutable in each and every part of the Constitution as to condemn those who may suggest changes therein.

Now, it may be admitted at the outset of this discussion that the Constitution does not state, in so many words, that the Court may nullify acts of Congress contrary to the Constitution; but though that power may not be expressed in so many words, it is so clearly implicit in the document itself, and so obviously was intended to exist as a part of the American system of constitutional government, that no man in all our history has been able to successfully deny it, despite the many attempts, largely motivated by political expediency, to do so. For 150 years that power has been recognized and obeyed by every loyal citizen of the country, and obeyed even though, as Oliver Lodge once said:

> The Court can neither lay taxes nor raise armies and is helpless to enforce its decrees unless the Nation as a whole will willingly obey them.

Though it may be argued that a reading of the Constitution nowhere reveals a power granted in express words to the Court to declare acts of the legislature invalid, a simple analysis of the principles of political economy upon which the Constitution is based and even a very slight acquaintance with the history of that document will convince even the most skeptical that the Constitution contains a grant of such power expressly and impliedly, and that without it the continued existence of the Constitution, as we now know it, would be impossible.

Well before the American Constitution came into being courts in the American Colonies, as well as in England, had refused to recognize acts of Parliament or of the Colonial legislatures as binding and effective where such acts were contrary to natural justice or to the fundamental law of the land. Precedents are many, and it will be possible in the short time here available to cite only a few.

David Brearley, chief justice of New Jersey, and subsequently a member of the Constitutional Convention, in the case of Holmes against Walton considered the exercise of such judicial power where the New Jersey Legislature had provided a six-man jury for certain types of trials, and the case was argued in the Supreme Court of New Jersey in 1779 on constitutional grounds. On certiorari, the court held the statute void. Typical of resultant comments was that of Gouveneur Morris, who, speaking of this decision, wrote the Pennsylvania Legislature in 1785 and said:

> Such power in judges is dangerous, but unless it somewhere exists the time employed in framing a bill of rights and framing the Government was merely thrown away.

In 1796 the decision of Holmes against Walton was followed in New Jersey in the case of *Taylor* v. *Rodney* (4 Halstead, 427). In Rhode Island, in 1786, *Trevett* v. *Weeden* (pamphlet of J. B. Varnum, Providence, 1787) reached a similar result. In Virginia, as early as 1782, the courts had clearly asserted the power to declare a law void for lack of conformity to the Constitution. George Mason, one of the members of the Constitutional Convention, as far back as 1772, in the case of *Robbins* v. *Hardaway* (Jefferson's Repts. Va. 109) argued against the validity of an act as being in violation of the natural law.

In 1776, in the *Case of Commonwealth* v. *Caton* (4 Call (Va.) 1), the court unequivocably stated its power to declare invalid an unconstitutional act of the assembly. When the question was raised George Wythe, subsequently a member of the Constitutional Convention and in this very case sitting as a judge, declared:

> If the whole legislature (an event to be deprecated) should attempt to overleap the bounds prescribed to them by the people, I, in administering the public justice of the country, will meet the united efforts at my seat in this tribunal, and, pointing to the Constitution, will say to them: "Here is the limit of your authority, and hither shall you go, but no farther."

All the judges on that bench concurred in this opinion, including Chancellor Blair, subsequently a member of the Constitutional Convention.

In 1778 the Virginia Legislature passed an act of attainder, and upon the trial of defendant for the crime of highway robbery, the court disregarded the act of attainder and ordered the prisoner to be tried (Burke, History of Virginia, vol. 4, pp. 305, 306).

Again, in 1788, the year before the adoption of the United States Constitution, the question was raised in the *Case of the Judges* (4 Call (Va.) 15), when the court held that "the Constitution and the acts [of the legislature] were in opposition; that they could not exist together, and the former must control the operation of the latter."

In Connecticut, in 1785, in the *Symsbury case* (Kirby's Repts. (Conn. 444)), the courts invalidated an act of the State assembly as being in violation of the provincial charter which was then the fundamental law of the State.

In 1787, 2 years before the adoption of the United States Constitution and while the Constitutional Convention was in session, the Supreme Court of North Carolina elaborately argued and considered the power of the judiciary to declare unconstitutional an act of the legislature, in the case of *Bayard* v. *Singleton* (1 Martin 42). The court stated that it had such power and declared an act of the legislature unconstitutional. The court said:

> But that it was clear that no act they could pass could by any means repeal or alter the constitution, because if they could do this they would at the same instant of time destroy their own existence as legislature and dissolve the government thereby established. Consequently the constitution (which the judicial power was bound to take notice of as much as of any other law whatever), standing in full force as the fundamental law of the land, notwithstanding the act (of the legislature) on which the present motion was grounded, the same act must, of course, in that instance, stand as abrogated and without any effect.

In 1792 the South Carolina courts, in the case of *Bowman* v. *Middleton* (1 Bay 252), declared an act of the Provincial legislature, passed in 1712, void, as a violation of Magna Carta.

Again, in New York, in the well-known case of Rutgers against Waddington, decided in 1784—Dawson's Pamphlet 44—Alexander Hamilton contended that the trespass act was unconstitutional. Hamilton argued that the law violated natural justice, and the decision was placed upon that ground.

The effect of all these cases cannot be better set forth than in the words of Hampton L. Carson, Esq., former attorney general of Pennsylvania, who states, in an able article in the University of Pennsylvania Law Review (vol. 60, p. 692):

> It is beyond the reach of controversy, therefore, that when the Federal Convention met in 1787 for the purpose of framing a Constitution for the United States, the idea of controlling the legislature through the judiciary was familiar to its leading members. It had been asserted in New Jersey, Virginia, New York, Rhode Island, and North Carolina.

With these decisions in mind, we may now proceed to a consideration of what transpired with respect to this question during the proceedings of the Constitutional Convention itself.

Mr. SISSON has noted that various proposals were made in the Convention to provide for a review of acts of Congress by various agencies of one sort or another, one suggestion being that a "council of revision", to be composed of the members of the Court and the President, be established to review legislation of doubtful constitutionality. Such suggestion was voted down by the Convention, and Mr. SISSON presumes to argue from that premise that the Convention never intended to give the Supreme Court the power to review acts of Congress. Mr. SISSON's own argument, however, expounded from a proper historical viewpoint, instead of supporting, itself refutes the very contention he makes. Some slight investigation of the proceedings of the Convention is all that is necessary to make this clear.

On the same day this suggestion was turned down, the existing clause in the Constitution covering the question (article IV) was adopted. This clause was written almost entirely by Luther Martin, of Maryland, who publicly stated that he had framed it to put in the hands of the judiciary, not the Congress, this power (Farrand, vol. II, pp. 28–29). What more complete refutation of Mr. SISSON's argument could be found, then, than the words of Luther Martin, voting against the council of revision and advocating his own clause, then adopted in substantially the same form as it now stands, when he said:

As to the constitutionality of laws, that point will come before the judges in their official character. In this character they have a negative on the laws.

Admitting the soundness of Martin's view, Mason, of Virginia, another member of the committee, said of the proposed Federal judiciary:

They could declare a constitutional law void.

And Rutledge stated on the floor of the Convention:

The judges never ought to give their opinion on a law until it comes before them.

As was said by Gerry, of Massachusetts, speaking of the judiciary under the new Constitution:

They will have a sufficient check against encroachments on their own department by their exposition of the laws, which involves a power of deciding on their constitutionality. In some of the States the judges had actually set aside laws as being against the Constitution. This was done, too, with general approbation (Farrand, vol. I, p. 97).

Farrand, in his The Records of the Federal Convention, volume II, page 28, states:

Mr. Gouveneur Morris was more and more opposed to the negative (by council). The proposal of it would disgust all the States. A law that ought to be negatived will be set aside in the judiciary department.

Again, Rufus King stated:

The judges will have the power of expounding those laws when they come before them; and they will no doubt stop the operation of such as shall appear repugnant to the Constitution (Farrand, vol. I, p. 109).

The Convention assembled, then voted down the proposition to create a "judicial council" to review unconstitutional legislation. The delegates did so, not to limit the judiciary's powers but to retain them in statu quo.

Thus the proposal for the council was defeated, not on the grounds that the judges should not have the power to negative unconstitutional acts of Congress but solely on the grounds that such a council was unnecessary and inadvisable, inasmuch as the judges already possessed that power, and it would be inadvisable to join them with the executive branch of the Government in the exercise of it.

The Convention retained in the framework of the new Government the judicial review of unconstitutional legislation and refused to create a legislative review.

Pinckney, of South Carolina, clearly and succinctly gave the reason for the rejection, when he said:

It will involve them—the judges—in parties and give a previous tincture to their opinions.

So it is clear that rather than the Convention at any time denying the power of the Federal judiciary to declare an act of Congress unconstitutional, the argument solely turned on the question whether the judiciary already possessing such power should be joined with any other authority in reviewing legislation. It was an undisputed assumption throughout the discussion that the courts possessed the power and right, in their judicial capacity, to hold any statute violating the Constitution to be a nullity.

Having considered the precedents that existed prior to the adoption of the Constitution in 1789, establishing the judiciary's right to pass upon acts of the legislature, and realizing that all of these precedents were familiar to many of the framers of that document let us now consider what the members of the Convention had to say in the Convention itself, and to their various State legislatures when the question of the adoption of the Constitution was before each State.

It has already been shown and will be shown again that many members of the Philadelphia Convention continually stated it to be their opinion that the judiciary in the normal and customary exercise of its functions would be empowered to pass upon the validity of an act of Congress. If this was not the understanding of the framers of the Constitution and of the people at large, it can only be concluded that such contentions would have been vociferously met, and an attempt made to disprove them. Furthermore, many members of that Convention, in order to persuade their individual States to ratify the Constitution, as will be shown, made statements that the National Supreme Court was empowered to invalidate acts of the National Congress contrary to the Constitution. Again, one would necessarily conclude that if such were not the prevailing opinion at the Convention and in the State legislatures when the Constitution was being considered, such statements would have been disputed. Yet, neither in the record of the Constitutional Convention itself, nor in the records of any State convention convened to adopt the Constitution, can one find anywhere a statement denying that power.

It is to be remembered, that at the time of its adoption there was keen and hard-fought opposition to the Constitution, that the powers of the newly created President, Congress, and Judiciary were everywhere debated, yet nowhere does it appear that anyone directly and substantially contended that the National Supreme Court would not have the power which we have been discussing. Continuously, various members of the Constitutional Convention and other influential citizens stated in support of the new Constitution that the National Judiciary had the power to invalidate improper acts of the National Congress.

Prof. Charles A. Beard, of Columbia University, one of the ablest of present-day American historians, has come to the conclusion that there were 25 men who constituted the dominating element of the Convention, that of these, at least 16 expressly stated their belief in the power and right of the Federal judiciary to pass upon the constitutionality of an act of Congress. Seven more are on record in favor of the doctrine, while only five, or, at most, six, members ever opposed the policy of judicial review, and of these latter, not one ever denied that the power existed, though they may not have approved it. The evidence is overwhelming.

Upon the floor of the Convention this power was stated repeatedly; it was affirmed after the Convention and while the Constitution awaited adoption by the States; and it was again stated by many high in authority in all three branches of the new Government after it was established; and never was its existence denied, even by the few who thought it inadvisable.

As was said by Charles H. Burr, Esq., in 60 U. of P. Law Review:

When the Federal Constitution was submitted to the several State conventions for ratification, complete unanimity of interpretation was given to the judiciary clauses. To the proposition, repeated again and again, that the power had been granted to the Federal judiciary to declare void an unconstitutional act of Congress, no voice was raised in doubt, criticism, or dissent. This power of the judiciary to protect the States and the people from the aggressions of Congress was the one all-potent argument yielded by the supporters of the Constitution. And however its detractors may have persisted in their opposition, they united in recognizing the validity of the argument.

Oliver Ellsworth, who had been a member of the Constitutional Convention and subsequently the United States Supreme Court with John Marshall, stated to the Connecticut convention met to adopt the Constitution that—

This Constitution defines the extent of the powers of the General Government. If the General Legislature should at any time overleap their limits, the judicial department is a constitutional check. If the United States go beyond their powers, if they make a law which the Constitution does not authorize, it is void; and the judicial power, the national judges, who to secure their impartiality, are to be made independent, will declare it to be void. On the other hand, if the States go beyond their limits, if they make a law which is a usurpation upon the General Government, the law is void; and upright, independent judges will declare it to be so. (Elliott's Debates, vol. II, p. 196.)

Again, James Wilson, a member of the Constitutional Convention, said to the Pennsylvania convention, met to adopt the new Constitution:

If a law should be made inconsistent with those powers vested by this instrument in Congress, the judges, as a consequence of their independence, and the particular powers of government being defined, will declare such law to be null and void. For the power of the Constitution predominates; anything therefore that shall be enacted by Congress contrary thereto will not have the force of law. (Beard, The Supreme Court and the Constitution, p. 71.)

James Otis, a member of the Convention, said in support of the Constitution, that—

If the reasons that can be given against an act (of Congress) are such as to plainly demonstrate that it is against national

equity, the national courts will adjudge it void. This may be questioned by some, though I make no doubt of it, whether they are not bound by their oaths to adjudge it void.

In North Carolina, William R. Davie, delegate to the Federal Convention, discussing, in the State convention, the judiciary clause of the new Constitution, said:

Every member will agree that the positive regulations ought to be carried into execution, and that the negative restrictions ought not to be disregarded or violated. Without a judiciary, the injunction of the Constitution may be disobeyed, and the positive regulations neglected or contravened. (Elliott's Debates, vol. IV, p. 156.)

And Governor Johnson, of the same State, said:

Every law consistent with the Constitution will have been made in pursuance of the powers granted by it. Every usurpation of law repugnant to it cannot have been made in pursuance of its powers. The latter will be negatory and void. (Elliott's Debates, vol. IV, p. 188.)

Charles Pinckney, a delegate from South Carolina to the Constitutional Convention, speaking at the State convention met to adopt the new Constitution, said of the Federal judiciary that—

(Its) duty it would be not only to decide all national questions which should arise within the Union, but to control and keep the State judicials within their proper limits whenever they shall attempt to interfere with its power. (Elliott's Debates, vol. IV, p. 258.)

At the Virginia convention, met for the same purpose, Madison declared:

It may be a misfortune that, in organizing any government, the explication of its authority should be left to any of its coordinate branches. * * * There is a new policy in submitting it to the judiciary of the United States. (Elliott's Debates, vol. III, p. 532.)

Randolph, of the same State, said:

If Congress wish to aggrandize themselves by oppressing the people, the judiciary must first be corrupted.

And, stated Grayson, supporting the same position:

If the Congress cannot make a law against the Constitution, I apprehend they cannot make a law to abridge it. The judges are to defend it. They can neither abridge nor extend it. (Elliott's Debates, vol. III, p. 567.)

Patrick Henry, given in all schoolbooks as one of the greatest of American patriots, at the same convention proudly boasted of the independence of the Virginia judiciary, and said:

* * * they had firmness to counteract the legislature * * *. Yes, sir; our judges opposed the acts of the legislature. We have this landmark to guide us. They had fortitude to declare that they were the judiciary and would oppose unconstitutional acts. (Elliott's Debates, vol. III, p. 324.)

In reply to Henry, John Marshall, later Chief Justice of the United States Supreme Court, declared:

If they (Congress) were to make a law not warranted by any of the powers enumerated, it would be considered by the judges as an infringement of the Constitution which they are to guard. They would not consider such a law as coming under their jurisdiction. They would declare it void. (Elliott's Debates, vol. III, p. 93.)

Alexander Hamilton expressed his views in the Federalist, volume 78, when he said:

No legislation could, therefore, contrary to the Constitution be valid. To deny this will be to affirm that the deputy is greater than his principal, that the servant is above his master, that the representatives of the people are superior to the people themselves, that men acting by virtue of powers may do, not only what their powers do not authorize but what they forbid. The interpretation of the laws is a proper and peculiar province of the courts. The Constitution is, in fact, and must be regarded by the judges as a fundamental law. * * * If there should happen to be any irreconcilable variance between the two, that which is the superior obligation ought, of course, to be preferred; in other words, the Constitution ought to be preferred to the statutes, the intentions of the people to the intention of their agents.

Again, James Madison, who unquestionably contributed more than any other framer toward the formation and development of the Constitution, also expressed his complete approval and support of the power of the judiciary to review acts of the legislature in the Federalist, No. 39. Madison at times appeared to doubt its value, but he never questioned the power. At the Federal Convention, for instance, Madison stated upon the floor of the House:

A law violating a Constitution established by the people themselves would be considered by the judges as null and void. (Farrand, The Records of the Federal Convention, vol. II, p. 93.)

Madison was present throughout the Convention proceedings, and, though he may have doubted its wisdom, never did he contend that the judiciary did not have such power under the Constitution. Furthermore, Madison, shortly before his death in June 1836, after he had had an opportunity to hear all that was to be said on the subject and after observing the Federal judiciary in operation and after having had before him the decision and results of Marbury against Madison, infra, wrote and said:

The jurisdiction claimed for the Federal judiciary is truly the only defensive armor of the Federal Government, or rather for the Constitution and laws of the United States. Strip it of that armor and the door is wide open for nullification, anarchy, and convulsion, unless 24 States, independent of the whole and of each other, should exhibit the miracle of a voluntary and unanimous performance of every injunction of the parchment compact. (Writings of James Madison, vol. IV, pp. 296–297.)

Again one may gain much light on this question by considering what transpired upon the passage of the famous resolutions of Virginia with respect to the alien and sedition laws of 1798. A number of States adopted counter-resolutions, the following being typical:

Rhode Island:

The second section of the third article on the Constitution * * * vests in the Federal courts exclusively, and in the Supreme Court of the United States ultimately, the authority of deciding on the constitutionality of any act or law of the Congress of the United States.

Massachusetts:

The decision of all cases * * * arising under the Constitution of the United States, and the construction of all laws made in pursuance thereof, are exclusively vested by the people in the judicial courts of the United States.

New Hampshire:

The duty of such decisions (as to constitutionality of Congressional acts) is properly and exclusively confided to the judicial department.

In Vermont the resolutions read:

It belongs not to State legislatures to decide on the constitutionality of laws made by the general Government; this power being exclusively vested in the judiciary courts of the Union.

The Virginia Legislature was obliged to consider these resolutions of other States, and a report was drawn up by Madison, as a member of that body, who admitted—

That the judicial department is, in all cases submitted to it by the forms of the Constitution, to decide * * * in relation to the authorities of the other departments of the Government.

Authoritative excerpts from the foregoing speeches and writings of the leading members of the Constitutional Convention, both at that Convention itself and at the various conventions met in the several States to adopt the Constitution, and the excerpts from the resolutions passed by the various States following the Virginia resolutions in 1798, are clearly sufficient to show that beyond any shadow of doubt it was universally understood, both before and after the United States Constitution was adopted, that the Federal judiciary had the right and the power to limit Congress within its constitutional powers and to invalidate any ultra vires acts passed by the National Legislature. Again, not only do the judicial decisions antedating the Constitutional Convention prove this power, but other judicial decisions immediately after its adoption affirm it. In 1792 Attorney General Randolph, in an argument in a case in the Supreme Court, said:

The sum of my argument was the admission of the power (of the Court) to refuse to execute an act of Congress (*Hayburn's case* (2 Dal. 409)).

Again, the effect of the decision in the case of United States against Yale Todd was to determine an act of Congress of 1792 unconstitutional. (See note, 13 How. 40–52.)

Again, in *Cooper* v. *Telfoir* (4 Dal. 194), Chase, J., held:

It is a general opinion, indeed it is expressly admitted by all this bar, and some of the judges have, individually, in the circuit courts, decided that the Supreme Court can declare an

act of Congress to be unconstitutional, and, therefore, invalid; but there is no adjudication of the Supreme Court itself upon the point. I agree, however, in the general sentiment.

In the Federalist, Nos. 78 and 80, the independence of the newly created Federal judiciary is elaborately discussed, and the existence of the power to pass upon questions of constitutionality is taken for granted. It is there commented upon, not as a mere possibility, but in order to remove any lingering objections there might be to such a practice. And, in No. 39, Madison specifically states:

Some such tribunal is clearly essential to prevent an appeal to the sword and a dissolution of the compact.

And so we find that provision in article IV of the Constitution which reads:

This Constitution and the laws of the United States which shall be made in pursuance thereof and the treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby.

And the judicial authority established in article III, reading:

The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges * * * shall hold their offices during good behavior * * *

By article IV the supreme law of the land constitutes (1) the Constitution, (2) the laws made in pursuance thereof, and (3) treaties. So, an act of Congress not made in pursuance to the Constitution, but violating its provisions, is no part of the supreme law, as defined by the express language of the Constitution; and when the Court, exercising the judicial power vested by article III, is confronted with the provisions of the Constitution, on one hand, and an act of Congress in violation thereof, on the other, the Constitution alone is the supreme law, and the only power and duty of the Court is to enforce the Constitution and declare the act invalid.

And so, in the earliest case in which the question was directly brought to a point, *Marbury* v. *Madison* (1 Cr. 137) (1803), John Marshall, greatest of the Chief Justices of the United States, stated and affirmed the absolute power of the Court. Marshall cited no precedents—and for that reason some persons have argued that none existed. The answer to that contention is clearly that there were precedents so numerous that citation would have been superfluous. The principle was so obvious to Marshall, and so fully recognized by the Nation at large, that he was concerned only to enunciate and affirm in clear and forceful style, the principle, in words that have yet to be improved upon. He said:

The Constitution is either a superior, paramount law, unchangeable by ordinary means, or it is on a level with ordinary legislative acts, and, like any other act, is alterable when the legislature shall please to alter it. If the former part of the alternative be true, then a legislative act contrary to the Constitution is not law. If the latter part be true, then written constitutions are absurd attempts on the part of the people to limit a power in its own nature illimitable—if an act of a legislature, repugnant to the Constitution, is void, does it, notwithstanding its invalidity, bind the courts and oblige them to give it effect, or, in other words, though it be not law, does it constitute a rule as operative as though it was a law? This would be to overthrow in fact what was established in theory; and would seem, at first view, an absurdity too gross to be insisted upon. It shall, however, receive more attentive consideration. It is emphatically the province of the judicial department to say what the law is. Those who apply the rule to particular cases must of necessity expound and interpret that rule. If two laws conflict with each other, the courts must decide on the operation of each. This is the very essence of judicial duty. If, then, the courts are to regard the Constitution, and the Constitution is superior to any ordinary act of the legislature, the Constitution, and not such ordinary act, must govern the case to which they both apply. Those, then, who controvert the principle that the Constitution is to be considered in court as a paramount law are reduced to the necessity of maintaining that courts must close their eyes on the Constitution and see only the law, in the sense of law as the acts of legislature.

There are those who have presumed to characterize such reasoning as an argument of sophistry and a mere assumption of power without authority. To so characterize one of the greatest decisions ever written in any court is to pervert history and to reduce argument to mere partisan propaganda. To turn Mr. SISSON's own words to a sounder use, that Marshal was eminently sound in his opinion—

* * * is as demonstrable as any mathematical proposition and requires only an examination of the Constitution itself.

Some, less restrained than Mr. SISSON, have stormed at the opinion in anger, and some have presumed to call it a mere dictum, but notwithstanding all assaults, it remains in all the force of its unquestionable truth and logic and forms an unassailable keystone in the American system of constitutional government.

In over 50 cases since the establishment of the Constitution the Court has invalidated acts of Congress contrary thereto and its right so to do has never been questioned. Probably the greatest commentator on the American theory of government, Lord Bryce, has said:

No feature in the Government of the United States has awakened so much curiosity in the European mind, caused so much discussion, received so much admiration, and been so frequently misunderstood than the duties assigned to the Supreme Court and the functions which it discharges in guarding the ark of the Constitution.

Furthermore, states Bryce:

Few American institutions are better worth studying than this intricate judicial machinery; few deserve more admiration for the smoothness of their working; few have more contributed to the peace and well-being of the country.

De Tocqueville in his Democracy and America says:

The power of the judiciary to declare a law invalid if it transcends the powers given by the Constitution is one of the strongest barriers ever devised against the tyrannies of political assemblies.

So one could go on piling precedent upon precedent, citation upon citation, and authority upon authority, proving beyond the shadow of a doubt that the Constitution gives to the Supreme Court expressly and impliedly the full power to refuse to recognize any law or act of any branch of the Government, including the Congress, that contravenes the Constitution, but this proposition is so self-evident and so clearly ingrained in the American system of government that to make further citation of authority would be superfluous. It suffices to state that that power of the court has stood unquestioned in the minds of all reasoning men since the foundation of the Republic, despite popular recrimination, the assaults of demagogues, the attacks of those who would wish to usurp the Constitution and make of themselves dictators, despite wars, and even actual rebellion.

Such is the fact, and as we stand today, admittedly this power can only be curtailed and excised from the fabric of our Government by a constitutional amendment. Whether the power is assumed or was granted is today an academic question, and the controversy is reduced to the question: Should such an amendment be made? I shall now address myself to that contention and conclude this discussion proving that such amendment is inadvisable in the highest degree and would constitute the downfall of American constitutional government. This power in the court is absolutely imperative, it is the very essence of constitutional government in this country, and without it the Constitution becomes a mere scrap of paper.

Mr. SISSON has argued that the exercise of such power is unnecessary and harmful in our system of government. To support this contention, he cites the Dred Scott, Legal Tender, Income Tax, and the First Federal Employers' Liability Act decisions. Mr. SISSON ascribes the Civil War to Taney's decision in the Dred Scott case. The time is here too short to controvert such a perversion of history, and it is too much aside from the point. It suffices to state that no reliable historian has ascribed to the Dred Scott decision any more than a minor importance as one of the causes of the Civil War, and whether a cause or not, the fact remains that the Dred Scott decision was eminently just and in accordance with law. If the politicians of that day had followed the line of reasoning laid down by Taney in that case and gone about the elimination of slavery in a fair and lawful manner, instead of endeavoring to eliminate it on the one side, and to preserve it on the other, by unlawful means,

in response to popular clamor, the terrible Civil War would never have been fought. Had the dictates of the Constitution been followed, slavery could have been abolished at no cost of life and infinitely less cost of money.

As for Mr. SISSON's assertions with respect to the *Legal Tender cases*, it is sufficient to say that it is probably true that had that case been decided during the Civil War the Union's finances would have toppled, but the case was not decided during the war but 6 years afterward when all such danger had passed, and so the contention is beside the point.

As for the Federal Employers' Liability case, it is not the fault of the Court if Congress passes an unconstitutional act, and the proof of this is in the fact that the Court sustained the second act when Congress took the time and trouble to pass an act within its constitutional powers.

As for the income-tax decision of 1894, Mr. SISSON furnishes an example of the proof, not of his contentions, but of the very opposite view. No well-informed lawyer doubted that the act of 1894 was unconstitutional, and the Court properly declared it so. Subsequently the proper course was followed and the sixteenth amendment was added to the Constitution. Congress now has that power to pass income-tax laws and the Court has loyally sustained its action to the last degree. Mr. SISSON's criticism with respect to the income-tax case seems to sum up into the extraordinary contention that the Court should itself have amended the Constitution, extra legally, instead of refusing to recognize an unconstitutional law and leaving to the people at large the right to make the amendment.

The gist of the general argument against the Court's powers is neatly quoted by Mr. SISSON as follows:

> That an act may be passed by the Congress, representing the sovereign will of a sovereign people, approved by the Executive, also representing all of the people * * * only to have it stricken down years later by the assumed unconstitutional exercise of power by an appointive judiciary, is, I say, an anomalous and unbearable state of affairs and one wherein we fall short of the ability to exercise the sovereign powers of a nation.

That argument, to sum up, claims that Congress represents the sovereign will of the Nation and that therefore any act passed by Congress cannot and should not be invalidated by the Court. A nodding acquaintance with the United States Constitution is sufficient to refute such contention in anyone's mind. The Constitution, not Congress, represents the sovereign will of our people. That sovereign will is expressed only through the Constitution, and Congress expresses only the will of the people under the Constitution. It has been recognized since 1789 that Congress expresses the will of the people in the ordinary course of events, but that that expression is always controlled by the sovereign will of the people, expressed, and only expressed, in the fundamental law of the Constitution.

Furthermore, it is quite elementary, but it seems necessary to repeat, even here on the floor of the House of Representatives, that this country is made up of a Union of 48 sovereign States, and superimposed thereon there exists a sovereign Federal Government. To the Federal Government, under the Constitution, are delegated certain powers, and to the individual State governments are reserved the remainder. Again, under the Constitution, to the President are delegated certain powers, to the Congress others, and to the judiciary still others. One need not stop long to realize that under this system an attempted exercise of power by the President may overlap that of Congress, and that of Congress the Supreme Court, and conversely; and that, again, an attempted exercise of power by the Federal Government may overlap that of the States, and those of the States overlap those of the Federal Government. To continue the smooth working of the Government under such an arrangement and division of functions, it is perfectly obvious that a power must be lodged somewhere in the Government to define the limits of the powers of these various organs and to say where the powers of one begin and of another end.

If it were not for the Supreme Court the State governments could arrogate to themselves powers clearly only within the jurisdiction of the Federal authority, and conversely, the Federal Government could reach out throughout the land and assume powers clearly reserved to the States. Worse yet, if it were not for the existence of this power in the Court, the President could assume to himself powers reserved to the Congress, and, conversely, Congress could assume powers of the President or the courts. The President could, for instance, make Executive orders of any sort on his own volition and give to them the effect of absolute statutes.

The people elect the President, but no one has yet had the temerity to assert that they elect the President to make the laws. Even a school boy knows the President is supposed only to execute the laws that are made by Congress. Going further, the Congress, which, under the Constitution, is limited to certain very definite powers, could pass laws of any sort whatsoever if it were not for the existence of the judicial veto in the Supreme Court. Congress would become even more omnipotent than the British Parliament. It may be admitted here that no court in England would invalidate an act of Parliament, despite what Coke said in Dr. Bonham's case, that "an act of Parliament against common right and reason would be adjudged void." But it suffices to say with respect to the British Parliament that safeguards exist in England upon the Parliament's powers that do not exist in this country with regard to Congress. The American Congress is in substance comparable not to the Parliament as a whole, but only to the House of Commons. In England the House of Lords may at least stay an act of the Commons for at least 2 years. Again, though it may not have been exercised since the reign of Queen Anne, the British Crown does have the power of veto over an act of Parliament. Again the British constitution, though unwritten, has in a country such as England, heavily imbued with tradition, a force almost equivalent to that of the laws of nature.

Congress in this country, if it were not for the Supreme Court, would be the most omnipotent law-making body on the face of the earth. The existing Congress could permanently legislate itself into office and prevent all future elections. If at the next election the Republican Party by some unpredicted turn of events should attain a majority in Congress, that Republican majority could legislate the President out of office and replace him with anyone it saw fit, save for the Supreme Court. Congress could violate every single provision of the Constitution; it could, for instance, establish a State religion and disqualify all those adhering to any other belief in God from voting; it could abolish freedom of speech and of the press and permit to exist only those newspapers which expressed the ideas and demands of the dominant party; it could quarter troops in any home; it could abolish every constitutional protection against the security of the people in their persons and in their homes against unreasonable searches and seizures; it could abolish trial by jury and place a person in double jeopardy for the same offense; it could abolish completely all the principles of law which have been built up in a thousand years of strife in Anglo-Saxon history to protect the citizen and his life, liberty, and property. It could pass bills of attainder and expropriate property without compensation; it could abolish courts and constitute in place of our existing judicial system, dishonest and political star-chamber proceedings; it could restore prohibition; it could remove the right of suffrage for sex, religion, race, or any other conceivable reason. It could establish forced labor; it could abolish any branch of the Government and create any other. One could go on ad infinitum illustrating the evils and excesses which Congress could impose upon the Nation were the protective powers of the Supreme Court once removed. It is no answer to say that if Congress exceeded its constitutional powers the people would vote its Members out of office on the next election. The people might not even get the opportunity; Congress might legislate itself into office permanently, or make illegal all political parties except the dominant one, and in any case, irreparable injury could be done before the following elections.

That this is no idle talk and does not represent the far-fetched excesses of an overactive imagination is amply illus-

trated by current events in other parts of the world. One has only to consider the countries of Europe to realize what can be done by a dominant political party or a successful demagogue in the way of destroying the rights of the common citizen and establishing an absolute dictatorship and tyranny over the people through the control of a legislative body with those very same rights that the opponents of the Supreme Court would vest in Congress.

The very situation that exists in Europe could come to pass in this country if Congress were once given the omnipotent powers that the opponents of the Supreme Court advocate. It is perfectly obvious that if the Court is deprived of the right and power to interpret the Constitution and to refuse to recognize any governmental act not within the Constitution, that the Constitution, for all practical purposes would cease to exist. Both in theory and in fact that document becomes but an interesting scrap of paper to be entombed in a museum. Future generations could point to it as a "classic" example of what depths a nation may descend to when popular clamor, created and steered by clever but unscrupulous demagogues, is permitted to override the counsel of reasoning men. Is every lesson of our history to be thrown aside, is all that we have fought for to give security to the citizen in his life, liberty, and property, and his chance in "the pursuit of happiness" to be nullified in order that doubtful virtues of a dictatorship be established? The dictatorship of a majority political party, be it Democratic, Republican, Socialist, Communist, or what not, is no less hateful than the tyrannies of kings or emperors.

The unfortunate part of the arguments against the Supreme Court is that they subtly ensnare the very people whom the Court is most zealous to protect—the ordinary common man in the street. Under the guise of an interest in the mass of the people and under the cloak of promoting legislation designed to promote their social and economic welfare, the opponents of the Court argue that the Court in its decisions is in effect legislating against all social reform, and therefore to achieve that very necessary reform it is necessary to abolish the Court as we know it. Whether inspired by motives of ignorance or malice, the result that these people seek to achieve would be harmful to a degree impossible to conceive. They make the argument that the Court is a reactionary body of "old men" with "horse and buggy" ideas, who are more zealous to protect "property" than "life or liberty." Even if this be so, which it is not, is that any reason for abolishing protection to life and liberty, as well as to property? They argue that the Court's decisions represent in effect legislation created by the "nine old men" and the basis of their own personal beliefs and opinions. Nothing could be further from the fact. The Court's power is only negative, never positive; it cannot and does not legislate. It makes no statutes; it levies no taxes; it does nothing except uphold the lawful and negate the unlawful. As for the assertion that the Court's decisions represent merely the personal ideas of its members, no better answer can be given than the known fact that men who were so-called "liberals" when nominated have written so-called "conservative" opinions, and members known as "conservatives" when nominated, like the present Chief Justice, have consistently been on the "liberal" side. Probably no body of men on the face of the earth act with a greater devotion to law and duty, with more complete impartiality, or with a more objective viewpoint.

I do not propose to argue the merits of various statutes of a primarily social or economic nature passed by Congress but declared unconstitutional by the Court, such as the N. R. A. It should be sufficient for me to state here that I do not for one moment deny the probable necessity of certain economic and sociological reforms under present conditions in this country. But under the Constitution, unless one is willing to pervert plain English, the power does not exist in the Congress to create many of the lately proposed reforms. No better example could be cited than the N. R. A. which, for the moment, I shall assume to be a universally desired statute. But the answer to the existing lack of power in Congress to so legislate is not to cut off the power of the Court to protect the people, but to increase the power of Congress to benefit them. And the way to increase that power in Congress is clearly set forth in the Constitution itself, article V, by amendment. The United States Constitution very possibly is not an up-to-date document and does not give to Congress the powers which may be necessary to meet modern needs. But that does not mean that the Court should be obliged to pervert its language, to rewrite the Constitution of its own notion, or to interpret that document in a so-called "flexible" manner, to meet such needs.

If the Constitution does not meet modern needs, let it be amended. When one asks for an amendment to the Constitution, one is immediately met by the argument on the part of those whose social concerns are exceeded only by their haste and ill consideration that the process of amendment is too slow. One needs only to cite the last amendment to the Constitution to refute such a contention. The twentieth amendment, repealing prohibition, was introduced in Congress on February 20, 1933, and was ratified on December 5, 1933. Seven months had elapsed. If necessary, I do not doubt that the process could be speeded up to 3 or 4 months. What more speedy process for creating social reforms could be asked for than one that permits the alteration of the fundamental law upon which this country operates within a period of a few months? But the opponents of the Court do not advocate amendments giving Congress the powers needed; rather, they prefer to curtail the power of the Court. Why so? Because curtailing the power of the Court would not give to Congress merely the additional power needed and which the country might wish the Congress to have but it would give to Congress omnipotent power so that Congress might, at the dictation of one political party or one political leader, commit the catalog of acts above set forth. What a paradox would be created—that a Congress acting under the United States Constitution could do anything under the sun in violation of that very same Constitution!

These so-called "liberals" who advocate the overthrow of the Court are, whether purposely or unconsciously, advocating the very antithesis of true liberal principles and attempting to pave the way for the overthrow of the American system and the establishment of a system that would put us on the same low plane on which the nations of Europe now find themselves.

Mr. SISSON appears to find so much virtue in the English parliamentary system that I can do no better, in closing, than to quote the opinions of Lord Brougham, who said:

> The power of the judiciary to prevent either the State legislature or Congress from overstepping the limits of the Constitution is the greatest refinement in social quality to which any set of circumstances has ever given rise or to which any age has ever given birth.

And of Gladstone, who stated:

> • • • the American Constitution is the most wonderful work ever struck off at a given time by the brain and purpose of man.

P. W. A. DISCOURAGES PURCHASES OF FOREIGN MATERIAL

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a letter from the Secretary of the Interior, Mr. Ickes.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter of the Honorable Harold L. Ickes, Public Works Administrator, citing the severe limitations placed on the purchase of foreign-made materials with P. W. A. funds:

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS,
Washington, August 7, 1935.

Hon. HENRY ELLENBOGEN,
House of Representatives, Washington, D. C.

MY DEAR MR. ELLENBOGEN: I have your letter of July 26, 1935, with regard to a news item carried in the New York Times of July 26 concerning an order that contracts be awarded by municipalities receiving loans from P. W. A. to the lowest responsible bidder after taking into consideration a differential of 15 percent established by the order in favor of domestic industry. You have requested

to be advised of the circumstances which prompted the issuance of such an order.

Before discussing the origin of the order, I wish to dispel a possible misunderstanding which may have been induced by the fact that objection to its terms has been raised only by the Steel Institute. The order was not issued with particular reference to steel or to any other individual product utilized in the construction of public-works projects. On the contrary, the order is general in its terms and scope, as you will observe from the following language quoted therefrom:

"Domestic materials: In the performance of this contract the contractor, subcontractor, materialmen, or suppliers shall use only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States, except, unless, otherwise required by law, foreign materials, articles, or supplies may be purchased if the foreign materials, articles, or supplies are lower in cost after the following differentials are applied in favor of domestic articles, materials, or supplies:

"On purchases where the foreign bid is $100 or less, a differential of 100 percent will apply;

"On purchases where the foreign bid exceeds $100, but is less than $10,000, a differential of 25 percent will apply; and

"On purchases where the foreign bid is $10,000 or more, a differential of 15 percent will apply."

The immediate circumstance which prompted the issuance of the order was that of an advertisement for bids for a set of carillon bells for a certain State university project. The university received bids on the particular set of bells from one American firm and from two British firms, the two latter bids being less than the American bid by approximately 50 percent. Since the bells constituted a sizable portion of the entire project, the question arose as to whether we should not require the contract to be awarded to the lowest responsible American bidder. However, at that time we had no regulation requiring a preference for American-made materials on non-Federal projects.

Although at the time of the enactment of the National Industrial Recovery Act there was in effect a statute (title III of the Treasury and Post Office Appropriation Act, fiscal year 1934) requiring that a preference be given to American-made materials to be used on public works to be constructed by contract or otherwise for the United States Government. Title II of the National Industrial Recovery Act made no requirement that preference be given to domestic materials to be used in the construction of non-Federal public works.

While the question of the purchase of British bells was still pending, the Congress enacted the Emergency Relief Appropriation Act of 1935, which specifically provided in section 13 (a) thereof that any allocation, grant, or other distribution of funds for any project, Federal or non-Federal, from the appropriation of the joint resolution should provide for the application of title III of the Treasury and Post Office Appropriation Act of 1934, referred to above, to the acquisition of articles, materials, and supplies to be used thereon.

In view of the fact that the so-called "Buy American" statute was applicable to Federal projects constructed pursuant to the terms of the National Industrial Recovery Act and had been made applicable to non-Federal projects, as well as to Federal projects, to be constructed in whole or in part with funds appropriated by the Emergency Relief Appropriation Act of 1935, I concluded, since the Congress had declared such a policy as to non-Federal projects, to adopt the terms of the "Buy American" statute as a regulation applicable to non-Federal projects to be financed under title II of the National Industrial Recovery Act, notwithstanding that such a policy had not been declared in that act.

Section 3 of title III of the Treasury and Post Office Appropriation Act of 1934 requires the purchase of American-made goods unless the head of the Department or establishment determines that the purchase of American-made goods is inconsistent with the public interest or the cost is unreasonable. Pursuant to such authority, the various Government departments and establishments, upon the suggestion of the Division of Procurement, in deciding the reasonableness of the cost of domestic products, adopted on June 20, 1934, the following differentials in favor of domestic materials:

"On purchases where the foreign bid is $100 or less, a differential of 100 percent will apply.

"On purchases where the foreign bid exceeds $100, a differential of 25 percent will apply."

In addition to these differentials, it had been customary in the Interior Department for bids for the furnishing of materials in amounts in excess of $5,000 to be referred to the purchasing office of the Department in Washington in each instance for decision as to the reasonableness of the cost of the domestic materials. I considered reference to Washington of bids for the furnishing of materials or supplies in excess of $10,000 inconsistent with our policy of decentralization adopted in an effort to expedite the public-works program under both the National Industrial Recovery Act and the Emergency Relief Appropriation Act of 1935 and therefore determined to fix in advance a fair differential in favor of domestic materials on purchases of large amounts.

I have been advised that a 15 percent differential in favor of American-made goods in purchases exceeding in amount $10,000 is ample protection for American manufacturers. It must be remembered that this differential is superimposed upon the protection now afforded by the tariff. There was no evidence of the dumping of foreign steel even before any differential was established. Should dumping occur in the future, the order will, of course, be reconsidered.

However, we do not anticipate that any appreciable injury can possibly occur to American industry under this order. The preceding discussion has been in reference to purchases of materials made directly by the municipalities. The vast majority of all P. W. A. projects are constructed by contractors under lump-sum contracts. The order in question requires contractors to purchase American materials in lieu of foreign materials where the cost of American materials, less the differential applied in favor thereof, does not exceed the foreign bid. On the other hand, the order does not require contractors to purchase foreign materials even should the cost of the foreign materials be less than the cost of the American materials minus the applicable differential.

Since you have expressed your interest in the subject matter of this order, I am enclosing a copy of an editorial which appeared in the New York Times on Saturday, July 27, 1935.

Sincerely yours,

HAROLD L. ICKES, *Administrator.*

[Editorial from New York Times, Saturday, July 27, 1935]

STEEL AND THE TARIFF

The steel industry seems to be passing through a needless case of the jitters. Less than 2 weeks ago it announced, through the American Iron & Steel Institute, that increasing imports of steel in the first 5 months of this year deprived 3,900 workmen in the United States of full-time jobs. The tonnage of steel imported during the first 5 months of this year, it found, was 65 percent above the quantity imported during the corresponding period of 1934, yet domestic production of steel during the same period of this year was only 3.5 percent above the first 5 months of 1934. Now President Grace of the Bethlehem Steel Corporation discovers a new cause for alarm. This is a P. W. A. order specifying that "a borrower of money must buy foreign material where the value of the order is $10,000 or more and the price is 15 percent less." Workmen in the United States, Mr. Grace fears, may suffer as a result of this order.

The outlook for the steel industry, however, is not quite so dark as these figures would make it appear to be. When we consult the monthly summary of the foreign commerce of the United States, we find that it is indeed true that imports of iron and steel semimanufactures, of steel mill manufactures, and of iron and steel advanced manufactures increased in value 30 percent in the first 5 months of this year as compared with the similar period in 1934, while our exports of these things increased only 7 percent. But percentages, taken in isolation, can be very misleading; a true picture can be obtained only when we compare total quantities or total values. When we do this we find that, in spite of the increase in steel imports, our exports of steel are still seven times as great. Of the three classifications of iron and steel products just cited, our imports in the first 5 monts of this year were valued at $7,000,000, while our exports amounted to $49,000,000. Further, though imports had increased $1,612,000 in value over the 1934 period, exports increased $3,390,000 in value.

Our imports of steel are seen to be even more insignificant when we compare them with our total domestic production. The United States is by far the largest producer of steel in the world. In postwar years the domestic output had been about three and one-half times that of Germany, the largest foreign producer. In 1933 our production of steel ingots and castings amounted to 23,332,000 tons. Our production of rolled-steel products was 16,735,000 tons. The census figures of the value of iron and steel and their products, not including machinery, for 1931 was $3,277,406,000. Neither the value nor the quantity of steel imports (74,000 tons for 5 months) that the American Iron and Steel Institute is now concerned about comes within striking distance of as much as 1 percent of any of these figures. In general, our imports of steel are of special types and shapes that we do not bother to make in quantity here.

The steel industry's concern is no more justified on theoretical than it is on quantitative grounds. There is no reason for supposing that our imports of steel, on net balance, throw any American workers out of work. On the contrary, a little healthy competition might stimulate building and rail buying; in addition, sales of steel to this country help to supply the purchasing power without which foreign nations cannot buy from us—and steel, as we have seen, is more an exporting than an importing industry. The complaint of Mr. Grace is surprising. What he apparently wants is that the Government should be obliged to buy American steel not merely if its price is as much as 15 percent higher than foreign steel of the same grade, even after the latter has paid the tariff (for the P. W. A. order allows that much tolerance), but even if the price of the American steel is two or three times as high.

The complaints of the steel industry regarding the tariff, and its request for special preference regardless of price discrepancies, have an importance beyond the issues immediately involved. Some of the leaders of the steel industry who are asking for these thinly disguised subsidies are among the most vigorous opponents of "paternalism", "regimentation", and "Government interference." They would do well to ask themselves whether, in demanding these favors from the Government, they are not betraying the principles in which they profess to believe.

EXTENSION OF REMARKS

Mr. MONAGHAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point, and include therein a letter from the president of the University of Wyoming and the secretary of the committee on radio education, and from the Lawrence Federation of Teachers of Massachusetts, in regard to a bill for the control of radio, which I have introduced.

The SPEAKER. Is there objection?

There was no objection.

The letters referred to are as follows:

THE UNIVERSITY OF WYOMING,
OFFICE OF THE PRESIDENT,
Laramie, Wyo., July 30, 1935.

Hon. Mr. MONAGHAN,
House of Representatives, Washington, D. C.

MY DEAR MR. MONAGHAN: I have just had the opportunity to read H. R. 8475 as introduced by you. In the essential features your bill is in harmony with the proposal made by the National Committee on Education by Radio to the Federal Communications Commission last May. After 4 years of study the national committee definitely recommends a Government public broadcasting system to supplement our present system. There are many ways in which such a plan could be organized, and I am hopeful that your bill will get serious consideration. Personally I have no doubt that ultimately we shall have a system of public broadcasting stations for public benefit. This means, of course, some form of Government ownership and operation. I believe that such a system, combined with the present private system, would give America an ideal combination and avoid the dangers of private monopoly on one hand or Government monopoly on the other hand.

I am suggesting to Dr. Tracy F. Tyler, secretary and research director for the national committee, that he call upon you and place at your disposal any information which the committee has. You will doubtless be interested in the plan I presented in behalf of the committee to the Federal Communications Commission last May. If your bill provided for regional and State boards, for affiliation by other public stations with the Government system, and for research in broadcasting, your plan would very closely parallel the one which we presented. I can assure you that the National Committee on Education by Radio will be delighted to be of any service to you that we can in promoting interest in this project.

Sincerely yours,

A. G. CRANE, *President.*

THE NATIONAL COMMITTEE ON EDUCATION BY RADIO,
Washington, D. C., August 5, 1935.

Hon. JOSEPH P. MONAGHAN,
House Office Building, Washington, D. C.

DEAR MR. MONAGHAN: A copy of your bill, H. R. 8475, has been sent to each member of our organization—the National Committee on Education by Radio. We are all agreed that your bill has many decided advantages.

Our organization has suggested a plan which has many elements in common with yours. This plan was printed in the May 16, 1935, issue of Education by Radio. It was presented by Dr. Arthur G. Crane, president of the University of Wyoming. I am enclosing the issue in which our plan appeared. Because of your vital interest in American radio broadcasting I know that you will want to study closely our proposal. Perhaps you will find some elements which you may wish to include in your bill. It occurs to me that you might find it desirable to include a provision for regional and State boards, for an affiliation privilege for existent public stations, and for a comprehensive program of research.

Perhaps you would like to talk over the proposal with me. I shall be glad to place myself at your service. My telephone number is District 4552, branch 32. Looking forward to early word from you, I am

Cordially yours,

TRACY F. TYLER,
Secretary and Research Director.

LAWRENCE FEDERATION OF TEACHERS, NO. 244,
AFFILIATED WITH AMERICAN FEDERATION OF TEACHERS,
Lawrence, Mass., August 4, 1935.

Congressman JOSEPH P. MONAGHAN,
Washington, D. C.

MY DEAR CONGRESSMAN: I was pleased to read of your bill providing for a greater measure of control over the broadcasting media.

Government monopoly or strict Government supervision of radio is inevitable.

To that end we need information from the Nation's listeners in order that such regulation may be intelligent and fair to the radio public.

Such a canvass would be a timely and valuable project under the "white collar" provisions of the Works Progress Administration.

What does the public think—what does it want in radio? This project will make it articulate for the first time and contribute to the better government of radio.

Trusting in your interest and ability to have this approved as a Federal project under the W. P. A., I remain,

Sincerely yours,

LEWIS C. CAREY,
161 Saratoga Street, Lawrence, Mass.

A TRIBUTE TO FATHER MARQUETTE

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ENGEL. Mr. Speaker, on August 9, 10, and 11, A. D. 1935, the city of Ludington, Mich., located in the heart of the fruit and resort area of Michigan and on the western coast of beautiful Lake Michigan, paid tribute to the memory of Father Jacques Marquette, Jesuit priest, whose death occurred 260 years ago.

This tribute was in the form of a pageant of ceremonial beauty, presented each of the 3 days, picturing the episodes in the life of the beloved missionary—his entry into the society of Jesus—his arrival at Quebec—his life on Lake Superior—his exploration of the West—the discovery of the Mississippi River—the rigors of the terrific winter at what is now Chicago—the spreading of Christianity throughout the Indian nations and his death, which occurred in the year of our Lord 1675, on land where the beautiful city of Ludington is now situated. On August 11 a pontifical high mass was sung by the Right Reverend Joseph G. Pinten, bishop, of Grand Rapids, Mich., on the shores of Lake Michigan, on ground made sacred by the Father's presence—his deathbed and his temporary place of interment 260 years ago.

While many people have heard and perhaps read the history of Father Marquette, few realize the real impress this young missionary made on the civilization, the history and geography of America. Father Marquette was born June 1, 1637. He arrived at Quebec September 20, 1666, at the age of 29. In his heart was the fire of patriotism and a burning desire to carry the faith of his fathers to the Indian nations "for the greater glory of God" and, I might add, "of his country." For the first 2 years, or until he was 31 years of age, he studied with Father Druillettes in a log cabin in the wilderness. He learned the language, the customs, and the history of the Indian tribes. He learned woodcraft, about the forest, streams, and everything necessary to make him the great explorer he later became. Then, after 2 years, at the age of 31, he started on his life's mission. Seven years later, at the age of 38, he died on the shores of the little Marquette River, in what is now Ludington, Mich., and near the beautiful lake he loved so well. During the 7 years he wrote the geography of half the American Continent. He traveled, according to Dr. Thomas Edward Oliver, a professor of the University of Illinois, nearly 10,000 miles on foot or in a birch-bark canoe, preaching the Gospel as he went along. He founded missions, and always called what is now Michigan his home. Jamestown, the first English settlement in America, was founded in 1607. The Dutch founded New Amsterdam, N. Y., in 1609. Few dared to venture far from the Atlantic coast at that time, yet 60 years later, from 1668 to 1675, we find this priest more than a thousand miles in the interior of a savage and wild country, traveling thousands of miles down rivers and over hills and through forests where only savage beasts and human beings no less savage dared to live.

While De Soto earlier crossed the mouth of the Mississippi, it was Father Marquette and his companion, Louis Joliet, who really discovered the Mississippi. He heard legends, bits of tradition, and stories from the Indians of the wonderful stream to the south and west. On May 17, 1673, Father Marquette and Louis Joliet started forth from the mission at St. Ignace, Mich., with two birch-bark canoes and five voyageurs. They could only hug the shores of the lake or travel the streams. They dared not venture out into the inland sea. On June 10, 1673, they entered the Wisconsin River and 7 days later the Mississippi. They traveled 2,849 miles in those birch-bark canoes, and when they returned Father Marquette's health had been sacrificed.

On October 25, 1674, he arrived at the Chicago River. He turned northward—homeward—to what he called "home" and what is now Michigan, and on May 18, 1675, he died on the beautiful spot in the wonderful city of Ludington, Mich. They buried him there and his companions went north to St. Ignace.

He loved the Indians and the Indians loved him. Later some Ottawas and Kaskakeons, to whom Father Marquette had been devoted, passed his burial place in going northward. Reverently they raised his body and prepared it according to the mode of their tribe. Tenderly they carried it northward and on their journey reinterred it in the circle of the chapel of the mission at St. Ignace. This building was destroyed by fire in 1706. In September 1877 Father Edward Jacker, pastor of St. Ignace Church, discovered the remains of this great discoverer and explorer. His remains now rest under a monument erected by the citizens of St. Ignace in his loving memory.

In the Hall of Fame here in the Capitol at Washington stands a statue of this great man. On it are inscribed the words:

WISCONSIN'S TRIBUTE

James Marquette, S. J., who, with Louis Joliet, discovered the Mississippi River at Prairie du Chien, Wisconsin, June 17, 1673.

Wisconsin honored him, but Father Marquette belongs to Michigan. Michigan was his home. He loved its beautiful lakes and streams. He was on his way home when he died; so now, after 260 years, we honor his loving memory, and each year will commemorate again the wonderful life of this great man.

I always thought Father Marquette was an old man when he died, perhaps 70 or 80 years of age. Why? Because it seemed impossible to crowd those wonderful accomplishments into 7 short years. It is with amazement that one reads that he was only 38 years of age when he died, that all of these explorations and discoveries and all of this wonderful work had been accomplished within the short space of 7 years.

His life appeals particularly to those who love history and romance. A young man, 31 years of age, going out into the wilderness, traveling thousands of miles on foot and in canoes, preaching the Gospel, suffering untold hardships, ready to die for his cause, a real disciple of the Master, and all "for the greater glory of God."

RURAL ELECTRIFICATION ADMINISTRATION

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, it is a remarkable coincidence, in the course of economic progress, that as the many new and valuable uses of electricity are being found or developed to serve the convenience and comfort of men, to lift the burdens of toil from their shoulders, and to brighten and illuminate their pathways, that new inventions, discoveries, and developments have increased and multiplied the means and power to produce, transmit, and carry electricity to the people for their use and enjoyment, even more than to keep pace with the demand and beyond the power of the people to take and use.

SUPPLY OF ELECTRICITY

These inventions, discoveries, and developments have brought to us a realization that we are in the midst of an ocean of electricity, as broad as the earth around us, as deep as the atmosphere above us and as plentiful and abundant as air, water, and sunlight; that this unseen force and energy permeates and fills all space, both above the earth and below its surface, and, in time, can be made available for the use and enjoyment of the people as free and at a cost as reasonable as the distribution of water.

ELECTRICITY VITAL TO MODERN INDUSTRY

Under our present system of industry, electricity, for light, heat, and power, is becoming as vital and as necessary, in the conduct of our industrial affairs, as air and water to the life of the body. And as such vital necessity, the people are entitled to its use, to have lines carrying this service to them, built and equipped for transmission at the actual cost of labor and material, and without the burden of profit and gain.

FARMERS NOW UNSERVED

There are approximately 6,300,000 farms in the United States. Of these, 725,000 are provided with electric service, leaving 5,575,000 without such service. And it has been estimated that in addition to this, 2,400,000 families living in suburban areas and towns having a population of less than 2,500 are still without the advantage of electric service. In the State of Indiana alone, of a total of 181,570 farms, only 13 percent of these are supplied with electric service, or only 23,604 farm homes are provided with electricity, while 157,966 are left without electric service.

ELECTRICITY AND ITS USES

The use of electricity has brought more comforts and conveniences, more helps and advantages to farmers and country home owners than any other means or invention. It has revolutionized life on the farm. In addition to its uses for lighting the home, barn, and garage, the light for the dairy in milking and caring for cows is worth many times its cost.

Electricity is already being used for heating during the late spring and early fall and ultimately will largely take the place of fuel the year around. Electricity is being generally used for cooking, for heating smoothing irons, for operating sweepers, for running washing and sewing machines, for churning and refrigeration, for running fans in hot weather, and for charging the radio. Electricity is being used in pumping water, in operating house water systems, and to furnish heat for incubators, to run feed grinders and saws, and to operate other machinery on the farm.

WHY FARMERS ARE DEPRIVED OF ELECTRICITY

The farmers and rural home owners have been deprived of the use of electricity not because of the actual or necessary cost of lines to carry this force and power to them, but because of the many profits which have been added, piling up the costs, making the charge extortionate and prohibitive. These burdens of excess charges are not being collected for the utility company actually producing and distributing electricity, but for the use of overhead companies holding the stock of the operating company and forcing the collection of this tribute from the people.

ELECTRICITY FOR EVERY FARMER

If the charges for building distributing lines and the charge for use of electric current had been or are provided the people at cost, or even at one reasonable profit, these lines could have been provided and the farmers and their wives could have been enjoying these helps and uses and these comforts and conveniences and relieved of the many burdens and much of the drudgery of farm life. And they could have enjoyed all these services at a cost so low and reasonable that no farmer or country home owner would afford or could afford to be without this service for a single day.

THE GOVERNMENT TO AID FARMERS

Realizing that the use of electricity has become a vital necessity to farmers as well as to the people of the towns and cities, and further realizing the burdens of cost under which farmers and rural home owners are laboring in securing distributing lines and systems to carry electricity to them, the Government has created a special department, known as the "Rural Electrification Administration" for the purpose of furnishing aid and assistance to farmers who are without electric service and under which money is furnished farm organizations at a very low rate of interest and to be repaid in partial payments extending over 20 years.

SOME REQUIREMENTS TO BE COMPLIED WITH

To meet requests for information I have made some general examination of the Rural Electrification Administration, this new department created by the Government, its rules, forms, and regulations, which must be met and complied with to secure a loan from the funds. And it has occurred or come to me, in preparing this information for my own constituents, that I can reciprocate for many favors

shown me by members representing rural districts by presenting here a brief statement of some of the requirements to be complied with necessary to secure approval of these loans.

To meet the requirements of the Government for a loan from these allotted funds, farmers must first form organizations under the statutes of their respective States and present their applications showing such organization and the necessary steps taken. Most of the States, including Indiana, have passed special statutes providing for the organization of farm electric companies under which farmers can form corporations to present their applications to the Department and receive a loan of money with which to construct their lines.

In other States farmers may organize under general incorporation acts and comply with the requirements to secure loans from the Government necessary to construct and equip rural distribution lines and systems to have electricity carried to them. These farm electric corporations must be nonprofit organizations, conducted to serve their members only, and must be provided and operated upon the principle and policy of producing for service and use and not for profit and gain.

THE FIRST STEP TO BE TAKEN

The first step that a group of farmers must take in order to secure advantage of rural electrification is to organize a corporation under State laws.

After the farmers in any certain locality have held a meeting and have determined to provide for electricity, they must have articles of incorporation prepared and submitted to the State public service commission or other like public-service body or officials as provided by law, together with a petition executed by one or more of the farm group requesting the commission or such other body or officials to grant a certificate showing the organization of the proposed corporation.

Upon the filing of such certificate and petition with such commission in Indiana, the commission will set a date for hearing. If the commission decides in favor of the proposed corporation, it will file with the secretary of state an order to endorse and approve the proposed corporation. After certain fees are paid for incorporation, the farm group will constitute a corporate body, with powers, duties, and obligations as provided by law. The articles of incorporation must conform to the act under which incorporated, and in Indiana, to the rural electric membership corporation act, approved March 9, 1935.

There is no financial obligation connected with the signing of the articles of incorporation by any member. The corporation must have at least the requisite number of members, and in Indiana at least 11 members.

APPLICATION TO GOVERNMENT FOR LOAN

As soon as the corporation has been formed, the officer or officers who have charge of the duties of the corporation should secure a map upon which can be shown in red pencil the location of the various members and the location of the nearest power line or source of power which can be used to furnish electricity to the corporation members.

When this map is completed as correctly as possible—it need not be prepared by an expert—it should be sent to the Government, along with the certificate of incorporation and a request for a loan for line construction. The map should indicate the farm each member is located upon and whether or not any churches, stores, or nonfarm residences are to be served.

Also, this map should indicate, by notation or otherwise, an estimate of the amount of current each member contemplates using. The Government wishes such information in order to calculate more accurately the equipment to be used in line construction. By knowing the approximate amount of current to be consumed, the Government will be able to advise the corporation regarding the equipment to be used and thereby to reduce the cost of construction and still provide for sufficient current. The map should also indicate the length of the line, which can be determined by the use of an automobile speedometer.

INFORMATION SHOULD ACCOMPANY APPLICATION

In order to accelerate the approval of the loan from the Government, the corporation should submit as much information as possible regarding local conditions. It will be proper for each member to state approximately how much electricity he intends to use as information to be sent to the Government. Such information will aid greatly in hastening the approval of the project.

It is realized that many members will not know when they sign for electricity precisely how much they will use per month or year, but they will know if they intend to use electric motors, electric stoves, refrigerators, water heaters, or other equipment.

SOURCE OF ELECTRICITY

The name of the company to furnish the power and the rate at which the power can be secured should be stated with the application when submitted. If the farm corporation is not able to make a contract for power from a convenient source and at reasonable rates, the Government will endeavor to secure power for the corporation. The power rates in Indiana are fixed by the Indiana Public Service Commission and in other States by similar bodies.

At the point where the corporation line is connected with the power line, there will be installed a general meter which will record the amount of current consumed by the members of the farm corporation.

The total readings of members' meters must equal the reading of the general meter and each member will pay for the amount of current his meter shows he has consumed.

If the farm corporation is to maintain its own line and equipment, this should be noted in the application for the loan. It will be satisfactory to the Government for the corporation to maintain its line and equipment and to read the individual meters by appointing one or more of its members to perform these duties.

COMPETING LINES

It is important to show that the project proposed will not compete with existing distributing lines. It is not the purpose of the Government to interfere with properly conducted existing distributing lines. Its purpose is to aid farmers in constructing lines in territory not now served with power.

INTEREST AND PAYMENT ON LOAN

The Government allows the farmers 20 years to pay for the construction of the lines, and charges only 3-percent interest on the money loaned.

The rate the member will pay is found by adding to the fixed rate at which the power is furnished, a monthly sum to go to the Government for partial payment on the loan. The Government fixes the rate which will differ in the case of each corporation, due to the different amount of equipment used by each corporation in constructing its lines.

There will be another governmental agency created, in the near future, to make money available for loans to farmers to buy electrical equipment to be installed on the farm.

NO PERSONAL DEBT OBLIGATION

There is no personal debt obligation incurred in connection with the Government loan. If a member does not wish to continue to use the current after the line has been constructed, he has the right to have his meter removed. He is then discontinued as a member of the corporation, and all further liability and obligation is terminated.

CONTRACT FOR CONSTRUCTION OF LINES

Under the regulations established by the Government, the farm distributing lines or systems may be constructed by the farm corporation, or by contracts with local power companies, or by other local contractors, or by a group of farm corporations contracting with farm cooperative associations. There are certain advantages to be gained by contracting with farm cooperative associations, such as purchasing poles, wire, other material, and electricity at wholesale, securing the services of electrical experts on more reasonable terms of employment and other advantages always accruing from broader experience and greater volume of works.

But it is a policy of the Government for every farm organization to maintain its identity, to cultivate self-reliance and independence, to manage and direct its own affairs, and to contract for line construction and extension and for electrical current at wholesale from whatever source the most favorable terms can be secured.

FARMERS SHOULD OWN THEIR OWN DISTRIBUTION SYSTEMS

Members of the Rural Electric Membership Corporation should appoint from the membership two or more as a special committee to ascertain and acquaint themselves with the cost of poles, wires, transformers, meters, and other necessary equipment required in the construction of distribution systems.

The governmental agency will make an estimate of the cost of construction after the plans and the survey have been submitted. This is a precautionary measure and to accurately estimate the reasonable cost of construction.

By the farmers owning their distribution systems the company furnishing the electricity will be more disposed to keep the service charge reasonable, realizing that the farm organization can contract elsewhere if the rates become excessive.

SURVEYS, SPECIFICATION, AND ESTIMATE OF COST

If the members of the corporation shall determine to construct their own line, they must specify in the contract accurately what is to be used and how much. There must be a certain number of poles specified per mile. The Government will not approve specifications which are below substantial requirements for line construction.

After the contract is drawn and before it is signed by the person or firm who is to build the line, it must be sent to the Government for approval, and, if approved, bids for the contract can be taken and the contract let to the lowest responsible bidder. The Government will estimate construction costs and will not approve the loan unless the contract for the construction is in accord with such estimate.

HOW RATES ARE COMPUTED

The power company furnishing the power is required by law to publish a rate schedule. From this rate schedule any member of the group can determine, if he knows for what purpose he will use electricity, how much he must pay to the power company. Added to this amount will be a certain sum which is calculated by the Government and to be paid by the farm corporation as installments of interest and principal on the loan. As the Government furnishes all the money for the construction of the line, there will be no other payments except a charge for the reading of the meters and the maintenance of the lines, to be provided for otherwise.

OFFICES OF THE CORPORATION

Each corporation should, as soon as incorporated under the State laws, elect a chairman, treasurer, and a secretary, to serve for a certain period or term. It will be the duty of the chairman of the corporation to care for all matters pertaining to policy, should aid in securing the loan from the Government, and supervising or inspecting the line construction. The treasurer will bill the members for monthly dues and perform such other duties as required by the bylaws. The secretary will act in whatever capacity the bylaws prescribe.

DIRECTORS

In Indiana and generally elsewhere, a board of directors must be chosen from the incorporators and certified to in the body of the articles of incorporation. Any farmer qualified as an incorporator may be elected as a member of the board. The number of directors must be stated in the articles of incorporation—in Indiana not less than three.

THE GOVERNMENT CHARGE

The Government will not make any charge for reviewing an application or for approving same. The only charge made by the Government is for the payment on the loan and interest as payments accrue.

TIME REQUIRED BEFORE WORK IS COMMENCED

After the corporation has been formed and all necessary information required by the Government has been furnished, it will then require about 3 weeks for the project to reach the allotment board of the Government. If the allotment board approves the project, it will then take some 2 weeks to have the contracts signed. As soon as the contracts are signed for the work and approved by the Government, the loan will be granted and the work can be started. The time required for the erection of the poles and wires will vary according to the contractor, his equipment, the character of the territory, and the length of line.

If the members will work together and help the project along by giving all the desired information at the time the application is sent in, there will be no time lost and the work will be started within a reasonable time after the corporation has been formed.

WHAT INDIVIDUAL FARMERS MUST FURNISH

Each member must wire his own buildings from the point where the meter is placed. He must install and provide all lighting or other equipment used beyond the meter. He will be allowed to do this for himself or contract otherwise.

TENANT FARMERS

Any tenant farmer can become a member of a corporation and secure electricity for his own use, as the individual farmer is under no obligation to continue using electricity any longer than he desires. It is realized that some members may be forced to leave the corporation, others will die, but over the territory served the corporation will gain new members or the membership will be maintained.

LANDLORDS

Landlords cannot become original incorporators but later may join and become members and share in all the benefits of the corporation. Farmers living along power lines cannot become members of the corporation unless on special showing it is made to appear they are being denied service from such line.

STANDING OF COMPANY TO FURNISH POWER

The utility company which is to furnish power to the farmers' corporation must be well established and a going concern, operating under the authority of the State public-service commission or other body and publishing rate schedules. It is not necessary that such utility companies be of any particular capacity but must be shown able to furnish the power required by the farmers' corporation at the established rate.

PROFESSIONAL SERVICE RENDERED

It is believed that this program can be carried out with a minimum amount of professional service. The information required by the Government can be furnished without the services of professional engineers and can be presented in simple form.

PROCURING ELECTRICITY FOR THE LINE

If the farmer's group or corporation is not able to find some source of power at a reasonable distance from where the group is to be served and at a reasonable rate, the Government will endeavor to secure power from some source and have it supplied to the group for use. It cannot be definitely stated at this time how this will be undertaken nor how far the Government can or will go in such endeavor.

NUMBER AND RELATIVE DISTANCE OF MEMBERS ON DISTRIBUTION LINE

In order for a project to be approved by the Government, there must be not less than three customers per mile of line. To illustrate, if there are 12 farmers who wish to secure electricity they must be so located, that the line which is to run from the power source is not longer than 4 miles, not including the distance from each farmer's house to the line which is to serve him.

FINANCIAL STATEMENT OF MEMBERS

The Government will not require members of the corporation to furnish any kind of a financial statement. The only requirement made is that each member pay his monthly assessments as they fall due and until he discontinues the service.

LOANS TO UTILITY CORPORATIONS

The Government will make loans to utility companies only after a showing that through such financing the farmers can obtain electric service and then only in the States

where laws have been enacted safeguarding the consumers of electricity from overcharge. If, however, the farm group requests that the loan be made to the power company, each individual case will be considered separately and, if it appears that such loan will best serve the interests of farmers under the conditions of such particular territory, a loan will be granted.

THE INTEREST CHARGE

This is the most reasonable program which has been offered to farmers. And 3 percent is the lowest interest rate that has ever been made available to farmers for a loan for any purpose. But, as favorable as is this offer and as low as is this interest rate, it is not as favorable and as low as the farmers are entitled to from the Government.

This money is printed by the Government, is guaranteed by the Government which stands behind to make it good. Then the Government turns this money over to a private banking corporation, calling itself the "Federal Reserve System", for a charge of only three-tenths of 1 percent. Following this, the Government borrows back this same identical money from the bankers on bonds calling for 3-percent interest, which is the interest being charged to farmers.

After the farmer pays three-tenths of 1-percent interest, which is the amount going to the Government, they must toil and labor on in the winter's cold, frost, and snow, in the summer's burning heat, to pay the bankers 2.7-percent interest for performing no service to them nor the Government.

Some day the people will see the light. They will realize this colossal and gigantic fraud, which has been and still is held upon them. They will revolt against this criminal folly of paying interest to private bankers for the use of their own money.

THE NEW DEAL

Mr. MITCHELL of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert a speech I delivered last Saturday at Athens, Ala., on the T. V. A. and on good will between the races.

The SPEAKER. Is there objection?

There was no objection.

Mr. MITCHELL of Illinois. Mr. Speaker, while I shall speak at length of the meanings and the accomplishments of the new deal, both to the American Nation and to the Negro, my first words must of necessity be an appeal to all those who hear me for a better understanding between the races in the Southland. In making this appeal I wish to qualify as being a student who has given years of careful study and thought to the problems of the South. I was born and reared in the South. Most of my years were spent in the South. I know the problems of this section of our country from more than 35 years of constant contact with them, and I know also that more than 8,000,000 of the 12,000,000 Negro population in this country reside in the South, and will remain there for the most part, and that the great problem of race adjustment must be worked out in the South.

For years there have been earnest workers of both races who have sought to bring about a better understanding between the races and have pleaded and worked for a larger measure of justice for the Negro of the South. That fearless and matchless leader, Booker Washington, through his example, teachings, and lectures in the South, made perhaps the largest contribution to the fine work of interracial good will. Dr. Moton, his worthy successor and now president emeritus of Tuskegee, has continued to carry forward the fine work so well begun by Dr. Washington. I think the most important question or task that confronts you and me today is understanding each other and treating each other as right and justice demand that fellow men treat each other.

It is my experience that it is always necessary for individuals whether of the same race or of different races, to understand each other and to exercise friendliness and tolerance one toward the other. This is essential in the best home. What husband or wife does not have to tolerate in the other something which is to some degree displeasing? Does it not pay there to exercise good judgment if peace and harmony are to prevail in the home? If this is true in a family, how much more is it true between individuals not so closely connected as are the members of a family. It is my observation that year by year conditions in the South are improving. I recognize the presence of great forces at work which are bringing about this racial understanding so necessary in the full development of the great resources of the South and to guarantee the safety of life, the freedom, happiness, and prosperity of all the citizens of this section of the country. Even the voting and political participation of Negroes in the government of the Southern States are becoming possible, and the right to vote and hold office is being demanded by many of the best thinking leaders of the South of both races. As evidence of this fact, let me refer to the following editorial:

[From the Anniston Star of Nov. 18, 1934]

NOTED ALABAMA NEGROES

The people of Alabama generally should view with pride the achievements that have been made recently by two Negroes in the realms of music and politics. Both William Dawson, the Anniston musician, and ARTHUR W. MITCHELL, who is to be Congressman from the First Chicago District, the richest in the United States, got their inspiration to high achievement from Tuskegee Institute, which also has given to the world of science that great genius, Dr. George Washington Carver.

William Dawson is director of music at Tuskegee. A few years ago he was shining shoes here in this city, but on Wednesday evening of last week he had the pleasure of hearing the Philadelphia Symphony Orchestra, conducted by Leopold Stokowski, one of the world's greatest, give the premiere performance of his fine musical composition, "Negro Folk Symphony No. 1", which has been widely acclaimed by critics who say that Dawson has genuine creative talent.

Dawson's triumph seems to verify a statement that repeatedly has been made by the Anniston Star—that the first genuinely great American music would be written by a Negro. We do not know whether the composition in question will qualify in this respect or not, but we still are of that opinion; for it has been observed that no people ever produces a great music until they have suffered, and the mental, spiritual, and physical hardships that the American Negro has undergone eventually will be expressed in terms of music, whether Dawson has done so or not. As great an artist as Lawrence Tibbett stated recently that the best singing he has ever heard was that of a Negro chorus in Birmingham. The race is peculiarly gifted in the art of song, and if they once are educated we may expect from them a large contribution to American culture.

The reason that we rejoice in the election of MITCHELL to Congress is because he defeated the despicable Oscar De Priest and seems destined to keep his feet on the ground, recognizing that he can help his race only in proportion as he works with and not against the dominant race on this continent. MITCHELL says that as long as his predecessor was in Congress he worked almost exclusively in the interest of his own people, although there are both whites and blacks in his district. The Democrat promises that this sort of discrimination shall be ended and that he will serve his constituency regardless of race, color, or previous condition of servitude.

There will, of course, be shortsighted white persons all over the country who will resent the election of a Negro to Congress. But the Anniston Star does not share this view. We believe it would be well if we could have one or two Negroes of the Mitchell type in every State legislature to speak for their race. Indeed, there is probably not another civilized country in the world where a minority race as considerable as is the Negro race in America is given so little opportunity for self-expression. They have rights that should be recognized, and the white race is hurting itself as long as those rights are denied in the various channels of social control.

It was Edgar Gardner Murphy, the great Alabama preacher and social worker, who made the statement several years ago that no graduate of Tuskegee had even been accused of a crime against a white woman, and we believe the statement holds good to this day. Certainly, Booker Washington, one of the greatest Americans of all time, did a big work there, and his tradition has been carried forward by Dr. Robert R. Moton, who is honored by such men as Dawson and MITCHELL, and whose proposed retirement as president of Tuskegee is to be deplored.

I am not unmindful of the fact that we have not yet reached the point of perfection, nor can we hope to reach it within a few decades, for after all we are human, with all the faults and frailties of human beings; but it is encouraging to see the great improvement that is being brought about through the activities of our schools, our churches, our fraternal organizations, the good newspapers, and through the Interracial Commission, which seeks to destroy race preju-

dice, establish justice, and bring about a complete understanding between the races. This assures us that the general trend is upward.

I want to try to interpret for you this new deal in government about which you have heard so much during the past 3 years. I must speak of the one man of our Nation who has stood head and shoulders above all other men and declared for justice for the common citizens of our country. I refer to our great President, Franklin D. Roosevelt.

He brings the Nation what he calls the new deal; and what does this new deal mean? It means that a program has been launched by this Government under the leadership of our President by which the underprivileged, regardless of race or color, are to be given the same opportunity in the protection of life and freedom and in the fields of labor and in the pursuit of happiness as is given the richest of our citizens. The new deal simply means a square deal for all and special privileges for none.

Mr. Roosevelt came to the Presidency of the United States at a time when the very foundation of the Government was seriously threatened. Under a Republican regime, practically all confidence in Government had vanished and in the bosoms of many of the citizens of the country was burning a strong spirit of distrust for Government. Revolution was not only being thought of but there were threats against organized Government in this country. Roosevelt restored confidence and immediately convinced the most skeptical of our citizens that he was a strong man and would use his high office for the benefit of all American citizens.

For a period of 70 years prior to the election of Mr. Roosevelt, with only two interruptions, the Government was controlled by the Republican Party, during which time great industrial combines sprung up and established themselves as being as powerful as the Government itself. They oppressed the people and made of them economic slaves. These great industrial giants not only oppressed the common people, but boldly challenged the right of the Government to control them.

Every movement of this administration has been to bring the Government closer to the common people that they might share in its benefits. In this program, the party and the President have been seriously and bitterly opposed by those of wealth and power who control the policies of the Government under the Republican administration. The new deal meant not only equality before the law, but justice in the distribution of wealth so that economic slavery will eventually be wiped out and every man will indeed become his master.

Our Government is instituted for three ends: First, to protect life; second, to perpetuate the people's liberty; and third, to keep the way open by which the people may pursue a just and lasting happiness.

A government must promote by every means within its power the thing that the great Thomas Jefferson called the pursuit of happiness. He did not think or teach that Government could guarantee happiness itself to anyone. He spoke of the right everyone should have to the pursuit of happiness. Real happiness comes from within a man's heart and soul. This means that in the last analysis a man must make his own happiness. Jefferson meant that the Government should function in such a way that everyone in that Government would have an equal opportunity to pursue happiness.

A just government must set out to destroy the things that prevent an equal, fair, and just pursuit of happiness by the subjects of the Government.

What are some of the things existing in our country which prevent the citizens from pursuing happiness?

First. Denial of equal justice.
Second. Grinding poverty.
Third. Special privilege.
Fourth. Unfair discrimination in business.
Fifth. And to these might be added race prejudice.

A good government sees that fair rules are made in the game of human life. It then serves in the enforcement of these rules much like an umpire in a baseball game.

During the long Republican administration the invention of machinery, the organization of wealth into corporations and great combines, the natural resources of wealth rapidly fell into the hands of a few bankers and great captains of industry, so that in 1929 the economic system built up for the benefit of the few at the expense of the many began to break down.

The Democratic Party was called upon to save the Nation. Mr. Roosevelt, as leader, accepted the challenge and set himself to the task. The very first move of Mr. Roosevelt's administration was to stabilize the banks of the country and to safeguard the deposits of our citizens.

The N. R. A., which has since been declared unconstitutional, was established for the protection of business and employees in industry and business. Through its activities a living wage was secured and business was saved.

Federal relief for the destitute was set up and the lives of millions of citizens were saved.

Through Federal legislation the farmers of the country were helped and a larger degree of prosperity was brought to them than had been true for many years.

A new tariff system was worked out by which we have been able to reclaim a large portion of the foreign trade lost by us because of the tariff walls erected by the Republican Party in the interest of the rich and privileged class of our citizens.

In keeping with the policy of good government, this administration has set about the task of social relief and social security for the aged, the sick and infirm, and for women and children. More social-security legislation has been proposed and passed during the nearly 3 years of this administration than was passed in this country during the previous hundred years.

I laud Mr. Roosevelt and the Democratic Party because this man and this party stand for the principles of government which Thomas Jefferson believed in and which I believe in. I do not claim that either the President or the party represents perfection in government, but through this man and this party the American Government has been brought closer to the people than has been true since its foundation. Permit me to relate two incidents which illustrate the attitude of the two major parties as perhaps nothing else I know. During the latter days of Mr. Hoover's administration, Mr. Charles G. Dawes, a rich banker of Chicago, was loaned $85,000,000 with which to try to save his bank, which I understand was insolvent at the time the loan was made. This loan was in harmony with the principles of the Republican Party, viz, help the rich and powerful. A few weeks after Mr. Roosevelt took office, Sylvester Harris, a poor Negro farmer of Columbus, Miss., is said to have called Mr. Roosevelt over long-distance telephone, and as a result of his conversation with the President later secured a loan of $1,200 with which to prevent the foreclosure of his farm and home. Here you see something of what the new deal means to the forgotten man.

I am familiar with the cry that is being sent up by the Republican leaders, both colored and white, and I wish to call attention here to a letter which has just been sent out to the public by the Honorable Perry W. Howard, the most outstanding Negro Republican today. Howard is the Republican national committeeman of the State of Mississippi—the only Negro to hold this type of position on either committee.

Mr. Howard in writing this letter does the thing that all the old line standpat Republicans do, forgets the truth and indulges in vile statements which he thinks are calculated to fool the voting public again. His letter reads as follows: I quote—

JULY 22, 1935.

THE CHAIRMAN AND MEMBERS OF THE REPUBLICAN NATIONAL COMMITTEE.

GREETINGS: Inasmuch as I am the only committeeman of my racial group may I be pardoned if I courteously suggest that the time is rapidly approaching when you will begin to consider the selecting of a Republican Presidential nominee to be elected in

1936. That we can win next year with a strong candidate I have no doubt.

The suggestion that I wish to make is that in choosing your standard-bearer that you will kindly keep the colored electorate in mind. Through the good offices of the colored Elks—the world's largest colored organization—I have had occasion within the last 4 months to visit 14 voting States and about 30 cities in most of which I spoke and held conferences and as the result of which I am convinced that our colored voters in a large measure left the Republican Party because they thought that they were not wanted or that some limitations were being placed upon their elevation or promotion; that they would gladly come back to the party when this impression is removed; and that one of the best ways in which to remove this impression is by naming a candidate whose estimate of a citizen is not his color but his character and ability.

Personally I am satisfied that there was no justification for their desertion and yet they listened to those who would have them believe that the election of President Roosevelt would be the panacea for all ills.

Now, just as we predicted, Mr. Roosevelt has not only failed the country but has failed the Negro in that he has done nothing that he promised to do. This is felt very keenly by the colored leaders who supported him vigorously, and these were disappointed because they were overlooked in appointments, and the few appointments of colored people made by the President have been largely some of the psalm-singing Rosenwald workers.

The preponderating majority of my group have faith in the Grand Old Party and they have faith that this next line-up will be to their liking. Furthermore, they know that this country is normally Republican and the Democrats just can't successfully operate our National Government; that the few Democratic Presidents that have been elected were the unfortunate outgrowth of schisms within the Republican ranks, and now that the Democrats are true to their emblem—the donkey—which animals keep their heels together rather than their heads, we urge you leaders to close ranks and select a candidate for '36 that the colored voters can enthusiastically help to elect.

Yours for the Grand Old Party,

(Signed) PERRY W. HOWARD,

Republican National Committeeman for Mississippi.

Let me give you some facts in answer to this accusation. Mr. Roosevelt promised not only a new deal but a square deal to the Negro during his campaign. He knew then as he knows now that the Negro is the most forgotten of all forgotten men in this country. He has kept his promise. Every instance of race discrimination that has been properly brought to the attention of the President has not only received immediate attention but has been amicably adjusted as far as the authority of the Executive Office could go. Mr. Roosevelt has appointed more Negroes to responsible governmental positions than the last three Republican administrations taken together. Under this administration, Dr. Thompkins, an outstanding Negro physician and a life-long Democrat, has been appointed recorder of deeds of the District of Columbia. Robert L. Vann, lawyer and publisher, has been appointed Special Assistant Attorney General with offices in Washington, D. C. Mr. Lawrence Oxley, an outstanding social worker of the State of North Carolina, has been appointed special assistant and adviser in the Department of Commerce. Eugene Kinckle Jones, a social worker of New York, has been appointed special adviser in the Department of Labor. Lester A. Walton of the city of New York has been appointed Minister to Liberia. Outstanding lawyers, such as Theopholius Mann and William F. Hastie, special solicitors in the Department of Interior. There have been scores of other appointments of high and important rank such as Negroes have not enjoyed under any Republican administration. It is not this that I am most interested in. It is what this administration has meant to the Negro further down in the scale of intelligence and economics. They, under this administration, have been given the biggest chance that has come to the Negro under any administration in my day.

I should like to speak of the Ship of State as an automobile formerly in the hands of the Republican Party with Mr. Hoover at the wheel. He either went to sleep at the wheel or drove in such reckless manner that the vehicle left the highway and found itself bogged down in the mud, where it remained from 1929 until 1932, when the American people arose up in their righteous indignation and rebuked the Republican Party and Mr. Hoover by selecting another driver for this vehicle. This driver was Mr. Roosevelt.

Mr. Roosevelt, upon assuming control of the machine, found many important parts missing. Bearings were burned out, connecting rods were gone, and before anything could be done in operating the machine and placing it back upon the highway, expert governmental mechanics had to be called from various sections of the country to render the repairs necessary before even the motor could be started.

For 2½ years Mr. Roosevelt has been driving and guiding the machine back toward the highway, during which time the wreckers of the machine have not only refused to help, but they have placed impediments in the way of the progress of the machine. They have tried to puncture the tires and they have even thrown brickbats at the driver. But through it all, our great President has been able to save the American Nation and has brought us back to the highway, and no amount of criticism will cause the American people to forget that Franklin Delano Roosevelt is the present savior of the Nation.

There is no question in my mind but that the source of this Government at this time is absolutely pure. I have had many conferences with the President of the United States and know that he is without race prejudice and believes in an absolute square deal for all citizens, regardless of race, color, or previous condition. Whatever corruption there is in the governmental stream today does not come from the source and can, and I hope will be, corrected.

No President has been more outspoken against the horrible crime of lynching than has Mr. Roosevelt. In speaking of lynching sometime ago he characterized it as "collective murder" and spoke of it as a crime which blackens the record of America. This crime should and must be wiped out. I have introduced a bill in the House which would make lynching a Federal crime and make the perpetrators of the crime punishable in the Federal courts. I believe that the day is not far hence when this legislation will be enacted into law. I wish to say, however, that I have no delusions about this important legislation. While I believe it is absolutely necessary, and I shall work for its passage whole-heartedly, I do not believe that the mere passing of the law will eliminate the crime. I should like to call attention to the fact that no major crime on the statute books of this country has been reduced with one-tenth of the rapidity as has lynching during the past 45 years.

I have here a statement giving the number of lynchings covering a period of years from 1889 to 1934. I wish to call attention to the fact that the high peak in lynching was reached in 1892, when the population of the country was 65,665,810. There were 226 lynchings, or 1 person was lynched out of every 290,000 citizens of the country, or 3.4 persons were lynched out of every million of our population. Over against this I wish to call attention to the number of persons lynched in 1932, 40 years later, at which time the population had increased to 124,822,000. There were 8 lynchings, as compared with 226 in 1892. Instead of there being 1 person lynched out of every 290,000 citizens, there was 1 person lynched out of every 15,603,000. The ratio per million had been reduced from 3.4 to 0.07 of a person. The fine work done by our Christian institutions, our schools, and the interracial organization is wonderfully reflected in this great reduction of lynching covering this period of 46 years.

Statistics on lynching in the United States

Year	Population	Number of persons lynched	Population per person lynched	Number lynched per million of population
1889	61,775,121	175	352,000	2.8
1890	63,056,438	91	692,000	1.4
1891	64,361,124	194	331,000	3.0
1892	65,665,810	226	290,000	3.4
1893	66,970,476	153	431,000	2.2
1894	68,275,182	182	375,000	2.7
1895	69,579,868	178	390,000	2.5
1896	70,884,554	125	567,000	1.8
1897	72,189,240	162	445,000	2.2
1898	73,493,296	127	579,000	1.1
1899	74,798,612	109	686,000	1.0
1900	76,129,428	101	753,000	1.0

Statistics on lynching in the United States—Continued

Year	Population	Number of persons lynched	Population per person lynched	Number lynched per million of population
1901	77,747,402	135	575,000	1.6
1902	79,365,396	94	844,000	1.2
1903	80,983,390	104	778,000	1.3
1904	82,601,384	86	960,000	1.0
1905	84,219,378	65	1,295,000	.7
1906	85,837,372	68	1,262,000	.8
1907	87,455,366	62	1,410,000	.7
1908	89,073,360	100	890,000	1.1
1909	90,691,354	89	1,019,000	.9
1910	92,267,080	90	1,025,000	1.0
1911	93,682,189	71	1,319,000	.7
1912	95,097,298	64	1,486,000	.7
1913	96,512,407	48	2,011,000	.5
1914	97,927,516	54	1,815,000	.5
1915	99,342,625	95	1,035,000	.9
1916	100,757,735	58	1,938,000	.5
1917	102,172,845	50	2,043,000	.4
1918	103,587,955	67	1,546,000	.6
1919	105,033,065	80	1,313,000	.8
1920	106,543,031	60	1,926,000	.6
1921	108,207,853	62	1,745,000	.6
1922	109,872,675	57	1,928,000	.5
1923	111,537,497	33	3,390,000	.3
1924	113,202,319	16	7,075,000	.1
1925	114,867,141	17	6,786,000	.1
1926	116,531,963	30	3,884,000	.3
1927	118,196,785	16	7,387,000	.1
1928	119,861,607	11	10,896,000	.05
1929	121,526,429	10	12,152,000	.08
1930	123,191,000	21	5,966,000	.2
1931	124,070,000	13	9,544,000	.1
1932	124,822,000	8	15,603,000	.07
1933	125,693,000	20	6,285,000	.1
1934	126,425,000	14	9,030,000	.1

I wish to remind you that the mere passing of a law will not solve the problem. It is going to be solved through this wonderful progress of education and Christian training, the principles of which are reflected in the report I have given you. You must remember, my friends, that we thought the eighteenth amendment would solve the temperance question in this country. But did it? You must remember also, that we have on the statute books the fourteenth and fifteenth amendments, not only as law but as part of our basic law—the Constitution itself. But the mere passing of these laws does not guarantee the benefits vouchsafed by these laws. We are going to continue the campaign against lynching which was instigated largely through the activities of Dr. Booker Washington and has been carried forward by various other institutions.

I believe that under this administration the Negroes of the United States have the best opportunity that has come to them during my lifetime. It is my wish and prayer that we open our eyes and bend every effort toward making this Government what it should be—a Government of the people, for the people, and by the people.

Let me say again, the attitude of the administration at the White House is absolutely fair and without prejudice, insofar as the Negro citizenry is concerned. In testimony of this fact I read a letter written recently by the President himself to an outstanding Negro businessman, Mr. C. C. Spaulding, president of the North Carolina Mutual Life Insurance Co., Durham, N. C. I quote:

MY DEAR MR. SPAULDING: This will acknowledge the receipt of your communication of June 20, 1935, in which you request a message of assurance that Negroes will be included in every phase of the planning for national recovery.

The entire recovery program of the administration has been planned from its initiation to aid the Nation toward recovery by providing necessary assistance and regulatory measures for all persons without regard to race, religion, marital status, political affiliation, citizenship or noncitizenship, or membership in any special or selected groups.

The Federal Emergency Relief Administration, the administration among the recovery agencies concerned directly with unemployment relief, has sought from its establishment in May 1933, to carry out this aim. The Federal office of this administration in Washington has issued administrative orders specifically dealing with equity and fairness to Negroes in the administration of its program, and has otherwise impressed this upon the administrative officials responsible for the administration of unemployment relief in the several States and Territories.

Statistics assembled from many and impartial sources indicate that as a result of these efforts, Negroes have shared in the benefits of the unemployment relief program in a greater proportion to the population than have either white persons or persons of other races.

Be assured that the administration intends that every recovery and regular agency of the Federal Government be administered with absolute equity and fairness.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

PERMISSION TO ADDRESS THE HOUSE

Mr. CASTELLOW. Mr. Speaker, I ask unanimous consent that on tomorrow, after the reading of the Journal and the transaction of such business as may be upon the Speaker's desk, I be permitted to proceed for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. TAYLOR of Colorado. Reserving the right to object, Mr. Speaker, I feel that at this stage of the Congress when we are all very earnestly trying to adjourn as soon as possible and when there are 500 bills right before us on the Calendars that the authors are clamoring to have considered, nobody ought to ask to talk to the House for 20 minutes. I object to the gentleman consuming 20 minutes and I will object to anybody else speaking 20 minutes from now on to the close of this session.

Mr. CASTELLOW. Will the gentleman reserve his objection?

Mr. TAYLOR of Colorado. Yes.

Mr. CASTELLOW. I realize that time is important.

Mr. TAYLOR of Colorado. It is much more important than speeches from now until we adjourn.

Mr. CASTELLOW. Yes. A man could not have remained here for 3 years listening to the Membership of this House talk without being impressed with that fact. For that reason I have not made a similar request before, although I have served here 3 years and have attended more sessions and spent more time on the floor of this House than probably any other man during that period. Knowing that time is valuable, I wanted to say something to this Congress which I consider also valuable. The gentleman can object if he desires.

Mr. TAYLOR of Colorado. Will not the gentleman reduce his request?

Mr. CASTELLOW. I will reduce the request to 15 minutes.

Mr. TAYLOR of Colorado. Very well, then. I will not object to this request.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. CASTELLOW] that he be allowed to proceed tomorrow for 15 minutes?

There was no objection.

RECONSTRUCTION FINANCE CORPORATION

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I have always been a very strong supporter of the Reconstruction Finance Corporation. I have always thought that was one of the best instruments of the present administration to help in this time of depression. I was certainly very much surprised and somewhat dismayed to learn on Saturday that the Reconstruction Finance Corporation had granted a loan of $4,000,000 to build a new pulp and paper mill in Crossett, Ark. I have always been in favor of the R. F. C. loaning to industry when they had in view to help a struggling industry get along during the depression and perhaps continue the employment of labor. I made that statement on the floor of the House when this matter was up last January, or, at least, sometime last winter.

It never was my intention, and I did not understand it was the intent of the Members of this House, to authorize the R. F. C. to make loans to establish a new branch of an industry when the field was well occupied and has capacity to produce beyond the present demands.

The paper industry has been hanging on by its eyelashes for the last 4 or 5 years. They have been running from 3 to 5 days a week on the average, and it is very questionable whether they will be able to go along or not. When you consider that a bureau of the Government is lending to establish an entirely new branch of that industry to compete with those people in the industry now trying to make ends meet at the present time, it is very serious to the manufacturers of paper, and it jeopardizes hundreds of millions of dollars of private money invested in this industry. The people of the North and the East, especially in my part of New York State, where this is the only industry we have left, are very much disturbed; and I want to take this opportunity to say to the House and to the country that I am opposed to the use of Government funds to establish new branches of industry where the field is well occupied at the present time. [Applause.]

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

WITNESSES REFUSE TO ANSWER

Mr. PATMAN. Mr. Speaker, the special committee investigating the American Retail Federation, the chain-store lobby, and the trade practices of concerns dealing in large-scale buying and selling had a meeting a few days ago, and one witness, a superlobbyist here in Washington, refused to answer all of our questions, but before it was over he had answered practically every question we asked. Since that time I have found that there must be a conspiracy among some of these chain-store executives to refuse to answer our questions and furnish us the information we desire. I received a telegram from one of them this morning indicating that sort of conspiracy, in view of the similarity of excuses given by it to the excuses given by others and, too, in view of the fact that this concern is cooperating with another concern that has tried to cause our committee trouble from the beginning; and I just want to let the Members of the House know that so far as I am concerned as chairman—and I believe my views are also the views of several members of this committee—we expect to do everything within our power to carry out what this House has told us to do. We are going to get that information if it is possible to get it. If the information is not furnished, the House of Representatives, so far as I am individually concerned, will have an opportunity to punish every one of them for contempt.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. SHORT. Is it not possible that failure of the committee to secure some of this information is due to the fact that it is purely of a personal character?

Mr. PATMAN. No; we have not asked for purely personal information, and we are not seeking purely personal information, I may say to the gentleman.

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a copy of the telegram I have just received, together with a copy of my reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE TO INVESTIGATE LOBBYING AND LARGE-SCALE BUYING AND SELLING

Mr. PATMAN. April 24, 1935, as disclosed in the CONGRESSIONAL RECORD, page 6340, House Resolution 203 was passed by the House of Representatives at the request of Mr. COCHRAN, Representative from Missouri.

April 29, 1935, as disclosed by the CONGRESSIONAL RECORD, on page 6594, the following Members of the House were appointed as Members of the special committee to make the investigation authorized in House Resolution 203:

Mr. COCHRAN, Missouri, chairman; Mr. WARREN, North Carolina; Mr. DOCKWEILER, California; Mr. LUCAS, Illinois; Mr. MCLEAN, New Jersey; Mr. COLE, New York; and Mr. BOILEAU, Wisconsin.

May 7, 1935, page 7104, CONGRESSIONAL RECORD, Representative WARREN, of North Carolina, resigned as a member of the committee, stating that he doubted the propriety of the Chairman of the Committee on Accounts serving as a member of the special investigating committee.

May 17, 1935, page 7741, CONGRESSIONAL RECORD, Representative COCHRAN resigned as chairman of the committee, in view of his physical condition, along with the statement which expressed the hope that the investigation may proceed at once. At the same time the Speaker of the House appointed me to succeed Mr. COCHRAN as chairman, and appointed Representative BLOOM, of New York, to succeed Mr. WARREN, of North Carolina.

The Committee on Accounts in the House of Representatives is composed of the following-named Members: Lindsay C. Warren, North Carolina, chairman; John J. Cochran, Missouri; Mell G. Underwood, Ohio; Charles Kramer, California; Joe Starnes, Alabama; Nat Patton, Texas; A. L. Ford, Mississippi; Jared Y. Sanders, Jr., Louisiana; James Wolfenden, Pennsylvania; Leo E. Allen, Illinois and Donald H. McLean, New Jersey.

APPROPRIATION FOR COMMITTEE OPPOSED

This committee had referred to it the request of our special committee for an appropriation of $2,500 to commence the investigation. The appropriation was granted by the Committee on Accounts and adopted by the House of Representatives. Subsequently thereto, an additional appropriation was desired by our committee to properly carry out this investigation. The members of the Accounts Committee were showered with protests from such organizations made up of chain-store concerns, such as Safeway States, Inc., and others to the granting of this appropriation. Every effort on earth was made to persuade the Committee on Accounts to deny us this additional appropriation. No lobby on earth ever worked so hard and faithfully trying to block anything as the chain-store lobby tried to block our appropriation before the Accounts Committee. This chain-store lobby even tried to influence the Speaker of the House against us and other Members of Congress. They did not succeed, however, and an additional appropriation of $7,500 was granted.

So the chain-store lobby, failing to get their investigator appointed by me and the committee to make a preliminary investigation for us and failing through a man employed for that purpose in getting the committee's work properly directed, as they termed it, and failing to block an appropriation of money that would permit the investigation to continue, they have decided to endeavor to destroy me as chairman of the committee and are therefore concentrating all their fire against me. I am willing to meet the challenge. They are not going to bluff, bully, or intimidate me. As to what will happen only the future will tell, as they have failed to influence me in the past, they will fail to influence me in the future. I expect to give them a square deal in every way, but I am not going to give them the unfair advantage that they seek. They are unwilling for the truth to be disclosed.

CHAIN STORES CHALLENGE COMMITTEE

Since so many of the chain-store and department-store executives are using the same flimsy excuse for failing to furnish our committee the information it desires, I expect to insert a copy of a telegram that I have this day received from the attorney of Safeway Stores, Inc., Oakland, Calif. This telegram will disclose every excuse that has been offered by any of these concerns, so I am, therefore, glad to insert the entire telegram, along with my answer thereto.

AUTHORITY OF COMMITTEE

Our committee has a right to subpena witnesses, compel their attendance, and compel the production of such information in the form of correspondence and documents as the committee may desire. This power, so far as I am concerned, will be used to the very limit. If a majority of the members

of our committee agree with me, we will either have the information we desire or we will have a large group of people before the bar of the House to answer to charges of contempt. Of course, we will be limited to the wishes of the Members of the House of Representatives; but if the other members of our special committee agree with me, the House of Representatives will certainly be given a chance to either compel the production of the information we desire or punish those that refuse to disclose it. If we have time and can obtain a quorum of our committee, a test will soon be made. If we cannot make the test before this session closes, I hope to have the test made at the beginning of the next session. During the recess the committee may divide up into subcommittees composed of one or more members with the same power and authority as the whole committee.

[Telegram]

SAN FRANCISCO, CALIF., *August 12, 1935.*

Hon. WRIGHT PATMAN,
1133 House Office Building, Washington, D. C.:

Safeway Stores, Inc., have handed me your blanket demand of July 25, 1935, calling for verified list of companies from whom Safeways receives or any of its agents receive brokerage advertising allowance, quantity discounts, or gratuities or benefits, whether or not shown on invoice, showing in each instance whether allowance is a specified percentage of purchases or a flat sum and whether payable weekly, monthly, quarterly, semiannually, or annually or by credit memorandum or in merchandise. I have no intention permit Safeway to comply this hostile, generic, and indefinite demand, particularly in view of your reprehensible conduct in delivering to United States Wholesale Grocers' Association, an unfriendly organization, confidential letters from the files of Food and Grocery Chain Stores of America, Inc. House Resolution 203, as originally agreed to on April 24, 1935, was designed to empower the House committee to investigate alleged lobbying of National Retail Dry Goods Association. Your amendment of July 4, 1935, extended scope of inquiry to trade practices, although you assured the Congress, under date June 4, that the amendment was merely to carry out the intent of the original resolution.

In the first place, your request has no relationship to alleged lobbying and specifies no period. In the second place, even if period were specified, the information demanded calls for an extensive and exhaustive study, which would necessitate months of work. In the third place, it has been apparent from the outset that your investigation is not bona fide but has been influenced by organizations antagonistic to chain stores for selfish and pecuniary motives. The United States Wholesale Grocers' Association boasts that the so-called "Patman bill", House Resolution 8442, was drawn by its general counsel, H. B. Teegarden. This statement, contained in bulletin no. 67 of the United States Wholesale Grocery Association, has never been denied by you, so far as I can ascertain. In other words, under the guise of investigating alleged lobbying practices you are promoting interests of United States Wholesale Grocers' Association. I have no objection to my clients participating in fair and impartial investigation, but I do not propose to permit United States Wholesale Grocers' Association, through you, to conduct an inquisition on its competitors under false guise of governmental examination. If you have an honest desire to ascertain the facts in relation to distribution through the so-called "independents" and chain stores, you have at your disposal in the city of Washington the report of the Federal Trade Commission, which conducted an exhaustive investigation over a long period of time. I note in the CONGRESSIONAL RECORD your complaint that the newspapers of the United States were not giving you the headlines which you thought appropriate. I am perfectly willing that my clients shall comply with any legal demand of the Congress of the United States designed to aid Congress in the preparation of legislation. I do not propose that my clients' files are to be rifled and their acts misrepresented as campaign publicity for politicians.

JOHN FRANCIS NEYLAN,
Attorney for Safeway Stores, Inc.

I will answer every excuse given in this telegram, as it represents the stock excuses and mimeographed alibis of all these concerns that are trying to prevent a disclosure of the truth. Safeway Stores, Inc., has thousands of stores in many States.

LAWYER'S EXCUSE NO. 1

The attorney for Safeway Stores, Inc., has refused to permit his clients to answer our questions about secret rebates and special discounts because—

In view of your reprehensible conduct (the chairman's) in delivering to United States Wholesale Grocers Association, an unfriendly organization, confidential letters from the files of Food and Grocery Chain Stores of America, Inc.

MY ANSWER TO EXCUSE NO. 1

In other words, the first excuse—not a reason—that this attorney gives is based upon an absolutely false premise. In searching throughout the length and breadth of this country for some sort of a pretended excuse for refusing to give up information that is in the public interest; in an attempt to defy our committee, which is defying the House of Representatives of the United States, this flimsy excuse, which is absolutely false, has finally been agreed upon as the first excuse. As I have heretofore stated to the Members of the House of Representatives, this charge that I gave confidential letters from the files of the Food and Grocery Chain Stores of America, Inc., to the United States Wholesale Grocers Association or any other organization is not true and has no semblance of truth to it. The information that the United States Wholesale Grocers Association obtained from the committee was printed in the hearings of the committee and was available to the friendly and unfriendly concerns of the Food and Grocery Chain Stores of America, Inc. There was nothing confidential about this correspondence, as it was a matter of public record and available to the entire public. It may be found on pages 231–236 of the printed hearings.

LAWYER'S EXCUSE NO. 2

The next excuse given by this attorney is that we are attempting to obtain information that is foreign to the purposes of the original resolution—No. 203—passed in April 1935; that the original resolution applies only to lobbying of the National Retail Dry Goods Association; and that my amendment of June 4, 1935, extended the scope of the inquiry to trade practices; and that I assured Congress at the time—June 4—that the amendment was merely to carry out the intent of the original resolution.

MY ANSWER TO EXCUSE NO. 2

My answer to that is this: The original resolution as passed on April 24, 1935, stated as one of its objectives the following—I quote the exact text of the resolution:

Whereas it is apparent that said American Retail Federation is organized for the purpose of increasing the profits of big business through lobbying tactics, designed to prevent small businesses from securing competitive opportunities equal to those enjoyed by corporations representing vast aggregations of capital.

Therefore, one of the objectives of the original resolution was to find out if big business was organized to squeeze out and destroy small businesses in this country. It is plainly set forth in the resolution. Other parts of the resolution may be quoted that also make it very plain that the intention of the original resolution was to find out if big chain-store and department-store concerns were organizing to destroy small business institutions. Without a doubt, that was one of the purposes of the original resolution.

In order to carry out the intention, the committee decided an amendment to the original resolution was desired in view of the refusal of certain chain-store organizations—Safeway Stores, Inc., being a member of one of them—to give much-desired information. The amendment of June 4, 1935, was:

And to investigate the trade practices of individuals, partnerships, and corporations engaged in big-scale buying and selling of articles at wholesale or retail and their associations.

It is true that I stated on the floor, and I repeat it now, that the amendment was merely to permit us to carry out the intent of the original resolution as expressed in the resolution. I discussed this amendment on the floor of the House as shown on page 8647 of the CONGRESSIONAL RECORD of that date. I stated then as follows:

The question involved is whether or not the large concerns in this country, especially the large chain-store concerns, have organized and are now operating together, pooling their funds, and coordinating their efforts for the purpose of squeezing out the smaller individuals and independents, or by placing them at a disadvantage.

The original resolution, no. 203, discloses beyond doubt that the intention was exactly as I expressed it in the above language. The amendment was merely to give the committee added powers to carry out the real intent of the original resolution, along with the intention expressed in the amendment.

Therefore, flimsy excuse no. 2 falls to the ground and cannot seriously be urged. Remember, this attorney is

looking for an excuse, not a reason. It is like pulling eye teeth of this concern to compel this information. This attorney does not want his client to show special privileges, benefits, and secret rebates that this concern is forcing manufacturers to give it that will permit this concern to destroy the businesses of independent retail merchants and operators in towns and communities where his client's stores operate.

LAWYER'S EXCUSE NO. 3

Excuse no. 3 in the telegram is that my request has no relationship to alleged lobbying, and specifies no period.

ANSWER TO EXCUSE NO. 3

The truth is we have advised everyone who sought to curtail the information by reason of inconvenience and delay and desired a certain time rather than the time of the request, that the period over which we desired these rebates was during the year 1934 and the first 6 months of 1935. The information does have a relationship to the original resolution and the amendment as I have heretofore explained. It will require very little time for the information to be compiled, since other concerns have also compiled similar information in a short length of time without being unnecessarily inconvenienced.

LAWYER'S EXCUSE NO. 4

Excuse no. 4 is that—

It has been apparent from the outset that your investigation is not bona fide, but has been influenced by organizations antagonistic to chain stores for selfish and pecuniary motives.

MY ANSWER TO EXCUSE NO. 4

Let us see how much truth there is to that statement. He says that the investigation was influenced, and so forth. In the first place, I did not know this investigation was being proposed until Representative COCHRAN, of Missouri, offered the resolution on the floor of the House, April 24, 1935. I knew nothing about it until about a month later, when I was asked to accept the chairmanship in view of the illness of Congressman COCHRAN, who had been appointed and could not serve. Therefore, so far as I was concerned, selfish and pecuniary motives did not influence this investigation, and I am sure, and will state positively, that no selfish or pecuniary motive prompted Congressman COCHRAN in introducing the resolution.

LAWYER'S EXCUSE NO. 5

Excuse no. 5 is:

The United States Wholesale Grocers Association boasts that the so-called "Patman bill", House Resolution 8442, was drawn by its general counsel, H. B. Teegarden. This statement contained in bulletin no. 67 of the United States Wholesale Grocers Association has never been denied by you, so far as I can ascertain.

MY ANSWER TO EXCUSE NO. 5

The attorney is trying to have a great deal to say about something and picture it in a mysterious light when the truth is that he probably did not know Mr. H. B. Teegarden prepared the original draft of H. R. 8442 until I testified to that effect before the Committee on the Judiciary July 10, 1935. Therefore, since I testified to it before he even knew it himself and it is a matter of public record, published both in the hearings of the Judiciary Committee and in the CONGRESSIONAL RECORD, why should he try to add mystery and impugn my motives by saying this "has never been denied by you." I said before the committee that Judge Teegarden drew the original draft of the bill, that he was better qualified than any man I knew to draw such a bill. In order that my testimony may be fully known, and to show that I had discussed this question more than a month ago, I will quote exactly what I said before the Judiciary Committee on July 10, 1935, in regard to this question:

Mr. WALTER. Unless those commodities are shipped in interstate commerce, how can Congress possibly have jurisdiction?

TEEGARDEN WROTE BILL

Mr. PATMAN. Of course, that is a question I would rather Mr. Teegarden, who will follow me, would answer. Mr. Teegarden was for 6 years with the Department of Justice. He tried antitrust cases for 6 years, from 1925 to 1931, and was for 2 years with the general solicitor for the Federal Power Commission, and I feel like he is qualified to pass on that question, better qualified than any other man I know. Mr. Teegarden wrote this bill. He conferred with the officials of the Department of Justice, he conferred with the Federal Trade Commission officials, and when he gave me the bill I went over it carefully with the Legislative Drafting Service here, I went over it with officials of the Federal Trade Commission and with good lawyers here in this House and, although we disagreed about some parts of it, we considered it a good, long step in the right direction and introduced the bill so as to present it to this committee.

IF BILL NOT SUFFICIENT, CHANGE IT

If it does not carry out what we want, or what the country needs—of course, the interest of the general welfare comes first—if it does not do what is in the interest of this country, we want this committee to change the bill in its various features so it will carry out our intents and purposes and be in the interest of the country.

It will be noticed that this testimony was published July 10, 1935, and the telegram was dated August 12, 1935.

Ordinarily you would not think an attorney for such a large concern would make such a demagogic statement evidently intended to create prejudice, but the attorney's statement in connection with the actual facts indicates clearly and convincingly that he can effectively practice the tactics of a loud-mouthed and ranting demagogue.

LAWYER'S EXCUSE NO. 6

Excuse no. 6 he says is:

In other words, under the guise of investigating alleged lobbying practices you are promoting interests of United States Wholesale Grocers' Association.

MY ANSWER TO EXCUSE NO. 6

The truth is I did not know the United States Wholesale Grocers' Association was interested in legislation that would give independent merchants the same rights, privileges, and opportunities as chain stores until I had been appointed chairman of the committee making this investigation and had actually conducted hearings for 2 days. I then was approached by the officials of this organization and soon discovered that these officials were anxious to assist in promoting legislation that would give the smallest merchant the same opportunity to exist as the largest chain. Doubtless it is true that this investigation will promote the interest of the United States Wholesale Grocers' Association. It is also true that it will promote the interest of a million retail merchants in this country, and it will promote the interest of 126,000,000 people, including all the consumers. If the United States Wholesale Grocers' Association, or any other association, is benefited by the investigation, they are only benefited by reason of the fact that the country is benefited.

LAWYER'S EXCUSE NO. 7

Excuse No. 7. The attorney for Safeway Stores, Inc., says: "I have no objection to my clients participating in fair and impartial investigation but I do not propose to permit United States Wholesale Grocers Association, through you, to conduct an inquisition on its competitors under false guise of governmental examination."

MY ANSWER TO EXCUSE NO. 7

The United States Wholesale Grocers Association has nothing to do with the investigation that is being conducted by the committee that I am chairman of. It has no more to do with the investigation than the 1,000,000 retail merchants who are interested in obtaining an opportunity to exist. The association is interested in H. R. 8442, but there is no direct connection between the advocacy of that bill and the investigation that is being conducted. If testimony introduced before the investigating committee is material in the consideration of H. R. 8442, it is merely incidental and is not purposely introduced with that particular bill in mind. The attorney could have named many other associations and organizations, including retailers and wholesalers, who are also interested in H. R. 8442. No inquisition is being conducted, nor will be conducted. It is embarrassing, I know, to the attorney's client to have to give up this information and he is, doubtless, paid a large fee annually to protect his client from disclosing just such information. The attorney is doing his duty the best he can to earn his money and naturally it is very pleasing to his client for him to call any examination that is being conducted in which the client is involved an inquisition.

The attorney evidently did not advise his client, the Safeway Stores, Inc., not to form a conspiracy with 160 chain-store organizations to hire a spy to place in the office of an

anti-chain-store organization in order to destroy its business. Their desire was accomplished. Evidently that met with the attorney's approval, and certainly met with Safeway Stores' approval, as this company was a party to the act. Other instances might be cited showing the deceit, fraud, and treachery and other reprehensible conduct of Safeway Stores, Inc., that was evidently receiving legal advice from this particular attorney. This attorney knows that the American people will rebel against such treatment as imposed upon small independent merchants by such concerns as his own client if the American people are permitted to get the whole truth and nothing but the truth. The truth is what the attorney is advising his clients not to disclose or divulge. The truth is what the committee wants and what the American people need.

LAWYER'S EXCUSE NO. 8

Excuse no. 8 is given by the attorney as follows:

If you have an honest desire to ascertain the facts in relation to distribution through the so-called "independents" and "chain stores", you have at your disposal in the city of Washington the report of the Federal Trade Commission, which conducted an exhaustive investigation over a long period of time.

MY ANSWER TO EXCUSE NO. 8

Incidentally, the Federal Trade Commission did not disclose the information that we are now seeking to obtain from Safeway Stores, Inc., and other large chains. This report deals largely but not wholly with statistical information. If the information has already been furnished the Federal Trade Commission and it is subject to public inspection, why should the attorney object so strenuously to disclosing it to our committee? The truth is, and he knows it, the information we desire, he has never been forced to divulge and he is not going to permit his client to divulge it if he can possibly prevent it from being done. The information obtained by the Federal Trade Commission is very interesting, informative, and helpful, but it does not contain the information desired by this committee.

LAWYER'S EXCUSE NO. 9

Excuse no. 9: The attorney gives this excuse in his telegram for refusing to divulge this secret, confidential information:

Your complaint that the newspapers of the United States were not giving you the headlines which you thought appropriate.

MY ANSWER TO EXCUSE NO. 9

This is another demagogic statement and is absolutely false. I never did at any time complain about newspapers giving me headlines or publicity. I have had much more than my share of publicity. The only thing I have ever said about newspapers in connection with this investigation was in effect that I sympathized with the newspapers of this country inasmuch as the large chain stores and department stores control so much of their advertising that they can put the newspapers out of business in a very short time by stopping their advertising. These concerns have such a large control over the newspapers that the newspapers—many of them, are intimidated to the extent that they are reluctant and unwilling to give the American people the truth about hardships and unfair practices imposed upon the independent retailers of this country by the large Wall Street-backed chain-store and department-store organizations. The people are not interested in seeing my name in headlines, but the people are intensely interested in seeing that those who build our country in time of peace and save it in time of war are not unduly oppressed by a few large Wall Street concerns that have sought and obtained advantages and privileges.

LAWYER'S EXCUSE NO. 10

The tenth excuse given by this attorney is:

I am perfectly willing that my clients shall comply with any legal demand of the Congress of the United States designed to aid Congress in the preparation of legislation.

MY ANSWER TO EXCUSE NO. 10

You will notice that the attorney says "any legal demand." He is using the artful tactics of a defense lawyer in a criminal case. I have known many defense lawyers to plead, first, that the indictment against his client is bad because it is illegal and unconstitutional; second, that his client is not guilty of the charges alleged in the indictment; third, that his client was not at the scene of the crime at the time alleged and therefore not guilty; fourth, that if it is shown that the indictment is legal, that the client is guilty, that the defense of alibi is untrue, then the defendant pleads insanity as a defense to the indictment. In order to convince this attorney that his client should give up the information we want, we will have to convince him, according to his theory, that our demand is a legal one, and I am willing to give up now trying to convince him that his client should disclose the information that we desire. There is a better way of securing this information.

We cannot expect much cooperation from a concern or the lawyer of a concern that is a party to the treacherous, undermining, deceitful, and oppressive practices that our committee has already shown that this concern is a party to. The statement that the attorney is willing, and so forth, to comply with any legal demand is a mere gesture, made, doubtless, with the knowledge that we will never be able to convince the lawyer that the demand is a legal one.

LAWYER'S EXCUSE NO. 11

Excuse no. 11, given by this attorney, is:

I do not propose that my client's files are to be rifled and their acts misrepresented as campaign publicity for politicians.

ANSWER TO EXCUSE NO. 11

Lawyer Neylan overlooked the fact that we are not attempting to rifle the files of his client. We are merely seeking certain information that is in the public interest. Neither are we expecting to misrepresent. The fact is, he is not afraid of misrepresentation; he is afraid of the truth. I was a great man and a great statesman in the eyes of some of these big chain organizations when they were trying to direct the course of the investigation of this committee. I would have been a great stateman if I had yielded to their wishes and selected the man that they wanted to make a preliminary investigation and report to our committee. This man, it was later disclosed, was employed by one of the largest chain stores in America and there would have soon been a complete whitewash. When I discovered this deceitful and fraudulent effort I exposed it, and my stock commenced to go down with the big chain-store executives. It is also a matter of record that the organization the Safeway Stores, Inc., is sponsoring the hiring of a friend of mine here in Washington for no other purpose on earth except to try to influence me in this investigation and to properly direct the course of the investigation. When I failed to be influenced, and exposed such a trick, my stock went down still further with these chain-store executives.

When our committee disclosed that these concerns hire lawyers in the various States on contingent basis to defeat legislation in the interest of independent merchants, I ceased entirely to be any sort of a statesman and became a mere politician. It is disclosed that they make arrangements with a lawyer in a State to pay him say, $3,000, for the session of the legislature in addition to expenses; his duties being to succeed by any means whatsoever, fair or foul, to stop and prevent the passage of legislation in the interest of independent merchants. The contract further provides that only $1,000 will be paid unless the attorney and lobbyist succeeds in actually preventing and stopping such legislation. Then, and only in that event, will the other $2,000 be paid. This is strictly unethical and should be a penitentiary offense, especially in view of the fact that these concerns hire former members of the legislative body, and they are hired because of their contacts with the members they formerly served with and calculated to use influence in some way over them. They are not hired by reason of their legal ability but by reason of their contacts. Such a lobbying system has got to be broken up in both the State and Nation or this country cannot survive. The expenses of these lobbyists are also paid by these organizations, but the big fee is not forthcoming unless they succeed.

Our committee has also disclosed that the representatives of these organizations frankly admit that if they cannot

stop a bill in the committee or prevent its passage that they endeavor to get the legislative body to pass a much stronger and more burdensome act in its relation to chain stores with the knowledge that such an act will be unconstitutional. A lawyer would be disbarred for appearing before a judge and attempting to willfully mislead and deceive that judge in what the law is relating to a question before the court. The practice of these large concerns of misleading legislators, whether in Congress or in the State legislatures, knowing that they are misleading them, with the intention of trying to get them to pass unconstitutional acts in place of constitutional ones, are committing an act just as reprehensible as a lawyer attempting to mislead a judge on the bench.

When I assisted in all these disclosures, I ceased to be the statesman and great man that these chain-store executives would have proclaimed me to be had I been willing to have taken their advice and let their representatives properly, according to their way of thinking, direct this investigation.

CHAINS LOSE MONEY TO DESTROY COMPETITORS

It was brought out before our special committee that one large food and grocery chain-store concern made enormous profits in the cities and towns where it had succeeded in squeezing out and destroying the business of competitors and where it could set its own prices. But in the towns and cities where they were pioneering, so to speak, where they were cutting prices and destroying business of independents, while the independents were still struggling and grabbing at straws for their lives, this concern lost a great deal of money.

CAPITAL INVESTMENT LOST IN 5 YEARS

For instance, in Cincinnati over a period of 5 years this concern's business was as follows:

CINCINNATI

Year	Average investment	Loss	Percent of loss on investment
1924	$1,079,000	$408,000	37.81
1925	929,000	257,138	28.74
1926	816,000	204,616	25.07
1927	1,057,000	104,513	9.88
1928	965,000	61,631	6.39
Total (5 years)	909,000	1,045,898	107.89

The above statement discloses that over a period of 5 years this concern lost more than its capital investment. How many independents can afford to lose their capital investment every 5 years?

CAPITAL INVESTMENT LOST IN 4 YEARS

In Los Angeles, over a period of 4 years, the capital investment was lost. The facts relating to the business of this concern in Los Angeles during that time are as follows:

LOS ANGELES

Year	Average investment	Loss	Percent of loss on investment
1930	$397,000	$419,718	105.72
1931	986,000	123,827	12.55
1932	982,000	165,324	16.83
1933	890,000	154,047	17.30
Total (4 years)	813,750	862,918	106.14

CAPITAL INVESTED LOST IN 2 YEARS

In Dallas, Tex., it lost its capital investment in 2 years, disclosed as follows:

DALLAS

Year	Average investment	Loss	Percent of loss on investment
1926	$338,000	$327,000	96.70
1927	691,000	227,396	33.37
Total	508,500	554,396	

125-PERCENT PROFIT WHERE COMPETITORS DESTROYED

It is also well known—and I expect to be able to produce the figures—that in cities and towns where this same concern has succeeded in destroying competitors, it is making as much as 125 percent each year on its average investment.

CONSUMERS GIVEN "WORKS"

This should be convincing to the consumers that as soon as the large chain stores get control the sky will be the limit so far as prices are concerned. There is a temporary benefit to the consumer while the large chains have the hand of greed at the throats of the independent merchants and while the independent merchants are struggling to live. But when the independent merchant is squeezed out and pushed aside, Mr. Consumer is "given the works."

WILL FEW CONTROL RETAIL DISTRIBUTION?

It should not be overlooked that our committee has disclosed that the chain stores can sell their goods for the same prices that the independent merchants pay for their goods and at the same time make enormous profits, declare enormous dividends, and pay high salaries. The reason is that the manufacturers are compelled to charge independent merchants more so the chains can be sold below cost. Manufacturers say they cannot sell to everybody for the same price they sell to the chains. If they were to, they would soon go broke. Is it right for a few large concerns to control retail distribution in this country and destroy the business of millions of people in such an unfair way and by such savage conduct? No one should object to independent merchants getting the same rights, privileges, and opportunities as the largest chains. Independent merchants have no right to ask for more; they are certainly entitled to as much.

I cannot expect to be popular with these concerns and do my duty, which I shall perform to the very limit of my power and ability.

IMPORTANT FACTS FOR POULTRY RAISERS

Mr. MITCHELL of Tennessee. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the bill H. R. 8742, dealing with the poultry industry.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MITCHELL of Tennessee. Mr. Speaker, there is a cost of from 2 to 2½ cents on every pound of poultry shipped to the New York City market, due to overcharge. This is a direct loss to the farmers of the South and West and in my own congressional district in Tennessee. A charge of more than $300 per car is made, which is largely a fraud and a steal from the poultry raisers in our country. The passage of my bill H. R. 8742 will prevent this overcharge and racketeering in the future. It will mean an increase in the price of poultry to the farmers in my district of from 10 to 20 cents per bird. The average weight of a chicken sold is from 4 to 5 pounds each. It is expensive to raise poultry. It requires care and attention from the housewife and the farmer. It takes grain and feed to produce them.

Then, what a shameful situation it is to find a bunch of racketeers in the cities can step out of some alley on the central market and rob the farmers and producers of the profits to which they are entitled, and take from them the fruits of their toil and efforts. The passage of the Copeland-Mitchell bill, with proper enforcement of its provisions, will mean the saving of millions of dollars each year to the poultry producers in America, and also to the consumers. A saving of $100 per car would result in the saving of a million dollars on 10,000 cars. There exists a complete monopoly on the coops, another on the trucks, and another on the feed.

Let us give the Secretary of Agriculture the authority, as is provided in the bill, the right to license those engaged in the poultry business, and the stealage and overcharge will have to cease. Better marketing arrangements will be made; a better distribution had. The only method possible to correct the evil which now exists in the trade is my bill. The

antitrust law has failed. It has been tried. The courts are powerless to prevent the steal or stop the present racket.

The farmer cannot, and has not, made any profit because of the overcharges, the grafting, and stealing which has gone on for years in the central markets. Only the racketeers, the coop companies, the trucking companies, the feed company, and the railroads have a chance to make a profit. The farmer and poultry raiser does not. They have suffered long enough.

The poultry industry should have been included in the Packers and Stockyards Act when it was originally passed in 1921—14 years ago—but its authors must have figured that the meat industry was so great, compared to poultry, that they wanted to get it straightened out first before trying poultry. But, as a matter of fact, to the surprise of many, the value of poultry products exceed in value that of meat products in the United States.

The Poultry Shippers' Association and all poultry dealers are anxious for the passage of this bill. I am in receipt of numerous telegrams to this effect. They compiled the following data and submitted it to the Senate committee:

We wish to call your attention to the following facts pertaining to the charges now assessed for the handling of live poultry at New York City:

Years 1930 to 1933, inclusive, and up to June 1934:	Per car
Unloading	$53.00
Coops [1]	90.00
Cartage [2]	58.00
Total	201.00

Effective June 1934 there was a slight reduction under the existing live-poultry code:

Unloading	48.00
Coops [3]	76.50
Cartage [4]	45.00
Total	169.50

On the basis of the above charges, we find the following amount of money has been paid by our shippers with the ultimate result that the farmer who produces this poultry has actually stood the brunt of this exorbitant charge due to prevailing conditions at the destination due to the alleged racketeering element, especially New York City:

Car arrivals:	Cost
1930, 10,670 cars, at $201	$2,146,077
1931, 10,152 cars, at $201	2,040,552
1932, 9,126 cars, at $201	1,834,326
1933, 8,150 cars, at $201	1,638,150
To June 1934, 3,605 cars, at $201	724,605
After June, up to Jan. 1, 1935, 4,036 cars, at $169.50	684,102
Total, 45,739 cars	9,067,812

The above figure, you appreciate, is a great amount of money, $9,067,812, and about 70 percent of it is in excess of the actual amount that should be charged for this service at New York City caused by, and due to, the control of the unloading, coops, and cartage by the alleged racketeers.

TENNESSEE CARLOADS OF LIVE POULTRY TO NEW YORK CITY

During the following period we find that shipments of live poultry from the State of Tennessee were:

	Cars
1930	712
1931	918
1932	708
1933	854
1934	618
Total	3,810

To the total of $9,067,812, therefore, Tennessee contributed something like $765,810 out of the shippers' and farmers' pockets.

The poultry "racket" has become one of the most fraudulent, dishonest, corrupt, and vile rackets known.

The enactment of my bill will prevent the practice and enable the Secretary of Agriculture to control the situation. The outrageous racket and steal from the producers and farmers will be eliminated. If live poultry is placed under the provisions of the Packers and Stockyards Act, and a correct and reasonable charge for all services rendered at the unloading point, then millions of dollars will be saved both the producers and consumers. Over $150,000 will be saved annually, to the people of Tennessee, and the farmers and faithful housewives will receive this profit to which they are justly entitled.

The cost of enforcement will be small in comparison to the benefits derived and the great savings accomplished.

[1] $1 per coop.
[2] $0.65 per coop.
[3] $0.85 per coop.
[4] $0.50 per coop.

NOTE.—Average, 90 coops per car.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOILEAU. Mr. Speaker, I concur in the remarks made by the distinguished gentleman from New York [Mr. SNELL].

For the past few years the paper industry of this country has found it very difficult to keep their mills in full-time operation. I do not believe there is an industry in this country that pays a higher standard of wage than the paper industry. It is a credit to any part of the country wherein this industry has been operating.

The industry has been suffering because they have not been able to get enough business; and, as a consequence, they feel that the making of a loan by the R. F. C. for the purpose of building a new paper mill when there is already an oversupply of paper mills in the country is absolutely unfair; and I want to join with the gentleman from New York in making this protest at this time.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. O'CONNOR. I am informed that this is not a paper mill at all, that it is a pulp mill, and that it will help this industry to compete with the importation of foreign pulp. I understand we are importing immense quantities of it. This mill will make pulp, not paper.

Mr. BOILEAU. I may say to the gentleman from New York that if we had proper tariff protection the pulp industry would get along all right. We have sufficient unused manufacturing capacity so that we do not need Federal funds to build more pulp mills.

The gentleman will recall that during the past winter when this matter was before the House I presented an amendment to prevent the R. F. C. from making loans for the construction of new manufacturing plants, and at that time I made the prediction that if the bill was passed without that amendment that it would mean that the Federal Government would be lending money to compete with established pulp and paper mills that were themselves in need of assistance. That was not the original intention in establishing the R. F. C. We should not now launch upon this program because it is absolutely discriminatory and it is destructive of industries that are already finding it difficult to exist.

I do not know what else we can do at this time except to make our protest against the use of Government funds in such a way as to do an injustice to an established industry that cannot withstand any additional burdens.

Mr. RICH. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Pennsylvania.

Mr. RICH. If we would give protection to the pulp industry of this country by a tariff that would prohibit the importation of pulp, we would take care of our pulp industry and there would not be the necessity to lend this money?

Mr. BOILEAU. If we gave adequate tariff protection to the existing pulp mills, they would be able to work full time and enough private capital would be available to build any additional mills that may be needed, without asking the Federal Government to finance the undertaking.

[Here the gavel fell.]

Mr. MILLARD. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLARD. Mr. Speaker, the remarks I am about to make are along the same line as those made by the distinguished minority leader, the gentleman from New York [Mr. SNELL] and the gentleman from Wisconsin [Mr. BOILEAU].

The president of the West Virginia Pulp & Paper Co., Mr. Thomas Luke, lives in my district. His company owns seven mills in this country. I read into the RECORD for the information of the Members of the House and for the information of the Reconstruction Finance Corporation the following telegram which I received yesterday:

AUGUST 9, 1935.

The Honorable CHARLES D. MILLARD:

We are advised the Reconstruction Finance Corporation has approved loan of about $4,000,000 to Crossett Lumber Co., Crossett, Ark., for construction of 100-ton kraft pulp and paper mill. While we understand the loan has been authorized we believe the matter has not been definitely closed. We strenuously object to this for the following reasons: First, an improper use of the taxpayers money in building new industrial plants if persisted in will result in complete demoralization of all industry. Second, in 1929 the production of kraft paper was in excess of consumption, and this condition is worse today due not only to the depression but to the building of additional machines. The building of further plants simply reduces the running time of existing plants with a resulting demoralization of wages and prices and in so doing prevents existing plants from making proper expenditures for improvements and extensions. Third, the industry was not advised of the proposed loan and had no opportunity to be heard. We ask your aid in preventing this improper and useless waste of public money.

WEST VIRGINIA PULP & PAPER CO.,
THOMAS LUKE, *President*.

Mr. Speaker, I also received a letter from another paper company, which has plants in the following places: Piermont, N. Y., in my district, Brooklyn, N. Y., Tonawanda, N. Y., Syracuse, N. Y., Watertown, N. Y., Haverhill, Mass., Newton Upper Falls, Mass., New London, Conn., Shelton, Conn., South Windham, Maine, Providence, R. I., and Bogota, N. J. The letter is as follows:

NEW YORK, *August 12, 1935.*

Hon. CHARLES D. MILLARD,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN MILLARD: We vigorously protest the proposed loan to Crossett Lumber Co. and ask your help in preventing this participation of the Government in private business.

There is more than enough capacity already existing in the country to supply the present demand or any reasonable increase in this demand. The spread between capacity and demand at present in both the kraft and the jute divisions of the industry is probably 30 percent or more, and existing mills are today running not much over 3 days a week. Any new mill coming into the field would greatly harm the kraft and jute industries, both of which took huge losses during the depression and have only in the past 18 months returned to a paying basis.

We employ 2,500 people, and believe that the proposed mill could seriously impair our ability to employ labor and would certainly have a bad effect upon our wage scale and corporation profit.

We sincerely hope that you will do everything in your power to prevent the proposed loan, which is not necessary from any point of view.

Yours very truly,

ROBERT GAIR CO., INC.,
W. F. HOWELL, *Secretary*.

P. S.—In the United States we operate mills and factories at Piermont, N. Y., Brooklyn, N. Y., Tonawanda, N. Y., Syracuse, N. Y., Watertown, N. Y., Haverhill, Mass., Newton Upper Falls, Mass., New London, Conn., Shelton, Conn., South Windham, Maine, Providence, R. I., Bogota, N. J.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, at the conclusion of the reading of the Journal, the disposition of business on the Speaker's table and the special order tomorrow, which is an address by the gentleman from Georgia [Mr. CASTELLOW], I ask unanimous consent to address the House for 20 minutes on the subject of War and International Relations.

Mr. TAYLOR of Colorado. Mr. Speaker, reserving the right to object, as I said to the gentleman from Georgia [Mr. CASTELLOW], I feel that we must curtail these speeches. There is an enormous amount of important business that should be disposed of before Congress adjourns. A large number of gentlemen want to make final speeches. They must shorten their time and insert the rest in the RECORD. If the gentleman will modify his request to 10 minutes, I shall not object.

Mr. LUDLOW. Mr. Speaker, there is no Member that has been here a similar length of time who has used as little time as I have in the matter of speeches.

Mr. TAYLOR of Colorado. Mr. Speaker, I am going to object to any speech of 20 minutes until we finish the most important business before the House.

Mr. RICH. Mr. Speaker, reserving the right to object, may I say to the gentleman that if we were to permit some of these speeches and prohibit the introduction of some of these bills which come into Congress and involve the spending of Government money, we would be a whole lot better off.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. LUDLOW. Mr. Speaker, I modify my request and ask unanimous consent to proceed for 10 minutes after the special order of tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MINERAL DEPOSITS IN THE NATIONAL FORESTS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD, and to include therein certain correspondence had with the Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, in extending my remarks in the RECORD, I desire to bring to the attention of the Members of the House one of the greatest undeveloped resources in the country—the mineral deposits in the national forests in the Western States, and the need for Government assistance in developing the isolated mining properties and mining districts in the national forests by the construction of the necessary roads to afford transportation, to move in machinery and supplies, and transport mineral products to market. A bill modeled after the Canadian law has been introduced in the House—H. R. 6098—and is inserted here:

A bill to assist and promote the development of the mineral resources located within the national forests of the United States, authorizing the construction of roads by the Secretary of Agriculture for the use of the owners or operators of mining properties, and for other purposes

Be it enacted, etc., That, when an application is made to the Secretary of the Interior by any owner and/or operator of any mineral or placer claim, or group of mineral or placer claims, located within a national forest of the United States, for the construction of a road and bridges necessary for the transportation of mineral products of, or supplies for, such mineral or placer claims, it shall be the duty of the Secretary of the Interior to cause an examination of said mineral or placer claims by a qualified representative of the United States Geological Survey, and when it is shown to the satisfaction of the Secretary of the Interior that development on a mineral or placer claim or group of claims situated within any national forest of the United States has proved the existence of mineral or ore bodies in quantity and commercial value sufficient to warrant the expenditure of public moneys for the construction of roads and bridges to facilitate the operation and development of such mineral or placer claims, the Secretary of Agriculture is authorized to provide the construction, reconstruction, or repair of roads, trails, and bridges within the boundaries of any national forest in aid of the development and operation of such mineral claims.

SEC. 2. Any road, trail, or bridge constructed or reconstructed or repaired as provided in section 1 of this act shall be available for the use of the general public, under such rules and regulations as may be prescribed by the Secretary of Agriculture.

SEC. 3. There is hereby authorized to be appropriated the sum of $1,500,000 for the fiscal year ending June 30, 1936, and $1,500,000 for the fiscal year ending June 30, 1937, to be expended for carrying out the provisions of this act.

In response to the request of the Chairman of the Public Lands Committee, of which I am a member, the Secretary of the Interior has transmitted the following report on the bill:

THE SECRETARY OF THE INTERIOR,
Washington, April 24, 1935.

Hon. RENÉ L. DEROUEN,
Chairman Committee on the Public Lands,
House of Representatives.

MY DEAR MR. DEROUEN: I am in receipt of your letter of February 25 requesting a report on H. R. 6098, a bill "To assist and promote the development of the mineral resources located within the national forests of the United States, authorizing the construction of roads by the Secretary of Agriculture for the use of the owners or operators of mining properties, and for other purposes."

In the language of the bill, there is the plain implication that the proven presence of mineral or ore bodies in quantity and of commercial value is sufficient in itself to warrant the expenditure of public money to provide ways for their transportation, and upon the disclosure of such conditions alone, the applicant is entitled to the grant of his application.

In a broad sense, if ores are of commercial value, they can be mined, transported, and marketed at a profit; and if they can be so mined, transported, and marketed, no reason is seen for the use of public funds to increase the profits of the owner of the mine.

But assuming that what is meant is if minerals exist in quantity and commercial grade they can be produced at a profit, provided that the Government constructs and maintains roads and bridges to transport them within the forest, still I do not see the warrant for the expenditure of public money for such purpose unless a satisfactory showing is made that there is a public demand for the mineral from the mine to which the road is to be built, and like assurance that the road would be used for the transportation of minerals and supplies for a sufficient length of time to justify the cost of construction thereof.

Many factors beside mere mineralogical conditions would have to be considered as a basis for intelligent decision. Among these may be mentioned an inquiry whether the operator of the mine has the capital, the capacity, the mining facilities, and the bona fide purpose to mine and market the deposit; whether the existing market conditions would probably justify the throwing on the market of the additional product, or, stated differently, whether it is in the interest of sound conservation of mineral resources and economic policy to promote the mining of the particular resource at public expense, for it is not believed that any good purpose would be subserved in dumping unneeded mineral on a glutted or depressed market. An inquiry would also be pertinent, whether the contemplated scale of operations at the mine justified the cost of the building of the roads and bridges, which would entail the formulation and comparison of estimates of cost of the road and probable production of the mine.

It may be doubted whether the bill confers upon the Secretary the latitude of discretion above indicated and thought necessary for its proper administration. But unless such discretion can be exercised, there is a high probability in many instances that roads and bridges would be built for mines that would not be found economically practicable to work, and the use for the purpose for which the roads were built would not be commenced or would be shortly abandoned, and that deposits that might be minable in a different situation or under different market conditions would be used as a pretext for obtaining contracts to build roads.

Even if the bill confers authority upon the Secretary to consider all the factors necessary to justify the expenditures of public funds, the bill, if it becomes a law, is difficult of administration, requiring the determination of facts not easily ascertainable, that are subject to controversy and change, and require the Secretary to speculate upon the success of a proposed mining venture, and may result in the expenditure of public funds in private interest without any compensatory benefits to the public interest.

The bill also further operates to give undue advantage to those having mineral deposits in the forests over others having like deposits similarly situated outside the forests.

For the reason stated I do not look with favor on the bill.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

In considering the Secretary's report, it is apparent that conditions affecting the development of the vast mineral resources, locked up, as it were, in the national forests, should be brought to the attention of the Secretary, and that he may have this information I have prepared and sent the following letter:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON IRRIGATION AND RECLAMATION,
Washington, D. C., July 27, 1935.

MY DEAR MR. ICKES: Reference is made to your report on H. R. 6098, a bill introduced by myself "To assist and promote the development of the mineral resources located within the national forests of the United States, authorizing the construction of roads by the Secretary of Agriculture for the use of the owners or operators of mining properties, and for other purposes", which you disapproved.

In considering this matter, let me bring to your attention the fact that vast undeveloped mineral deposits are located within the boundaries of the national forests in the Western States; that in these national forests many mining locations have been made and mining properties have been acquired by companies and individuals in good faith; that the owners of these mining properties are devoting their time and money to the development of these properties; that under the rules and regulations governing the administration of the national forests the owners and operators of these mining properties are entirely dependent upon the Federal Government for the construction of the necessary roads to afford transportation to the mining districts in which the properties are located, and that pursuant to the policy that is being followed by the Forest Service in the construction of roads, the needs of the mining properties are met only so far as may be incidental to the program of road construction for forest administration and fire protection.

As stated in a letter recently received from an executive of the Forest Service:

"Under the policies heretofore governing the use of forest highway funds, money has not been available primarily for the purpose of constructing roads needed by miners to develop their properties or to open up areas of assumed mineral values. * * *

"There are relatively large demands being made by owners of mineral properties to have the Forest Service build roads into these properties or to have the Forest Service extend roads into particular sections of the national forests where minerals in paying quantities are alleged to exist. Obviously, all these demands can be met only to the extent that the program of forest roads needed for the protection and utilization of the Government resources of the national forests may, incidentally, serve the purposes which the miners have in mind."

And again, at a later date:

"The road fund, as now made available to the Forest Service for the construction of truck trails and roads, does not permit the allocation of such funds for roads required primarily for the development of mining properties. Prior consideration must be given the roads needed for the protection and administration of the national forests."

From information that is available in the numerous geological reports on file in your Department, doubtless you are aware of the extent and value of some of the mineral deposits located in areas covered by the national forests. (See U. S. G. S. Circular No. 9, 1934—Mendenhall—Geology and Ore Deposits of Idaho County.) Many of these mineralized areas have not as yet been examined and reported upon by the Geological Survey.

While I am aware of the valuable and extensive mineral deposits of our Western States, located largely within the boundaries of the national forests, I am more particularly conversant with the mineral resources of our State of Idaho and its record of production of the precious metals—gold and silver—produced from a region which, according to a statement made by Dr. Finch, Director of the Bureau of Mines, is the "greatest undeveloped gold area in the United States."

The importance of the gold deposits of this area (almost wholly within the national forests) has long been recognized by mining authorities. In the October 4, 1929, issue of the Engineering and Mining Journal there appears a treatise by Dr. Francis A. Thomson, now president of the Montana School of Mines, on the gold deposits of central Idaho. I quote from Dr. Thomson's article:

"The Idaho batholith is probably one of the best-known geologic features of the Pacific Northwest * * *."

"From gold veins in the batholith and in its roof were derived the placers of Boise Basin, in south central Idaho, and of Elk City, Florence, Pierce City, and other camps of north central Idaho, all of which were so abundantly productive in the sixties and seventies * * *."

(Accredited by the United States Geological Survey with a gold production of $250,000,000.)

"The principal ore deposits of the country are steeply dipping fissure veins carrying principally gold and silver in a quartz gangue * * *."

"Such veins compare favorably, so far as size is concerned, with the gold veins of Australia, California, and Cripple Creek. The so-called 'dike' deposits are purposely omitted from the tabulation given above. * * *"

"The lack of suitable highways is such that under existing transportation conditions only placer mining and the working of bonanza gold veins could be expected to show a profit."

The bill (H. R. 6098) under consideration is designed and has been introduced to construct mining roads in the national forests, to facilitate the development of the mines and the utilization of the forest resources not otherwise obtainable, similar to a plan that has been followed by the Canadian Government, which is a large factor in the success of the Dominion in increasing its gold production, which has expanded from 1,928,308 ounces in 1929, valued at $39,858,026, to 2,972,000 ounces, valued at $104,020,000 in 1934, and placed Canada for the first time ahead of the United States in gold production.

The Canadian Government has a very liberal policy in assisting miners to develop their properties. I quote from the Mines Development Act of British Columbia, chapter 164:

"2. Where it is shown to the satisfaction of the Minister of Mines that development work on a mineral or placer claim or group of mineral claims in any mining district has proved the existence of minerals or ore bodies in quantity and of commercial value sufficient to warrant an expenditure of public moneys for the construction of trails, roads, and bridges to facilitate the operation and development of such mineral or placer claims, the Minister of Mines may authorize the expenditure of so much of the public moneys as may be required by the Minister of Public Works for the construction of such trails, roads, and bridges."

The importance of the development of our gold resources has been emphasized by recent legislation which increased the value of gold $14.33 per ounce. One of the effects of this legislation has been to increase the value of gold mined annually in the British possessions $225,000,000.

It would be difficult to overestimate the importance of developing the gold deposits in this country. When we consider the benefits to be derived by the increase in gold reserves, permanent employment in the mining industry, the stimulation to general business by the development of these mining areas, and of particular interest to the Government, additional sources of taxation revenue, by the payment of county, State, and Federal taxes, including capital-stock taxes, corporation taxes, and income taxes, the Government, as has been stated by successful mine operators in California, takes about 50 percent of their revenue in the form of taxes. In view of these facts, it is apparent that the development of our mining resources, now isolated within the national forests, is of paramount importance to the whole Nation.

Turning to the statement made in your report disapproving the bill, "If ores are of commercial value, they can be mined, transported, and marketed at a profit, and if they can be so mined, transported, and marketed, no reason is seen for the use of public funds to increase the profits of the owner of the mine", it is difficult to reconcile the position taken by your Department in this case with the liberal policy that has been followed by our Government in the past in providing means of transportation by the construction of roads, digging canals and harbors, improving waterways, subsidizing the construction of railways, and the operation of steamships and airways, which has contributed so largely to the development of our national resources and our national prosperity.

It is a fact that many mining properties located within the national forests contain ore deposits of commercial value that can be mined, transported, and marketed at a profit if the Government will do for these miners what it does for industry everywhere outside of the national forests—provide the necessary roads for transportation. Surely the Federal Government will not evade the responsibility to provide the necessary roads for mining development, assumed when these areas, containing vast mineral resources and embracing many mining properties privately owned and acquired in good faith, were withdrawn from public domain and placed in the national forests where they are barred from receiving the assistance of the local government of the counties and States by the construction of the necessary roads.

Referring to the contention raised as to the conditions to be considered in approving an application for the construction of mining roads, it is assumed that you have in the personnel of the United States Geological Survey, or will employ, qualified representatives to examine and report on the merits of the property covered by these applications, similar to the plan followed in Canada, and that discretion will be exercised in approving these applications, which is provided for in the bill.

Instead of the bill giving undue advantage to those having mineral deposits in the forests over others having like deposits similarly situated outside the forests, experience and comparisons will demonstrate that the opposite is the case, and thousands of valuable mining properties—in some cases entire mining districts—are lying idle and inaccessible due to the indifference and neglect of the Government to construct the necessary roads to open up the districts.

In view of the conditions affecting the development of mining properties located within the national forests, and the importance of the development of these mining resources to the prosperity and welfare of the country as a whole, I urge that your report on this bill be reconsidered and that your department report the bill favorably.

Sincerely yours,

———— ————.

Hon. HAROLD L. ICKES,
Secretary of the Interior,
Washington, D. C.

WORLD POWER CONFERENCE

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 308.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 350, a joint resolution to authorize the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States. That after general debate, which shall be confined to the resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SNELL. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-two Members present, not a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 161]

Andrews, N. Y.	Doutrich	Keller	Rudd
Arnold	Dunn, Miss.	Kennedy, Md.	Sadowski
Bankhead	Dunn, Pa.	Kimball	Sanders, La.
Beam	Eaton	Kniffin	Shannon
Bell	Eicher	Lamneck	Smith, W. Va.
Berlin	Fenerty	Lewis, Md.	Snyder
Blanton	Ferguson	Lord	Stewart
Boehne	Fernandez	Lucas	Stubbs
Brennan	Fish	McGroarty	Sullivan
Brown, Mich.	Fletcher	McLean	Sutphin
Buckley, N. Y.	Frey	McMillan	Sweeney
Bulwinkle	Gassaway	Meeks	Thom
Cannon, Wis.	Goldsborough	Montague	Thomas
Carter	Goodwin	Murdock	Tinkham
Cartwright	Granfield	Nichols	Tobey
Casey	Hartley	Oliver	Underwood
Claiborne	Healey	Palmisano	Wadsworth
Clark, Idaho	Hennings	Parks	Walter
Cochran	Hess	Perkins	Weaver
Cole, N. Y.	Higgins, Conn.	Peyser	Wilson, Pa.
Corning	Huffman	Quinn	Wolfenden
Daly	Hollister	Reed, N. Y.	Wolverton
Dear	Hook	Reilly	
Dietrich	Jenckes, Ind.	Rogers, N. H.	
Dingell	Kahn	Romjue	

The SPEAKER. Three hundred and thirty-two Members have answered to their names, a quorum is present.

On motion of Mr. TAYLOR of Colorado, further proceedings under the call were dispensed with.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

SNYDER-GUFFEY COAL BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that I may have until midnight tomorrow to file a report on the bill, H. R. 9100, commonly known as the "Snyder-Guffey coal bill", and that the Members not joining in the majority report may have the same time within which to file minority views.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

WORLD POWER CONFERENCE

Mr. O'CONNOR. Mr. Speaker, this is a rule for the consideration of House Joint Resolution 350, which authorizes the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States. I understand it is planned to hold this Conference next year.

In connection with power and the uses to which power is put, as I understand, one of the principal uses is to make paper and pulp. Today we heard the distinguished minority leader discuss a loan of $4,000,000 to a concern in Arkansas for the purpose of establishing a paper mill, and the gentleman from upstate New York, in a section where this industry has been, and may still be, of some importance, was complaining from a local standpoint.

The authorization of the R. F. C. to make this loan is nothing new. In January of this year, when the R. F. C. bill was before the House, the gentleman from Georgia [Mr. DEEN] offered an amendment to meet this situation, and for 2 hours there was debate in reference to lending money to establish pulp mills in this country. The gentleman from Wisconsin [Mr. BOILEAU], and others, fought the provision bitterly. The gentleman from New York, as I recall, had very little to say about it. Whether or not he knew what was going to happen I do not know.

It is my information that this mill established in Arkansas under a loan of $4,000,000 is secured by $8,000,000 in collateral furnished by the Crossett Lumber Co., including in the collateral 370,000 acres of timber land. There are no longer any timber lands up in New York State available for paper or pulp. This land is in the South, and right now, in Savannah, Ga., they are establishing with private capital a pulp mill at a cost of about $4,000,000.

We import about 72 percent of our pulp, principally for newsprint. What is the matter with these mills in this

country if they say they cannot make a living? Someone has said we should put a tariff on pulp. Well, the Republican Party was in power here for 12 years. Why did they not put a tariff on it? What right have they to complain here today that there is no tariff on pulp? When they were in power, and if they had seen fit to protect the paper industry of this country, they could have put on a tariff.

As I understand it, this mill in Arkansas is not going to make newsprint paper, but is going to make what is known as "kraft paper", the rough paper made out of pulp, which they can make out of the timber which is immediately available, the purpose of this administration being, as I understand it, to encourage industry on the spot where the natural resources are available without importing paper, for instance, from a foreign country, as we are doing now to the extent of 72 percent.

Mr. SNELL. Mr. Speaker, would the gentleman care to yield for a question?

Mr. O'CONNOR. I know the gentleman from New York is an expert on the subject, having been in the business for years, so I may not be able to answer the question, but I yield.

Mr. SNELL. My question has nothing to do with the paper business, and this is something the gentleman can answer. Does the gentleman mean to say it is the policy of the present administration to furnish money to go into competitive business?

Mr. O'CONNOR. It cannot be competitive when the mills in this country cannot break down the necessity for importing 72 percent of it.

Mr. SNELL. If the gentleman takes that position, of course, I cannot answer that, and the gentleman cannot, either.

Mr. O'CONNOR. This is all I care to say about pulp, and as to power, I reserve the balance of my time. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, before I discuss the question before the House I want to reply to some of the statements made by my friend from New York relative to the establishment of a pulp and paper mill down in Arkansas. I think I do have a little knowledge of this industry because I spent 10 years of hard work in connection with it.

In the first place, the gentleman referred to it as being local in northern New York. Let me say that the paper industry is not a local industry. It is largely confined at the present time to the northern part of the United States, but I may say to my good friend from New York there is over one-half a billion dollars invested in the paper industry at the present time, and in a great many States. This is all private capital and this industry today is just living and that is about all. But if you adopt this policy toward the paper industry you will soon do the same in other industries, and I am definitely opposed to taking the taxpayers' money to put the Government in competitive business.

If we are going to have the Government money put into the paper industry, it will not be long before you will put more men on the relief roll in various parts of the country than you will take off by establishing Government paper mills in Arkansas.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. O'CONNOR. It is not beyond possibility that the paper companies and the paper mills may obtain loans from the R. F. C.

Mr. SNELL. Some of them have obtained loans to help them out during the depression when they were unable to get enough money for working capital. That was the policy of the present Congress, to loan to industry to keep labor employed and to prevent them from going on the relief roll. I favor that policy.

The R. F. C. told me over the telephone that Ford, Bacon, and Davis, eminent engineers in New York State, had reported favorably on the loan. As far as I am concerned, it is not a question whether proper security has been given; it is a question of policy of the United States Government whether you are going to tax the paper mills that are hard pressed at the present time in order to get money to establish new branches of that industry and to make it harder for them at the present time.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. O'CONNOR. Is it not a fact that all the paper mills have been making money up to the present time?

Mr. SNELL. That is the most foolish statement that the gentleman ever made. They are nearly all losing money, and they only run 3 to 5 days a week.

Mr. O'CONNOR. The gentleman is talking about individual cases.

Mr. SNELL. I am talking about them all as a class.

Mr. O'CONNOR. Are not two-thirds of them owned by the International Paper Co.?

Mr. SNELL. They are the largest producers of print paper in this country, but when the gentleman says they own two-thirds, that is a wild statement.

Mr. BREWSTER. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. BREWSTER. Is it not a fact that the kraft paper is entirely supplied by industries in this country, and that 30 percent of them are out of business?

Mr. SNELL. I have made that statement once before.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. CHRISTIANSON. Mr. Speaker, referring to the statement just made by the distinguished gentleman from New York [Mr. O'CONNOR] relative to the profits in the paper industry, in the State of Minnesota there are only two paper mills left. In the State of Wisconsin, I understand, all paper mills have ceased to operate as such; and I understand that there are very few print-paper mills left in Michigan, all of which indicates that there is no profit in the manufacture of print paper.

Mr. SNELL. There is no industry harder pressed at the present time than the paper industry, and it is discouraging to the mills in the North and East that pay the taxes to find that they are going to be assessed more taxes to build a new paper mill in the State of Arkansas, a State that pays very little into the Federal Treasury.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. RICH. To say for the benefit of my colleague from New York, in reference to what the gentleman from New York [Mr. O'CONNOR] said, that in the Committee on Printing, when we had the representative of the N. R. A. who had charge of the newsprint industry there before us, he said they did not care if they put the pulp industry out of business; they expected the pulp to come from the Scandinavian Peninsula; and the United States was opposed to cutting any trees for that purpose.

Mr. SNELL. I cannot yield further along that line.

Mr. LUNDEEN. When we learn that the paper industry is in such condition, ought we not to protect it from foreign import?

Mr. SNELL. I think so. In reply to another statement of the gentleman from New York [Mr. O'CONNOR], he endeavored to leave the impression that this project in Arkansas is for a pulp mill alone. As I understand the situation, this loan is made to a lumber company at Crossett, Ark., for the purpose of building a pulp and paper mill, and this mill is supposed to manufacture kraft paper. As a matter of fact, it would not be a paying industry at the present time to build just a pulp mill down there in Arkansas, because pulp is generally shipped about 60 percent water, and it would take all of the profit in shipping that water throughout the country to other paper mills.

Now, in regard to the matter before the House at the present time, it is a proposition to invite the representatives of foreign countries to come to the United States next year to discuss the power proposition and to pay their expenses, to the extent of $75,000. As far as I can learn, the Committee

on Foreign Affairs did not have any hearings on the bill. Indeed, the very meager report made by the committee consists practically in toto of a letter from Mr. Cordell Hull, Secretary of State. Among the reasons that Mr. Hull gives for calling this conference, contained in his letter, is the following:

> It would thus serve as an opportunity for the exchange of valuable information and, in particular, for making known to other countries through personal contact with persons well qualified to appreciate it the scope and character of power development in the United States and the extent of the industrial equipment which has made such development possible.

Can anyone tell me any real reason why we should spend $75,000 to tell the people of the world what the power developments are in the United States? If they are interested in power development, let them send the men over here at their own expense and find out. They can have no interest in our power development. We have no interest in theirs. The only reason that I can see for calling this conference here next year is to bring together a lot of long-haired socialists, who will come over here and spread propaganda among our people to further public ownership of power plants. That may be an important issue in the next campaign. If it is, I for one am willing to meet it. And I think the American people can decide that question themselves without any help from people from foreign countries. When we consider the fact that we are raking the highways and byways to get in a few dollars to pay the expenses of the Government at the present time, to now appropriate even $75,000 for such a futile and foolish thing as this is something beyond my comprehension.

I want the proponents of the resolution to tell the House what has been accomplished by the previous two or three conferences of this character. Also I would like to have them tell the House what definite advantage will come to this country from any information that will be obtained by having this conference here at this time. Those are pertinent questions. If there is anything to be gained, perhaps it would be worth the $75,000, but from anything that I can see from any report which has been made, there has not been a concrete suggestion here why we should spend this $75,000. There is no real reason for doing it, and there are several reasons why this conference should not be called in this country next year.

I yield back the remainder of my time.

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. McGEHEE].

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to extend my remarks on the paper and pulpwood industry of the United States.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McGEHEE. Mr. Speaker, the occasion for the spirited discussion and somewhat condemnation of the Reconstruction Finance Corporation by the gentlemen on the other side of the House—Republicans—for their recent approval of a loan to a lumber company in the State of Arkansas, the proceeds of which are to be used in the construction of a pulpkraft mill, I am sure was because of the fact that these gentlemen received within the last 2 or 3 days a very lengthy telegram from the Southern Kraft Corporation, of Mobile, Ala., protesting the making of this loan and further soliciting the influence of the Members of Congress to vigorously register their protest with the Reconstruction Finance Corporation Board.

I received a telegram from these people on August 9, but far be it from me to condemn the making of this loan; I want to publicly express my approval of the same to the Membership of this House and praise this Board for its farsightedness in looking into the future and assisting those who have not the money, but the resources and ability, in the manufacture of a product of which there is such a demand for today.

Mr. Speaker, let us visualize from whom this telegram was sent, why this company makes this protest, and the purpose for which it is done.

The Southern Kraft Co., as I understand, is owned by the International Paper Co., who owns and controls most of the southern kraft paper mills. Now, if there is such a lack of demand for the products of these industries, why did the International Paper Co. recently appropriate for the improvement and the adding of new machinery to increase the capacity of some of its southern mills, several million dollars? We know that they have a market for their product, otherwise this large expenditure would not be made in the South today for the overhauling and increasing of the capacity of their mills. The International Paper Co. recently appropriated over $6,000,000 for the improvement and installing of new paper machinery in eight of their foreign and domestic mills alone.

The International Paper Co. own mills whose capacity is over 6,000 tons per day, and are the largest manufacturers of kraft pulp and newsprint paper in this country. These people own many mills outside of the United States and are bringing their finished product into this country, both kraft and newsprint.

During the year 1933 there was imported into the United States 30.2 percent of the total kraft pulp consumed; there was imported into the United States 69.6 percent of the newsprint consumed in the year 1934, or a total of 2,209,700 tons; there was imported from Canada for the year 1934, 1,966,000 tons, and from Newfoundland 107,000 tons of the total importation.

My information is that the International Paper Co., who owns the mill from which we received this telegram, has a large number of mills in Canada and Newfoundland, and that practically 100 percent of their production is imported into the United States; hence we can readily see their interest in trying to stop the establishment of new industries in this country of ours, which, if they can, will leave the field open to these large manufacturers, without competition. In fact, I think statistics on the production of kraft pulp and newsprint paper will show that this company is practically in control of the same in the United States, and one need not be endowed with the wisdom of Solomon to read between the lines and readily realize why this anxiety, because of the construction of a plant in the State or Arkansas that will manufacture the same product as this company.

Mr. Speaker, this telegram says if the Government makes the above-mentioned loan it will be in the paper business. I want to disagree with the gentleman who sent it, because we know this is merely a loan by the Government to an industry that will give employment to hundreds of men and women and manufacture a product that there is a great demand for, and not only do this but will enable the farmers in the section where it is established to yearly market a crop of timber from their lands for which today they receive no revenue, and in doing so will materially increase their incomes, permit them to pay taxes, and meet other necessary expenses.

Mr. Speaker, as stated, I think that the Reconstruction Finance Corporation Board should be praised by the Membership of this body for being farsighted enough to make this loan, and I am hoping that this concerted effort on the part of those who control the kraft pulp and newsprint will not have any influence on them in the passing on other applications that will be presented to them, probably not only for the manufacture of kraft pulp but newsprint from the southern shortleaf pine.

Dr. Charles H. Herty, of Savannah, Ga., and his associates have discovered a process whereby newsprint paper can be manufactured from the southern shortleaf pine and of a grade and fiber equal to that produced by the Canadian, Newfoundland, and northern mills from spruce and hemlock. In my humble opinion, we should encourage the organization and construction of mills to manufacture newsprint in this country, so as to give employment to the thousands of men and women who are now unemployed, and let them manufacture within our boundaries the hundreds of thousands of tons that are now being imported.

Under the Herty process, it is estimated that newsprint paper can be manufactured from our southern pine at an

operating cost of about $19.06 per ton, whereas in the northern mills it costs several dollars more per ton to manufacture the same.

Mr. Speaker, those of our people, together with the above named, who are interested in the manufacture of newsprint, no doubt are exercising a great deal of anxiety in reference to the future manufacture of newsprint paper in the South and from the southern pine, which is manifested by their activities in trying to influence the Membership of this Congress and the Reconstruction Finance Corporation Board against the approval of loans for the development of this great industry within our borders, and, in my opinion, they will continue this effort to hamper the same.

This matter was called to their attention by A. A. MacDiarmid, chief engineer of Price Bros. & Co., at the annual meeting of the Paper and Pulp Association in January 1934, when he, in discussing the possibilities of making newsprint paper from southern pine and in analyzing the cost as submitted by Dr. Herty under this process, which he was unable to prove that any of the figures submitted were not correct, said to this association, whose membership are now trying to thwart this development within our borders:

> In conclusion, may I say that the only way our newsprint industry can expect to continue on a stable basis and meet the threat of southern competition is by ridding itself of all unnecessary financial burdens, placing the control of its mills in the hands of men with sound business judgment and seasoned industrial experience, and by putting its house in order generally so that it may always make the highest quality newsprint at the lowest possible cost.

Mr. Speaker, the gentleman from New York [Mr. SNELL] stated on the floor a moment ago that many of the mills were closed down and being dismantled in Michigan and other Northern States and were not manufacturing kraft paper, giving as a reason therefor the lack of demand for this product.

Permit me to call his attention to the fact that my information is that the cause of the closing down of these mills is on account of the supply of wood being practically exhausted and the enormous cost of same when available, thereby making the cost of manufacturing of the same prohibitive.

May I further suggest to him that there is an open and undeveloped field in the South and something like 60,000,000 acres of land growing timber to a merchantable size within 12 to 15 years and a standing growth that will produce at least 350,000,000 cords of wood suitable for the manufacture of kraft and newsprint paper.

Mr. Speaker, permit me to further say, if the Reconstruction Finance Corporation Board will continue its policy in behalf of the mills in the South, that its ultimate effect will be the diminishing of unemployment, the utilization of idle lands, and permit the Government to realize a profit on the cost of its great reforestation area. It will further provide an outlet for the power developed in the Tennessee Valley, this all done without any definite reduction of prices, without tariff, and without any bonus or artificial aids.

Statistics will show that the production of our newsprint paper has decreased from the year 1928, when the production was 1,418,000 tons, to 957,000 tons in the year 1934, or a decrease of around 30 percent. It is said that tomorrow 100 percent of our consumption will be necessarily imported from Canada, Sweden, Norway, and Germany, and those four countries could form a combination and dictate to us, to our school-book publishers, to all our users, the prices of white papers, and we know when this happens it will be at an enormous profit and an extra added cost to our people.

Permit me, fellow Members of Congress on both sides of the aisle, to beseech each and every one of you to lend your aid, influence, and support to every branch of our Government who, in the performance of its duty, is making an effort to foster home industries, the ultimate effect of which will be to give an earning capacity to our people, which means peace and happiness around the fireside.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, this resolution authorizes and requests the President to extend an invitation to hold the Third World Power Conference in the United States in 1936 and 1937. The Secretary of State, Mr. Hull, in advocating the passage of this joint resolution says:

> It would bring to the United States from foreign countries the leaders in public administration of power development in those countries.

We all know that public development, control, and distribution of power is going to be one of the major issues of the campaign of 1936. That is inevitable. Now, why in the latter part of 1936—because this invitation runs from 1936 to 1937—we should bring people concerned in the public administration of power from Russia, from Italy, and from Germany here to tell the American people how publicly to administer and develop power, I cannot conceive. I am not afraid of their coming here, because the more the foreigners tell us what to do, the more the American people are not going to do it. [Applause.] If this is not part and parcel of an ill-considered campaign move, I suggest one little amendment, and if it is adopted, it will prove the bona fides of those who seek to invite this conference. In the last line strike out the words "1936 and", leaving the Power Conference in 1937 after the campaign is over. If you do not want to do that, why have it during the campaign? [Applause.]

I yield back the balance of my time.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, as much as I personally like the distinguished Chairman of the Committee on Rules and as much as I admire his outstanding ability, I do feel he has failed to adequately answer either the argument advanced by the gentleman from New York [Mr. SNELL] or the gentleman from Wisconsin [Mr. BOILEAU] as regards the woodpulp and paper industry in this country.

However, I rise at this time to speak about another industry that affects many States of the Union. The district I have the honor to represent in this Congress perhaps grows more tomatoes than any other similar area in the world, unless it be in southern Italy between Brindisi and Napoli. Many of you will remember that in the Seventy-first Congress, when we had under consideration the Smoot-Hawley tariff bill, those of us whose districts were vitally affected as far as the tomato industry was concerned went before the Ways and Means Committee and on the floor of the House, fought for and secured an adequate tariff for protection of that great industry. The people in New York, New Jersey, Maryland, Indiana, Missouri, Arkansas, California, Florida, Louisiana, and Texas, to a great degree, grow and can tomatoes. The hillsides of the Ozarks are literally dotted with canning factories. We at the present time produce much more than the present demand, yet we find that at the present hour reciprocal tariff agreements are under consideration and being negotiated with Italy and Mexico which, if consummated, will not only paralyze but annihilate this great industry of our country.

There is no man in this country whose district, outside of my own, is more vitally affected than that of the distinguished gentleman from Arkansas [Mr. FULLER] and the distinguished gentleman from Louisiana [Mr. MONTET]; but we are not content with destroying our domestic industries and surrendering them to foreign countries. This administration, under the F. E. R. A., under Dr. Tugwell, in the resettlement and rehabilitation program, has gone down into the Ozarks of southwestern Missouri and in my district started building Government-owned canning factories. They call them of a temporary nature, although the $10,000 plant they are constructing at Forsyth, in the heart of the Shepherd of the Hills, 25 miles from my home, is being constructed as a community center with concrete floors.

What is a community center? In the words of Eric Orf, who is in charge of these work centers in Missouri, he says, "A work center is a place where a group of people may do things collectively which they could not do themselves indi-

vidually." Yet it is altogether unnecessary and superfluous for the Government to go down there and build Government-owned and Government-operated tomato-canning factories in direct, destructive competition with the citizens of that area who have invested their hard-earned money in those plants.

The other day I received a letter from the president of the Ozark Tomato Canners Association, who happens to be a stanch Democrat and who lives at Fayetteville, Ark., in Mr. FULLER'S district, violently protesting this action on the part of the new deal.

Two or three days later I received another letter from a former chairman of this Ozark Canners Association, who lives 10 miles from my home in Stone County, another stanch Democrat, also protesting this action of the Government in setting up a socialistic state and collectivistic society. In behalf of those Democrats I want to ask the Membership of this House when in the name of God will we return to sound American principles, and keep the Government out of destructive competition with private industry that dries up the source of taxation, increases unemployment, augments the public debt, and depresses the spirit of a great and free people? [Applause.]

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. SHORT. I yield.

Mr. JOHNSON of Texas. I would like to ask the gentleman what relevancy tomato has to a power conference?

Mr. SHORT. It has much to do with it. It takes either steam or water to produce them. It is the same policy. I am sure the gentleman from Texas [Mr. JOHNSON], realizes it is the false underlying philosophy of this new deal that has brought stain and chagrin upon you gentlemen who secretly feel in your hearts what I do not have any more sense than to get up here and say publicly. [Laughter and applause.]

You dare not criticize your own administration because you would lose patronage and be denied your portion of the $5,000,000,000 slush fund, but since you would not give me the sweat off your armpits, I have nothing to lose and can dare speak what I honestly think and what most of you believe.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 6 minutes to the gentleman from Georgia [Mr. DEEN].

Mr. DEEN. Mr. Speaker, in order to clear up this misunderstanding on the pulp question I would like to call the attention of the House to the fact that the R. F. C. Act prior to January 31, 1935, contained the significant language that the Reconstruction Finance Corporation is authorized and empowered to make loans on adequate security to industry and business organized and existing prior to January 1, 1934. This statement in itself was discriminatory against industry that might be organized subsequent to January 1, 1934.

I offered an amendment to section 5 (d) of the R. F. C. Act providing, in substance, that the R. F. C. should also be authorized to make loans to paper and pulp mills. The Committee on Banking and Currency had the R. F. C. bill under consideration. A bill had passed the Senate 2 days prior to that time. Through the influence and effort of the distinguished gentleman from Georgia, my colleague [Mr. BROWN], a member of the Committee on Banking and Currency, the House Committee on Banking and Currency accepted the principle, although not the words, of my amendment and made the legislation even broader by striking out the language "organized and existing prior to January 1, 1934."

The House, acting on the committee bill, went further than I did. I wanted to confine the exception simply to paper and pulp mills. The House, the Senate concurring, and the President signing the bill on January 31, struck out the language of the time limitation and made it possible for all industry, cheese factories, clothing factories, textile mills, any kind of a factory, mill, or industry in the country, old or new, to borrow money from the R. F. C. on adequate security. The committee and the House in accepting the spirit of my amendment, accepted it not for the South, not for the paper mills of Arkansas or Georgia, but for the good of the whole country. I, personally, of course, was interested in the development of the paper industry for my section of the country. I showed to the House several Georgia daily papers printed on newsprint made from Georgia pine trees. The newsprint was made in Canada and shipped back to Georgia where the newspapers were printed. My amendment simply made it possible for new industries, including pulp and paper mills, established after January 1, 1934, to secure loans from the R. F. C.

I do not think it will hurt my good friend the distinguished minority leader, the gentleman from New York [Mr. SNELL]; I do not think it will hurt his section of the country or other sections of the country. The men who put up 50 percent of the capital, borrowing the balance from the R. F. C., have confidence and faith that they will not lose their money. I want to say to the gentleman from New York that at Savannah, Ga., now a kraft paper mill is being constructed at a cost of $4,000,000, without any loan from the R. F. C. I am informed a great deal of that money came from the gentleman's own State of New York.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. DEEN. I yield.

Mr. SNELL. Does not the gentleman feel that is the way all paper mills ought to be built, through local money, or through money raised by individuals interested in the industry?

Mr. DEEN. In answering the gentleman, I refer him to the first speech I made on the floor of the House, which he will find in the CONGRESSIONAL RECORD, wherein I stated that I did not think the Government ought to go into all kinds of business. However, in connection with the statement in that speech, I want to say that it was not fair for the R. F. C. to circumscribe its loans by saying that it should not loan money to any industries except those established prior to January 1, 1934.

Mr. SNELL. The gentleman takes practically the same position that I do. I want to ask him another question: Does the gentleman think it is right to tax paper mills in the North and East that are hardly able to exist at the present time in order to get money to build up a competing branch of their industry elsewhere?

Mr. DEEN. I do not think the R. F. C. bill will do that.

Mr. SNELL. It certainly does.

Mr. DEEN. I disagree with the gentleman; I do not think so.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, I have been intensely interested in the discussion relative to the R. F. C. loan to the Crossett Paper Co., in the State of Arkansas. I have no desire at this time to step into any discussion relative to the R. F. C. in the granting of loans in certain States. I do, however, rise at this time to protest on behalf of the industry with its hundreds of workers in my district, in which we have the West Virginia Pulp & Paper Co., against the procedure which has been followed in the disposition of this loan.

To impress my sentiments upon the Members, I read the following telegram and my reply thereto:

PIEDMONT, W. VA.

HON. JENNINGS RANDOLPH,
The House of Representatives, Washington, D. C.:

We are advised the Reconstruction Finance Corporation has approved loan of about $4,000,000 to Crosset Lumber Co., Crossett, Ark., for construction of 100-ton kraft pulp and paper mill white. We understand the loan has been authorized. We believe the matter has not been definitely closed. We strenuously object to this for the following reasons: First, an improper use of the taxpayers' money. We believe this to be the first loan of taxpayers' money in building new industrial plants. If persisted in will result in complete demoralization of all industry. Second, in 1929 the production of kraft paper was in excess of consumption, and this condition is worse today, due not only to the depression but to the building of additional machines. The building of further plants simply reduces the running time of existing plants with a resulting demoralization of wages and prices, and in so doing prevents existing plants from making proper expenditures for

improvements and extensions. Third, the industry was not advised of the proposed loan and had no opportunity to be heard. We ask your aid in preventing this improper and useless waste of public money.

WEST VIRGINIA PULP & PAPER CO.,
EDWIN S. HOOKER.

AUGUST 12, 1935.

MR. EDWIN S. HOOKER,
West Virginia Pulp & Paper Co., Piedmont, W. Va.

MY DEAR MR. HOOKER: Replying to your day letter of August 9, let me say that I immediately contacted the Reconstruction Finance Corporation regarding the loan in question. As you state, it has been authorized but not granted.

I have entered a strong protest against such a grant and will go into the matter in detail with Mr. Ben Johnson who is in charge of these industrial loans at the R. F. C. As soon as I have something to report, I shall advise you.

With kind personal regards and assuring you of my cooperation in this matter, I am

Very sincerely yours,

JENNINGS RANDOLPH.

The policy followed by the Reconstruction Finance Corporation in the granting of loans to industry has been based, as I understand it, upon the company asking for assistance having been in operation or existence over a stated period of time. To my personal knowledge many loans that had adequate security have been given unfavorable consideration because of this provision. To at this time grant a loan of $4,000,000 to start a new factory to compete with those now striving to maintain themselves is, I feel, discriminatory and unfair.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the balance of my time—8 minutes—to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, this discussion has wandered somewhat far afield from the purpose of the pending resolution; however, I regard the discussion as most timely, because it brings under consideration one of the fatal policies of the administration.

Mr. Speaker, when this administration came into power you gentlemen on the other side of the aisle delegated to the "brain trust" control over the legislative phases of the Government; what is happening now was fully predicted. In the beginning Secretary Wallace, for whose personal character I have the highest esteem but who in the realm of economy is a dreamer and an internationalist, said that certain industries and certain phases of farming in America were uneconomic and must pass. It has not been long since we saw another emanation of the "brain trust" when they moved 2,000 people from a beautiful area in northern Minnesota up to the Matnuska Valley in Alaska, 125 miles north of Seward, where the temperature goes to 40 degrees below zero in winter and the summers are mosquito-ridden. This was a fatal, stupid, and expensive policy, as you all know in your hearts, and was followed pursuant to this delegation of power.

Today the Government is spending in the Northwest, in connection with the Grand Coulee, the handsome sum of $350,000,000 to reclaim 2,000,000 acres of land, while at the same time the "brain trusters", created and nourished by you gentlemen on the other side, are spending a billion and a half dollars to retire 35,000,000 acres from production. That is not all, but it is characteristic of the administration trend. I serve notice on you gentlemen from the Middle Western States that the purpose of the "brain trusters" is to move the population of Iowa, Kansas, Minnesota, and the other Western States in toto to that area after they have used your money to reclaim this district.

Mr. ANDRESEN. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Minnesota.

Mr. ANDRESEN. The gentleman has referred to the Grand Coulee project. I do not understand how he expects the Iowa and Minnesota farmers to go out there on $350 an acre land and make it pay. Will the gentleman explain that?

Mr. CULKIN. The gentleman is correct. There are some other phases of this matter that would interest the Members of the House if they will read my extension of remarks on this question that was put in the RECORD of August 5.

Mr. WHITE. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Idaho.

Mr. WHITE. Is it the purpose of the Grand Coulee and the Government, in establishing the Grand Coulee, to build new communities, new markets, and a means of supporting a new population?

Mr. CULKIN. What other purpose can there be? They are going to move the people of the gentleman's State, and their plan is to move the people of Idaho, body and breeches, up into the Grand Coulee country. That is their definite purpose, and I am telling the gentlemen from the Midwest now and giving them due notice.

The proposition under consideration, or, rather, the collateral question raised by the distinguished gentleman from New York [Mr. O'CONNOR], is all of a piece with these proceedings. Certain phases of industry and agriculture have been declared uneconomic by the "brain trust"; therefore they are going to start new areas in production, if you please, irrespective of existing rights. The gentleman from New York [Mr. SNELL] stated that there are a half-billion dollars invested in paper mills in New York, Maine, Washington, Oregon, and some of the Southern States. The gentleman from West Virginia has just spoken on that subject. Now it is proposed that the Federal Government shall drive the knife into the heart of this struggling industry by giving it competition with Federal funds which in part have been withdrawn from the treasuries of these concerns. Why, Mr. Speaker, this seems to me little short of monstrous and carries in its womb danger to the very theory of this Government.

Already it is being urged and suggested, and with some color of truth, that the majority in this House on the other side of the aisle are siphoning all available capital out of the industrial States into the South; that vast sums are being spent in those States; when, as a matter of fact, and for many years every one of the Southern States, with the exception of North Carolina, has been a debtor State and has taken more money out of the Treasury than it has put in. I speak feelingly on this question because in my district I know the plight of these paper mills.

I know that the raw materials are available in the United States for the manufacture of paper. May I say this in all solemnity, if this evil thing does happen, then it is your function and duty, as the responsible representatives of the people, to reimburse existing industry which you will destroy by giving it Government competition.

Mr. WHITE. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Idaho.

Mr. WHITE. Is it not a fact that when the gentleman's party was in power framing tariff schedules it failed to protect this industry, and that we are still importing 70 percent of the product?

Mr. CULKIN. The gentleman's party has been in power for several years and is equally guilty with mine.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 10 minutes to the gentleman from Tennessee [Mr. MCREYNOLDS].

Mr. MCREYNOLDS. Mr. Speaker, I am going to ask for the attention of the Members for only a few minutes, while we get away from a discussion of pulpwood, tomatoes, Alaska, and all those things which have proven so interesting from a discussion standpoint by the Republicans. I merely want to carry you back to what we really have under consideration, which is the adoption of a rule giving the President the right to invite the World Power Conference to meet in the United States next year. It is rather amusing to me that an invitation to the World Power Conference would be all right if it had been extended for the year of 1937 instead of 1936. The reason for this, of course, arises from my Republican friends who are fearful we may make politics out of a discussion of the power question, as stated by the gentleman from New Jersey, if the meeting occurs in

1936. I do not know whether you Democrats know this or not, but for some 2 or 3 weeks the Republicans have filibustered on other bills to prevent the reaching of this bill, and I regret very much that they have made this a party question. You saw me the other day go over to the Republican side and request one Republican not to cause a roll call in the House, and when I stated we would not call up this bill, he immediately withdrew the point of no quorum.

So I want to say to you Democrats that the opposition comes from the Republicans, because they think that the power question will be an issue next year, and they have stated to me that they do not want any Europeans over here expressing their views on this question.

The World Power Conference is made up of 45 different nations. It was organized in London in 1924, and it meets every 6 years. It has met once since that time, and is due to meet in 1936. Their discussions are technical, and it is not a question of Government ownership, but a question of the advancement in the industry and the great strides that have been made in electricity, not only in this country, but throughout the world.

The President is very anxious to have this invitation extended, and, in fact, has already extended the invitation with the understanding it would be ratified by this Congress, as I am sure it will be.

They speak also of the expense. It is true that I shall offer an amendment authorizing an appropriation of $75,000. This does not mean that this amount will be spent, but it means that they will have to go before the Appropriations Committee and make a showing of what they will have to have before the committee will make the appropriation. It does not mean that they will pay the expenses of the people who come here. Far from that, more money, by the thousands of dollars, will be spent by the delegates who come to this conference than the expense we are put to.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McREYNOLDS. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. The gentleman has made the statement that this is only an authorization.

Mr. McREYNOLDS. Yes.

Mr. MARTIN of Massachusetts. But the gentleman well knows that when he goes before the Committee on Appropriations they will consider this a mandate and will appropriate the $75,000.

Mr. McREYNOLDS. I do not know any such thing regardless of what my good friend may say. I know the gentleman from Texas scrutinizes every such item and the gentleman from New York is always present opposing every expenditure.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. McREYNOLDS. In 1 minute. I will yield to the Republicans directly.

I want to say further that during the Republican administration when the gentleman from Massachusetts and myself were on this committee, the gentleman will recall that even with private organizations that were international, under the rules of the gentleman's party at that time, oftentimes they authorized more than this amount even for the entertainment of private individuals, while this is a Government matter.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McREYNOLDS. I gladly yield to my friend from Massachusetts.

Mr. MARTIN of Massachusetts. The gentleman knows that he and I killed many bills of this sort during that time, and will the gentleman specify when we ever reported out a bill like this before?

Mr. McREYNOLDS. We have not had one, but we have had many bills that were similar to this, and if the gentleman from Massachusetts would spend a little more time in our committee, and not all his time in the Rules Committee he would know more about what goes on in the Committee on Foreign Affairs. [Applause.]

Now, the Republicans are afraid to meet us in 1936 for fear of the power question, but it matters not what issues we may have. You people may be able to pick up a few scattering Congressmen, but you know and I know that is all it will amount to, and I will tell you the reason. First, you have no leadership, although you have too many leaders. You have a lot of leaders on your side that do not pay any attention to the distinguished minority leader. Again you merely criticize, you stand for nothing, your cannot beat something with nothing.

Mr. MARTIN of Massachusetts. How about on the gentleman's own side?

Mr. McREYNOLDS. You would think the gentleman from New York would be the "white hope" of the Republican Party; and if it would be any honor to him to get the nomination, I would be glad to see him have it, although I would hate to see him slaughtered.

It matters not what the issues may be, whenever the people of this country look around and see the conditions that existed under Hoover's administration, see the distress, see the banks closed, see the people out of work, see the suicides, that occurred from the depression—when they consider all this, and then think of the farmers' 5-cent cotton, 20-cent corn, 50-cent wheat, hogs 3 cents, good cattle 3½ cents per pound—then tell me that the people of this country will turn their backs upon our great leader, Franklin D. Roosevelt? I say, "No", and you know it. [Applause.]

I want to say to you that in 1936 the Democratic flag will be waved by Franklin D. Roosevelt. We will go to the country upon the prosperity which is coming and which has already come, among others the forgotten man will come to his rescue, and when the election rolls around in November your "white hopes" will be slain. [Applause.]

We have one on our committee who is running for the Republican nomination for President.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield for just one question?

Mr. McREYNOLDS. In just a moment.

We have one on our committee. He is not here today. He is off running for the nomination for President, the Honorable HAMILTON FISH. It may be that my good friend, the distinguished gentleman from New York [Mr. SNELL], has been trying to delay this matter until he could get Mr. FISH and Mr. TINKHAM, members of my committee, here, but neither one is present.

I have only three members of my committee left on the Republican side present, and they are all fine folks.

Mrs. ROGERS of Massachusetts rose.

Mr. McREYNOLDS. Now, Mrs. ROGERS, I beg of you not to butt in; you will remember that I hurt your feelings at one time in debate. [Laughter.]

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. SNELL) there were 159 ayes and 54 noes.

Mr. SNELL. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-seven Members are present, a quorum.

Mr. SNELL. I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 244, nays 87, not voting 98, as follows:

[Roll No. 162]

YEAS—244

Adair	Ayers	Bell	Bland
Amlie	Barden	Biermann	Bloom
Ashbrook	Beiter	Binderup	Boehne

Boileau	Eagle	Lee, Okla.	Richardson
Boland	Eckert	Lesinski	Robertson
Boykin	Edmiston	Lewis, Colo.	Robinson, Utah
Boylan	Evans	Lloyd	Rogers, Okla.
Brennan	Faddis	Luckey	Russell
Brooks	Fiesinger	McAndrews	Sabath
Brown, Ga.	Fitzpatrick	McClellan	Sanders, Tex.
Brunner	Flannagan	McCormack	Sandlin
Buck	Ford, Calif.	McFarlane	Schaefer
Burch	Ford, Miss.	McGehee	Schneider
Caldwell	Frey	McGrath	Schuetz
Cannon, Mo.	Fuller	McKeough	Schulte
Cannon, Wis.	Fulmer	McLaughlin	Scott
Carmichael	Gambrill	McReynolds	Sears
Carpenter	Gehrmann	Mahon	Secrest
Cary	Gildea	Maloney	Shanley
Castellow	Gingery	Mansfield	Sirovich
Celler	Goldsborough	Martin, Colo.	Sisson
Chandler	Gray, Ind.	Mason	Smith, Conn.
Chapman	Green	Massingale	Smith, Va.
Citron	Greenwood	Maverick	Smith, Wash.
Clark, N. C.	Greever	Mead	Snyder
Coffee	Gregory	Meeks	South
Colden	Griswold	Merritt, N. Y.	Spence
Cole, Md.	Haines	Miller	Stack
Colmer	Hamlin	Mitchell, Tenn.	Starnes
Connery	Hancock, N. C.	Monaghan	Steagall
Cooley	Harlan	Montet	Sumners, Tex.
Cooper, Tenn.	Hart	Moran	Tarver
Costello	Harter	Moritz	Taylor, Colo.
Cox	Higgins, Mass.	Nelson	Taylor, S. C.
Cravens	Hildebrandt	Nichols	Terry
Crosby	Hill, Ala.	Norton	Thomason
Cross, Tex.	Hill, Knute	O'Brien	Thompson
Crosser, Ohio	Hill, Samuel B.	O'Connell	Tolan
Crowe	Hobbs	O'Connor	Tonry
Cullen	Houston	O'Day	Turner
Cummings	Huddleston	O'Leary	Umstead
Deen	Imhoff	O'Neal	Utterback
Delaney	Jacobsen	Owen	Vinson, Ga.
Dempsey	Jenckes, Ind.	Palmisano	Vinson, Ky.
DeRouen	Johnson, Okla.	Parsons	Wallgren
Dickstein	Johnson, Tex.	Patman	Walter
Dies	Jones	Patterson	Warren
Dietrich	Kee	Patton	Wearin
Dingell	Kennedy, N. Y.	Pearson	Werner
Disney	Kenney	Peterson, Fla.	West
Dobbins	Kerr	Pettengill	Whelchel
Dorsey	Kleberg	Pfeifer	White
Doughton	Kloeb	Pierce	Whittington
Doxey	Kocialkowski	Rabaut	Wilcox
Drewry	Kopplemann	Ramsay	Williams
Driscoll	Kramer	Ramspeck	Wilson, La.
Driver	Kvale	Randolph	Withrow
Duffey, Ohio	Lambertson	Rankin	Wood
Duffy, N. Y.	Lambeth	Rayburn	Woodrum
Duncan	Lanham	Reilly	Zimmerman
Dunn, Pa.	Larrabee	Richards	Zioncheck

NAYS—87

Allen	Culkin	Jenkins, Ohio	Powers
Andresen	Darrow	Kinzer	Ransley
Andrew, Mass.	Dirksen	Knutson	Reed, Ill.
Arends	Ditter	Lehlbach	Rich
Bacharach	Dondero	Lemke	Robsion, Ky.
Bacon	Ekwall	Ludlow	Rogers, Mass.
Blackney	Engel	Lundeen	Ryan
Bolton	Englebright	McLeod	Sauthoff
Brewster	Focht	Maas	Seger
Buchanan	Gavagan	Mapes	Short
Buckbee	Gearhart	Marcantonio	Snell
Buckler, Minn.	Gifford	Marshall	Somers, N. Y.
Burdick	Gilchrist	Martin, Mass.	Stefan
Burnham	Guyer	May	Taber
Carlson	Gwynne	Merritt, Conn.	Taylor, Tenn.
Cavicchia	Halleck	Michener	Thurston
Christianson	Hancock, N. Y.	Millard	Treadway
Church	Higgins, Conn.	Mott	Turpin
Collins	Hoeppel	O'Malley	Wigglesworth
Cooper, Ohio	Holmes	Pittenger	Wolcott
Crawford	Hope	Plumley	Woodruff
Crowther	Hull	Polk	

NOT VOTING—98

Andrews, N. Y.	Doutrich	Hess	Montague
Arnold	Dunn, Miss.	Hoffman	Murdock
Bankhead	Eaton	Hollister	Oliver
Beam	Eicher	Hook	Parks
Berlin	Ellenbogen	Johnson, W. Va.	Perkins
Blanton	Farley	Kahn	Peterson, Ga.
Brown, Mich.	Fenerty	Keller	Peyser
Buckley, N. Y.	Ferguson	Kelly	Quinn
Bulwinkle	Fernandez	Kennedy, Md.	Reece
Carter	Fish	Kimball	Reed, N. Y.
Cartwright	Fletcher	Kniffin	Rogers, N. H.
Casey	Gasque	Lamneck	Romjue
Claiborne	Gassaway	Lea, Calif.	Rudd
Clark, Idaho	Gillette	Lewis, Md.	Sadowski
Cochran	Goodwin	Lord	Sanders, La.
Cole, N. Y.	Granfield	Lucas	Scrugham
Corning	Gray, Pa.	McGroarty	Shannon
Daly	Greenway	McLean	Smith, W. Va.
Darden	Hartley	McMillan	Stewart
Dear	Healey	McSwain	Stubbs
Dockweiler	Hennings	Mitchell, Ill.	Sullivan
Sutphin	Tinkham	Weaver	Wolfenden
Sweeney	Tobey	Welch	Wolverton
Thom	Underwood	Wilson, Pa.	Young
Thomas	Wadsworth		

So the resolution was agreed to.

The following pairs were announced:

On the vote:

Mr. Rudd (for) with Mr. Goodwin (against).
Mr. Arnold (for) with Mr. Hess (against).
Mr. Lea of California (for) with Mr. Andrews of New York (against).
Mr. McMillan (for) with Mr. Fish (against).
Mr. Rogers of New Hampshire (for) with Mr. Lord (against).
Mr. Weaver (for) with Mr. Thomas (against).
Mr. Sullivan (for) with Mr. Cole of New York (against).
Mr. Hennings (for) with Mr. Hoffman (against).
Mr. McSwain (for) with Mrs. Kahn (against).
Mr. Romjue (for) with Mr. Reece (against).
Mr. Greenwood (for) with Mr. Tobey (against).
Mr. Ellenbogen (for) with Mr. Eaton (against).
Mr. Dockweiler (for) with Mr. Perkins (against).
Mr. Cartwright (for) with Mr. Hartley (against).
Mr. Lewis of Maryland (for) with Mr. Wadsworth (against).
Mr. Buckley of New York (for) with Mr. Stewart (against).
Mr. Clark of Idaho (for) with Mr. Reed of New York (against).
Mr. Hook (for) with Mr. McLean (against).
Mr. Kniffin (for) with Mr. Wilson of Pennsylvania (against).
Mr. Ferguson (for) with Mr. Wolfenden (against).
Mr. Parks (for) wth Mr. Doutrich (against).
Mr. Fletcher (for) with Mr. Fenerty (against).

Until further notice:

Mr. Blanton with Mr. Wolverton.
Mr. Cochran with Mr. Carter.
Mr. Oliver with Mr. Welch.
Mr. Montague with Mr. Tinkham.
Mr. Granfield with Mr. Kimball.
Mr. Corning with Mr. Hollister.
Mr. Kelly with Mr. Healey.
Mr. Young with Mr. Sutphin.
Mr. Underwood with Mr. Gasque.
Mr. Farley with Mr. Sanders of Louisiana.
Mr. Quinn with Mr. Dear.
Mr. Berlin with Mr. Murdock.
Mr. Lamneck with Mr. Claiborne.
Mr. Lucas with Mr. McGroarty.
Mr. Bulwinkle with Mr. Darden.
Mr. Peterson of Georgia with Mr. Scrugham.
Mr. Stubbs with Mr. Gillette.
Mr. Johnson of West Virginia with Mr. Keller.
Mr. Kennedy of Maryland with Mr. Sweeney.
Mr. Thom with Mr. Gray of Pennsylvania.
Mr. Smith of West Virginia with Mr. Gassaway.
Mr. Sadowski with Mr. Bankhead.
Mr. Fernandez with Mr. Eicher.
Mr. Casey with Mr. Dunn of Mississippi.
Mr. Brown of Michigan with Mr. Beam.

The result of the vote was announced as above recorded.

Mr. DUFFEY of Ohio. Mr. Speaker, I ask unanimous consent that the Members of the House appointed by the Speaker to attend the funeral of the late Representative TRUAX be excused from attendance for 4 days. They are Mr. FLETCHER, of Ohio; Mr. YOUNG, of Ohio; Mr. SWEENEY, of Ohio; and Mr. HESS, of Ohio.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McREYNOLDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 350.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 350, with Mr. BUCK in the chair.

The Clerk read the resolution, as follows:

House Joint Resolution 350

Resolved, etc., That the President be, and hereby is, authorized and requested to extend to the World Power Conference an invitation to hold the Third World Power Conference in the United States in 1936 and 1937.

Mr. McREYNOLDS. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. JOHNSON].

Mr. JOHNSON of Texas. Mr. Chairman, this is a very simple resolution. It provides that the President is authorized and requested to extend to the World Power Conference an invitation to hold the Third World Power Conference in the United States in 1936 and 1937. The Chairman of the Foreign Affairs Committee will offer an amendment which will add section 2 to the resolution and which will authorize

an appropriation of $75,000, or as much thereof as may be necessary, to be appropriated for the expenses of organizing and holding this Third World Power Conference. At the time of the introduction of the resolution the chairman of the committee [Mr. McREYNOLDS], the author of the resolution, first had in mind introducing the resolution with the second section, which he afterwards determined to omit, thinking that he might thereby expedite the passage of the resolution.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Texas. Yes.

Mr. TABER. Several attempts were made to bring this resolution up by unanimous consent, and it was urged that the resolution would not cost anything. I wonder if Membership has been lulled to sleep by that suggestion.

Mr. JOHNSON of Texas. In response to the statement of the gentleman from New York, it was originally intended that the resolution should, as it was introduced, merely provide for the authorization of an invitation upon the part of the President to a Third World Power Conference, but after some of our friends on the other side of the aisle began to make a fight on the resolution, and it developed that there would be a fight to secure its passage, the chairman of the committee, the gentleman from Tennessee [Mr. McREYNOLDS], who has plenty of Scotch-Irish blood in his system, decided if he had to fight for part of it he would fight for all of it.

Mr. TABER. He just decided to make it a little worse.

Mr. JOHNSON of Texas. He decided if he had to fight he would fight for all of it.

Mr. MARTIN of Massachusetts. And is that the only justification for the appropriation?

Mr. JOHNSON of Texas. That is a justification for the fight.

Mr. SNELL. Does it take very much Scotch-Irish with 300 to 100 to put up a fight?

Mr. JOHNSON of Texas. I think this resolution would have had very smooth sailing and would long since have passed if a little politics had not been injected into the opposition.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Texas. Yes.

Mr. SNELL. I admit the gentleman has a perfect right to make a statement of that kind if he so desires, but as far as I am concerned, I am opposed to it in every way, shape, and form, regardless of politics.

Mr. JOHNSON of Texas. The basis of my statement was that one of the members of our committee who happens to be a Republican stated that if we would change the date of the meeting from 1936 to 1937, there would be no opposition to the resolution, but that he thought holding the meeting in 1936 would be advantageous to the administration since that would be the year of the Presidential election.

Mr. SNELL. As far as I am concerned, I am opposed to the resolution, whether the meeting is to be held in '37, '38, or '40.

Mr. LEHLBACH. Oh, I did not say that——

Mr. JOHNSON of Texas. If the gentleman will permit, I am not quoting the gentleman from New Jersey; I am stating that one of the members of our committee said that if the date were changed there would be no opposition, but my friend from New Jersey evidently must have had some tip of that kind. He was frank enough to say that the power question would be the great question in the campaign of 1936.

Mr. LEHLBACH. I said that such a change would test the question as to whether there was politics in it.

Mr. McFARLANE. Does not the gentleman think that if we pass this resolution it might have some weight in clarifying the power issue next year?

Mr. JOHNSON of Texas. That is what we hope.

Mr. SNELL. That is a very fatal admission for the gentleman from Texas to make, from the standpoint of the proponents of the resolution.

Mr. MARCANTONIO. The only thing that it will clarify are the prices that the big companies can advertise for the various devices involved in the power issue. It will not clarify the power issue by any means.

Mr. JOHNSON of Texas. If gentlemen will withhold their questions until after I have made my statement as to the purposes of the conference, time will be saved.

Mr. McREYNOLDS. Mr. Chairman, if the gentleman will permit, I suggest that the gentleman take up the matter of the resolution and go on and make his speech.

Mr. JOHNSON of Texas. I think that suggestion a good one. I intended to point out something about what this legislation does. We have been having such a multiplied number of questions discussed here that I am afraid the Membership of the House is not clear as to what we are considering. The World Power Conference is a permanent international organization. It operates through national committees which have been set up in 45 countries, including all nations having any significant industrial development. These national committees are representatives of the governments, of professional institutions, associations of manufactures, and organizations concerned with the production and utilization of fuel and with the generation, distribution, and application of power.

This World Power Conference has not only held periodical meetings at which was discussed power in all of its phases, but it maintains permanent headquarters, collects and disseminates statistical and other information, and publishes a journal known as "The World's Survey."

These smaller, regional meetings have been held at different times, but the meeting which is contemplated being held in this country in 1936 is what is called a "plenary meeting." This will be the third plenary meeting held. The first was held in 1924 in London, the second was held in 1930 in Berlin, and the proposal is that we extend an invitation to hold the third meeting in the United States in 1936.

Mr. LUNDEEN. Will the gentleman yield?

Mr. JOHNSON of Texas. I yield.

Mr. LUNDEEN. The gentleman says there is a permanent headquarters. Where is that located?

Mr. JOHNSON of Texas. In London.

Mr. LUNDEEN. Did the gentleman ever hear of an international conference where we were not skinned up pretty badly and had to borrow carfare home?

Mr. JOHNSON of Texas. There is no chance of our being skinned in this conference, because there will not be any proposition by which we can be skinned or hurt. This is what will be done: There will be no treaty, there will be no agreement, there will be no international understanding.

There will simply be an exchange of ideas with reference to the economic situation with reference to power and its relation to Government. Also various scientific advances that have been made in the utilization of power. These scientific as well as economic questions will all be discussed, but there will be nothing by which the United States can be hurt.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. JOHNSON of Texas. I yield.

Mr. CHRISTIANSON. The gentleman says there is no chance that the United States will be skinned in this conference, but we are at least going to be skinned to the extent of $75,000.

Mr. JOHNSON of Texas. Oh, the gentleman is wrong about that. We will obtain from the delegates who attend this meeting far more than the $75,000 which we expend in entertaining them in this country.

Mr. CHRISTIANSON. Of course that is problematical. How many delegates does the gentleman expect will attend this conference?

Mr. JOHNSON of Texas. There will be delegates from 45 different countries. There will be a large representation of scientists and government representatives. It is my understanding that the amount of expenditure which those delegates will make will be far in excess of the amount we spend.

Mr. CHRISTIANSON. The bill in its original form, I notice, does not carry an appropriation.

The CHAIRMAN. The time of the gentleman from Texas [Mr. JOHNSON] has expired.

Mr. McREYNOLDS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CHRISTIANSON. Will the gentleman yield further?

Mr. JOHNSON of Texas. I yield.

Mr. CHRISTIANSON. I note the bill, in its present form, does not carry an appropriation or an authorization for an appropriation.

Mr. JOHNSON of Texas. I stated, a moment ago, that an amendment would be offered to so provide.

Mr. CHRISTIANSON. Was it the original intention of the sponsors of this bill that the Government should make no contribution for expenses?

Mr. JOHNSON of Texas. I do not so understand.

Mr. CHRISTIANSON. If that were the case, how does the gentleman explain the inadvertence of the omission of an authorization?

Mr. McREYNOLDS. Will the gentleman yield so that I may answer the gentleman from Minnesota?

Mr. JOHNSON of Texas. I yield to the gentleman from Tennessee.

Mr. McREYNOLDS. The chairman of the committee was very anxious to get this bill passed by unanimous consent. We had no idea there would be any objection to merely the invitation. We thought that the question of authorization might meet some discussion. That is the reason it was left out at that time. When we found we could not go through with the invitation by unanimous consent, the committee took action and authorized the chairman of the committee to propose an amendment asking for $75,000 authorization, which will be offered when the bill is read.

Mr. CHRISTIANSON. If the gentleman was willing to waive the authorization at that time, why is the gentleman not willing to waive it now?

Mr. McREYNOLDS. Merely for the purpose of getting unanimous consent, as I stated. At that time there was a meeting at The Hague, and it was necessary for the President to extend the invitation within those 3 days to have that meeting here next year. The President has extended the invitation subject to this ratification by Congress.

Mr. CHRISTIANSON. Then how did the gentleman expect to get an authorization later, if he felt that it was not possible at that time?

Mr. McREYNOLDS. I expected to get it, even if we had a fight, but we thought we could get the other through without a fight. Now, I thought the gentleman was present and knew something about this, but it seems he was not.

Mr. CHRISTIANSON. I was present and I think I know as much about it as the chairman of the committee.

Mr. McREYNOLDS. Then why does the gentleman ask the chairman for the information?

Mr. CHRISTIANSON. Because I wanted the chairman of the committee to inform the House.

Mr. JOHNSON of Texas. Mr. Chairman, I decline to yield further.

The programs of these several conferences for dealing with various phases of the power problem, particularly with power resources and their development, with the technical phases of production, distribution, and utilization of power, with certain economic and financial problems involved in power development, papers presented and discussed at these meetings, are subsequently collected and bound in volumes known as "Transactions of the World Power Conference." Among them are the most valuable current contribution to the technical and economic progress in their field. The meeting in the United States in 1936 will give consideration to the national power economics in the different countries represented at the conference; the physical bases of such economics, and technical progress made in the power industry, the most effective methods of utilization of power resources, measures of public control and the relation of power development to economic and social welfare.

While we have made great progress in power development in the United States, great progress has been made in other countries, and I think it would be advantageous to our country to have these various people from different parts of the world interested in economic, scientific, and other phases of this subject get together in an exchange of ideas, for, as was said a moment ago, the question of power is now a matter of paramount importance.

If our friends on the left side of the aisle thought that this meeting in 1936 would be detrimental to the administration, they would be very much in favor of it, but since they are convinced that it might be advantageous they are opposed to it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Texas. I yield.

Mr. TABER. Did the committee have any hearings on this bill?

Mr. JOHNSON of Texas. Yes; I think so.

Mr. TABER. There do not seem to be any hearings printed or available.

Mr. JOHNSON of Texas. I may say to my friend from New York that in our committee we try to be economical. We know the gentleman is the apostle of economy on the Appropriations Committee, and we are trying to save all the expense we can. A great many hearings of our committee are not published.

Mr. TABER. Can the gentleman tell us how many of these resolutions for conferences have been brought in during this session? Is it not almost one every day?

Mr. JOHNSON of Texas. No; the gentleman exaggerates the number. I may say that we have turned down more applications than we have granted, and some have been requests from sources which ordinarily would receive favorable response. The Republicans passed far more resolutions involving conferences than have the Democrats.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Texas. I yield.

Mrs. ROGERS of Massachusetts. There were no hearings on the bill. I was present at committee meetings.

Mr. JOHNSON of Texas. I am under the impression that hearings were had upon the bill, but in this I may be in error.

Mrs. ROGERS of Massachusetts. I understood also from the clerk that there were no hearings held.

Mr. JOHNSON of Texas. The Secretary of State, Hon. Cordell Hull, transmitted to the committee a clear and concise statement setting forth the advantages to be derived from this conference, and President Roosevelt has also strongly endorsed it.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. I yield such time as he may desire to the gentleman from Minnesota [Mr. CHRISTIANSON].

Mr. CHRISTIANSON. Mr. Chairman, this is only another junket. For some years the idea of junkets has flourished like the proverbial green bay tree. I remember the time when a junket, the typical junket, was a trip to the county seat. That was in the "horse and buggy" age. After a while junkets took the form of sending representatives from the counties to the State capital; then, as provincialism yielded to a national consciousness with the development of good roads and rapid transportation, men began to organize junkets from the various States to the National Capital; and now, almost every day, Congress is confronted with requests to send representatives of the Nation to various points in America, Europe, and Asia. I surmise that in the not distant future, with the further development of aerial vehicles propelled by rockets, we shall have not only international but interplanetary junkets. We may organize junkets to the Moon or to the planet Mars. Personally I want to vote for the first junket to Mars, provided I am given the opportunity to select the men who are to represent us on it, for I can see in it possibilities for ridding ourselves of our surplus of political professors and other "brain trusters."

There is absolutely no need for the present junket. It is merely a way of spending uselessly another $75,000 of the

people's hard-earned money. I admit, of course, that $75,000 at this time when we are spending billions is a mere drop in the bucket, but always it is the last drop that makes the bucket run over. It seems to me that the gentlemen of the opposition should realize by this time that the temper of the people will no longer tolerate extravagance. The impatience of the taxpayer was surely made manifest last week in Rhode Island.

Mr. EKWALL. Mr. Chairman, will the gentleman yield?

Mr. CHRISTIANSON. I yield.

Mr. EKWALL. I just wanted to suggest to the gentleman that a cheaper way to get rid of the "brain trusters" would be to wait until the next election.

Mr. CHRISTIANSON. I should be willing to accept the gentleman's suggestion.

I said that there is no need for this particular junket. Engineers are constantly traveling back and forth between Europe and the United States. American engineers have full opportunity to get such ideas as may be developed in Europe; and likewise European engineers have every facility, without holding conventions and without asking for $75,000 worth of American hospitality, to get new ideas that are developed here. Technical magazines by the score are published on both sides of the Atlantic. In fact, the means of communication are such that any development anywhere in the civilized world is known instantly in every other part of the world.

There has been no showing here that any particular benefits have come from former conferences, despite the fact that the proponents of this bill were definitely challenged to point out a single benefit resulting from former conferences that would justify the expenditure of $75,000 of the taxpayers' hard-earned money for holding this one.

Mr. LUNDEEN. Mr. Chairman, will the gentleman yield?

Mr. CHRISTIANSON. I yield.

Mr. LUNDEEN. I understand a library is being built up in London, England. I presume the British Empire will benefit from this library, but we shall have a long way to travel to use the books.

Mr. CHRISTIANSON. The British will probably be able to build that library and assemble all the information necessary without holding this conference.

I believe the gentleman from New York, the minority leader, put his finger on the very purpose of this bill when he said that it was political propaganda. Evidence of the essentially political character of the measure appears in the letter from the Honorable Cordell Hull, Secretary of State, which accompanies the report. In this letter Secretary Hull states:

> The programs of the several conferences have dealt with various phases of the power problem, particularly with distribution and utilization of power, and with certain of the economic and financial problems involved in power development.

And then he lets the cat out of the bag:

> A meeting in the United States in 1936 might well give consideration to the national power economies in the different countries represented at the conference, the physical bases of such economies—

I assume that in that connection they will want to discuss Muscle Shoals and T. V. A.—

> the technical progress made in the power industry, the most effective utilization of power resources—

I suppose the representatives of Russia, Germany, and Italy will come over to educate the benighted American people in the virtues of common ownership, socialistic operation, and the totalitarian state—

> measures of public control, and the relation of power development to economic and social welfare.

And I feel justified in adding "the relation of power development to politics."

Mr. Chairman, it is a strange coincidence that the particular power conference to which the United States is asked to invite the nations of the world is one which is to meet in 1936, when there is to be a political campaign in this country in which presumably the issue of socialism, and particularly the issue of socialism as related to power development, will be before the American people. I am not afraid of that issue, because I am convinced that after it has been discussed fully and frankly the American people will decide to retain the traditional American principle that it is the function of the Government to govern and of the people to run the Nation's business. I am not afraid of public ownership, because I am confident that the good sense of the American people will reject it, in spite of imported propaganda introduced by missionaries from Germany, Italy, and Russia; in spite of misleading comparisons made here and elsewhere between the rates charged by T. V. A. and those collected by privately owned power companies. Before accepting the much publicized "yardstick", the people will want to know whether T. V. A. maintains an honest system of double-entry bookkeeping; whether in determining its costs it includes every item chargeable to operation; whether the capitalization it has set up for rate-making purposes represents the Government's full investment; whether it makes any contribution to the National, State, and local government comparable to the taxes paid by private operators; and whether it figures interest at going rates or at the rates paid by the National Government on tax-exempt securities.

It is especially important, in view of the peculiar system of taxation the Democratic administration is now sponsoring, to reduce interest rates to comparable bases before accepting as valid any proffered yardstick. Income from capital invested in private business will pay a tax of upward to 90 percent, while interest income from an investment in a publicly owned enterprise is exempt. Accordingly, if a man in the highest bracket invests his money in private business in this country, he will have to be assured of an income of 30 percent if he shall be on equal footing with his neighbor who puts his money into a 3-percent tax-exempt bond, the proceeds of which are used for establishing a municipal, State, or Federal power enterprise. We are creating a situation designed to make it impossible for private enterprise to succeed in the electrical or any other field in competition with public enterprise, and yet we speak glibly of yardsticks, make meaningless comparisons between rates charged in different parts of the country under totally different conditions, and condemn generally every public man who dares to halt the headlong rush into socialism and bankruptcy by raising along the speedway the sign "Stop, look, and listen!"

I say to you that if socialism ever comes in the United States it will come not as the result of a definite decision upon the part of the American people to substitute a socialistic for a capitalistic state, but as a consequence of the confiscation of private property and the destruction of private business by taxation.

Mr. MAY. Will the gentleman yield?

Mr. CHRISTIANSON. I yield to the gentleman from Kentucky.

Mr. MAY. I am interested in knowing something about how much is proposed to be spent in this conference by the United States Government.

Mr. CHRISTIANSON. The amount allotted is $75,000. That is a drop in the bucket, perhaps, in view of the fact that we are spending billions of dollars of public money; but the time is coming, and I believe it has arrived, when we must put a definite stop to every item of extravagance, whether it be great or small.

Mr. MAY. I think $75,000 would build a very nice post-office building in some small town in this country, and upon the idea we are spending too much money already and ought to stop spending some time or other; I expected to vote against the pending resolution.

Mr. CHRISTIANSON. If we would eliminate not only this $75,000 but many other items of $75,000, and there are thousands of them, we should save the taxpayers of the United States from ultimate bankruptcy.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time to the gentleman from Illinois [Mr. ALLEN] as he desires.

Mr. ALLEN. Mr. Chairman, I have listened with interest to the remarks of our able and popular Chairman of the Foreign Affairs Committee, the gentleman from Tennessee [Mr. McREYNOLDS], about the potential candidate for President next year on the Republican ticket. I believe he mentioned the gentleman from New York [Mr. FISH], the ranking Republican on this committee. I was not at the committee meeting when this resolution was reported, but had I attended I feel sure I could give today a discourse on the potential Democratic nominee, since the repudiation of Roosevelt in Rhode Island, in as effectual a manner as Mr. McREYNOLDS' attempt to predict the Republican nominee.

Mr. Chairman, all of us are in favor of scientific information and the securing of information, regardless of what it is about or where it is from; but I am decidedly against this bill, because, if you will notice in the letter from Secretary Hul', he says that the ones who are in favor of this conference are the Administrator of the Rural Electrification Administration, the Director of the Tennessee Valley Authority, and the General Counsel of the Tennessee Valley Administration.

I believe by this time that all of us ought to be firmly convinced that the Tennessee Valley group down there, who are spending hundreds of millions of dollars of the taxpayers' money, know all they should know about electricity.

I notice in the report it does not mention that the officers of the Commonwealth & Southern or the Northern & Interstate Light & Power Co., or any of the private groups that deal in electricity—the private enterprises which have made this Nation the greatest Nation on earth—are asking for this conference. I believe that we should vote down the spending of $75,000 of the taxpayers' money as carried in this bill.

Mr. LUNDEEN. Will the gentleman yield?

Mr. ALLEN. I yield.

Mr. LUNDEEN. Does the gentleman believe that this resolution will promote the idea of Government ownership in this country?

Mr. ALLEN. I believe it has that tendency, because all of the people who are interested in Government ownership are the ones who are requesting this world conference.

Mr. LUNDEEN. I am interested in the reply of the gentleman, because the gentleman from Minnesota [Mr. CHRISTIANSON] almost persuaded me to vote for the resolution after hearing his speech.

Mr. ALLEN. It will be noticed that no private enterprise has requested that we spend this $75,000.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, if I felt this conference would in any way help bring about public ownership of power in the United States, I would gladly vote for the resolution, because I believe in public ownership of power in the United States. However, I am going to vote against the resolution, because I believe that the only thing it will accomplish will be the spending of $75,000 for the purpose of permitting the General Electric Co. and other kindred companies to advertise their wares and goods to these visitors. While it is perfectly all right for American industry to sell its wares to foreigners, or as much of them as they can, I submit that General Electric and the other power companies have enough profit out of which to spend money to advertise their wares. Instead of spending $75,000 for advertising—because that is all this is going to amount to—let us spend that $75,000 for something more vital and more important, such as an American conference to promote public ownership of power. [Applause.]

Mr. McREYNOLDS. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. SHANLEY].

Mr. SHANLEY. Mr. Chairman, to listen to the distinguished opposition one of the great questions about these international conferences is, What do we get out of them? It is possible that the results of these conferences are often intangible. I am one of those who believe that these conferences really do this country some good, however intangible.

I have in my hand a book called "The International Organizations in Which the United States Participates." I know there are many men in this House and in this country who just as soon as the phrase "international organization" is used, immediately see a bugaboo of the League of Nations. I am not one of those. I believe these conferences—and I say "conferences" short of the League of Nations—are very valuable.

A gentleman on the other side has asked what have we ever got from foreign nations. My district has been a beneficiary.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. O'MALLEY. I wonder if the gentleman could tell us of any conference with foreign powers or with foreigners that we have ever won.

Mr. SHANLEY. We had a conference on the opium situation that has done us immeasurable good, as well as various legal conferences. I might counter and ask the gentleman if it is possible to get any good out of interstate conferences. The gentleman may be a believer in State rights, but does that prevent him from having interstate conferences and other similar meetings? You would not prevent interstate conferences?

Mr. O'MALLEY. The gentleman knows from the history of the last 20 years we never had any conference with any foreign powers or any foreign group where we have ever come out in any way except at the short end.

Mr. LUNDEEN. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. LUNDEEN. I would like to have the gentleman enlighten us on just what we got out of international conferences on the foreign debt, for instance, amounting to more than $10,000,000,000, where we canceled half and they obligingly canceled the other half. Then we had an international conference on the various navies of the world and we sank our ships for their blueprints.

Mr. McREYNOLDS. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. I yield to the distinguished chairman of our committee.

Mr. McREYNOLDS. The gentlemen should know that this is not that character of conference, and I am sure the gentlemen do know it.

Mr. SHANLEY. I thank the chairman for his contribution, and I wish to add in regard to international debts that the President of the United States has stated in a message to this Congress that the foreign nations must make "substantial sacrifices" and "determined efforts" to pay their debts.

Mr. LUNDEEN. But are they paying them?

Mr. SHANLEY. Permit me to continue my answer, please. I have the feeling that when the time comes, and it is coming shortly, the President will come to this body and review the entire debt situation. I am one of those who has been studying that matter, in a feeble way, and I believe we are ready to tell those countries that they have not made substantial sacrifices or determined efforts.

Mr. LUNDEEN. I agree with the gentleman, and I hope the President will appear on the suggestion of the gentleman.

Mr. SHANLEY. I have every confidence that the Chief Executive is going to do that.

Before I surrendered my time for questions, I was talking about the contribution that a foreigner had made, indirectly, to my district. If we believe in a pompous way that foreigners can do us no good, or that we have reached the acme or the peak in everything, and that we even know the last word and all the answers about power, we should have been deprived of a contribution by one of the ablest men in the air industry today, and I am referring to Ivor Sikorsky, who came to America and has built up in Stratford an industry that furnishes hundreds of people, indirectly, in my district with work. This foreigner came here with knowledge of this industry. I will not say that no other man in America had

such knowledge, but he came here and applied it, and had the industry to put his knowledge to work, and he brought to America the results of years and years of training. If there are gentlemen in this House who believe that such men ought to be kept out of this country, or who believe that conferences which bring out these facts ought to be eliminated, I must stand in opposition to them. I believe they are always entitled to their viewpoint, but I believe the contribution of Ivor Sikorsky to Stratford and, indirectly, to the Third Congressional District, as well as to the State of Connecticut, has been an outstanding accomplishment, because we have in that district probably the greatest aerial facilities anywhere in this country. So far as national defense is concerned, I am convinced that Ivor Sikorsky has done a great deal for America with the Russians whom he has brought here. They have a little community there and have become naturalized, I understand, and are good American citizens. If the theories of many men in this body were carried out, these people would never have come to America, and I am sure that any conference or any exchange of views that brings the best thought of the world to this country will redound to the benefit of America.

Mr. CONNERY. Will the gentleman yield?

Mr. SHANLEY. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I want to call attention to the fact that not only has the gentleman's district been benefited by Mr. Sikorsky, but the entire Nation has been benefited too.

Mr. SHANLEY. I thank the gentleman. The gentleman from Minnesota said that the conference dealt with measures relating to the technical progress and the utilization of power. I want to say that I voted against the death sentence. I am one of those that believe that private industry in this country, and particularly in public utilities, can win the battle over public control. I may be absolutely wrong in that, but time alone will tell. I am willing to be convinced—if facts and arguments can show that public control is better than private control, I would not only be surprised but might be convinced.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. MARCANTONIO. Is the information on public ownership in the United States so meager that it is necessary to bring people from foreign countries to inform us? Why is it necessary to spend $75,000 for that purpose? The information on this subject is ample.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I regret exceedingly that the chairman of our committee has such a very short memory. Short memories seem to be the fashion of this administration, whether they relate to this bill or to campaign promises.

Mr. Chairman, in considering this bill it seems to me that we should consider what is good for this country. Every one of us in this room knows that every single nationality came to America for freedom. Every Member in this room knows that the inhabitants of every other nationality are knocking at our doors today to get into this country. Why? Because at the present time there is no real communism in America; and God forbid, Mr. Chairman, that communism shall ever prevail in this country. [Applause.] We do not want people to come from other countries to teach us, or attempt to teach us, their communistic, socialistic forms of government.

Mr. Chairman, there is not a Member, in my opinion, on either side of the House that has not fear in his heart for the future of this country. We know very well that there are more people on relief than ever before in the entire history of our Nation. We know very well that we are spending more money than we have ever spent before. We are incurring debt upon debt that must be paid by our children and our children's children. Daily we are increasing our cost of living. Do you Members realize what a burden of cost the Guffey coal bill will bring to the poor man?

Although money today is cheap, yet it is very hard to get. Money does not buy much these days. Food and clothing are higher than ever before. The so-called "tax-the-wealth bill", which just passed the House, in effect hurts the little man just as much as it hurts the big man. We know very well that the little man may be very much hurt by the delayed payment of insurance, and there is no insurance which will not be affected.

Mr. Chairman, the women of this country are thoroughly aroused and they are fighting. The women in most instances, whether they have a bank account or not, or whether they are given the workman's weekly pay, they hold the purse strings. Those women are not going to stand idly by and see $75,000 thrown to the winds; and, worse, to bring people from foreign countries to this country to teach their communistic forms of government.

Mr. WHITE. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I am very sorry, but I have so little time that I cannot yield. I should be delighted to yield to the gentleman, who is always so courteous. I beg Members on the other side of the House to think of America for Americans, not America to be thrown to Italy, to Russia, to Germany. We have no wish to go along with them. To repeat, I believe every Member, almost without exception, on the other side of the House would like to go back to passing laws which they know to be constitutional. Why did we have the Constitution? In order that the people might have liberty, that they might have prosperity, that they might have happiness; and there can be no permanent happiness under the present administration. [Applause.]

I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this resolution to begin with came in under false colors. It came in as a resolution which was going to cost the Treasury of the United States nothing. That sounded suspicious to those of us who are used to these Foreign Affairs Committee conferences. I cannot remember a session when we have had so everlasting many international conferences of one kind or another proposed. The only argument brought forward in favor of them has been that they cost almost nothing as compared with the $4,880,000,000 that was turned over to the President to fool away, and that is being fooled away and not used as should be, for relief.

Will the Democratic Party ever take notice of warnings? Have we not gone far enough with these foolish and ridiculous expenditures? Thousands upon thousands of dollars have been appropriated for useless junkets, in order that folk over in the departments, and special pets in private organizations, might have a nice trip abroad, and even that some of us might have a nice trip abroad. Is it not time to stop? The Democratic majority evidently is so blind that they do not yet know what happened up in the State of Rhode Island where the people spoke in a most decided manner, after being aroused by the reckless and irresponsible expenditures of the people's money, the reckless and irresponsible conduct of the Government and its disregard of the people's rights. Is it not time here and now to stop these expenditures? Is it not time for people who really want to go back home and tell their constituents that they have fought for an honest and responsible Government, that they have supported their promises here on the floor?

Mr. JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. JOHNSON of Texas. Having served on this committee under both Democratic and Republican administrations, I think the gentleman is in error because we brought out just as many of these resolutions for meetings of this kind when the Republicans were in power as since the Democrats have been in power.

Mr. TABER. Oh, I can remember nothing like this session. In this particular session, when the Foreign Affairs Committee had a Calendar Wednesday, I remember trying to persuade the House not to go into any more of these

foreign conferences, which almost always are fruitless, and which almost always are junkets. In this particular resolution, which was sent here by the State Department, what do they propose to spend the money for? I am going to read it to you. For "entertainment."

Mr. McREYNOLDS. Read some more.

Mr. TABER. That is the gist of it. That is the word that is covered up, right down underneath where you hoped it would not be seen, except by the Comptroller General when he audits the account. There has been no reason shown here why we should spend this money, and I hope the House will not authorize any such performance.

Mr. MILLARD. But the President of the United States says he did not know there was an election in Rhode Island.

Mr. TABER. I do not believe he realizes the people have begun to wake up. The people in Rhode Island said, "We are awake."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York [Mr. TABER].

Mr. MILLARD. Will the gentleman yield?

Mr. TABER. I yield.

Mr. MILLARD. Did the gentleman ever play baseball?

Mr. TABER. Oh, no.

Mr. MILLARD. Does the gentleman remember a man by the name of Will Terry, captain of the New York Giants, who said he did not know Brooklyn was in the league? What is going to happen to the President of the United States if he did not know there was an election in Rhode Island?

Mr. TABER. The President is going to have that answered for him by the people of the United States next year.

This resolution was brought in here without any appropriation tied to it, very evidently with the idea that it would go over to the Senate and it would be written in and go into the bill in conference. Now it is time we stopped that kind of doings. The Committee on Appropriations has cut out all sorts of things such as this. The gentleman from Alabama [Mr. OLIVER] cut out a lot of them in his bill on the State, Justice, Commerce, and Labor Departments. Then we have a bunch of bills coming in from the Committee on Foreign Affairs to add just that kind of thing to it, and they are put in over in the Senate on the deficiency bills, and a great many of them are allowed. The gentleman from Texas [Mr. BUCHANAN] has done a good job in cutting out a lot of that stuff, but he cannot be expected to carry the whole burden. It is time for you Members here to wake up and carry your part of the burden and not add $75,000 here and $75,000 there on to the Treasury of the United States.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. TABER. I yield.

Mr. MARTIN of Massachusetts. Can the gentleman tell us how the Chairman of the Committee on Appropriations [Mr. BUCHANAN] voted on consideration of this legislation?

Mr. TABER. I did not happen to hear him vote.

Mr. MARTIN of Massachusetts. I understand he voted "no."

Mr. TABER. I would expect him to vote "no." I think every Democrat who really is interested in preserving the integrity of the Treasury will vote "no" on this measure. Is it not time to stop? Oh, gentlemen, let us pay attention to our responsibilities to our constituents and stop these entertainment propositions, stop the junkets, and stop these things that the people do not want us to do. We cannot go on with this sort of thing. I know some people have said it is not necessary to balance the Budget and it is not necessary to pay any attention at all to our responsibilities to the people. It is not necessary to do anything sound any more; but let us do something sound here today. Let us stop this foolish spending of money. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. McREYNOLDS. Mr. Chairman, I yield myself 1 additional minute.

I am very much surprised at the remarks made by the gentleman from New York [Mr. TABER]. I hope the gentleman feels better since he seems to have got it out of his system. When the Republicans were in control and there was a Republican chairman of the Committee on Foreign Affairs, there was no comparison with the amount they asked and passed through this House and the amount which this committee has asked. The gentleman from New York gets very much excited, but down at the bottom is that old fear on the part of the Republicans that power will be an issue, and the gentleman is afraid to have it discussed, although this meeting is a scientific meeting, and one from which we expect to reap much reward from the fact that the scientists of the world have met and exchanged their views.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. McREYNOLDS] has expired.

Mr. McREYNOLDS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, I was particularly interested in the speech of the gentleman from Minnesota [Mr. CHRISTIANSON], especially in view of the fact that the people of Minnesota are overcharged $13,900,000 a year for electric light and power. Every one who switches on an electric light in Minnesota is helping to bear this overcharge.

The gentleman from Illinois [Mr. ALLEN], attacked this bill. I wonder if that gentleman has ever told the people of Illinois that they are being overcharged $59,000,000 a year for electric lights and power? I wonder how long the people of Illinois can stand to carry this burden?

Then came the Representative from Massachusetts [Mrs. ROGERS], in opposition to this measure. I wonder if she ever told the people of Massachusetts that they were being overcharged $37,000,000 a year for electric light and power?

Every laborer, every merchant, every manufacturer, every householder who uses electricity contributes to these overcharges every time he turns a switch.

I am not basing these overcharges on the T. V. A. rates, as gentlemen on the Republican side contend, but I am basing them on the Tacoma, Wash., rates.

Tacoma has a public plant worth $23,000,000. Last year that plant had a gross revenue of $1,940,994, and paid $145,575 in taxes; gave the city of Tacoma $200,545 worth of free service; set aside for depreciation $400,053, paid interest on its indebtedness amounting to $435,322, and still made a net profit of $508,190, and at the same time gave to the people of Tacoma the lowest light and power rates in the United States.

Yet, according to the Tacoma rates, the people of Minnesota are overcharged $13,900,000 a year; the people of Illinois are overcharged $59,000,000, the people of Massachusetts are overcharged $37,000,000, and the people of New York are overcharged $127,000,000 a year.

The lady from Massachusetts [Mrs. ROGERS] says the women are becoming aroused.

That is true; the women are becoming aroused, because they are tired of the drudgery which those overcharges impose.

I am not talking about these society women who meet around tea tables and gossip over an olive on a lettuce leaf, but I am talking about the women who do the work, keep the homes, and rear the children of this country. They are tired of the drudgery that is being imposed upon them by these high electric light and power rates that deprive them of the use of those electric appliances that would make their work lighter and their homes more pleasant and more attractive.

Then came the vociferous gentleman from New York [Mr. TABER]. I wonder if he ever told the people of New York they were being overcharged $127,000,000 a year for electric light and power? It is no wonder the women of New York are becoming aroused with indignation at the fact that they have to endure much of the same drudgery their grandparents did because of these outrageously high electric light and power rates, which we are trying to reduce and which the Power Trust is striving to uphold.

This Conference is not to sell us something, as some of you seem to think; it is not to lead us into any financial or political entanglements, but it is to bring together the scientists of the world on electric light and power to exchange ideas, swap experiences, and impart information that will be of value to us all.

Did you know that America has the highest electric light and power rates on earth? The American citizens in your States pay the highest light and power rates we are able to find on the face of this earth.

The three main subjects to be considered in this conference are the production of electric energy, what it costs to produce it, what it costs to transmit it, and what it costs to distribute it. These are the three things to be discussed; and the scientists who will come here have spent their lives studying these questions. You will find in the United States, for instance, in the rural districts that actually only 1 farm out of 9 is served with electric power, yet in Japan, even, we are told that 9 farms out of 10 are served with electric power.

You will find that in France they are making a drive to electrify every rural home by 1940, and are reducing light and power rates, although they are far below what they are in Massachusetts, Illinois, Minnesota, or in any other State in the American Union.

In Sweden and Norway more than 40 percent of the farms are electrified and have been for many, many years, and their power is furnished at rates far below what we are paying in the United States.

If they can give us technical information that will enable us to reduce light and power rates to the American people we could not make a better investment.

Mr. LUNDEEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. LUNDEEN. The gentleman himself can show us that without bringing all these people here from all over the world.

Mr. RANKIN. I thank the gentleman for the compliment. I wish I could do that.

There are not 10 men on the Republican side of this House who can tell me right now what 40 kilowatt-hours a month costs the people of his district.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. If the gentleman will tell me what it costs a constituent in his home town to use 40 kilowatt-hours of electricity a month, I will gladly yield.

I decline to yield for any other purpose. The gentleman from Minnesota [Mr. CHRISTIANSON] comes here and criticizes this measure, while his people are being robbed and plundered by the Power Trust, yet he does not even know what rates they are paying even in his home town.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. If the gentleman knows what rates his people pay I shall ask unanimous consent that he be given the opportunity to tell us. But he doesn't know, and he doesn't seem to want his people to know the facts. But he can't help himself. They are becoming informed on this subject in spite of all these efforts to keep them in the dark.

This opposition is coming from those influences that do not want the American people to know what it costs to produce, transmit, and distribute light and power. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired under the rule. The Clerk will read the bill for amendment.

The Clerk read as follows:

Resolved, etc., That the President be, and hereby is, authorized and requested to extend to the World Power Conference an invitation to hold the Third World Power Conference in the United States in 1936 and 1937.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in favor of the bill. I think a great deal of good will come from it. The expenditure involved—$75,000—is very small when measured with the benefits we shall receive from this conference.

Mr. Chairman, I want to sound a warning. I presume Germany will be one of the countries invited to this conference. We are all interested in this conclave, and I particularly am interested in it.

I sound the warning that Germany, if she continues her cruel intolerance to Jews, Catholics, Masons, and liberal Protestants, will forfeit the right to be invited in the future not only a world power conference but to any conference of civilized nations. Germany, if she continues her intolerance toward all religions, will soon be branded as unfit to associate with other nations. Her villanies, her paganism, her disregard of the Treaty of Versailles have made of her a nation apart, loathsome and hated.

The pogroms and outrages against Jews, the interference with Catholic freedom of press, the Reich's cruel and heartless decrees against Catholic lay organizations, its flagrant disregard of and violation of the Vatican Concordat, its pillage of Masonic lodges, its intolerance toward liberal and radical Protestants all have shocked the world. Shall we not, therefore, refuse to Germany the very elemental and simple rights and privileges of a civilized nation? We could very readily deny her the right to come to this conference until and unless she reforms and ceases her nefarious activities.

I applaud the action of the members of the Legislature of the State of Massachusetts. Yesterday they voted this resolution. I am very happy to put it in the RECORD:

Whereas it is reliably reported that certain inhabitants of Germany are being persecuted on account of their religious faith and nationality, a situation abhorrent to modern civilization: Therefore be it

Resolved, That the House of Representatives of the General Assembly of Massachusetts affirms its conviction and belief that freedom and equality of mankind regardless of race, color, or creed is indispensable to the existence of any modern civilization, and views with alarm any violation of these sacred principles.

I do indeed hope that other legislatures will follow suit and that they, too, will view with alarm the violations of sacred principles embodied in our Bill of Rights.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. McCORMACK. And the resolution adopted by the House of Representatives of the State of Massachusetts is the opinion entertained by every decent-thinking person, without regard to race, color, or creed. What the Massachusetts House of Representatives has done represents what should be a part of the law of nations.

Mr. CELLER. I am very happy to get that contribution by the gentleman.

How long will nations look with complacency upon the crimes of Hitler, Goebbels, Goering, and these other rowdies over there? I applaud indeed—and I say this with all the emphasis and enthusiasm within me—the efforts of our great President, who asked me within the last fortnight to make public a letter from our State Department. The administration in that letter applauds in so many words the freedom of religion and press in all countries and deplores attacks upon those freedoms anywhere, Germany included. Against this immoral power that seems to dominate Germans and Germany today the voice of tolerance and the voice of civilization must be raised.

There should and must be punishment following in the wake of that intolerance. How shall we punish? What shall we do to Germany? Reason does not seem to prevail there. Reason therefore fails to deter. We cannot persuade Germany peacefully to do the right thing. I do not ask you to vote against this resolution because Germany may be included. I do not even offer an amendment to the bill that Germany must be excluded. I want the Germans to come here and read our magazines and newspapers. They cannot read the truth in Germany. If they get hold of our metropolitan dailies and see what public opinion here in America is they may convey to their people back in Germany something of the attitude on this side of the water. [Applause.]

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH: In line 6, strike out "1936 and."

Mr. LEHLBACH. Mr. Chairman, the gentleman from Texas said that after this resolution had been reported politics was injected into the question. For this reason the chairman of the committee got up his Irish and Scotch and decided to make it cost $75,000 as well as having politics in the proposition.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Texas.

Mr. JOHNSON of Texas. Is the gentleman opposed to the bill because the conference is to be held in 1936, and does he make that the basis for his objection?

Mr. LEHLBACH. No. I am opposed to the resolution for the reasons which have heretofore been so well stated.

Mr. JOHNSON of Texas. I note that the gentleman's amendment is to strike out "1936", leaving 1937 in.

Mr. LEHLBACH. Yes; that is the amendment which I offered, and I will tell the gentleman why I offered it.

Mr. JOHNSON of Texas. That is based on politics.

Mr. LEHLBACH. If the gentleman will give me an opportunity, I will be glad to tell him why I offered the amendment. Of course, the people from those countries in charge of power development and subsidiary activities, which is in the hands of the Government, are going to come here and tell us the beauties of that system during the campaign in 1936. If the conference is for the purpose of the dissemination of scientific information concerning power development and its distribution, that question may very easily be answered by agreeing to the amendment which I have offered. Nineteen hundred and thirty-six puts politics in the resolution. If you vote to eliminate 1936, it takes politics out of the resolution. Even then I am not in favor of the resolution. I am certainly not in favor of politics being in the resolution, which is there by reason of calling the conference in 1936.

Mr. JOHNSON of Texas. I understand if the gentleman's amendment is adopted and the convention is held in 1937 that the gentleman will still vote against the resolution?

Mr. LEHLBACH. Yes, surely. I am giving the Members an opportunity to go on record as to whether they want politics in this resolution or not. The gentlemen on that side of the aisle are the proponents of the resolution. You want it. Do you want it with politics or without politics? That is the opportunity I am affording.

Mr. Chairman, I listened with a great deal of interest to the panegyric that the gentleman delivered on the Roosevelt administration and his bold prophecies of future triumphs for his party. I could not tell whether the gentleman was trumpeting defiance or whistling in the woods. So I wanted to ask a simple question in order to clear up the question in my own mind. The question is, Will the Democrats call an election in Ohio? I pause for a reply.

Mr. McREYNOLDS. Not being Governor of the State of Ohio I cannot tell the gentleman. If I were Governor, I would call an election any time against the Republicans.

Mr. FIESINGER. I may say that I understand the cost would be $400,000 to have an election held in Ohio.

Mr. LEHLBACH. Does not the gentleman think it is worth that much money to let the administration know what the people think?

Mr. FIESINGER. Not for one Member of Congress.

Mr. JOHNSON of Texas. Is not the reason the gentleman does not want this conference held in 1936 because he thinks it would be good politics for the Democrats and bad politics for the Republicans?

Mr. LEHLBACH. No; I do not think it is decent to have things like this injected into a campaign.

[Here the gavel fell.]

Mr. McREYNOLDS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey [Mr. LEHLBACH].

Mr. Chairman, the gentleman has offered an amendment striking out "1936." The invitation for this Conference, as extended by the President, was for the year 1936, and it is upon that basis that ratification by this House is asked. If it could have been arranged for 1937 it would have been so arranged. This organization was perfected in 1924, and the first conference was held in London. It is held every 6 years.

Mr. SNELL rose.

Mr. McREYNOLDS. It was held in Berlin in 1930, and it has to be held in 1936. There was some inducement to have it held in 1937 from the Republican standpoint, because some of the Members on that side stated that if it were held in 1937 they would not oppose the resolution.

However, my distinguished friend from New York who is now standing and to whom I am going to yield, said he did not want any of these foreigners coming over here and discussing public power in the coming campaign.

I now yield to the gentleman with pleasure.

Mr. SNELL. I also stated that I was against this if it were held in 1936, 1937, 1938, or 1940.

Mr. McREYNOLDS. The gentleman has been very frank, but his candidate for President about whom I was complaining a moment ago, Mr. HAM. FISH, stated otherwise.

Mr. SNELL. That is another matter.

Mr. McREYNOLDS. He said he would not oppose this if it were 1937; so I am asking you to vote down this amendment.

Mr. SNELL. Did I understand the gentleman to say that the invitation had already been issued for 1936?

Mr. McREYNOLDS. Subject to ratification by Congress.

Mr. SNELL. How could they issue an invitation subject to ratification by Congress?

Mr. McREYNOLDS. In just that way. They were meeting at The Hague for 3 days, and I thought I would be able to get the matter up here by unanimous consent. I was not able to do so because the gentleman told me he was against it.

Mr. SNELL. Well, I was against it, and I was honest about it, and I have not changed my mind.

Mr. McREYNOLDS. An invitation was then extended subject to ratification.

Mr. SNELL. I am surprised that they would send an invitation——

Mr. McREYNOLDS. It was just a tentative invitation.

Mr. SNELL. I am surprised that they would do that when it was necessary to have an authorization by the Congress.

Mr. McREYNOLDS. Well, this House is going to extend the invitation, anyway.

Mr. SNELL. I presume so, because you fellows are rubber stamps on everything here.

Mr. McREYNOLDS. We are not such rubber stamps that you can rubber with us.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was rejected.

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: On page 1, line 4, after the word "the", strike out the balance of the sentence down to the period, in line 6, and insert in lieu thereof the following: "Governors of the 48 States an invitation to hold a United States power conference in 1936 and 1937."

Mr. McREYNOLDS. Mr. Chairman, I make a point of order against the amendment as not being germane.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman reserve his point of order?

Mr. McREYNOLDS. I reserve the point of order, Mr. Chairman, so the gentleman may be heard.

Mr. MARCANTONIO. Mr. Chairman, it seems to me that a great deal of smoke has been sent up around this resolution, more so by the proponents of the resolution than by

those opposed. It is contended by them that the purpose of the resolution is to have this conference for the purpose of bringing about a better understanding of the problem of public ownership.

Now, I submit, as one who believes in public ownership of power, that if you are really interested in educating the American people on American public ownership of American power, why not have a conference of the 48 Governors of the 48 States instead of spending this money uselessly, and then let us discuss and study there the question of public ownership of American power. This method would be most effective toward educating our people to public ownership of power. [Applause.]

Mr. McREYNOLDS. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. McREYNOLDS. I do not know where the gentleman got that statement about public ownership.

Mr. MARCANTONIO. Well, the gentleman stated that the issue in the next campaign is the issue of power.

Mr. McREYNOLDS. Someone may have made that statement, but the gentleman never heard any member of the committee state that.

Mr. MARCANTONIO. The gentleman himself stated that the issue in the next campaign would be the power issue.

Mr. McREYNOLDS. No.

Mr. MARCANTONIO. And I say in reply that I welcome that issue, because I am for public ownership. At the same time the gentleman also stated that everybody on this side was on the wrong side of the power issue, but I hope that the gentleman will also bear in mind that the "death sentence", for which I voted, was not only defeated by Republican votes but was also defeated by Democratic votes.

Mr. McREYNOLDS. The gentleman has me mixed up with someone else, because I made no such statement.

Mr. MARCANTONIO. At any rate, that is aside from the issue. [Laughter.] The issue is, if you are going to have a conference on power, let us have an American conference with the Governors of the 48 American States to study the problem of public ownership instead of spending $75,000 to help the General Electric Co. and other power companies advertise their goods and wares. Let them spend their own money. This is just an advertising scheme for the power companies.

Mr. LUNDEEN. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. LUNDEEN. I would like to have the RECORD show that I am in full accord with the gentleman from New York on this question.

The CHAIRMAN (Mr. BUCK). The Chair is ready to rule.

The joint resolution now under consideration is a resolution extending to the World Power Conference an invitation to hold the Third World Power Conference in the United States in 1936 and 1937. This is clearly a resolution dealing with a matter of foreign affairs. The amendment offered by the gentleman from New York [Mr. MARCANTONIO] proposes to strike out that portion of the resolution which extends an invitation to the World Power Conference and substitute words which would extend an invitation to the Governors of our States, which would be a purely domestic matter.

In the opinion of the Chair, the amendment clearly is not germane, and the Chair therefore sustains the point of order.

Mr. McREYNOLDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 1, after line 6, insert a new section to read as follows:

"SEC. 2. That the sum of $75,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of organizing and holding the Third World Power Conference, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, communication services, stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); travel expenses, local transportation, hire of motor-propelled passenger-carrying vehicles, rent in the District of Columbia and elsewhere, printing and binding, entertainment, official cards, purchase of newspapers and periodicals, necessary books and documents, stationery, membership badges, and such other expenses as may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments have been made for any purposes herein specified, for the fiscal year 1936, to remain available until June 30, 1937."

Mr. GRAY of Indiana. Mr. Chairman, I am convinced that the opponents of this bill are unduly apprehensive of its purpose. This legislation has no relation to the utility bill nor to any other pending measure, nor can it be used for any political advantage as apprehended. The bill was filed and presented long before the consideration of the controversial utility legislation which came before the House or Senate. And long before Rhode Island furnished the straw of political hope. Nothing has been made to appear that the holding of this world power conference in this country at this time could have any bearing upon utility legislation either for or against holding companies, or any effect upon the 1936 campaign.

This undue fear and apprehension can best be described and accounted for by recurring to the Scriptures, and I quote Leviticus, chapter 36, verse 36: "And the sound of a leaf shall chase them."

And again I quote from verse 17 of the same chapter: "And ye shall flee when none pursueth you." [Laughter and applause.]

The development of electric power and the application for use and service is a world-wide, progressive movement, going to the army and military operations, going to the navy and naval operations, going to aviation, and transportation, going to radio and other forms of communication. It is coming to be considered for all these purposes and objects as well as inventions and discoveries in the generation and use of power in the arts and the sciences and all the avocations of peace and civil life.

The progress and development of power and its many uses follows so rapidly and progressively that the new and efficient of today is the old and obsolete of tomorrow.

To isolate ourselves from the world in the midst of this economic revolution is more than an error or unwise course. It is negligence and criminal folly. None are so blind as those who close their eyes and refuse to see and disregard the opportunities before them.

This great World Power Conference, coming to this country at this time, affords a singular opportunity for American scientists and mechanics to learn of progress in other lands, in developing power and its application, for the service of men in peace and civil life, as well as for purposes of defense.

It is an opportunity which may never come again in the lifetime of those of middle age. It is an opportunity of a century, an opportunity of an age, afforded to the people of this country without the cost of a trip abroad to keep abreast with the scientific world.

This World Power Conference is of special interest at this time. In the course of economic and scientific developments, making progress in every country of the world, as the many new and valuable uses of electric power is discovered to serve the comforts and convenience of men, new inventions are multiplying the power to keep pace with the new and increased uses.

These discoveries and developments increasing and multiplying power are more than keeping pace with new uses and applications and are waiting for new fields of usefulness to be opened. We are shown to be living in a veritable sea of unseen forces and energies, waiting ready to be harnessed for the use and service of the people.

The amount necessary and required appropriated for the proper care and entertainment of the World Power Conference delegates, as guests of the United States, is small and trivial as compared with the opportunities afforded our people to compare notes and exchange fraternal greetings with the scientific, economic world. [Applause.]

Mr. McREYNOLDS. Mr. Chairman, I move that all debate upon this amendment and all amendments thereto do now close.

Mr. MARTIN of Massachusetts. Mr. Chairman, a parliamentary inquiry. When is the opposition to have an opportunity to debate this amendment?

The CHAIRMAN. The question is on the motion of the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. TABER), there were—ayes 118, noes 52.

Mr. MARTIN of Massachusetts. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mrs. ROGERS of Massachusetts and Mr. MCREYNOLDS to act as tellers.

The Committee again divided; and the tellers reported—ayes 120, noes 56.

So the motion to close debate was agreed to.

Mr. TABER. Mr. Chairman, I offer a preferential motion.

The Clerk read, as follows:

Mr. TABER moves that the Committee do now rise and report the resolution back to the House with the recommendation that the enacting clause be stricken out.

Mr. McREYNOLDS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McREYNOLDS. There is a motion pending in the nature of an amendment. Should not the vote be first taken on that?

The CHAIRMAN. The motion to strike out the enacting clause must be voted on first. The gentleman from New York is recognized.

Mr. TABER rose.

Mr. GIFFORD. Mr. Chairman, before the gentleman begins, will he yield to me?

Mr. TABER. Yes.

Mr. GIFFORD. In reading this report, I see it tells us what a wonderful opportunity this is going to be to show to other countries what we have done—such as the T. V. A. and the Passamaquoddy and other costly and unfortunate undertakings by this administration. I imagine, from the speeches that we have heard here today, that this is perhaps the most important thing they want to do.

Does the gentleman think it right to invite the delegates of 45 countries here to have them see something that has been done by an administration that will soon be discredited because of such projects as the T. V. A., which, as Norman Thomas puts it, is the most perfect socialistic measure yet brought to his attention, and to tell these delegates that that represents the real policy of the American people? Is not that one of the reasons why the Republicans here today should be opposed to this measure? As to that great leader the gentleman from Tennessee told us about this morning, he has been deserted by so many former followers of his party like Smith, Colby, Reed, Davis, and such a host of others, that we wonder what outstanding Democrats will follow him in 1936. I make those few suggestions because so much of politics has been brought into the discussion of this bill today.

Mr. TABER. Mr. Chairman, this is a foolish waste of the people's money. We have listened this afternoon to the gentleman from Mississippi [Mr. RANKIN], who has told us that he knows all about the power situation in foreign countries. He has told us all about it and he has put it in the RECORD. Why should these delegates come over here and tell us anything? Can they tell more than the gentleman from Mississippi has told us? We have a Bureau of Foreign and Domestic Commerce, and we have a State Department. We have all sorts of other agencies in foreign nations, trying to pick up every advancement, scientific and otherwise, that is developed across the water. Why should we take $75,000 and spend it for entertainment for people to come over here to listen to something that is put to them over here? It seems to me that by getting the reports and data together from foreign countries through the regular channels we might accomplish something in finding out about the power situation. In this particular way we make ourselves ridiculous and fool away $75,000 of the people's money. Is it not time for people to wake up and stop this sort of thing? I hope that we will not pass this amendment of the gentleman from Tennessee.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. TABER. I yield.

Mr. CHRISTIANSON. The gentleman was told by the gentleman from Mississippi [Mr. RANKIN] how much the people of New York and Minnesota were overcharged on their electricity as compared with the cost at Muscle Shoals. Has the gentleman ever heard the gentleman from Mississippi [Mr. RANKIN] tell us what the cost of producing electricity at Muscle Shoals is?

Mr. TABER. He has not, but we are spending about 11 or 12 or 13 cents per kilowatt to produce electricity, which I understand is being sold at 1 cent per kilowatt, and the estimate of the T. V. A. is that we will spend 3 cents per kilowatt when we get through in 1941 for the peak receipts, and still sell it for 1 cent per kilowatt.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. McREYNOLDS. Mr. Chairman, I hardly think it is worth while to say anything further on this. It has been thoroughly discussed.

Mr. GIFFORD. Will the gentleman give me his time?

Mr. McREYNOLDS. I just want to pay my respects to the gentleman from Massachusetts, since he has risen. I did not know exactly what was occurring over there a while ago. I saw the gentleman from Massachusetts [Mr. GIFFORD] in action. The gentleman is not nearly as bad a man as he manifests on this floor. I used to board at the same place, and he is really a nice gentleman, but I am fearful on account of his own safety that if he does not quit getting so vigorous he is going to harm himself. That is my opinion and I am very uneasy about it; but my uneasiness goes farther, and that is for the safety of this House, because the sonorous voice of the gentleman, different from all other sounds that we hear, when it vibrates through this Chamber, I am fearful it may come in contact with a different character of sound and cause a combustion which may be very injurious to all of us.

Now, Mr. Chairman, I understand that on this motion to strike out the enacting clause there is only 5 minutes for the motion and 5 minutes against. I hope the motion will be voted down and then we will have the bill before us.

The CHAIRMAN. The question is on the motion of the gentleman from New York [Mr. TABER].

The motion was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Tennessee [Mr. MCREYNOLDS].

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 115, noes 50.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BUCK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration House Joint Resolution 350, and, pursuant to House Resolution 308, he reported the same back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on agreeing to the amendment.

Mr. TABER. On that I ask for the yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

Mr. FITZPATRICK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FITZPATRICK. What amendment is this?

The SPEAKER. This is the amendment agreed to in Committee of the Whole.

The question was taken; and there were—yeas 233, nays 95, not voting 101, as follows:

[Roll No. 163]

YEAS—233

Amlie	Drewry	Kloeb	Randolph
Ashbrook	Driscoll	Kocialkowski	Rankin
Ayers	Driver	Kopplemann	Reilly
Barden	Duffey, Ohio	Kramer	Richards
Beiter	Duffy, N. Y.	Kvale	Richardson
Biermann	Duncan	Lambeth	Robertson
Bland	Dunn, Pa.	Lanham	Russell
Bloom	Eagle	Larrabee	Sabath
Boehne	Eckert	Lee, Okla.	Sanders, La.
Boileau	Edmiston	Lesinski	Sanders, Tex.
Boland	Ellenbogen	Lewis, Colo.	Sandlin
Boykin	Evans	Lewis, Md.	Schuetz
Boylan	Faddis	Lloyd	Schulte
Brennan	Farley	Luckey	Scott
Brooks	Fiesinger	McAndrews	Scrugham
Brown, Ga.	Fitzpatrick	McClellan	Sears
Brunner	Flannagan	McCormack	Secrest
Buck	Ford, Calif.	McFarlane	Shanley
Caldwell	Frey	McGehee	Sirovich
Cannon, Mo.	Fuller	McGrath	Smith, Conn.
Cannon, Wis.	Fulmer	McKeough	Smith, Va.
Carmichael	Gambrill	McLaughlin	Smith, Wash.
Carpenter	Gasque	McReynolds	Snyder
Cary	Gildea	McSwain	Somers, N. Y.
Castellow	Gillette	Mahon	South
Celler	Gingery	Maloney	Spence
Chandler	Goldsborough	Mansfield	Stack
Chapman	Gray, Ind.	Martin, Colo.	Starnes
Citron	Gray, Pa.	Massingale	Steagall
Clark, Idaho	Green	Maverick	Tarver
Clark, N. C.	Greenway	Mead	Taylor, Colo.
Coffee	Greenwood	Meeks	Taylor, S. C.
Colden	Greever	Merritt, N. Y.	Terry
Colmer	Gregory	Miller	Thomason
Connery	Griswold	Mitchell, Tenn.	Tolan
Cooley	Haines	Monaghan	Tonry
Cooper, Tenn.	Hamlin	Montet	Turner
Costello	Hancock, N. C.	Moran	Umstead
Cox	Harlan	Nelson	Utterback
Cravens	Hart	Norton	Vinson, Ga.
Crosby	Harter	O'Brien	Vinson, Ky.
Cross, Tex.	Hennings	O'Connell	Wallgren
Crosser, Ohio	Higgins, Mass.	O'Connor	Walter
Crowe	Hildebrandt	O'Day	Warren
Cullen	Hill, Ala.	O'Leary	Wearin
Cummings	Hill, Knute	O'Neal	Werner
Darden	Hill, Samuel B.	Owen	West
Dear	Hobbs	Palmisano	Wheichel
Deen	Houston	Parsons	White
Delaney	Imhoff	Patman	Whittington
Dempsey	Jacobsen	Patterson	Wilcox
DeRouen	Johnson, Okla.	Patton	Williams
Dickstein	Johnson, Tex.	Pearson	Wood
Dies	Johnson, W. Va.	Peterson, Fla.	Woodrum
Disney	Jones	Pfeifer	Zimmerman
Dobbins	Kee	Pierce	Zioncheck
Dorsey	Kennedy, N. Y.	Rabaut	
Doughton	Kenney	Ramsay	
Doxey	Kerr	Ramspeck	

NAYS—95

Allen	Dirksen	Kinzer	Polk
Andresen	Ditter	Kleberg	Powers
Andrew, Mass.	Dondero	Knutson	Ransley
Arends	Ekwall	Lambertson	Reed, Ill.
Bacharach	Engel	Lehlbach	Rich
Bacon	Englebright	Lemke	Robsion, Ky.
Binderup	Focht	Ludlow	Rogers, Mass.
Blackney	Ford, Miss.	Lundeen	Ryan
Bolton	Gavagan	McLeod	Sauthoff
Brewster	Gearhart	Maas	Schaefer
Buchanan	Gehrmann	Mapes	Seger
Buckbee	Gifford	Marcantonio	Short
Buckler, Minn.	Gilchrist	Marshall	Snell
Burnham	Guyer	Martin, Mass.	Stefan
Carlson	Gwynne	Mason	Taber
Cavicchia	Halleck	Merritt, Conn.	Taylor, Tenn.
Christianson	Hancock, N. Y.	Michener	Thurston
Church	Hoeppel	Millard	Treadway
Collins	Hollister	Moritz	Turpin
Cooper, Ohio	Holmes	Mott	Wigglesworth
Crawford	Hope	O'Malley	Withrow
Crowther	Huddleston	Pettengill	Wolcott
Culkin	Hull	Pittenger	Woodruff
Darrow	Jenkins, Ohio	Plumley	

NOT VOTING—101

Adair	Carter	Dunn, Miss.	Hess
Andrews, N. Y.	Cartwright	Eaton	Higgins, Conn.
Arnold	Casey	Eicher	Hoffman
Bankhead	Claiborne	Fenerty	Hook
Beam	Cochran	Ferguson	Jenckes, Ind.
Bell	Cole, Md.	Fernandez	Kahn
Berlin	Cole, N. Y.	Fish	Keller
Blanton	Corning	Fletcher	Kelly
Brown, Mich.	Daly	Gassaway	Kennedy, Md.
Buckley, N. Y.	Dietrich	Goodwin	Kimball
Bulwinkle	Dingell	Granfield	Kniffin
Burch	Dockweiler	Hartley	Lamneck
Burdick	Doutrich	Healey	Lea, Calif.
Lord	Peterson, Ga.	Shannon	Tobey
Lucas	Peyser	Sisson	Underwood
McGroarty	Quinn	Smith, W. Va.	Wadsworth
McLean	Rayburn	Stewart	Weaver
McMillan	Reece	Stubbs	Welch
May	Reed, N. Y.	Sullivan	Wilson, La.
Mitchell, Ill.	Robinson, Utah	Sumners, Tex.	Wilson, Pa.
Montague	Rogers, N. H.	Sutphin	Wolfenden
Murdock	Rogers, Okla.	Sweeney	Wolverton
Nichols	Romjue	Thom	Young
Oliver	Rudd	Thomas	
Parks	Sadowski	Thompson	
Perkins	Schneider	Tinkham	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rudd (for) with Mr. Goodwin (against).
Mr. Arnold (for) with Mr. Hess (against).
Mr. Lea of California (for) with Mr. Andrews of New York (against).
Mr. McMillan (for) with Mr. Fish (against).
Mr. Rogers of New Hampshire (for) with Mr. Lord (against).
Mr. Weaver (for) with Mr. Thomas (against).
Mr. Sullivan (for) with Mr. Cole of New York (against).
Mr. Romjue (for) with Mr. Reece (against).
Mr. Dockweiler (for) with Mr. Perkins (against).
Mr. Cartwright (for) with Mr. Hartley (against).
Mr. Buckley of New York (for) with Mr. Stewart (against).
Mr. Hook (for) with Mr. McLean (against).
Mr. Kniffin (for) with Mr. Wilson of Pennsylvania (against).
Mr. Ferguson (for) with Mr. Wolfenden (against).
Mr. Parks (for) with Mr. Doutrich (against).
Mr. Fletcher (for) with Mr. Fenerty (against).
Mr. Sisson (for) with Mr. Hoffman (against).
Mr. Smith of West Virginia (for) with Mrs. Kahn (against).
Mr. Stubbs (for) with Mr. Tobey (against).
Mr. Kennedy of Maryland (for) with Mr. Eaton (against).
Mr. Lucas (for) with Mr. Wadsworth (against).
Mr. Rayburn (for) with Mr. Reed of New York (against).
Mr. Sadowski (for) with Mr. Tinkham (against).

General pairs:

Mr. Blanton with Mr. Wolverton.
Mr. Cochran with Mr. Carter.
Mr. Oliver with Mr. Welch.
Mr. Granfield with Mr. Kimball.
Mr. Corning with Mr. Burdick.
Mr. Beam with Mr. Higgins of Connecticut.
Mr. May with Mr. Schneider.
Mr. Kelly with Mr. Healey.
Mr. Young with Mr. Sutphin.
Mr. Underwood with Mr. Claiborne.
Mr. Dietrich with Mr. Eicher.
Mr. Sweeney with Mr. Keller.
Mrs. Jenckes of Indiana with Mr. Wilson of Louisiana.
Mr. Thom with Mr. Robinson of Utah.
Mr. Fernandez with Mr. Gassaway.
Mr. Quinn with Mr. Dunn of Mississippi.
Mr. Peterson of Georgia with Mr. Cole of Maryland.
Mr. Casey with Mr. Murdock.
Mr. Brown of Michigan with Mr. Adair.
Mr. Lamneck with Mr. Bell.
Mr. Nichols with Mr. Burch.
Mr. Bankhead with Mr. McGroarty.
Mr. Berlin with Mr. Montague.
Mr. Bulwinkle with Mr. Peyser.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the House joint resolution.

Mr. SNELL. Mr. Speaker, on the passage of the joint resolution I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 237, nays 93, not voting 99, as follows:

[Roll No. 164]

YEAS—237

Amlie	Caldwell	Cooper, Tenn.	Dorsey
Ashbrook	Cannon, Mo.	Costello	Doughton
Ayers	Carmichael	Cox	Doxey
Barden	Carpenter	Cravens	Drewry
Beiter	Cary	Cross, Tex.	Driscoll
Biermann	Casey	Crosser, Ohio	Driver
Bland	Castellow	Crowe	Duffey, Ohio
Bloom	Celler	Cullen	Duffy, N. Y.
Boehne	Chandler	Cummings	Duncan
Boileau	Chapman	Darden	Eagle
Boland	Citron	Dear	Eckert
Boykin	Clark, Idaho	Deen	Edmiston
Boylan	Coffee	Delaney	Ellenbogen
Brennan	Colden	Dempsey	Evans
Brooks	Cole, Md.	DeRouen	Faddis
Brown, Ga.	Colmer	Dickstein	Farley
Brunner	Connery	Dies	Fiesinger
Buck	Cooley	Dobbins	Fitzpatrick

Flannagan	Kee	Moran	Shanley
Ford, Calif.	Kennedy, N. Y.	Nelson	Sirovich
Ford, Miss.	Kenney	Norton	Sisson
Frey	Kerr	O'Connell	Smith, Conn.
Fuller	Kloeb	O'Connor	Smith, Va.
Fulmer	Kocialkowski	O'Day	Smith, Wash.
Gambrill	Kopplemann	O'Leary	Snyder
Gasque	Kramer	O'Neal	South
Gehrmann	Kvale	Owen	Spence
Gildea	Lambeth	Palmisano	Stack
Gillette	Lanham	Parsons	Starnes
Gingery	Larrabee	Patman	Tarver
Goldsborough	Lea, Calif.	Patterson	Taylor, Colo.
Gray, Ind.	Lee, Okla.	Patton	Taylor, S. C.
Green	Lesinski	Pearson	Terry
Greenway	Lewis, Colo.	Peterson, Fla.	Thomason
Greenwood	Lewis, Md.	Peterson, Ga.	Tolan
Greever	Lloyd	Pettengill	Tonry
Gregory	Luckey	Pfeifer	Turner
Griswold	McAndrews	Pierce	Umstead
Haines	McClellan	Quinn	Utterback
Hamlin	McCormack	Rabaut	Vinson, Ga.
Hancock, N. C.	McFarlane	Ramsay	Vinson, Ky.
Harlan	McGehee	Ramspeck	Wallgren
Hart	McGrath	Randolph	Walter
Harter	McKeough	Rankin	Warren
Healey	McLaughlin	Reilly	Wearin
Hennings	McReynolds	Richards	Werner
Higgins, Mass.	McSwain	Richardson	West
Hildebrandt	Mahon	Robertson	Whelchel
Hill, Ala.	Maloney	Robinson, Utah	White
Hill, Knute	Mansfield	Russell	Whittington
Hill, Samuel B.	Martin, Colo.	Sabath	Wilcox
Hobbs	Massingale	Sanders, La.	Williams
Houston	Maverick	Sanders, Tex.	Withrow
Huddleston	Mead	Sandlin	Wood
Imhoff	Meeks	Schaefer	Woodrum
Jacobsen	Merritt, N. Y.	Schulte	Zimmerman
Johnson, Okla.	Miller	Scott	Zioncheck
Johnson, Tex.	Mitchell, Tenn.	Scrugham	
Johnson, W. Va.	Monaghan	Sears	
Jones	Montet	Secrest	

NAYS—93

Allen	Darrow	Lambertson	Ransley
Andresen	Dirksen	Lehlbach	Reed, Ill.
Andrew, Mass.	Dondero	Lemke	Rich
Arends	Ekwall	Ludlow	Robsion, Ky.
Bacharach	Engel	Lundeen	Rogers, Mass.
Bacon	Englebright	McLeod	Ryan
Binderup	Focht	Maas	Sauthoff
Blackney	Gavagan	Mapes	Schuetz
Bolton	Gearhart	Marcantonio	Seger
Brewster	Gifford	Marshall	Short
Buchanan	Gilchrist	Martin, Mass.	Snell
Buckbee	Guyer	Mason	Somers, N. Y.
Buckler, Minn.	Gwynne	May	Stefan
Burdick	Halleck	Merritt, Conn.	Taber
Burnham	Hancock, N. Y.	Michener	Taylor, Tenn.
Carlson	Hoeppel	Millard	Thurston
Cavicchia	Hollister	Moritz	Treadway
Christianson	Holmes	Mott	Turpin
Church	Hope	O'Brien	Wigglesworth
Collins	Hull	O'Malley	Wolcott
Cooper, Ohio	Jenkins, Ohio	Pittenger	Woodruff
Crawford	Kinzer	Plumley	
Crowther	Kleberg	Polk	
Culkin	Knutson	Powers	

NOT VOTING—99

Adair	Ditter	Kennedy, Md.	Schneider
Andrews, N. Y.	Dockweiler	Kimball	Shannon
Arnold	Doutrich	Kniffin	Smith, W. Va.
Bankhead	Dunn, Miss.	Lamneck	Steagall
Beam	Dunn, Pa.	Lord	Stewart
Bell	Eaton	Lucas	Stubbs
Berlin	Eicher	McGroarty	Sullivan
Blanton	Fenerty	McLean	Sumners, Tex.
Brown, Mich.	Ferguson	McMillan	Sutphin
Buckley, N. Y.	Fernandes	Mitchell, Ill.	Sweeney
Bulwinkle	Fish	Montague	Thom
Burch	Fletcher	Murdock	Thomas
Cannon, Wis.	Gassaway	Nichols	Thompson
Carter	Goodwin	Oliver	Tinkham
Cartwright	Granfield	Parks	Tobey
Claiborne	Gray, Pa.	Perkins	Underwood
Clark, N. C.	Hartley	Peyser	Wadsworth
Cochran	Hess	Rayburn	Weaver
Cole, N. Y.	Higgins, Conn.	Reece	Welch
Corning	Hoffman	Reed, N. Y.	Wilson, La.
Crosby	Hook	Rogers, N. H.	Wilson, Pa.
Daly	Jenckes, Ind.	Rogers, Okla.	Wolfenden
Dietrich	Kahn	Romjue	Wolverton
Dingell	Keller	Rudd	Young
Disney	Kelly	Sadowski	

So the joint resolution was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Rudd (for) with Mr. Goodwin (against).
Mr. Arnold (for) with Mr. Hess (against).
Mr. McMillan (for) with Mr. Fish (against).
Mr. Rogers of New Hampshire (for) with Mr. Lord (against).
Mr. Weaver (for) with Mr. Thomas (against).
Mr. Sullivan (for) with Mr. Cole of New York (against).
Mr. Romjue (for) with Mr. Reece (against).
Mr. Dockweiler (for) with Mr. Perkins (against).
Mr. Cartwright (for) with Mr. Hartley (against).
Mr. Buckley (for) with Mr. Stewart (against).
Mr. Hook (for) with Mr. McLean (against).
Mr. Kniffin (for) with Mr. Wilson of Pennsylvania (against).
Mr. Ferguson (for) with Mr. Wolfenden (against).
Mr. Parks (for) with Mr. Doutrich (against).
Mr. Fletcher (for) with Mr. Fenerty (against).
Mr. Smith of West Virginia (for) with Mrs. Kahn (against).
Mr. Stubbs (for) with Mr. Tobey (against).
Mr. Kennedy of Maryland (for) with Mr. Eaton (against).
Mr. Lucas (for) with Mr. Wadsworth (against).
Mr. Rayburn (for) with Mr. Reed of New York (against).
Mr. Sadowski (for) with Mr. Tinkham (against).
Mr. Clark of North Carolina (for) with Mr. Ditter (against).
Mr. Steagall (for) with Mr. Andrews of New York (against).
Mr. Disney (for) with Mr. Hoffman (against).

Until further notice:

Mr. Crosby with Mr Kelly.
Mr. Murdock with Mr. Gray of Pennsylvania.

The result of the vote was announced as above recorded.

On motion of Mr. McREYNOLDS, a motion to reconsider was laid on the table.

MINES AND MINING

Mr. DEROUEN, from the Committee on the Public Lands, submitted a conference report and statement on the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended, for printing in the RECORD.

AGRICULTURAL ADJUSTMENT ACT

Mr. JONES. Mr. Speaker, I call up the conference report on the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes, and ask that the reading of the report be dispensed with. The report has been printed and is available to everyone.

Mr. TARVER. Mr. Speaker, reserving the right to object, there are 163 Senate amendments to the bill which was passed by the House. There should be ample time for the discussion of these amendments, preferably by Members of the conference committee, who may be able to explain them.

Mr. JONES. A great many of the amendments are formal amendments.

Mr. TARVER. The gentleman should ask unanimous consent to extend the usual time for the discussion of a conference report to at least 2 hours. This is a bill which affects vitally agriculture throughout this entire country, and we ought not to hasten through it before we thoroughly understand what we are voting on.

Mr. JONES. The bill, except in two or three respects, has not been very greatly changed from what it was as it passed the House. Some additional provisions have been added.

Mr. TARVER. It seems to me it has been very vitally changed. Some of the amendments are very vital.

Mr. JONES. I will yield the gentleman time if he wants it.

Mr. TARVER. I am not asking this consideration for myself, but I am of the opinion the conference report should have full consideration.

Mr. JONES. I shall undertake to make an explanation of the provisions of the material Senate amendments.

Mr. TARVER. I doubt the ability of the gentleman, although I know it is great, to fully explain this bill if he took the entire hour that is allowed for the consideration of a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HOPE and Mr. O'MALLEY objected.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 36, 37, 38, 65, 66, 67, 94, 95, 120, 133, 156, and 157.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 17, 18, 19, 20, 21, 25, 26, 27, 28, 32, 33, 34, 40, 41, 44, 46, 47, 49, 50, 51, 54, 55, 56, 58, 61, 62, 63, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81,

82, 83, 84, 86, 87, 88, 89, 90, 92, 93, 97, 98, 101, 103, 106, 107, 108, 109, 110, 111, 112, 116, 117, 118, 121, 130, 131, 134, 136, 137, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 153, and 154, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: On page 3 of the House bill, line 19, strike out "such" and insert "an"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "which directly burdens, obstructs, or affects"; and on page 9 of the House bill, line 9, after "commerce", strike out the comma; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "only such handling of such agricultural commodity, or product thereof, as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects, interstate or foreign commerce in such commodity or product thereof"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: On page 14 of the House bill, line 18, after "fruits" insert ", other than olives" and a comma; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(not including vegetables, other than asparagus, for canning), soy beans"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be insertd by the Senate amendment insert the following:

"(D) Providing that, in the case of all milk purchased by handlers from any producer who did not regularly sell milk during a period of 30 days next preceding the effective date of such order for consumption in the area covered thereby, payments to such producer, for the period beginning with the first regular delivery by such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month, shall be made at the price for the lowest use classification specified in such order, subject to the adjustments specified in paragraph (B) of this subsection (5)."

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(E) Providing (1) except as to producers for whom such services are being rendered by a cooperative marketing association, qualified as provided in paragraph (F) of this subsection (5), for market information to producers and for the verification of weights, sampling, and testing of milk purchased from producers, and for making appropriate deductions therefor from payments to producers, and (i) for assurance of, and security for, the payment by handlers for milk purchased."

And the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "or in any manner limit, in the case of the products of milk" and a comma; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "marketed in or transported to any or all markets in the current of interstate or foreign commerce or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity or product thereof" and a comma; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "market in or transport to any or all markets in the current of interstate or foreign commerce or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity or product thereof"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "marketed in or transported to any or all markets in the current of interstate or foreign commerce or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity or product thereof" and a comma; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: On page 17 of the House bill, line 17, strike out "(B)" and insert "(C)"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: On page 17 of the House bill, line 5, strike out the comma following "which"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "except that as to citrus fruits produced in any area producing what is known as California citrus fruits no order issued pursuant to this subsection (8) shall become effective until the handlers of not less than 80 per centum of the volume of such commodity or product thereof covered by such order have signed such a marketing agreement"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

": *Provided*, That no order issued pursuant to this subsection shall be effective unless the Secretary of Agriculture determines that the issuance of such order is approved or favored:

"'(A) By at least two-thirds of the producers who (except that as to citrus fruits produced in any area producing what is known as California citrus fruits said order must be approved or favored by three-fourths of the producers), during a representative period determined by the Secretary, have been engaged, within the production area specified in such marketing agreement or order, in the production for market of the commodity specified therein, or who, during such representative period, have been engaged in the production of such commodity for sale in the marketing area specified in such marketing agreement, or order, or

"'(B) By producers who, during such representative period, have produced for market at least two-thirds of the volume of such commodity produced for market within the production area specified in such marketing agreement or order, or who, during such representative period, have produced at least two-thirds of the volume of such commodity sold within the marketing area specified in such marketing agreement or order.'"

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(except that as to citrus fruits produced in any area producing what is known as California citrus fruits said per centum shall be 80 per centum)"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(except that as to citrus fruits produced in any area producing what is known as California citrus fruits said per centum shall be 80 per centum)"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(i) By at least two-thirds of the producers (except that as to citrus fruits produced in any area producing what is known as California citrus fruits said order must be approved or favored by three-fourths of the producers) who, during a representative period determined by the Secretary, have been engaged, within the production area specified in such marketing agreement or order, in the production for market of the commodity specified therein, or who, during such representative period, have been engaged in the production of such commodity for sale in the marketing area specified in such marketing agreement, or order, or

"(ii) By producers who, during such representative period, have produced for market at least two-thirds of the volume of such commodity produced for market within the production area specified in such marketing agreement or order, or who, during such representative period, have produced at least two-thirds of the volume of such commodity sold within the marketing area specified in such marketing agreement or order."

And the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"No order shall be issued under this title prohibiting, regulating, or restricting the advertising of any commodity or product covered thereby, nor shall any marketing agreement contain any provision prohibiting, regulating, or restricting the advertising of any commodity or product covered by such marketing agreement."

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: On page 23

of the House bill, line 6, strike out "is" and insert "are"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "within the production area specified in such marketing agreement or order, or who, during such representative period, have been engaged in the production of such commodity for sale within the marketing area specified in such marketing agreement or order: *Provided*, That such majority have, during such representative period, produced for market more than 50 per centum of the volume of such commodity produced for market within the production area specified in such marketing agreement or order, or have, during such representative period, produced more than 50 per centum of the volume of such commodity sold in the marketing area specified in such marketing agreement or order"; and the Senate agree to the same

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In the matter proposed to be inserted by said amendment strike out "8(c)" and insert in lieu thereof "8c"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert:

"SPECIFIC TAX RATE—FLOOR STOCKS—BARLEY

"(5) If at any time prior to December 31, 1937, a tax with respect to barley becomes effective pursuant to proclamation as provided in subsection (a) of this section, such tax shall be levied, assessed, collected, and paid during the period from the date upon which such tax becomes effective to December 31, 1937, both inclusive, at the rate of 25 cents per bushel of forty-eight pounds. The provisions of section 16 of this title shall not apply in the case of barley."

And the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(6) (A) Any rate of tax which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or which is established pursuant to this paragraph (6) on the processing of any commodity generally or for any designated use or uses, or on the processing of the commodity in the production of any designated product or products thereof for any designated use or uses, shall be decreased (including a decrease to zero) in accordance with the formulae, standards, and requirements of paragraph (1) of this subsection, in order to prevent such reduction in the quantity of such commodity or the products thereof domestically consumed as will result in the accumulation of surplus stocks of such commodity or the products thereof or in the depression of the farm price of the commodity, and shall thereafter be increased in accordance with the provisions of paragraph (1) of this subsection but subject to the provisions of subdivision (B) of this paragraph (6).

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any twelve months period ending after the date of the adoption of this amendment consisting of the two months immediately preceding and the first ten months of any marketing year—

"(i) is equal to, or exceeds by 10 per centum or less, the fair exchange value thereof, or, in the case of tobacco, is less than the fair exchange value by not more than 10 per centum, the rate of such tax shall (subject to the provisions of subdivision (A) of this paragraph (6)) be adjusted, at the beginning of the next succeeding marketing year, to such rate as equals 20 per centum of the fair exchange value thereof.

"(ii) exceeds by more than 10 per centum, but not more than 20 per centum, the fair exchange value thereof, the rate of such tax shall (subject to the provisions of subdivision (A) of this paragraph (6)) be adjusted, at the beginning of the next succeeding marketing year, to such rate as equals 15 per centum of the fair exchange value thereof.

"(iii) exceeds by more than 20 per centum the fair exchange value thereof, the rate of such tax shall (subject to the provisions of subdivision (A) of this paragraph (6) be adjusted, at the beginning of the next succeeding marketing year, to such rate as equals 10 per centum of the fair exchange value thereof.

"(C) Any rate of tax which has been adjusted pursuant to this paragraph (6) shall remain at such adjusted rate unless further adjusted or terminated pursuant to this paragraph (6), until December 31, 1937, or until July 31, 1936, in the case of rice.

"(D) In accordance with the formulae, standards, and requirements prescribed in this title, any rate of tax prescribed in paragraph (2), (3), (4), or (5) of this subsection or which is established pursuant to this paragraph (6) shall be increased.

"(E) Any tax, the rate of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or which is established pursuant to this paragraph (6), shall terminate pursuant to proclamation as provided in section 9 (a) of this title or pursuant to section 13 of this title. Any such tax with respect to any basic commodity which terminates pursuant to proclamation as provided in section 9 (a) of this title shall again become effective at the rate prescribed in paragraph (2), (3), (4), or (5) of this subsection, subject however to the provisions of subdivisions (A) and (B) of this paragraph (6), from the beginning of the marketing year for such commodity next following the date of a new proclamation by the Secretary as provided in section 9 (a) of this title, if such marketing year begins prior to December 31, 1937, or prior to July 31, 1936, in the case of rice, and shall remain at such rate until altered or terminated pursuant to the provisions of section 9 or terminated pursuant to section 13 of this title.

"(F) After December 31, 1937 (in the case of the commodities specified in paragraphs (2), (4), and (5) of this subsection), and after July 31, 1936 (in the case of rice), rates of tax shall be determined by the Secretary of Agriculture in accordance with the formulae, standards, and requirements prescribed in this title but not in this paragraph (6), and shall, subject to such formulae, standards, and requirements, thereafter be effective.

"(G) If the applicability to any person or circumstances of any tax, the rate of which is fixed in pursuance of this paragraph (6), is finally held invalid by reason of any provision of the Constitution, or is finally held invalid by reason of the Secretary of Agriculture's exercise or failure to exercise any power conferred on him under this title, there shall be levied, assessed, collected, and paid (in lieu of all rates of tax fixed in pursuance of this paragraph (6) with respect to all tax liabilities incurred under this title on or after the effective date of each of the rates of tax fixed in pursuance of this paragraph (6)), rates of tax fixed under paragraph (2), (3), (4), or (5), and such rates shall be in effect (unless the particular tax is terminated pursuant to proclamation, as provided in section 9 (a) or pursuant to section 13) until altered by act of Congress; except that, for any period prior to the effective date of such holding of invalidity, the amount of tax which represents the difference between the tax at the rate fixed in pursuance of this paragraph (6) and the tax at the rate fixed under paragraphs (2), (3), (4), and (5) shall not be levied, assessed, collected, or paid."

And the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by said amendment, and on page 53 of the House bill, after line 10, after the matter proposed to be inserted by Senate amendment numbered 139, insert the following:

"SEC. 42. Section 4 of such act of April 21, 1934, as amended, is amended by inserting at the end thereof the following new subsection:

"'(h) The Secretary of Agriculture is directed to exempt by regulation from the payment of the tax on the ginning of cotton as levied under authority of this Act, an amount of lint cotton not in excess of one hundred and ten pounds, produced by or for any producer and retained for domestic use in his household.'"

And the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "as to flour and prepared flour, and cereal preparations made chiefly from wheat, as classified in Wheat Regulations, Series 1, Supplement 1, and"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "27"; and the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) Section 16 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following new subsection:

"'(g) No refund, credit, or abatement of any amount of any tax shall be made or allowed under this section, unless, within one hundred and twenty days after the right to such refund, credit, or abatement accrued, or within one hundred and twenty days after the date of the adoption of this amendment, whichever is the later, a claim for such refund, credit, or abatement (conforming to such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe) is filed by the person entitled to such refund, credit, or abatement, and no such claim shall be allowed for an amount less than $10.'"

And the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "28"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "29"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment as follows: In lieu of the

matter proposed to be inserted by said amendment strike out "(c)" and insert "(d)"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "30"; and the Senate agree to the same.

Amendment numbered 113: That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(c) The making of rental and benefit payments under this title, prior to the date of the adoption of this amendment, as determined, prescribed, proclaimed and made effective by the proclamations of the Secretary of Agriculture or of the President or by regulations of the Secretary, and the initiation, if formally approved by the Secretary of Agriculture prior to such date of adjustment programs under section 8 (1) of this title, and the making of agreements with producers prior to such date, and the adoption of other voluntary methods prior to such date, by the Secretary of Agriculture under this title, and rental and benefit payments made pursuant thereto, are hereby legalized and ratified, and the making of all such agreements and payments, the initiation of such programs, and the adoption of all such methods prior to such date are hereby legalized, ratified, and confirmed as fully to all intents and purposes as if such agreement, program, method, and payment had been specifically authorized and made effective and the rate and amount thereof fixed specifically by prior Act of Congress."

And the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) (1) No recovery, recoupment, set-off, refund, or credit shall be made or allowed of, nor shall any counter claim be allowed for, any amount of any tax, penalty, or interest which accrued before, on, or after the date of the adoption of this amendment under this title (including any overpayment of such tax), unless, after a claim has been duly filed, it shall be established, in addition to all other facts required to be established, to the satisfaction of the Commissioner of Internal Revenue, and the Commissioner shall find and declare of record, after due notice by the Commissioner to such claimant and opportunity for hearing, that neither the claimant nor any person directly or indirectly under his control or having control over him, has, directly or indirectly, included such amount in the price of the article with respect to which it was imposed or of any article processed from the commodity with respect to which it was imposed, or passed on any part of such amount to the vendee or to any other person in any manner, or included any part of such amount in the charge or fee for processing, and that the price paid by the claimant or such person was not reduced by any part of such amount. In any judicial proceeding relating to such claim, a transcript of the hearing before the Commissioner shall be duly certified and filed as the record in the case and shall be so considered by the court. The provisions of this subsection shall not apply to any refund or credit authorized by subsection (a) or (c) of section 15, section 16, or section 17 of this title, or to any refund or credit to the processor of any tax paid by him with respect to the provisions of section 317 of the Tariff Act of 1930.

"(2) In the event that any tax imposed by this title is finally held invalid by reason of any provision of the Constitution, or is finally held invalid by reason of the Secretary of Agriculture's exercise or failure to exercise any power conferred on him under this title, there shall be refunded or credited to any person (not a processor or other person who paid the tax) who would have been entitled to a refund or credit pursuant to the provisions of subsections (a) and (b) of section 16, had the tax terminated by proclamation pursuant to the provisions of section 13, and in lieu thereof, a sum in an amount equivalent to the amount to which such person would have been entitled had the Act been valid and had the tax with respect to the particular commodity terminated immediately prior to the effective date of such holding of invalidity, subject, however, to the following condition: Such claimant shall establish to the satisfaction of the Commissioner, and the Commissioner shall find and declare of record, after due notice by the Commissioner to the claimant and opportunity for hearing, that the amount of the tax paid upon the processing of the commodity used in the floor stocks with respect to which the claim is made was included by the processor or other person who paid the tax in the price of such stocks (or of the material from which such stocks were made). In any judicial proceeding relating to such claim, a transcript of the hearing before the Commissioner shall be duly certified and filed as the record in the case and shall be so considered by the court. Notwithstanding any other provision of law: (1) no suit or proceeding for the recovery, recoupment, set-off, refund or credit of any tax imposed by this title, or of any penalty or interest, which is based upon the invalidity of such tax by reason of any provision of the Constitution or by reason of the Secretary of Agriculture's exercise or failure to exercise any power conferred on him under this title, shall be maintained in any court, unless prior to the expiration of six months after the date on which such tax imposed by this title has been finally held invalid a claim therefor (conforming to such regulations as the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, may prescribe) is filed by the person entitled thereto; (2) no such suit or proceeding shall be begun before the expiration of one year from the date of filing such claim unless the Commissioner renders a decision thereon within that time, nor after the expiration of five years from the date of the payment of such tax, penalty, or sum, unless suit or proceeding is begun within two years after the disallowance of the part of such claim to which such suit or proceeding relates. The Commissioner shall within 90 days after such disallowance notify the taxpayer thereof by mail.

"(3) The District Courts of the United States shall have jurisdiction of cases to which this subsection applies, regardless of the amount in controversy, if such courts would have had jurisdiction of such cases but for limitations under the Judicial Code, as amended, on jurisdiction of such courts based upon the amount in controversy."

And the Senate agree to the same.

Amendment numbered 115: That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(e) In connection with the establishment, by any claimant, of the facts required to be established in subsection (d) of this section, the Commissioner of Internal Revenue is hereby authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda, relative to any matter affecting the findings to be made by the Commissioner pursuant to subsection (d) of this section, to require the attendance of the claimant or of any officer or employee of the claimant, or the attendance of any other person having knowledge in the premises, and to take, or cause to be taken, his testimony with reference to any such matter, with power to administer oaths to such person or persons. It shall be lawful for the Commissioner, or any collector designated by him, to summon witnesses on behalf of the United States or of any claimant to appear before the Commissioner, or before any person designated by him, at a time and place named in the summons, and to produce such books, papers, correspondence, memoranda, or other records as the Commissioner may deem relevant or material, and to give testimony or answer interrogatories, under oath, relating to any matter affecting the findings to be made by the Commissioner pursuant to subsection (d) of this section. The provisions of Revised Statutes 3174 and of Revised Statutes 3175 shall be applicable with respect to any summons issued pursuant to the provisions of this subsection. Any witness summoned under this subsection shall be paid, by the party on whose behalf such witness was summoned, the same fees and mileage as are paid witnesses in the courts of the United States. All information obtained by the Commissioner pursuant to this subsection shall be available to the Secretary of Agriculture upon written request therefor. Such information shall be kept confidential by all officers and employees of the Department of Agriculture, and any such officer or employee who violates this requirement shall, upon conviction, be subject to a fine of not more than $1,000 or to imprisonment for not more than one year, or both, and shall be removed from office."

And the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(g) The provisions of section 3226, Revised Statutes, as amended, are hereby extended to apply to any suit for the recovery of any amount of any tax, penalty, or interest, which accrued, before, on, or after the date of the adoption of this amendment under this title (whether an overpayment or otherwise), and to any suit for the recovery of any amount of tax which results from an error in the computation of the tax or from duplicate payments of any tax, or any refund or credit authorized by subsection (a) or (c) of section 15, section 16, or section 17 of this title or any refund or credit to the processor of any tax paid by him with respect to articles exported pursuant to the provisions of section 317 of the Tariff Act of 1930."

And the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 31. The Agricultural Adjustment Act, as amended, is amended by inserting after section 21 the following:

"'IMPORTS

"'SEC. 22. (a) Whenever the President has reason to believe that any one or more articles are being imported into the United States under such conditions and in sufficient quantities as to render or tend to render ineffective or materially interfere with any program or operation undertaken, or to reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which an adjustment program is in operation, under this title, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested

parties and shall be conducted subject to such regulations as the President shall specify.

"'(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such limitations on the total quantities of any article or articles which may be imported as he finds and declares shown by such investigation to be necessary to prescribe in order that the entry of such article or articles will not render or tend to render ineffective or materially interfere with any program or operation undertaken, or will not reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which an adjustment program is in operation, under this title: *Provided*, That no limitation shall be imposed on the total quantity of any article which may be imported from any country which reduces such permissible total quantity to less than 50 per centum of the average annual quantity of such article which was imported from such country during the period from July 1, 1928, to June 30, 1933, both dates inclusive.

"'(c) No import restriction proclaimed by the President under this section nor any revocation, suspension, or modification thereof shall become effective until fifteen days after the date of such proclamation, revocation, suspension, or modification.

"'(d) Any decision of the President as to facts under this section shall be final.

"'(e) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended by the President whenever he finds that the circumstances requiring the proclamation or provision thereof no longer exist, or may be modified by the President whenever he finds that changed circumstances require such modification to carry out the purposes of this section.'"

And the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year. Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce; and (3) finance adjustments in the quantity planted or produced for market of agricultural commodities. The amounts appropriated under this section shall be expended for such of the above-specified purposes, and at such time, in such manner, and in such amounts as the Secretary of Agriculture finds will tend to increase the exportation of agricultural commodities and products thereof, and increase the domestic consumption of agricultural commodities and products thereof: *Provided*, That no part of the funds appropriated by this section shall be expended pursuant to clause (3) hereof unless the Secretary of Agriculture determines that the expenditure of such part pursuant to clauses (1) and (2) is not necessary to effectuate the purposes of this section: *Provided further*, That no part of the funds appropriated by this section shall be used for the payment of benefits in connection with the exportation of unmanufactured cotton."

And the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "34" and insert "33"; and the Senate agree to the same.

Amendment numbered 125: That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "35" and insert "34"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "36" and insert "35"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "37" and insert "36"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "38"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "or (c) invalidate any agreement entered into pursuant to section 8 (1) of the Agricultural Adjustment Act prior to the enactment of this Act, or subsequent to the enactment of this Act in connection with a program the initiation of which has been formally approved by the Secretary of Agriculture under such section 8 (1) prior to the enactment of this Act, or any act done or agreed to be done or any payment made or agreed to be made in pursuance of any such agreement, either before or after the enactment of this Act, or any change in the terms and conditions of any such agreement, or any voluntary arrangements or further agreements which the Secretary finds necessary or desirable in order to complete or terminate such program pursuant to the declared policy of the Agricultural Adjustment Act: *Provided*, That the Secretary shall not prescribe, pursuant to any such agreement or voluntary arrangement any adjustment in the acreage or in the production for market of any basic agricultural commodity to be made after July 1, 1937, except pursuant to the provisions of section 8 of the Agricultural Adjustment Act as amended by this Act"; and the Senate agree to the same.

Amendment numbered 135: That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "41" and insert "39"; and the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) The action of the Secretary of Agriculture in ascertaining and proclaiming, pursuant to section 3 (a) and (b) of such Act, as amended, 10,500,000 bales as the maximum amount of cotton of the crop harvested in the crop year 1935–1936 that may be marketed exempt from payment of the tax levied by such Act, as amended, is hereby legalized and ratified, and all apportionments and other action taken pursuant to such ascertainment and proclamation are legalized and ratified and confirmed as fully to all intents and purposes as if such amount had been fixed and such apportionments and action had been authorized and made effective specifically by Act of Congress.

"(e) Section 7 of such Act, as amended, is amended by adding at the end thereof the following new subsection:

"(d) For each crop year subsequent to the crop year 1934–1935 in which this Act is in effect the Secretary of Agriculture shall make (1) to each farm with an established average production for the applicable base period of 956 pounds or less of lint cotton an allotment equal to the full amount of such production and (2) to each farm with an established average production for such base period of more than 956 pounds of lint cotton an allotment of not less than 956 pounds. For each crop year subsequent to the crop year 1935–1936, the amount of each such allotment (and for the crop year 1935–1936 and subsequent crop years, the additional amount required for apportionment under the provisions of the Public Resolution entitled "Public Resolution To provide for certain State allotments under the Cotton Control Act") which is in excess of the allotment which, without regard to this subsection or such Public Resolution, would have been made to any farm, shall be in addition to the national allotment and the allotments to the State and county in which such farm is situated. The first sentence of this subsection shall not be held to increase any allotment to any farm for the crop year 1935–1936 which allotment was made under regulations of the Secretary of Agriculture prior to the date of the adoption of this amendment, or to require any reallotment.'"

And the Senate agree to the same.

Amendment numbered 139: That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 40. Section 17 of such act of April 21, 1934, as amended, is amended by inserting '(a)' before the first sentence thereof and by inserting at the end thereof the following new subsection:

"'(b) Appropriations for administrative expenses under this act are authorized to be made available to enable the Secretary of Agriculture to pay any person, who, in connection with the operation of any cotton gin, incurred additional expenses in connection with the administration of this act with respect to cotton ginned during the crop year 1935–36 or any subsequent crop year in which this act is in effect, and who applies to the Secretary therefor, compensation in the amount of such additional expenses, but not in excess of the rate of 25 cents per bale of such cotton ginned by such person, provided proof satisfactory to the Secretary of Agriculture is furnished that the additional expenses for which such person makes application have not been passed on in any manner whatsoever.'

"SEC. 41. Section 9 (d) of such act of April 21, 1934, as amended (relating to transfer of exemption certificates), is amended by inserting after the first sentence thereof the following new sentence: 'No rule or regulation of the Secretary of Agriculture shall prohibit the transfer or assignment by a cotton producer of certificates issued or reissued to him if such transfer or assignment is to another cotton producer who is a resident of the same State.'"

And the Senate agree to the same.

Amendment numbered 158: That the House recede from its disagreement to the amendment of the Senate numbered 158, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "57" and insert "56"; and the Senate agree to the same.

Amendment numbered 159: That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 57. In order to effectuate the policy declared in section 56 of this Act the Secretary of Agriculture shall have the power, after due notice and opportunity for hearing, to enter into marketing agreements with manufacturers and others engaged in the handling of anti-hog-cholera serum and hog-cholera virus only with respect to such handling as is in the current of interstate or foreign commerce or which directly burdens, obstructs, or affects interstate or foreign commerce in such serum and virus. Such persons are hereafter in this Act referred to as 'handlers.' The making of any such agreement shall not be held to be in violation of any of the antitrust laws of the United States, and any such agreement shall be deemed to be lawful."

And the Senate agree to the same.

Amendment numbered 160: That the House recede from its disagreement to the amendment of the Senate numbered 160, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "59" and insert "58"; strike out "58" wherever it appears and insert "57"; and strike out "57" and insert "56"; and the Senate agree to the same.

Amendment numbered 161: That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "60" and insert "59"; and strike out "58" and insert "57"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 60. Subject to the policy declared in section 56 of this Act, the provisions of subsections (6), (7), (8), and (9) of section 8a and of subsections (14) and (15) of section 8c of the Agricultural Adjustment Act, as amended, are hereby made applicable in connection with orders issued pursuant to section 59 of this Act, and the provisions of section 8d of the Agricultural Adjustment Act, as amended, are hereby made applicable in connection with marketing agreements entered into pursuant to section 57 and orders issued pursuant to section 59 of this Act. The provisions of subsections (a), (b), (2), (c), (f), (h), and (i) of section 10 of the Agricultural Adjustment Act, as amended, are hereby made applicable in connection with the administration of sections 56 to 60, inclusive, of this Act."

And the Senate agree to the same.

The committee of conference report the following amendments in disagreement: Amendments nos. 128, 152, 155, and 163.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the part of the House.

E. D. SMITH,
J. H. BANKHEAD,
CHAS. L. MCNARY,
LOUIS MURPHY,
Managers on the part of the Senate.

Mr. MAVERICK (interrupting the reading of the conference report). Mr. Speaker, I ask unanimous consent that further reading of the conference report may be dispensed with.

Mr. HOPE. Mr. Speaker, I object.

The Clerk resumed the reading of the conference report.

Mr. ANDRESEN (interrupting the reading of the conference report). Mr. Speaker, I ask unanimous consent that further reading of the conference report may be dispensed with, and that the chairman of the committee explain the amendments.

Mr. HOPE. Mr. Speaker, I am compelled to object.

The SPEAKER. This request has been submitted to the House twice and the Chair declines to submit it again unless the gentleman from Kansas will agree in advance to withdraw his objection. We are merely consuming time in considering these requests.

The Clerk resumed the reading of the conference report.

Mr. MARTIN of Massachusetts (interrupting the reading of the conference report). Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-three Members are present, a quorum.

The Clerk concluded the reading of the conference report.

The SPEAKER. The gentleman from Texas [Mr. JONES] is recognized for 1 hour.

Mr. JONES. I am going to submit a unanimous-consent request.

Mr. Speaker, I ask unanimous consent that the House do now adjourn to meet at 11 o'clock tomorrow, this conference report and the amendments to have the right-of-way until disposed of.

Mr. SNELL. The gentleman's request is that the House adjourn at once to meet tomorrow at 11 o'clock?

Mr. JONES. Yes.

Mr. TAYLOR of Colorado. Mr. Speaker, I object.

Mr. SISSON. Mr. Speaker, reserving the right to object——

The SPEAKER. Objection has been made.

Mr. TAYLOR of Colorado. Mr. Speaker, if I may be heard——

The SPEAKER. Objection has been made. The gentleman from Texas has the floor.

Mr. JONES. Mr. Speaker, this bill is largely in the form in which the House passed it. It is true there are 163 amendments. A great many of these amendments are largely changes in section numbers and formal changes that do not amount to a great deal. They are all fully explained in the conference report.

In its essential parts the bill is as it passed the House. One exception is the provision for suits. The bill as it passed the House placed a ban on all suits on the part of processors for the recovery of taxes heretofore collected in the event the taxes should be held illegal. The Senate adopted an amendment which permitted taxes to be recovered in suits by any processor in the event that taxes should be held illegal. A compromise was adopted. The Senate amendment made no provision whatever for recovery on the part of wholesalers or retailers on stocks on hand which had absorbed the taxes. A compromise was reached which provides that the wholesaler and retailers may recover on stocks which they have on hand unsold at the time the tax becomes ineffective. It then permits the processors to file claims for refund with the Commissioner of Internal Revenue who conducts hearings and makes findings of fact. In order to recover the processors must show that they neither passed the tax on in the price of the product which they sold nor charged it back to the farmer in the form of a reduced price which they paid him for his article. They may then file suit for recovery of the taxes, but the commissioners' hearings and findings become the record in the case. This, in a general way, is the explanation of the suit provision.

Mr. ANDRESEN. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Minnesota.

Mr. ANDRESEN. Does that apply to all commodities upon which a processing tax has been collected, and relating particularly to floor stocks?

Mr. JONES. That particular provision applies to all commodities on which a tax has been collected.

Mr. ANDRESEN. The House bill provided for a recovery of the tax on cotton goods and wheat.

Mr. JONES. The House provision referred only to stocks that were on hand at the termination of the tax. The House provision did not cover the question of an illegal tax.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. As I understand it, a processor can make application for a refund at any time after the Supreme Court says this law is unconstitutional.

Mr. JONES. We think the Supreme Court will not say that.

Mr. MARTIN of Massachusetts. But we are going on the theory the Supreme Court will.

Mr. JONES. That is only in the event of an adverse decision.

Mr. MARTIN of Massachusetts. In the event of an adverse decision, then a processor may put in an application for a refund?

Mr. JONES. Yes.

Mr. MARTIN of Massachusetts. There is no time limit within which he must do that?

Mr. JONES. Yes. He must file an application for a refund within 6 months; I believe that is the time.

Mr. MARTIN of Massachusetts. Six months after the decision?

Mr. JONES. Yes. He must file an application within 6 months, and has 1 year within which to file suit.

Mr. MARTIN of Massachusetts. After what time?

Mr. JONES. After the final decision of the Commissioner, in the event the tax should be held illegal.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from New York.

Mr. FITZPATRICK. This processing tax is finally passed on to the consumer?

Mr. JONES. As a matter of fact, the processing tax is absorbed in the price of the article. In some instances a part of it is passed back in the way of a reduced price and a part of it goes on. It certainly is absorbed in the price structure of the country.

Mr. FITZPATRICK. But it finally reaches the consumer. He is the one who pays the entire tax?

Mr. JONES. Whoever ultimately consumes that article, whether it is a manufactured article, an article manufactured from a farm product or from any other character of product, pays the price and, of course, the ultimate price must cover the costs all along the line. This applies to the tariff, as well as to the processing tax.

Mr. MARTIN of Massachusetts. I may say I believe the gentleman is entirely mistaken when he says that the processor always passes the tax along, because there are many competitive lines in the textile industry, for instance, where it is impossible for the manufacturer to pass it on.

Mr. JONES. If the processor does not pass the tax on or pass it back, and he is still able to operate, then he must have been taking an abnormally wide margin before the tax went on.

Mr. MARTIN of Massachusetts. The gentleman understands, for instance, that the Japanese competition at the present time is so keen and the prices so low that a manufacturer cannot begin to get a proper price for his article; consequently he cannot raise it and in many instances he is selling his article at a loss.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Is there a provision providing for a compensating tax?

Mr. JONES. Yes; there is a provision relating to that matter.

Mr. MARTIN of Massachusetts. That would not make it possible for the American manufacturer to pass it on.

Mr. JONES. I may say to the gentleman that there is a provision in this bill not only for compensating taxes but also a provision that would permit quotas to be fixed upon any competing commodity, if it interferes materially with the operations of the farm program or if it tends to materially reduce the amount of the article processed in this country. I think a proper application of that provision would go far toward handling the situation. The gentleman from Massachusetts, of course, was complaining of that sort of competition long before we had a farm program.

Mr. MARTIN of Massachusetts. Absolutely. I admit that very frankly, but as far as the quota is concerned, I would like to ask the gentleman to try to get a quota on any American goods, whether it be farm goods or manufactured goods. He will not find much sympathy for that kind of proposition.

Mr. JONES. It has been done in connection with the sugar program and is working beautifully.

Mr. CONNERY. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Massachusetts.

Mr. CONNERY. The power referred to was also put in the N. R. A. Act, but the imports were never stopped from coming in to interfere with the textile and other industries. They were allowed to come flying in just the same.

Mr. JONES. Of course, I have not charge of that particular matter. The question of the tariff and imports is much older than the farm bill. In fact, the operation of the tariff made a farm program necessary as a matter of fairness and justice.

Mr. GIFFORD. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. The gentleman is aware of the fact that already the textile interests, and I refer to them especially, are in a terrible state. Business is not only at a standstill, but in a very bad condition, largely on account of this nonunderstanding. The wholesalers are demanding of the processors a full and complete statement of all taxes that were handed on to them. May I ask the gentleman whether he understands that a processor or wholesaler can prove to the Commissioner that he handed on the whole or any part of a processing tax in order to meet competition? Does he realize what an awful job that would be to prove to the Commissioner?

Mr. JONES. I suspect in most cases he did pass it on, in which cases he should not be allowed to recover. As a matter of fact, the prices of most of these commodities on which the processing taxes are levied, including the processing fee, are below the parity price that existed prior to the war period.

Mr. GIFFORD. I am trying to say to the gentleman that both the wholesaler and the processor of the same article may demand the right to recover, and there is going to be difficulty there.

Mr. JONES. Of course, I take it that if an effort is made to recover double they may have hearings covering both before they give an award to either. They both could be made parties to the suit, if a suit is filed. I want to tell the gentleman that I hope they will not allow the processors and the wholesalers to make this a racket in order to recover processing fees more than once, or to recover fees that have been passed on to the public. As a matter of fact, the processing fee added on to the price of the farm product is no more than the tariff law which is carried on these commodities that we have talked about being imported.

Mr. GIFFORD. The gentleman fully understands that the Commissioner may have grave opposition and say that they handed on this or that amount, when in order to meet competition they may not have handed it all on. They may endeavor to show they did not hand on the actual cost of manufacturing, but the Commissioner is the one who will hear the facts and determine the right or wrong of it as he pleases, and then when they go into court the action of the court must be based on the facts presented by the Commissioner.

Mr. JONES. Why should they want to pass on the facts twice? There are 49,000 processors in America, and if they swamp the country with suits there would be interminable delay. Both the Government and the processors probably would be better off if they used a method similar to the one used in the refunding of income taxes through having a hearing, and that is what is provided here.

Mr. GIFFORD. The gentleman is aware of the awful mess that will be created by this situation during the years before they recover under any such treatment, and I would like to ask the gentleman a question about the amendment on which I spoke and about which I offered an amendment on the floor of the House relating to allowing these suits. Why did the House reverse its position so entirely in the matter of allowing these suits? What persuasive argument was presented?

Mr. JONES. I may say to the gentleman that the mess to which he has referred is not of our own making. It has been made by the favoritism in legislation that has existed for a half century, and this is an effort to complete the cycle

and put everybody on the same deal level of equality. If there had been no tariffs, if there had been no trade barriers, if there had been no commercial regulations and no corporations and no group legislation, the farmer would have needed no such legislation to put him on an equality.

Mr. GIFFORD. The gentleman is now referring to the tariff. We have $300,000,000 from the tariff and the gentleman wants to spend $700,000,000 in processing taxes——

Mr. JONES. That is what the Government collects, but the amount the people pay in the form of increased prices on tariff-laden articles is much more than that. If your people will pay the parity price for the commodity which you use, which would be a fair price, there will not be any processing fee.

Mr. GIFFORD. The tariff has been used here many times in these arguments, but there is no comparison between the tariff and the processing tax.

Mr. JONES. I may say that, in fairness, we put a ceiling on the amount of these taxes. We put a ceiling beyond which the processing tax will not stay on the article, and I believe the same thing ought to be done with the tariff. When the prices of commodities reach a certain level, I think the tariff ought to go off. I think the gentleman ought to join us and let us sit around the table instead of fighting. I think we ought to figure out a program that is fair to everybody. We should have a tariff for all or a tariff for none. Then if we are going to have a ceiling on the processing fee and have it come off when the price of the commodity reaches a certain point, the tariff ought to come off on an article when it reaches a certain point. This would be fair to the consumer in both instances.

Mr. GIFFORD. As much as we would like to go along with the gentleman, when we read this bill——

Mr. JONES. Does not the gentleman think that would be a fair proposition?

Mr. GIFFORD. Oh, the tariff is a matter of keeping foreigners from dumping their products into this country. There is no comparison of the tariff with this processing tax, and why does the gentleman bring that up as a comparison?

Mr. JONES. That is the gentleman's point of view. I think there is a comparison between them. The cotton grower must pay the tariff on the supplies he buys.

Mr. GIFFORD. I would like to ask the gentleman this question: With 30 cents a bushel on rye and with millions of bushels being imported each day, how can we follow the gentleman on that proposition?

Mr. JONES. If the two were added together, they would not put the price of that commodity above parity, and I think that is fair.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. SNELL. I am very much interested in the amendment on page 16—amendment 24—applicable to milk and milk products. I do not understand exactly what this means, "No marketing agreement or order applicable to milk and its products", and so forth.

Mr. JONES. That simply applies to fluid milk. You cannot make any limitation at all on the amount of butter or cheese or milk products that are shipped from any one area to another, and the limitation that may be applied on milk is only such limitation as puts each area on an equality with the other areas after a certain period of about 2½ months.

Mr. SNELL. Then do I understand from the gentleman's statement that if we had a marketing agreement relative to fluid milk in the vicinity of New York, within a certain number of miles around there, that would not be allowed under the provisions of this bill?

Mr. JONES. Yes; you could have that marketing agreement on milk, and anyone wanting to bring in milk from the outside for a period of 2 months would be compelled to take the manufacturer's price while shipping in there, and after that he would then have to submit to the same restriction as to quotas and character and classification as the others within the area.

Mr. SNELL. How does that change the situation from the present law?

Mr. JONES. The provisions of this particular bill would enable that area to be protected from being swamped with fluid milk from the outside, bought at any old price. For instance, if you do not have the protection of this bill they would run into the same trouble they ran into in the New York milk cases, where they went into New Hampshire and bought milk at a lower price and came in and broke down your milk agreements. Under the provisions of this bill if a price were fixed in this particular area in New York, then if anyone bought milk from an outside area and brought it in he would be compelled to pay the producer the same price that was being paid the producers within the area and comply with all regulations and requirements of that area. For the first 2 months he would be required to take the manufacturer's price.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. HOPE. Is not this the change this amendment makes? Under the original Agricultural Adjustment Act power was given the Secretary of Agriculture to prescribe any rules or regulations which he might care to respecting the introduction of milk into any particular area; that is, bringing in milk from the outside.

Mr. JONES. But the original amendments did not permit any orders governing the price to the producers?

Mr. HOPE. No; but otherwise the Secretary could make orders which would regulate the bringing in of milk from the outside into any particular milkshed, but under the amendments we are now considering the Secretary's power is limited. He cannot prohibit milk from coming in?

Mr. JONES. That is correct.

Mr. HOPE. But he can prescribe some limitations?

Mr. JONES. Yes; and he cannot prohibit the products of milk being brought into any area.

Mr. HOPE. No; but he can prescribe limitations on the importation of fluid milk.

Mr. SNELL. Then, as far as fluid milk is concerned, it is protected in certain markets, but, as far as the other products are concerned, they are not protected.

Mr. JONES. That is correct.

Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I shall undertake to discuss this proposed legislation from the standpoint of a Member of this House who has voted for every item included in the administration's farm program. I regret very much that the consideration of this conference report comes up at an hour of the day when only perhaps one-third of the membership of the House is in attendance, and when those who are here have become so tired in the proceedings of the day, and have had their patience worn to such an extent, that they are hardly in the proper frame of mind to give to this measure the consideration it deserves.

Mr. Speaker, I am unable to agree with the statement of the chairman of the committee to the effect that most of these 163 amendments are of a minor character. I feel that in the discussion which he has given to the Membership of the House he has been unable in the limited time at his disposal to refer to more than two or three of the scores of concrete propositions which are included in this conference report. All that one has to do to determine the nature and extent of the new laws and changes in existing laws contemplated by this report is to make casual examination of them. You will find that it proposes new law and changes in existing law of such a wide-spread nature as to materially and vitally affect almost every phase of agriculture throughout the entire United States. I feel that with the changes contemplated in these 122 pages of proposed legislation, added to the legislation on the farm subject which has already been enacted by Congress, a man in this country is hardly safe in engaging in the business of general farming without retaining the services of a firm of skilled attorneys to advise him what he can or cannot do. I do not believe there is a Member of this House who is today familiar with

the contents of this entire bill and able to explain them. With all due respect to the chairman of the committee, and conceding the great ability he has and the profound interest he has shown and the sympathy he has with the problems of the farmer, I do not believe the chairman of the committee, if he had hours of time, could come before this House today and explain in detail the meaning of every provision of this complicated measure.

Let me call your attention to one fact, and especially the attention of Members from the South. The gentleman from Texas [Mr. JONES], chairman of the committee, has presented a statement as to what he says is involved in this conference report, and has made no reference whatever to the fact that in amendment 134 and the following amendments it is proposed to reenact for a term of 2 years the provisions of the Bankhead Cotton Control Act. In the name of fairness, is that a minor amendment? Is that an amendment of such unimportance that the Chairman of the great Committee on Agriculture in presenting to the House the contents of this conference report is justified in ignoring it in its entirety and making no reference to it? Some time ago, in the early spring, this House passed by a great majority, and the almost unanimous vote of Members from the cotton-producing States, at least nine-tenths of whom voted for it, a bill known as the "Doxey bill", proposing to liberalize to some extent the provisions of the Bankhead Control Act so as to lessen the hardships which we all agreed had been visited upon the small tenant farmers and the share-croppers throughout the South. Nobody undertook to say upon the passage of that bill, as far as I now recall, that such amendatory legislation was not necessary. We undertook to provide in that bill for a small exemption—not to every farm, as provided by the exemptions promulgated by the Secretary of Agriculture, but to every cotton-producing farmer, upon whose cotton to the extent of the exemption no tax should be levied. We undertook to provide in that bill for arbitration of differences which might arise between individual farmers who were dissatisfied with their allotment, and the county committees, one arbitrator to be appointed by the county committee and one by the farmer, and those two to select a third, and their judgment to be final, thereby substituting an effective provision for arbitration as against an ineffective provision provided by the regulations of the Secretary of Agriculture for appeal.

None of those appeals instituted under the provisions of those regulations, as far as I have ever been advised, has been of any benefit to the farmer. The Doxey bill, representing the judgment of the House, was buried in the Senate on account of the hostile attitude of the Chairman of the Senate Committee on Agriculture and Senator Bankhead.

Now, what do the House conferees, who were instrumental in the passage of the Doxey bill, do when they meet in the Senate the demand of the author of the Bankhead Compulsory Cotton-Control Act for a continuance of that act for a period of 2 years? Do they insist that before we shall grant a continuance of this law, which has been found in many respects to work a hardship, that we shall incorporate in it for these next 2 years the liberalizations which the House of Representatives, by almost unanimous vote, found were necessary in order to insure justice to the small farmer? Not at all. The Bankhead Cotton-Control Act, with all of its injustices, with all of its hardships upon the small farmer, the tenant farmer, and the share-cropper, is injected into this bill through a Senate amendment which has been agreed to by the conferees.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. TARVER. I yield, gladly.

Mr. MARTIN of Massachusetts. Is it not a fact that the stringencies of this particular Bankhead cotton bill have been instrumental in forcing many thousands of small farmers onto the relief rolls of the country?

Mr. TARVER. I think the stringencies of the Bankhead Cotton Control Act have resulted in very grave injustices to the tenant farmers and to the share-croppers of the South. I would not go so far as to say that many of that class of our population have been forced, through this means, onto the relief rolls, but I will undertake to say that thousands of them have suffered hardships which were not justly their due.

Mr. CONNERY. Will the gentleman yield?

Mr. TARVER. I yield.

Mr. CONNERY. I want to say to the distinguished gentleman from Georgia that up in New England thousands have been put onto the relief rolls from the textile mills, and they cannot eat as farmers can. They are on the relief rolls on account of this processing tax.

Mr. TARVER. As far as the processing tax is concerned, I consider it a fair antidote for the tariff. I voted for it, and I am glad I did so. I believe that that portion of the legislation which has been enacted by the Congress has been of more benefit to the farming population of this country than any other legislation which has been enacted. [Applause.] I do not believe we ought to force upon the cotton farmers of this country the Bankhead Control Act without amendment. When they voted for it in December of last year, they had been assured by men who they thought were authorized to speak for the administration that the act would be amended and that a reasonable minimum exemption from taxation would be provided. The exemption provided for in the conference report which is before you is an exemption which had been previously provided by the regulations of the Secretary of Agriculture. That exemption is an exemption not to the farmer but to the farm. There might be 3, 4, 5, 6, or 7 tenants on a farm; yet the exemption provided for in this conference report, approving the regulations of the Secretary of Agriculture, would be divided between all of those living on the farm and would not be an exemption to each individual farmer.

The SPEAKER. The time of the gentleman from Georgia [Mr. TARVER] has expired.

Mr. TARVER. May I have three additional minutes?

Mr. JONES. We are trying to get through with this.

Mr. TARVER. I know you are, but there are millions of people affected by this bill. May I not have the courtesy of 3 additional minutes?

Mr. JONES. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. TARVER. Now, they may say and probably will say that the Bankhead Cotton Control Act, which is to be extended by the provisions of this bill as amended in conference, shall not become effective in the next 2 years unless voted for by the cotton farmers themselves; but what I am asking you to do is to give the cotton farmers some choice as to what they shall vote for. These conferees could have provided in the amendments which they have brought before you, for submission to the cotton farmer of the question whether they preferred the Bankhead bill in its present form or the Bankhead bill with the amendments offered by the Doxey bill. If that question were presented to the farmers, I venture the assertion that the amendments presented by the Doxey bill would be voted upon favorably by 90 percent of the cotton farmers. Why restrict the cotton farmer to the consideration of ideas offered by the Senator from Alabama, who undertakes to be the mouthpiece for the cotton-producing sections of this country?

There are other people in this country who have an interest in the producers of cotton and the areas which produce it besides the Senator from Alabama, yet it appears in this conference report that the viewpoint of a large majority of the Members of the House and an overwhelming majority of the Representatives from the cotton-producing section of the country has been disregarded and the ideas of the author of this compulsory legislation adopted instead.

I cannot discuss in detail the conference report. It relates to a bill whose character has entirely changed since it passed the House. One hundred and sixty-three amendments have been added by the Senate. Some of these amendments are several pages in length and the bill, with its provisions relating to every conceivable form of agriculture, now comprises 122 pages. I have endeavored to go

along with all legislation in good faith intended for the benefit of our farmers. I have felt, and now feel, that the welfare of no other class of our citizenry is as essential to national prosperity and well-being. But I am not prepared to agree that everything undertaken in the farmer's behalf is for his benefit, nor to accept the judgment of theorists, some of whom are not members of Congress, but connected with the Department of Agriculture, as to the propriety of trying out further agricultural experiments, or, for that matter, continuing unchanged some experiments already undertaken.

There are many features of the bill which are of very doubtful constitutionality. Its authors do not seem to have heard of the Schechter case, and apparently have only dimly remembered the Constitution of the United States in a general way.

Despite the judgment of many good lawyers to the contrary, I am hopeful that the constitutionality of the processing taxes may be upheld by the Supreme Court of the United States. In my judgment, the processing tax and the payments of benefits to the farmers from its proceeds have constituted the main benefit received by agriculture under the current program. I am not willing to abandon this feature of the program. The continuance of the Bankhead Act, and other compulsory crop programs, constitute a question which may be decided separate and apart from the question of continuing to the farmer benefits collected from the consumer upon the same principle that aid has been accorded throughout the years to our manufacturing interests through the medium of the tariff. A compulsory program has not been adopted for wheat, hogs, corn, and many other commodities, producers of which appear to have benefited from the pending program to a far greater extent even than the cotton farmer.

The Bankhead Cotton Control Act was adopted after the A. A. A., which is not dependent in its benefits to cotton farmers on the Bankhead Act, and represents largely the ideas of its author. Its enforcement last year was not in accord with what most of those who voted for it felt would be the procedure.

In this conference report it is stated that amendment no. 134 and subsequent amendments "embody the major features of the so-called 'Doxey bill.'" I challenge anyone to point out any "major features" of the Doxey bill included in these amendments except the proposition of paying ginners for extra service and expense. Aside from this, the Doxey bill has been abandoned in its entirety. Even the complicated and expensive method of appeal from decisions of county committees provided by regulations has been apparently nullified, for this conference report provides in amendment no. 138, as modified by the conference report, as follows:

(d) The action of the Secretary of Agriculture in ascertaining and proclaiming, pursuant to section 3 (a) and (b) of such act, as amended, 10,500,000 bales as the maximum amount of cotton of the crop harvested in the crop year 1935-36 that may be marketed exempt from payment of the tax levied by such act, as amended, is hereby legalized and ratified, and all apportionments and other action taken pursuant to such ascertainment and proclamation are legalized and ratified and confirmed as fully to all intents and purposes as if such amount had been fixed and such apportionments and action had been authorized and made effective specifically by act of Congress.

It is therefore decreed by this amendment that upon every allocation of tax-exempt cotton, however unjust, however discriminatory, this Congress places the stamp of approval, and in effect makes such an allocation the law of the land. It is doubtful, if we pass this, whether the complicated appeal regulations of the Secretary of Agriculture could be made to function at all. How could the appellate authorities of the Cotton Division change an allocation upon which Congress had set the seal of law?

When the Doxey bill was in the House the section which continued the Bankhead Act for another year was abandoned by unanimous consent. Nobody insisted on it. The chairman of the committee expressly abandoned it, and such abandonment unquestionably represented the judgment of the House. Yet here, in this conference report, the House conferees bring back not only that section but a continuance of the Bankhead Act for 2 years. And yet they say it is one of the major features of the Doxey bill. It was no part of the Doxey bill as passed by this House. I know that the Bankhead Act cannot be continued except by vote of the farmers themselves. But I believe that the farmers themselves would like to vote upon a better Bankhead Act if they vote at all; upon an act amending the existing law to eliminate some of its hardships.

I am willing for the farmer to have whatever law regulating his business that he wants. But I am opposed to cramming the ideas of some agriculturist, who never plowed a furrow, down his throat and saying in effect, "Take this or nothing." Further, I do not believe that the farmers ought to be required to vote on the Bankhead Act again until the Supreme Court has rendered its pending decision as to its constitutionality. I do not want to vote on it again myself until we have the light of that decision. It is to be expected during the coming fall. Why not wait until that decision is rendered and then legislate next January in the light of that decision, whatever it may be? The farmers of the country do not want to vote to impose a tax even on a minority in violation of the Constitution. Neither do I; and before I vote to extend the Bankhead Act I want to know what the Supreme Court says as to whether or not that act is in violation of the Constitution of the United States. If it is not, then within a few days after Congress meets in January all necessary steps to allow the farmers to vote on it again can be taken.

There has been also added to this bill in the Senate a "potato-control bill." It is true we are to vote on it separately. But if this House adopts this conference report, it will undoubtedly adopt the potato amendment also. Under that amendment the following language, in addition to other parts of the long and complicated scheme for potato control, is written into the law:

SEC. 214. (a) All producers, warehousemen, processors, carriers, retailers, factors, handlers, and any other person who the Commissioner has reason to believe to have information with respect to potatoes produced or sold may be required, under regulations prescribed jointly by the Secretary of the Treasury and the Secretary of Agriculture, to make such returns, render such statements, give such information, and keep such records as they may deem necessary for the proper administration of this title.

Under that provision, the most humble citizen who plants a few rows of potatoes in his garden might be required "to make such returns, render such statements, give such information, and keep such records" as the Commissioner directed, or else be guilty of a crime. Potatoes are more generally produced than any other major agricultural product produced, not only on farms but in the town or village gardens, and by scores of millions of people. All of these would have to have "an allotment" or pay tax if they should by chance want to sell a peck or two to a neighbor. Under the terms of the bill, a workingman living in a town and producing a bushel or so more than his needs would not only have to have an allotment or pay tax, but he must sell it in a certain kind of package, and with certain stamps attached. What are we coming to when we attempt to put people in jail for raising or selling potatoes unless they do it in a certain kind of way satisfactory to the Secretary of Agriculture? The provisions of this long and complicated potato amendment defy analysis, but I know enough about it to know that it constitutes a sort of regulation of the honest and industrious citizen repugnant to the ideals of a democracy, and so far as I am concerned, I am not going to vote for it, or for any bill which has such provisions in it.

I believe that a continuance of the benefits derived by the farmer from processing taxes is necessary and fair to that great class of our people. Despite criticism of the processing taxes, which has been wide-spread, I am willing to continue that feature of the agricultural program. It has meant a great deal to our farmers and is largely responsible for the existing improvement in their condition. But I am not willing, for the reasons I have given and for others which time does not permit me to offer, to place the stamp of legislative approval upon every scheme of agricultural theorists

hatched outside the Halls of Congress and brought here in order that we may act the part of "yes" men and give it the effect of law. In that connection, permit me to point out that the Secretary of Agriculture does not always wait until Congress gives him authority before changing or modifying laws. The existing Bankhead Act contains the following provision:

SEC. 4. (f) The tax shall not be collected upon the ginning of cotton which is to be stored by the producer thereof either on the farm or such other place as may be permitted by regulations prescribed by the Secretary of Agriculture and the Secretary of the Treasury.

Yet county agents throughout the South are now notifying farmers that such ginning and storing without paying the tax will not be permitted this year. The Secretary of Agriculture has repealed the law apparently. I have searched this conference report to find if there is anything in it which repeals the existing law, but have not discovered it. I thought the Secretary of Agriculture might merely have been anticipating obedience to his desires as to amendatory legislation by Congress, but apparently he has decided that not even that formality is necessary.

I believe that on the whole the agricultural program of this administration has been helpful. I believe that no administration in history has made greater efforts in behalf of the American farmer. I have helped enact the laws which constitute that program. I believe, however, that in some of them, notably the Bankhead Act, errors have become apparent, and I feel that it is the duty of Congress to endeavor to correct those errors, rather than to foist an additional complicated series of laws on the people. I am in most hearty accord with the purposes of the administration as to agriculture, but that does not mean that I am willing to accept the ipse dixit of every employee of Secretary Wallace as to what should be written into the statute law of the land. This bill contains so much that is either of doubtful benefit to the farmer or, in my judgment, will be possitively harmful to him, that I cannot vote for it and then attempt to justify my vote upon the ground that somebody else, however sincere, thought that it would be helpful. In voting against it, I believe that I am serving the interests of my people; and, however my action may be disapproved in some quarters, I believe that that is the essence of my responsibility.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and in connection therewith to insert some brief excerpts from the conference report and from the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JONES. Mr. Speaker, I think if my good friend had read a little more carefully the amendments which the conferees put on this bill, and some of the explanations, he would have modified his statements to some degree. As a matter of fact, the conferees added to the Senate amendment the major feature of the Doxey bill. They added the 2-bale exemption in accordance with the President's statement.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. JONES. I am sorry I cannot yield; we are trying to get through. They also added an additional 110 pounds of lint cotton for personal use. They also added that the Secretary of Agriculture should not be permitted to forbid the transfer of the certificates of allotment between farmers residing within the same State. They also added a 25 cents per bale allowance to the ginners. All of those provisions were embodied that were included in the Doxey bill as it passed the House, and Mr. DOXEY deserves much credit for his good work in behalf of the farmers in these and other matters. We insisted that they be included in the amendments, and they were included in the amendments.

Mr. TARVER. The gentleman's statement is very unfair. I ask him to yield.

Mr. JONES. No. I will put the exact provisions of the bill in my statement. They speak for themselves. The gentleman has given his interpretation of them. The amendments are in the bill, and if the gentleman would read them——

Mr. TARVER. If the gentleman's statement will not stand interruption, I will not insist.

Mr. JONES. They are matters of record. If he will read amendment no. 134 and then read the explanation that is in the statement he will find they speak for themselves. They will bear their own construction rather than my opinion or the gentleman's opinion. I have my opinion; I have explained it to the House. The gentleman has his opinion, and he has explained it to the House. I simply ask anyone interested to read the bill.

Now, we do not extend the bill 2 years, nor do we extend it any time. We provide simply that if two-thirds of those producing cotton vote to extend it, it may be extended. In the last vote they voted about 8 to 1. We do not extend it 1 minute, we simply provide that those who are producing this great Southern commodity shall have the privilege of extending it if they want to.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. TABER. Of course, I do not know anything about the cotton vote, but I do know that when they had a wheat vote up in my country they only permitted about 300 out of 10,000 wheat farmers in the State to vote. If they conducted the other votes in the same way, the gentleman can tell us whether or not he thinks they were fair votes.

Mr. JONES. I do not know how it was handled in the gentleman's State. His State is not a great wheat-producing State.

Mr. TABER. I take issue with the gentleman on that.

Mr. JONES. I do know personally that in the great wheat-producing areas they were all given an opportunity to vote, and the vote was so overwhelming that there could not be any question about it whatever.

Mr. TABER. But New York State is a very large agricultural producing State.

Mr. JONES. I do not know the facts about New York State. If they were not permitted to vote, it was a very exceptional situation.

Mr. TABER. That is the regular situation, as I understand it. [Cries of "Vote! Vote!"]

Mr. MICHENER. Mr. Speaker, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. MICHENER. On that side of the House the Members are shouting "Vote! Vote!" We have a very important bill, the potato bill, hitched onto this bill. How late does the gentleman intend to go this evening; and is he going to allow this side any consideration?

Mr. JONES. I am going to yield 5 minutes to the gentleman from Masaschusetts [Mr. GIFFORD], and after his 5 minutes are up, I shall move the previous question. Then if we adopt the conference report it is expected that we will proceed no further with this bill this evening. Then I propose to ask unanimous consent that the House meet at 11 o'clock tomorrow and consider these four amendments.

Mr. MICHENER. The point of my inquiry is this: We have before us one of the most important bills of the Congress.

Mr. JONES. I have just told the gentleman I expect to move the previous question and then if the conference report is adopted to let further consideration go over until tomorrow morning.

Mr. MICHENER. The gentleman intends to move the previous question and stop debate and consideration. That is the thing to which I object.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mrs. ROGERS of Massachusetts. Is it not true that cotton farmers are very much worried about their cotton markets at home and abroad?

Mr. JONES. I think the cotton farmers are infinitely better off than they were before we had a farm program.

Mrs. ROGERS of Massachusetts. They are worried about their markets.

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, I want the gentleman from Texas fully to understand that the conference report on the whole pleases me very much as compared with the bill as it left the House; in nearly all these amendments we read, "the House recedes."

While I am pleased that the House Members in conference have changed their attitude on allowing suits for refunds I wish to remind the House of the very complicated situation we are to have in the procedure of recovery of these taxes. Who is the party to be reimbursed? The processor, wholesaler, or retailer, if all may claim that they collected only a fraction of the tax from the others or from the ultimate consumer?

Mr. Speaker, I read in today's paper that the sales of textiles have decreased recently 50 percent in the textile industry; that there are only about 75 percent of the spindles active, but piling up more floor stocks. Never has there been so much confusion in this industry. Future contracts must be carefully placed to guard against complications in the tax. How long to wait for a ruling by the Commissioner? Of what avail the court after an adverse report from him? You cannot enter a suit before 1 year and it may be several years before a recovery of the tax is actually consummated. At least the moral side of this question has been remedied and the citizen is now allowed to go into court, but the bill is so framed that there is going to be no end of trouble for those who attempt to recover the tax.

Another feature of this tax should be further commented upon. This is called the "farmer's tariff." Is it? Is this really comparable to a tariff? I quote briefly from a recent publication:

> Anyone who will take the trouble to study the comparison himself for a moment will not have much trouble in seeing the unsoundness of it. The protective tariff is not designed to curtail the supply of a product, but only to cut down that part of the supply which comes to us from foreign lands where it has been made by poorly paid workers, and to protect American jobs and the American standard of living for our own people by increasing the American supply. The protective tariff encourages home industry.
>
> The same is true of every other industry which is created in America by barring out a flood of cheaply made foreign goods. On the other hand, the processing tax is raised directly to cut down American production. And its effect on foreign production is exactly the opposite of that of the protective tariff. By reducing crops at home it encourages production in foreign countries.

We are building up a processing tax on food products so high that the tariff against the importation of them is not effective. Is it a benefit to our people that millions of pounds of pork and butter and millions of bushels of rye are now imported to feed our people as the direct result of this tax scheme?

Mr. CONNERY. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Massachusetts.

Mr. CONNERY. A president of a steamship company informed me the other day that their company had taken six American mills to South America. Now, when they start these textile mills down there what is going to happen to the American market?

Mr. GIFFORD. I understand that the machinery of one of the best mills in my district was recently loaded on a vessel and taken down to the Argentine.

Mr. Speaker, I appreciate the great ability of the Chairman of the Agricultural Committee of the House. He has been willing to meet the Senate changes in the bill with fairness. I greatly honor him in that he was willing to acknowledge error and agree to allow those having paid taxes illegally collected to at least have the right to sue for recovery even under such difficult procedure as outlined in this report. He knows full well there will be almost insurmountable difficulties between processors and wholesalers and others especially if this bill is eventually invalidated by the Supreme Court. If it has been handed along either wholly or partially, then who is really entitled to recover the taxes and how much? As I said before, it is an awful mess, and the industry is suffering severely from the confusion for which this tax is responsible.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the conference report.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 174, noes 40.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING

Mr. JONES. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow, and that immediately after the reading of the Journal it shall be in order to consider the four amendments in disagreement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MAVERICK. Mr. Speaker, reserving the right to object, tomorrow is Calendar Wednesday. A bill I have been interested in for some 6 weeks has been passed over from week to week. Now, is Calendar Wednesday going to be passed forever?

Mr. JONES. The reason I submitted a unanimous-consent request to meet at 11 is because there will be considerable division of opinion over one of the amendments, the so-called "potato bill", which will take an hour. The other amendments I hope will take very little time. There might be a little disagreement on one of them, but I do not think we will take very much time on any of the other amendments. We have adjustments in connection with those amendments that I think will satisfy everyone.

Mr. MAVERICK. Would the gentleman be willing to amend his request and meet at 10 o'clock?

Mr. JONES. I do not think the Members would be willing to agree to that. I think we will get through in a reasonable time.

Mr. MAVERICK. Will the gentleman finish by 1 o'clock?

Mr. JONES. I think so.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the members of the minority may have 5 legislative days within which to revise and extend their remarks on the World Power Conference bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GASSAWAY (at the request of Mr. JOHNSON of Oklahoma), for today, on account of illness.

To Mr. THOMPSON, for 1 week, on account of important business.

To Mr. HANCOCK of North Carolina, for 2 days, on account of death in family.

SESQUICENTENNIAL CONSTITUTION COMMISSION

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate Joint Resolution 59, providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as "Sesquicentennial Constitution Commission", with a House amendment, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the Senate joint resolution.

Mr. MAPES. Mr. Speaker, reserving the right to object, what is the amendment?

The SPEAKER. The amendment is a House amendment, and the gentleman from New York asks unanimous consent

that the House insist upon its amendment and agree to the conference asked by the Senate.

Mr. O'CONNOR. The House reported a somewhat similar joint resolution (H. J. Res. 148) from the Rules Committee. The Senate passed Senate Joint Resolution 59 and sent it to the House. The other day we amended Senate Joint Resolution 59 by striking out all after the enacting clause and inserting the provisions of the House joint resolution.

I may say this is the first time I can find that the Rules Committee has ever gone into a conference.

Mr. MAPES. I think it should have that experience.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. O'CONNOR, BLOOM, and RANSLEY.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2741. An act for the relief of Maj. Joseph H. Hickey; to the Committee on Claims.

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6453. An act to amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", etc., as amended by the public resolution of March 3, 1927; and

H. R. 8963. An act granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 208. An act for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.;

S. 280. An act for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer;

S. 405. An act for the suppression of prostitution in the District of Columbia;

S. 447. An act conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States;

S. 457. An act for the relief of John W. Beck;

S. 490. An act for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd;

S. 540. An act for the relief of Fred Luscher;

S. 658. An act for the relief of K. W. Boring;

S. 1045. An act for the relief of A. Cyril Crilley;

S. 1070. An act for the relief of William A. Thompson;

S. 1214. An act for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston;

S. 1326. An act for the relief of Robert A. Dunham;

S. 1409. An act for the relief of the General Baking Co.;

S. 1497. An act to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army;

S. 1577. An act for the relief of Skelton Mack McCray;

S. 1640. An act for the relief of Dan Meehan;

S. 1696. An act for the relief of Mary Sky Necklace;

S. 1735. An act for the relief of the estate of W. W. McPeters;

S. 2034. An act to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes;

S. 2076. An act for the relief of Domenico Politano;

S. 2168. An act for the relief of the Bell Telephone Co. of Pennsylvania;

S. 2225. An act authorizing adjustment of the claim of the Western Union Telegraph Co.;

S. 2312. An act for the relief of the Western Construction Co.;

S. 2373. An act for the relief of Harry Jarrette;

S. 2374. An act for the relief of Elliott H. Tasso and Emma Tasso;

S. 2388. An act authorizing and directing the Secretary of the Interior to cancel patent in fee issued to Victoria Arconge;

S. 2393. An act for the relief of the widow of Ray Sutton;

S. 2426. An act to provide for the creation of a memorial park at Tampa, in the State of Florida, to be known as "The Spanish War Memorial Park", and for other purposes;

S. 2488. An act for the relief of the widows of an inspector and certain special agents of the Division of Investigation, Department of Justice, and operative in the Secret Service Division, Department of the Treasury, killed in line of duty;

S. 2635. An act for the relief of Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest;

S. 2666. An act for the relief of the Nacional Destilerias Corporation;

S. 2751. An act for the relief of Walter C. Price and Joseph C. Le Sage;

S. 2808. An act for the relief of Grier-Lowrance Construction Co., Inc.; and

S. 2818. An act for the relief of Blanche L. Gray.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 7260. An act to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 57 minutes p. m.) the House adjourned to meet (in accordance with its previous order) tomorrow, Wednesday, August 14, 1935, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

458. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, United States Senate, for the fiscal year 1936, in the sum of $100,000 (H. Doc. No. 279), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McLAUGHLIN: Committee on the Judiciary. H. R. 6538. A bill for the relief of the State of New Mexico; without amendment (Rept. No. 1763). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Texas: Committee on Foreign Affairs. H. R. 8692. A bill authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose; with amendment (Rept. No. 1764). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIMOND: Committee on the Public Lands. H. R. 8700. A bill to amend an act entitled "An act extending

the time in which to file adverse claims and institute adverse suits against mineral entries in the District of Alaska", approved June 7, 1910 (36 Stat. 459; U. S. C., title 48, sec. 386); with amendment (Rept. No. 1765). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8956. A bill to authorize a preliminary examination of Spoon River in the State of Illinois, with a view to the control of its floods; without amendment (Rept. No. 1766). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIMOND: Committee on Indian Affairs. H. R. 9018. A bill providing old-age pensions for Indians of the United States; without amendment (Rept. No. 1767). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 338. Joint resolution establishing a commission to be known as the "United States Commission for the Celebration of the One Hundredth Anniversary of the Birth of Mark Twain" (Samuel L. Clemens); without amendment (Rept. No. 1768). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. S. 1864. An act for the relief of the State of Nebraska; without amendment (Rept. No. 1769). Referred to the Committee of the Whole House on the state of the Union.

Mrs. GREENWAY: Committee on Indian Affairs. S. 2523. An act authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896; without amendment (Rept. No. 1770). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 2578. An act authorizing distribution of funds to the credit of the Wyandotte Indians, Oklahoma; without amendment (Rept. No. 1771). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEHRMANN: Committee on Indian Affairs. S. 3045. An act providing for payment to the State of Wisconsin for its swamp lands within all Indian reservations in that State; without amendment (Rept. No. 1772). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMACK: Committee on Ways and Means. S. 3060. An act to amend section 6 of title I of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, as amended; to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; and for other purposes; without amendment (Rept. No. 1773). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. S. 3277. An act authorizing a preliminary examination of the Nehalem River and tributaries, in Clatsop, Columbia, and Washington Counties, Oreg., with a view to the controlling of floods; without amendment (Rept. No. 1774). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 9070. A bill to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes; with amendment (Rept. No. 1793). Referred to the House Calendar.

Mrs. O'DAY: Committee on Immigration and Naturalization. House Resolution 337. Resolution requesting that the Commissioner of Immigration and Naturalization be requested to continue the stay of deportation in the cases of aliens of good character in which deportation would result in unusual hardship until Congress has had adequate time to consider proposed legislation; without amendment (Rept. No. 1794). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McGEHEE: Committee on Claims. H. R. 300. A bill for the relief of F. P. Bolack; with amendment (Rept. No. 1776). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 1265. A bill for the relief of N. N. Self; with amendment (Rept. No. 1777). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 1695. A bill for the relief of Margaret Grace; with amendment (Rept. No. 1778). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 3914. A bill for the relief of Oscar Gustof Bergstrom; with amendment (Rept. No. 1779). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 4789. A bill for the relief of the Coast Fir & Cedar Products Co., Inc.; with amendment (Rept. No. 1780). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 5321. A bill for the relief of Charles E. Names; with amendment (Rept. No. 1781). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7818. A bill for the relief of Caroline M. Hyde; with amendment (Rept. 1782). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 8465. A bill for the relief of Zoe A. Tilghman; with amendment (Rept. No. 1783). Referred to the Committee of the Whole House.

Mr. GUYER: Committee on Claims. S. 1030. An act for the relief of the Mutual Savings & Loan Association, Wilmington, Del.; with amendment (Rept. No. 1784). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1120. An act for the relief of J. P. Nawrath & Co., Inc.; without amendment (Rept. No. 1785). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1298. An act for the relief of John Z. Lowe; without amendment (Rept. No. 1786). Referred to the Committee of the Whole House.

Mr. LUCAS: Committee on Claims. S. 2044. An act for the refund of income and profits taxes erroneously collected; with amendment (Rept. No. 1787). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2166. An act for the relief of Ludwig Larson; with amendment (Rept No. 1788). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2298. An act for the relief of Sallie S. Twilley; without amendment (Rept. No. 1789). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2323. An act for the relief of Ida C. Buckson, executrix of E. C. Buckson, deceased; without amendment (Rept. No. 1790). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2343. An act for the relief of Maj. Edwin F. Ely, Finance Department; Capt. Reyburn Engles, Quartermaster Corps; and others; without amendment (Rept. No. 1791). Referred to the Committee of the Whole House.

Mr. HOEPPEL: Committee on War Claims. H. R. 9112. A bill for the relief of sundry claimants, and for other purposes; without amendment (Rept. No. 1792). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOEPPEL: A bill (H. R. 9112) for the relief of sundry claimants, and for other purposes; to the Committee on War Claims.

By Mr. DEROUEN: A bill (H. R. 9113) to provide for the residence of United States commissioners appointed for the national parks, and for other purposes; to the Committee on the Public Lands.

By Mr. McCORMACK: A bill (H. R. 9114) to abolish the oath required of customs and internal-revenue employees prior to the receipt of compensation, and for other purposes; to the Committee on Ways and Means.

By Mr. ZIONCHECK: A bill (H. R. 9115) to add to the Criminal Code, as amended, a new section 211a (relating to procedure for forfeiture of nonmailable matter); to the Committee on the Judiciary.

By Mr. RANKIN: A bill (H. R. 9116) to extend the provisions of veterans' laws and regulations to persons who served in Russia during the World War and their dependents; to the Committee on World War Veterans' Legislation.

By Mr. CONNERY: Resolution (H. Res. 338) providing for the consideration of S. 3303, an act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings; to the Committee on Rules.

By Mr. CITRON: Joint resolution (H. J. Res. 377) to enable the States of Maine, New Hampshire, New York, Vermont, Massachusetts, Rhode Island, and Connecticut to conserve and regulate the flow of and purify the waters of rivers and streams whose drainage basins lie within two or more of the said States; to the Committee on the Judiciary.

By Mr. HOEPPEL: Joint resolution (H. J. Res. 378) proposing an amendment to the Constitution of the United States to establish the civil-service merit principle more firmly in the Federal Government in the interest of efficiency and honesty in government; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Tennessee, regarding the welfare of the blind in the United States; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLANTON: A bill (H. R. 9117) for the relief of B. A. Duffy and his wife, Merle Duffy; to the Committee on Claims.

By Mr. BUCK: A bill (H. R. 9118) granting a pension to Margaretta Saugsted; to the Committee on Pensions.

By Mr. CELLER: A bill (H. R. 9119) authorizing the Court of Claims of the United States to hear and determine the claims of the estate of George Chorpenning, deceased; to the Committee on Claims.

By Mr. CRAWFORD: A bill (H. R. 9120) for the relief of Ellsworth Hendricks; to the Committee on Invalid Pensions.

By Mr. DOCKWEILER: A bill (H. R. 9121) for the relief of J. H. Bowling; to the Committee on Claims.

By Mr. GREGORY: A bill (H. R. 9122) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel; to the Committee on the Judiciary.

By Mr. HOBBS: A bill (H. R. 9123) for the relief of Mrs. Howard T. Edwards; to the Committee on Claims.

By Mr. HULL: A bill (H. R. 9124) granting a pension to Bessie E. Harriman; to the Committee on Pensions.

By Mr. KLEBERG: A bill (H. R. 9125) for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Dainwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Jennie Chapman; to the Committee on Claims.

By Mr. LEWIS of Maryland: A bill (H. R. 9126) for the relief of the heirs of Prof. William H. H. Hart, principal of the Hart Farm School and Junior Republic for Dependent Children; to the Committee on Claims.

By Mr. MAHON: A bill (H. R. 9127) for the relief of C. A. Duffy and his wife, Alma Duffy; to the Committee on Claims.

By Mr. MAY: A bill (H. R. 9128) granting a pension to Cynthia Conley; to the Committee on Invalid Pensions.

By Mr. SWEENEY: A bill (H. R. 9129) to appoint L. Z. Phillips a second lieutenant in the Marine Corps; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9306. By Mr. BRUNNER: Petition of approximately 3,000 residents of Queens County, N. Y., relative to the Mexican situation in New Mexico; to the Committee on Foreign Affairs.

9307. By the SPEAKER: Petition of a flood-control conference held at Tulsa, Okla.; to the Committee on Flood Control.

9308. Also, petition of the Common Council of the City of Milwaukee; to the Committee on Ways and Means.

SENATE

WEDNESDAY, AUGUST 14, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, August 13, 1935, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8870) to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. SAMUEL B. HILL, Mr. CULLEN, Mr. TREADWAY, and Mr. BACHARACH were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments to the joint resolution (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the "Sesquicentennial Constitution Commission", disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. O'CONNOR, Mr. BLOOM, and Mr. RANSLEY were appointed managers on the part of the House at the conference.

PROCEDURE OF COMMITTEE INVESTIGATING VIRGIN ISLANDS

Mr. TYDINGS. Mr. President, late yesterday afternoon, when the Senate was in executive session considering the nomination of Mr. Cramer to be Governor of the Virgin Islands, the Senator from Wisconsin [Mr. LA FOLLETTE] made the statement that the administration of the Virgin Islands had not been given a chance to appear and offer testimony in support of their position. That statement, while technically correct, probably arose from a misunderstanding.

Of course, when the committee commenced its investigation of matters in the Virgin Islands, in the interest of

orderly procedure, it had to hear first the complainants, and we had not completed our hearing of the complainants when Governor Pearson was transferred from the Virgin Islands to a place in the Interior Department. With his transfer, of course, the entire situation which we were investigating changed, and the committee had no desire to continue with testimony affecting Governor Pearson, because it felt that it would then be in the position of persecuting him. The committee would have been glad to have had Governor Pearson or anybody else appear before it closed its hearings. It wanted to be fair to Governor Pearson and to everybody else, but before we had completed the hearing of the complainant it obviously was not proper to put the Governor on the stand in defense. We adopted the policy that we would first hear the complaint, and then would hear testimony in rebuttal of the complaint; but, before we had completed that phase of the matter, the happenings with which everybody is familiar occurred. Therefore the committee saw no point in having testimony brought out by Governor Pearson when he was no longer the Governor of the islands.

I simply make this short explanation because it never was my intention to deny to Governor Pearson or anyone else against whom charges were lodged the right, of course, to refute those charges; but it happened as I have described it, and for that reason we did not continue the investigation.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. NORRIS. I am very glad the Senator has made the statement he has, because I had the information, which I gathered from the public press, that while the investigation was going on one side was heard, but the other side had no opportunity to be heard.

Mr. TYDINGS. The committee did not think it proper to put on the administrative officials of the islands then under charges until the complainant's side had been developed.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LA FOLLETTE. Of course, I did not desire to make any statement not supported by the facts; but it was my information that the committee had not given an opportunity to be heard to those who had been charged with various acts which were brought under criticism, inefficiency and other things, not only so far as Governor Pearson was concerned but others, and perhaps officials of the Department. I am sure, insofar as there was any misunderstanding or misinformation, that the Senator's statement that he is now willing to hear anybody who is willing to be heard clears up any misunderstanding there may have been.

Mr. TYDINGS. Not only that, but from the very start the committee were always willing and intended to hear them, and the chairman so stated in letters to the officials against whom charges were filed, but orally on many occasions as well.

It would have been improper to have heard them until the evidence in support of the charges had been adduced. After that was the correct time for defense.

Let me say, in conclusion, that, of course, if we had put on one witness against the administration and one in defense, we never would have gotten through. What we hoped to do was to hear the complaint, the defense of the complaint, and then the rebuttal, and not to leave the naked charges undeveloped; but, in view of what occurred, the committee did not want to be put in the position of persecuting anyone, and they could see no point in carrying the matter through.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bailey	Bilbo	Brown
Ashurst	Bankhead	Black	Bulkley
Austin	Barbour	Bone	Bulow
Bachman	Barkley	Borah	Burke
Byrd	Gore	McNary	Schall
Byrnes	Guffey	Maloney	Schwellenbach
Capper	Hale	Metcalf	Sheppard
Caraway	Harrison	Minton	Shipstead
Carey	Hastings	Moore	Smith
Chavez	Hatch	Murphy	Steiwer
Clark	Hayden	Murray	Thomas, Okla.
Connally	Johnson	Neely	Thomas, Utah
Copeland	King	Norbeck	Townsend
Costigan	La Follette	Norris	Trammell
Davis	Lewis	Nye	Truman
Dieterich	Logan	O'Mahoney	Tydings
Fletcher	Lonergan	Overton	Vandenberg
Frazier	Long	Pittman	Van Nuys
George	McAdoo	Radcliffe	Wagner
Gerry	McCarran	Reynolds	Walsh
Gibson	McGill	Robinson	Wheeler
Glass	McKellar	Russell	White

Mr. LEWIS. I announce the absence of the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], and the Senator from Idaho [Mr. POPE], who are necessarily detained from the Senate; and the absence of the Senator from West Virginia [Mr. HOLT], caused by illness.

I ask that this announcement stand for the day.

Mr. VANDENBERG. I announce that my colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. KEYES] and the Senator from Iowa [Mr. DICKINSON] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

PETITION AND MEMORIAL

Mr. COPELAND presented resolutions adopted by the Monroe County (N. Y.) Board of Supervisors, favoring the enactment of legislation providing for the payment of adequate governmental pensions to citizens who qualify therefor, in accordance with the so-called "Townsend old-age-pension plan", which were ordered to lie on the table.

He also presented a resolution adopted by the Wanakena (N. Y.) Chapter of the Izaak Walton League of America, opposing the enactment of Senate bill 2665, to change the name of the Department of the Interior to the Department of Conservation and Public Works, and authorizing the President to transfer to such Department agencies dealing with the conservation of natural resources, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. BULOW, from the Committee on Civil Service, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 8458. A bill to provide for vacations to Government employees, and for other purposes (Rept. No. 1251); and

H. R. 8459. A bill to standardize sick leave and extend it to all civilian employees (Rept. No. 1252).

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 7167) to provide for unemployment compensation in the District of Columbia, authorize appropriations, and for other purposes, reported it with an amendment and submitted a report (No. 1255) thereon.

He also, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4860. A bill for the relief of Judson Stokes (Rept. No. 1286); and

H. R. 6177. A bill for the relief of Brooker T. Wilkins (Rept. No. 1287).

Mr. BAILEY, from the Committee on Claims, submitted a report (No. 1254) to accompany the bill (H. R. 3965) an act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey, heretofore reported by him from that committee without amendment.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3147. A bill for the relief of Will A. Helmer (Rept. No. 1256);

H. R. 3967. A bill for the relief of Raymond Parramore (Rept. No. 1257);

H. R. 5415. A bill to confer jurisdiction on the District Court of the United States for the Eastern District of North Carolina to hear, determine, and render judgment upon the claims of the Pamlico Timber Corporation against the United States (Rept. No. 1258);

H. R. 6275. A bill for the relief of John Livingston and Mrs. John Livingston (Rept. No. 1259);

H. R. 7099. A bill for the relief of Rocco D'Amato (Rept. No. 1260); and

H. R. 7520. A bill for the relief of David A. Trousdale (Rept. No. 1261).

Mr. WHITE, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 607. A bill for the relief of Florence Overly (Rept. No. 1262); and

H. R. 4923. A bill for the relief of Maj. E. Leslie Medford, United States property and disbursing officer for Maryland (Rept. No. 1263).

Mr. WHITE also, from the Committee on Claims, to which was referred the bill (H. R. 5750) for the relief of Mary Brown Raley, reported it with an amendment and submitted a report (No. 1264) thereon.

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3195. A bill for the relief of Guiry Bros. Wall Paper & Paint Co. (Rept. No. 1265);

H. R. 2024. A bill for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899 (Rept. No. 1266);

H. R. 2443. A bill for the relief of Milton Hatch (Rept. No. 1267);

H. R. 2690. A bill for the relief of John B. Grayson (Rept. No. 1268);

H. R. 6267. A bill for the relief of Wint Rowland (Rept. No. 1269);

H. R. 6268. A bill for the relief of W. C. Wright (Rept. No. 1270); and

H. R. 6269. A bill for the relief of W. H. Keyes (Rept. No. 1271).

Mr. TOWNSEND, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 616. A bill for the relief of Homer J. Williamson (Rept. No. 1273);

H. R. 830. A bill for the relief of Sanford Madison Strange (Rept. No. 1274);

H. R. 921. A bill for the relief of Edgar Sampson (Rept. No. 1275);

H. R. 2126. A bill for the relief of Hugh G. Lisk (Rept. No. 1276);

H. R. 4831. A bill for the relief of L. E. Geary (Rept. No. 1277); and

H. R. 5654. A bill to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter (Rept. No. 1278).

Mr. GIBSON, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2996. A bill for the relief of the Eberhart Steel Products Co., Inc. (Rept. No. 1279);

S. 3175. A bill for the relief of Jesse Ashby (Rept. No. 1280);

S. 3409. A bill for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually (Rept. No. 1281);

H. R. 3759. A bill for the relief of E. H. Jennings (Rept. No. 1282);

H. R. 4852. A bill to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (Rept. No. 1283); and

H. R. 7577. A bill for the relief of Mrs. William E. Smith and Clara Smith (Rept. No. 1284).

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 5097) for the relief of Mary E. Lord, reported it with an amendment and submitted a report (No. 1285) thereon.

Mr. GEORGE, from the Committee on Civil Service, to which was referred the bill (S. 1763) to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930, reported it with amendments and submitted a report (No. 1288) thereon.

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6623) to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want, reported it with amendments and submitted a report (No. 1289) thereon.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the bill (S. 2072) for the relief of Robert H. Muirhead, reported it without amendment and submitted a report (No. 1290) thereon.

Mr. AUSTIN, from the Committee on Military Affairs, to which was referred the bill (S. 1464) for the relief of Frank P. Hoyt, reported it with an amendment and submitted a report (No. 1291) thereon.

He also, from the Committee on the District of Columbia, to which was referred the bill (S. 3353) providing for the exchange of certain park lands at and near Western Avenue and West Beach Drive for other lands more suitable to the development of Rock Creek Park and the street system of the District of Columbia, and for other purposes, reported it with amendments, and submitted a report (No. 1299) thereon.

Mr. CHAVEZ, from the Committee on Foreign Relations, to which was referred the bill (S. 3085) authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose, reported it with amendments and submitted a report (No. 1292) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 3386) for the relief of Helen Gallagher Dominian, reported it without amendment and submitted a report (No. 1293) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6510) to amend the District of Columbia Alcoholic Beverage Control Act, reported it with amendments and submitted a report (No. 1253) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3035. A bill to provide for enforcing the lien of the District of Columbia upon real estate bid off in its name when offered for sale for arrears of taxes and assessments, and for other purposes (Rept. No. 1294);

S. 3270. A bill to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia (Rept. No. 1295);

H. R. 8580. A bill to amend the law with respect to the time for jury service in the police court of the District of Columbia (Rept. No. 1296); and

H. R. 8581. A bill to amend the law providing for exemptions from jury service in the District of Columbia (Rept. No. 1297).

Mr. TYDINGS, from the Committee on the District of Columbia, to which was referred the bill (S. 3162) to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia, relating to offenses against property, reported it without amendment and submitted a report (No. 1298) thereon.

NATIONAL ECONOMIC COUNCIL

Mr. BULKLEY, from the Committee on Manufactures, to which was referred the resolution (S. Res. 114) to investigate the desirability of establishing a National Economic Council, reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate

INCOME AND INHERITANCE TAXATION—MINORITY VIEWS (REPT. NO. 1240, PT. 2)

Mr. METCALF. I ask unanimous consent to submit and have printed, as a separate document, the views of the minority of the Finance Committee on the pending tax bill.

Mr. WALSH. Mr. President, by whom is the report signed?

Mr. METCALF. It is signed by the Senator from Delaware [Mr. HASTINGS] and myself.

Mr. WALSH. Are there to be any other minority views filed?

Mr. METCALF. Not so far as I know.

The VICE PRESIDENT. Without objection, the minority views will be received and printed, as requested by the Senator from Rhode Island.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on August 13, 1935, that committee presented to the President of the United States the following enrolled bills:

S. 208. An act for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.;

S. 280. An act for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer;

S. 405. An act for the suppression of prostitution in the District of Columbia;

S. 447. An act conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States;

S. 457. An act for the relief of John W. Beck;

S. 490. An act for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd;

S. 540. An act for the relief of Fred Luscher;

S. 658. An act for the relief of K. W. Boring;

S. 1045. An act for the relief of A. Cyril Crilley;

S. 1070. An act for the relief of William A. Thompson;

S. 1214. An act for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston;

S. 1326. An act for the relief of Robert A. Dunham;

S. 1409. An act for the relief of the General Baking Co.;

S. 1497. An act to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army;

S. 1577. An act for the relief of Skelton Mack McCray;

S. 1640. An act for the relief of Dan Meehan;

S. 1696. An act for the relief of Mary Sky Necklace;

S. 1735. An act for the relief of the estate of W. W. McPeters;

S. 2034. An act to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes;

S. 2076. An act for the relief of Domenico Politano;

S. 2168. An act for the relief of the Bell Telephone Co. of Pennsylvania;

S. 2225. An act authorizing adjustment of the claim of the Western Union Telegraph Co.;

S. 2312. An act for the relief of the Western Construction Co.;

S. 2373. An act for the relief of Harry Jarrette;

S. 2374. An act for the relief of Elliott H. Tasso and Emma Tasso;

S. 2388. An act authorizing and directing the Secretary of the Interior to cancel patent in fee issued to Victoria Arconge;

S. 2393. An act for the relief of the widow of Ray Sutton;

S. 2426. An act to provide for the creation of a memorial park at Tampa, in the State of Florida, to be known as "the Spanish War Memorial Park", and for other purposes;

S. 2488. An act for the relief of the widows of an inspector and certain special agents of the Division of Investigation, Department of Justice, and operative in the Secret Service Division, Department of the Treasury, killed in line of duty;

S. 2635. An act for the relief of Sudden & Christenson, Inc., John A. Hooper, Emil T. Kruse, Edward Kruse, Gilbert Loken, and G. W. McNear, Inc., or their successors in interest;

S. 2666. An act for the relief of the Nacional Destilerias Corporation;

S. 2751. An act for the relief of Walter C. Price and Joseph C. Le Sage;

S. 2808. An act for the relief of Grier-Lowrance Construction Co., Inc.; and

S. 2818. An act for the relief of Blanche L. Gray.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WAGNER:

A bill (S. 3414) to provide for the appointment of an additional district judge in the United States District Court for the Eastern District of New York; to the Committee on the Judiciary.

A bill (S. 3415) to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. SHEPPARD:

A bill (S. 3416) for the relief of Samuel Richard Mann; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 3417) to provide for extending credit to aid in the conservation and operation of forest lands, to establish a Forest Credit Bank, and for other purposes; to the Committee on Banking and Currency.

By Mr. BAILEY:

A bill (S. 3418) for the relief of the Trent Trust Co., Ltd.; to the Committee on Claims.

A bill (S. 3419) to correct the military record of Paulus Williams; to the Committee on Military Affairs.

By Mr. GORE:

A joint resolution (S. J. Res. 172) to enable the Secretary of the Interior to invest the funds of restricted Indians in Oklahoma in mortgages secured by the Government under the National Housing Act, and for other purposes; to the Committee on Indian Affairs.

LOAD LINES FOR AMERICAN VESSELS—AMENDMENT

Mr. COPELAND submitted an amendment intended to be proposed by him to the bill (S. 2002) to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

INCOME AND INHERITANCE TAXATION—AMENDMENTS

Mr. LONERGAN submitted an amendment intended to be proposed by him to the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. LA FOLLETTE submitted three amendments intended to be proposed by him to the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. McCARRAN I submit an amendment to the pending bill, which I ask to have printed and lie on the table. I also ask to have it printed in the RECORD.

There being no objection, the amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

At an appropriate place in the bill, to add a new section, as follows:

"SEC. —. That section 6, section 7, and section 8 of Public Law No. 438, Seventy-third Congress, are hereby repealed, and all Treasury rules and regulations made in pursuance of said sections 6, 7, and 8 of Public Law No. 438 are declared null and void and inoperative."

Mr. BANKHEAD. I submit an amendment, which I ask to have printed and lie on the table. It is a short amendment, and I ask also that it be printed in the RECORD in connection with this statement.

There being no objection, the amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 17, after line 10, to insert:

"(e) If at or before the time prescribed for filing the return for any taxable year of the tax imposed by this section, the Secretary of Labor certifies to the Commissioner the amount distributed (in accordance with rules and regulations prescribed by the Secretary of Labor) by a taxpayer during such taxable year among its employees whose annual income is less than $2,000, as a bonus, and the amount so distributed is two-thirds or more of the amount of the tax imposed by this section upon such taxpayer for such taxable year, then such tax shall be abated."

EXPENDITURES BY THE GOVERNMENT FOR COTTON COOPERATIVES

Mr. McKELLAR submitted the following resolution (S. Res. 185), which was referred to the Committee on Appropriations:

Resolved, That the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized and directed to investigate the expenditures by the Federal Government for cotton cooperatives and their losses heretofore sustained. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ clerical and other assistants, to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents, to administer oaths, to take testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of 25 cents per hundred words, and the expenses of the committee, which shall not exceed $1,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

PENSIONS TO SPANISH-AMERICAN WAR VETERANS

Mr. BARKLEY. Mr. President, yesterday the President signed the Spanish War veterans' pension bill. At the same time he stated the position of the White House with reference to the matter. I ask unanimous consent that the statement be published in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the New York Times of Aug. 14, 1935]

RESTORES PENSIONS FOR SPANISH WAR

ROOSEVELT'S STATEMENT

The explanatory statement made public at the White House read:

"The President, in signing today H. R. 6995, a bill reenacting laws dealing with pensions granted to veterans and the dependents of veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion, made clear the definite distinction between legislation relating to veterans of early wars and the veterans of the World War.

"The Congress on many occasions has recognized that because of the complete absence of any system or policy initiated during or immediately following the Civil War, the Indian wars, and the Spanish-American War, and because of lack of adequate medical care from the point of view of modern standards, the veterans of these earlier wars could be compensated and taken care of only through some form of pension system.

"In the case of the World War, however, the Congress at the very beginning of the war adopted an entirely new system of care and benefits. This new system applied to all who fought in the World War, extended to them additional compensation if they had dependents, as well as insurance, hospitalization, vocational rehabilitation, and the adjusted-service certificates (the bonus).

"The veterans of the Spanish-American War, now approaching an average age of 62 years, had none of these advantages except hospitalization in recent years. Their case, therefore, cannot be compared to the case of World War veterans. For the same reason the approval of this bill establishes no ground or precedent for pensions for the World War group. Theirs is an entirely different case.

"There are some inequalities involved in this legislation, but the President recognizes the fact that the Spanish-American veterans were once on the rolls, under prior legislation; that they are approaching advanced age; that their disabilities are increasing.

"The President's action today is taken appropriately on the anniversary date of the occupation of Manila by the American forces."

MEASURE AFFECTS 50,000

The Veterans' Bureau estimated that 50,000 persons were directly affected by the bill, including more than 37,000 actual veterans and 11,220 widows and orphans. Spanish-American War pension costs will be raised in the current fiscal year from $85,610,868 to $131,200,000, the Bureau predicted.

The President's action was taken only after several consultations with Daniel W. Bell, Jr., Acting Director of the Budget, and Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, both of whom had stressed on behalf of the White House the fact that the additional cost of the bill was not counted in current Budget estimates.

The Economy Act passed by Congress at the insistence of President Roosevelt during the special session called immediately after his inauguration was estimated to have brought about savings ranging from $450,000,000 to $500,000,000 annually, most of this being at the expense of the veterans.

Among the estimated savings was $200,000,000 accounted for by the restricting of benefits for non-service-connected disabilities, since repealed by Congress over the President's veto; the cuts in Spanish-American War veterans' pensions, estimated as saving $95,000,000 annually; and some $40,000,000 counted saved in administrative routine.

All economies at the expense of veterans now have been repealed, as well as an annual saving of $125,000,000 that accrued for a while from cuts in the pay of the Government's civil employees.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On August 12, 1935:

S. 1633. An act to amend the Interstate Commerce Act, as amended, and for other purposes.

On August 13, 1935:

S. 39. An act for the relief of the estate of William Bardel;

S. 170. An act for the relief of Alva A. Murphy;

S. 276. An act for the relief of Harry Layman;

S. 684. An act for the relief of Brown & Cunningham, of Port Deposit, Md.;

S. 794. An act for the relief of the Bowers Southern Dredging Co.;

S. 908. An act for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

S. 1227. An act to authorize the issuance and sale to the United States of certain bonds of municipal governments in Puerto Rico, and for other purposes;

S. 2193. An act to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah;

S. 2545. An act to provide funds for acquisition of the property of the Haskell Students Activities Association on behalf of the Indian school known as "Haskell Institute", Lawrence, Kans.;

S. 2879. An act for the relief of Catherine Grace;

S. 3329. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the Fort Knox Military Reservation, Ky., for the construction thereon of certain public buildings, and for other purposes; and

S. J. Res. 145. Joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the period August 16, 1935, to August 31, 1935, both inclusive.

THE CONGRESS AND THE CONSTITUTION—ADDRESS BY SENATOR CONNALLY

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the junior Senator from Texas [Mr. CONNALLY] before the Virginia State Bar Association, at White Sulphur Springs, Va., Friday, August 9, 1935, on the subject of The Congress and the Constitution.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

To address the Bar Association of the State of Virginia is an honor which arouses my pride and yet depresses my spirit. Conscious of the glorious traditions that attach to the bar and distinguished public characters of Virginia from colonial times, and the large share which they played in the Revolution, in the establishment of the Union, and in the formation and adoption of the Federal Constitution, and that the bar of Virginia has played an illustrious part throughout the subsequent life of the Republic, I cannot repress a sense of inadequacy to meet the expectations of this occasion.

EMERGENCY LEGISLATION

In times of crisis, whether of war or economic stress and dislocation, the legislative power is urged to adopt extraordinary

measures either under the war power or because of an emergency. Such was the case among the original States from the Declaration throughout the War of Independence and under the Confederation. Since the establishment of the Federal Government under the Constitution such situations have arisen at various periods of the Republic's history, and, no doubt, will continue to arise so long as organized society may continue. They have, no doubt, called forth the exertions of every great government that ever existed.

Under the spur of seeming necessity and in an effort to overcome economic disaster during the most tragic panic of this century, the Congress, since March 4, 1933, has, in its endeavor to regulate interstate commerce and to meet an emergency, enacted legislation which has been declared invalid by the Supreme Court of the United States.

N. R. A. AND OTHER DECISIONS

The recent decisions of the Court in the N. R. A. and railroad-pension cases have brought vividly to public attention the proposal, heretofore many times advanced, that the power of the Supreme Court to declare an act of Congress unconstitutional be limited or destroyed. The first of these decisions was by a unanimous Court, and its soundness is generally conceded, the latter by a Court dividing 5 to 4. These cases, of course, particularly arouse the interest of the bar. Since the Constitution itself and all the instrumentalities of government operating thereunder, including the Congress, the Executive, and the Supreme Court, are the creatures of the people themselves and owe their final responsibility to the people, it is not an unhealthy development that through clashes of their asserted authority the attention of the people may be arrested and directed to a consideration of the governmental policies involved in our whole framework of government; whether we are to continue in the heretofore well understood and accepted constitutional concepts or whether the people, in order to modify the governmental structure, may determine upon amendment or change. Such is the duty of those who would govern themselves under institutions of their own making designed for their own welfare and for the highest attainment of liberty and free institutions.

CONSOLIDATED GOVERNMENTS

In the case of unified and consolidated governments, possessing complete sovereignty, or in which the Parliament is omnipotent, the exercise of such powers arouses little notice or concern. The British live under an unwritten constitution. Their so-called "constitution" is merely a mass of custom, tradition, the common law of England, and acts of Parliament. Under that system Parliament is supreme, and the citizen possesses no personal right or guaranty that may not be invaded by Parliament.

WRITTEN CONSTITUTION

In the United States, however, since the foundation of the Republic we have lived under a system of Federal union of pre-existing States, in which the Federal authority is delegated and limited by a written constitution, which also limits the powers of the States, and under which all powers not delegated to the Federal Government and not denied to the States are retained by the States or the people.

DUAL SYSTEM

It was this dual system—the existence of two separate governments acting upon and requiring the obedience and loyalty of the individual citizen—which was a novel feature of the American system and distinguished it from European forms. It was its dual character that required the adoption of a written constitution defining the jurisdiction of the Union and the States and limiting the powers of the departments of the Federal Government. Likewise, the adoption of a written constitution delegating, limiting, and defining powers, logically required the creation of an agency or tribunal in which might be asserted and maintained the distribution of powers and the enforcement and security of the rights guaranteed severally to the Union, the States, and every citizen claiming the protection of either.

THE SUPREME COURT

In the Convention at Philadelphia the framework of the Federal Government was debated in great detail, but when the Constitution emerged it carried no express authority to the Supreme Court to declare invalid an act of Congress. It did, however, provide that "the judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish"; and that "This Constitution and the laws of the United States which shall be made in pursuance thereof * * * shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding", and that "the judicial power shall extend to all cases * * * arising under this Constitution" as well as under the laws and treaties of the United States. It must also be borne in mind that eminent men in the Colonies had denounced the Stamp Act and other royal measures as "unconstitutional" and that under existing State constitutions State courts in some of the States exercised the power of declaring State statutes unconstitutional. Since most of the provisions of the Federal Constitution were derived or adapted from similar clauses of the various State constitutions or the Articles of Confederation, and the framers were guided both as to the rights to be secured and abuses to be prevented by their experience under the respective State governments, there is ample ground for the assumption that the Convention intended that the judicial power should extend to declaring acts beyond the Constitution invalid just as had been the practice in a number of the States. The unconstitutionality of legislation is strictly an American doctrine arising from our written constitutional systems and arising from the necessity of restraining the exercise of unauthorized powers.

MARBURY AGAINST MADISON

However, as early as February 1803, Chief Justice John Marshall, in *Marbury* v. *Madison*, unequivocally asserted the power of the Court to declare invalid an act of Congress which the Court regarded as beyond its constitutional power. The decision was based upon the theory that the Court was bound to apply the law and that where a right claimed under an act of Congress conflicted with the terms of the Constitution, the act must give way to the superior or supreme law of the land. Since that time the doctrine has been generally accepted as a definite and established power of the Court.

UNCONSTITUTIONAL ACTS

It may be interesting to observe, however, that from the establishment of the Court until the adjournment of the October term, 1934, only 58 acts of Congress, or 73 different provisions of such acts, have been declared unconstitutional by the Supreme Court. While the Court in these instances has differed with the Congress it has differed more frequently among its own membership. From the First to the Seventy-third Congress, inclusive, 56,659 public acts and measures have been enacted by the Congress. In the same period 649 State and municipal laws have been invalidated by the Court. Because of recent decisions of the Court, there is in some quarters criticism that Congress has, to an unusual degree, disregarded the Constitution. If it is remembered that much of the legislation attacked is based upon a misconception of the latitude of congressional power to regulate interstate commerce, and that for years such power has been much misunderstood and is in its nature incapable of definite and clear-cut demarcation, the errors of the Congress appear in a less unfavorable light. If the Congress erred in its conception of its authority over commerce, the Supreme Court was somewhat responsible because of seeming conflict of its own opinions in defining interstate commerce and the control thereof by Congress.

The Supreme Court has declared unconstitutional only three important acts of Congress enacted since March 4, 1933—the N. R. A., the Railroad Pension Act, and the Frazier-Lemke Bankrupt Farm Mortgage Act. Bear in mind that the first two were based upon the interstate-commerce clause and the latter upon the bankruptcy power of Congress. Both of these powers, within their proper sphere, are within the undeniable authority of Congress. There was no willful nor deliberate disregard by Congress of the Constitution. Congress erred only in its interpretation of the scope and sweep of its delegated powers.

In the most outstanding constitutional decision handed down in the last half century the authority of Congress was sustained. In the celebrated gold cases involving the power of Congress to regulate the value of money the Supreme Court in a sweeping decision vindicated and upheld this transcendent power. The critics of Congress give little notice to this signal vindication of Congress in its exercise of one of the most fundamental acts of sovereignty.

WAR BETWEEN THE STATES AND RECONSTRUCTION

During the War between the States and the era of reconstruction the Congress asserted many powers which the Court later denied and overthrew. Among such acts was that requiring a test oath for those applying for admission to the bar, *Ex parte Garland;* the legal-tender case of *Hepburn* v. *Griswold*, which was subsequently overruled in *Knox* v. *Lee*, both decisions being by a divided Court: the Income Tax Act of 1864, held invalid in *Collector* v. *Day;* Internal Revenue Act of June 20, 1864; the act of May 31, 1870, penalizing the State election officers, *United States* v. *Reese;* the act of April 20, 1871, providing punishment for any person denying equal protection of the law to a citizen, in *United States* v. *Harris*, 106 U. S.; and the civil-rights acts, invalidated by the Court in 109 U. S.

During the Lincoln administration seven acts were passed which later were declared invalid by the Supreme Court. During the Presidency of Grant 12 acts of Congress were subsequently declared unconstitutional. Many of these measures infringed primary rights of person and property. They were far-reaching and manifested a disregard of constitutional limitations to alarming and dangerous proportions. But for the Supreme Court such usurpations and tyrannical congressional enactments would have been imposed upon a helpless and unhappy people.

These measures were passed in a period when the prejudices of men were stirred to their depths and the Congress was passionately reaching for instruments of punishment and regal powers. It had defied and impeached a President and sought unhampered and unrestrained rule by Congress. Under the pressure of Congress there were adopted the thirteenth, fourteenth, and fifteenth amendments to confer on the Federal Government far-reaching powers which Congress was eager to exercise. It is not necessary here to discuss the turbulent conditions under which these amendments were adopted nor the assertion that all of them were not constitutionally ratified. In that era rule by Congress and its ascendancy over other branches of the Government reached their highest tide. Intoxicated by its own usurpations and maddened by passion it sought the control and then the overthrow of the

President of the United States and through the institution of military governments denied constitutional and civil governments to 11 States of the Union.

The dangers of unrestrained legislative power were foreseen in the Philadelphia convention. The expansion of legislative power in the States after the Revolution was noted by James Madison when he said:

"Experience had proved a tendency in our governments to throw all power into the legislative vortex. The executives of the States are, in general, little more than ciphers; the legislature omnipotent. If no effectual check be devised for restraining the instability and encroachment of the latter, a revolution of some kind would be inevitable."

If Congress should be alone the judge of its own power and should be free to choose the scope and breadth of its authority, the limits of Federal jurisdiction might be so extended as to build up a centralized Government far beyond the dreams of the founders of the Constitution. A hundred years ago Senator Berrien, of Georgia, in the United States Senate, exclaimed, "Is there a State in the Union which would have ratified that charter if such had been its provisions?"

The States, he said, would utterly lack security for all their rights if they were to be committed to the exclusive guardianship of Congress, unrestrained in the exercise of their powers, but by their own interpretation of our Federal charter.

With Congress unrestrained by constitutional limitations, and with the States resisting its encroachments, it is not difficult to imagine innumerable conflicts between the exercise of their respective powers. With no constitutional arbiter the balances and checks of the Constitution would prove ineffective and futile. How are the 48 States to preserve their jurisdiction and to maintain their sovereign powers unless the Federal authority be limited to its proper sphere of action? How are the powers specifically denied to the States to be successfully prohibited unless there be a supreme judicial authority to nullify their pretensions?

While in the entire history of the Congress only 73 provisions of acts have been declared unconstitutional, the existence of the Court and its construction and expounding of the Constitution have unquestionably been of inestimable aid to the Congress in its observance of its limitations. The legal philosophy displayed by the Court in upholding acts of Congress has no doubt many times satisfied the people that a power has been properly exercised, when otherwise doubt as to its justice might arouse objection and resistance. It is said that Congress, bound by oath to support the Constitution, may be trusted to keep within proper bounds. While it is the duty of Senators and Representatives to construe the constitutional power of Congress and to observe its limitations, they, just as the judges of the courts themselves, frequently disagree as to a disputed power.

Congress, under popular pressure and anxious to accomplish a desirable end, may unconsciously and innocently extend its authority beyond its constitutional bounds. The Court, free and independent, may disregard interest and defy every improper consideration.

BILL OF RIGHTS

The first 10 amendments were submitted by the First Congress and were speedily ratified. But for the assurance given in the State ratifying conventions that such amendments would be offered, it is doubtful that the original Constitution would have been ratified. Within those amendments is incorporated the American Bill of Rights—those fundamental personal guaranties that are always associated with our conception of individual liberty. If one of those rights be transgressed by the Congress, or the Executive, where may the citizen appeal for redress except to the Federal courts—finally to the Supreme Court?

The same judicial power that denies to Congress extra constitutional authority must also enforce the limitations and prohibitions pertaining to the Executive, when the question is properly presented to the Court in a judicial proceeding.

A striking example of usurpation by the Executive authority is found in Milligan's case. The decision in *Ex parte Milligan* (71 U. S.), is a monumental pillar in the constitutional history of the United States. It will be remembered that Milligan, a citizen of Indiana, who was neither in the military nor naval service, was arrested by order of the President in 1864 and was haled before a military tribunal, constituted by the military commander of the department of Indiana, was tried for seditious acts and was condemned to be hanged. In May 1865, he applied for a writ of habeas corpus and the case was certified to the Supreme Court of the United States. It was there held that he had been deprived of his rights of trial by jury in the civil courts of the United States. Judge David Davis, in the course of the opinion of the Court, said:

"The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men, at all times and under all circumstances. No doctrine involving more pernicious consequences was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government."

The Constitution, both in peace and war, is the same. In a case regularly before the Court, it was required to determine whether the right of a citizen to a jury trial in a civil court, a right guaranteed by the Constitution, could be denied by a military tribunal constituted by Executive authority.

It is true that Congress possesses a check on the Executive through impeachment, yet that is not an adequate remedy. The Milligan case is a striking and eloquent example. But for the interference of the court, under Executive orders and a military court a citizen would have been executed, in violation of his constitutional rights. Congress had no power to intervene. The Milligan case denies the existence of emergency power and refuses to recognize the suspension of constitutional guaranties in time of war. That ringing declaration of the Court, "The Constitution of the United States is a law for rulers and people, equally in war and in peace", is worthy to rank with the noblest periods in the literature of liberty.

PROHIBITIONS OF THE CONSTITUTION

There are 25 prohibitions in the Constitution against the exercise of powers by the Federal Government. How are they to be effectively maintained and enforced? That great document catalogs many prohibitions as to the power of the States. The power of the President of the United States is perhaps greater than that of any reigning monarch on the globe and yet there are limitations upon his authority which the Court in a recent decision defined and maintained.

In the Humphrey case the extent of Presidential removal of a Federal officer and the authority of Congress to prescribe and limit the causes for removal were involved and the Court upheld the Congress. Has the wisdom of man ever devised a more appropriate agency than an independent judiciary, appointed for life, learned in the law, and removed from political and partisan activity, to sit in solemn judgment on such titanic issues of constitutional government?

FIVE-TO-FOUR DECISIONS

But it is said that vital decisions are made by a divided court. In 145 years the Supreme Court has decided only 10 cases holding an act of Congress unconstitutional by a 5-to-4 vote; there were some cases in which 3, 2, or 1 of the judges dissented. In many cases the decisions were unanimous.

Proposals to require decisions by a two-thirds or a 7-to-2 vote have been made. The Court now acts by a majority vote. Each branch of Congress determines important questions by a majority vote. The President of the United States, exercising the entire executive power, is but one individual. To require a unanimous decision or a decision by two-thirds or more of the Justices is to vest in a minority of the Court the actual power of decision by preventing the majority from acting. A 5-to-4 decision is better than a 4-to-5 decision.

LIMITATION OR RECALL OF DECISIONS

This is not the first time in our history when distinguished men have contested the right of the Court to declare acts of Congress invalid. Thomas Jefferson is quoted as saying:

"No, no, my countrymen. The opinion which gives to the judges the right to decide what laws are constitutional and what are not * * * makes the judiciary a despotic branch. The Constitution has erected no such single tribunal, that to whatever hands confined * * * its members would become despots.

Former President Theodore Roosevelt, in 1912, advocated the recall of judicial decisions when he said:

"I do speak. Let the people recall the decision. The highest right of a free people is the right to make their own laws; and this right does not exist if under the pretense of interpolation an outside body can nullify the laws. I hold that the people should say finally whether these decisions are or are not to stand as the laws of the land."

The authority of the Court, however, has become firmly established and universally recognized.

AMENDMENT

The reserved right of amendment is always available. Whenever and however the distribution of the powers of the Federal Government among the several branches may seem to require a readjustment or change, there is adequate recourse through amendment of the fundamental law. But whatever that adjustment or rearrangement may be, there will still remain the necessity for a supreme tribunal to preserve and secure a proper and legal observance of the limitations of power. If the distribution of powers as between the States and the Federal Government is not such as to adequately meet the necessities of the time or afford agencies and instrumentalities for the people to meet and deal with modern problems, through amendment modifications and changes may be adopted. However, in any such new adjustment there will always remain the necessity for a lofty, impartial, and courageous tribunal to keep in check pretensions of power not authorized, and to preserve the checks and balances of the Constitution. If the existing Court should be destroyed or limited, in the course of time necessity would require the erection of another in its stead.

If the power of Congress is not broad enough to deal with modern problems, let the people by amendment of the Constitution give it new or added power. Jefferson said that each generation had a right to amend, change, or modify the fundamental law. The Constitution was made for the people. The people were not made for the Constitution.

But whatever rearrangement may be provided, whatever readjustment may be devised, wisdom dictates that there shall always remain a great tribunal to serve the people and the Constitution by preserving the rights of the former and vindicating the authority of the latter.

INFERIOR COURTS

The judicial power of the United States is vested in a supreme court and such other inferior courts as Congress may from time to time establish. There is cause for just complaint that the

inferior courts of the United States interfere with the execution of State laws by the issuance of injunctions. Of course, if a Federal right is involved, a Federal trial court is authorized to take cognizance of the subject matter and decide the issue upon the merits. This is true whether the power asserted emanates from the Federal Government or from the State government. However, the issuance of temporary injunctions against Federal officers and State officers staying the execution of regularly enacted legislation, for an individual judge to paralyze the legislation of a State and arrest its enforcement prior to a final decision of the merits of the cause by the Supreme Court of the United States, arouses in the minds of the people a resentment against what they deem to be tyrannical and autocratic judicial power. Congress may limit and define the jurisdiction of inferior Federal courts. My own view is that there is need for legislation qualifying and limiting the authority of inferior Federal courts to employ the writ of injunction against the enforcement of State and Federal laws prior to a determination thereof by the Supreme Court.

CHAOS AND CONFLICT

With a Congress, and with 48 State legislatures unbridled except by their own will, each seeking to extend the scope and force of its activity, and with Congress and the Executive in sharp conflict, unrestrained by a calm and unbiased umpire, the affairs of the people would be engulfed in chaos and dazed by such a tangled web it would be difficult for the citizen to know or effectively assert his rights of person and property. The Supreme Court is not a perfect instrument—it has been composed of men fallible in their judgment—it will in the future be composed of fallible men—there are no others—differing among themselves as to construction and interpretation of the law, yet its value and utility have been demonstrated in times of peace and calm as well as in periods of crisis and storm. It has erred in the past, and will err in the future, yet its character, integrity, and independence have attracted the admiration not alone of America but of the legal profession in all civilized countries. While some of its decisions involving political questions have appeared to have been determined along the lines of political bias, it has, no doubt, yielded less in that regard than have other governmental agencies.

To still further remove the Court from any possible political influence or bias, it should be provided that no member of the Court should ever be eligible to appointment or election to any political or governmental office. The members of that high Court should, like a cloistered monk, forsake the world and mammon when they assume the vows of that exalted station. Personally, I favor a constitutional amendment removing from the field of temptation the allurements of political ambition.

The Constitution and its guaranties belong to all the people of the United States. They are the possession of no political party; they belong to no clique or faction.

By no catchword, by no political slogan, by no cheap appeal to prejudice should the politicians be allowed to employ the Constitution as a screen from behind which to make a campaign upon an issue which is not properly a political issue. Those politicians who are now so loudly proclaiming themselves to be the particular protectors and guardians of the Constitution cannot employ that pretext as a vehicle to again ride into power. Those who would hide behind the Constitution for purely selfish, political ends are neither its friends nor defenders. The people of America will not be deceived or beguiled by any such tawdry and flimsy pretense. The Constitution is the possession of every American citizen.

OPPOSED TO LIMITING JURISDICTION

As an American citizen I oppose divesting the Supreme Court of the power to construe and interpret the Constitution at the suit of any citizen of the Republic whenever any right guaranteed to him by that instrument may be invaded by the Congress, the Executive, the courts, or any State of the Union. Where else can the citizen appeal for the protection of those fundamental Federal rights of trial by jury, freedom of speech and of the press, the writ of habeas corpus, freedom from unreasonable searches and seizures, and other treasured rights for which the Colonists first fought as Englishmen, and then, throwing off the royal yoke, as Americans flung at the base of the British throne a courageous challenge, of which Buckle said:

"In 1776 the Americans laid before Europe that noble declaration which ought to be hung up in the nursery of every king and emblazoned on the porch of every royal palace"?

If the Court should corruptly or wantonly and willfully transcend its just powers, there always remains the remedy of impeachment. Powerful and exalted, yet it is not above the organic law. Its towering authority does not reach beyond the arm of the Constitution. It is not sacred. It is not sacrosanct. It is composed neither of gods nor demigods. But where shall we find a better or wiser or more impartial tribunal in which to test the authority of a mighty government over a weak and humble citizen—in which to subdue the turbulent clashes between State and Federal authority, and through which to drive back within the boundaries of their respective jurisdictions legislative, executive, and judicial aggressors? Before what other bar would the American people consent to have summoned a sovereign State at the suit of another State?

These lofty judicial functions must be preserved if the American conception of a dual system is to survive. These high powers must be exercised if the distribution and limitations of governmental power charted by the Constitution are to be observed and maintained. Let the rights and powers secured by the Constitution remain where the might and the majesty of a great people, through that noble charter, deposited and secured them. May the Supreme Court, with the same regard for the limitations of its own authority, which it requires of others, with wisdom and justice and courage, ever protect and defend them.

LETTERS AND STATEMENTS BY SENATOR ASHURST

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD certain letters addressed by me to various persons and several excerpts from remarks made by me.

There being no objection, the letters and excerpts were ordered to be printed in the RECORD, as follows:

JULY 25, 1935.

THE A. N. MARQUIS CO.,
Publishers Who's Who in America,
919 North Michigan Avenue, Chicago, Ill.

GENTLEMEN: Your letter of July 15 received.

Some years ago I wrote you requesting that my name be omitted from Who's Who in America, but you declined to comply with my wish.

My attorneys have advised me that I am without remedy and am powerless to prevent your including my name in Who's Who.

All that I may do is to protest against my name appearing in your 1936–37 edition of Who's Who in America, volume 19.

Please be advised that if you do include my name in your volume 19 of Who's Who in America, it will be done against my wishes, and I desire that you do not send me a copy thereof.

Sincerely yours,

HENRY F. ASHURST.

MAY 18, 1935.

Mr. J. F. MILLARD,
Phoenix, Ariz.

DEAR MR. MILLARD: Your letter of May 11 received in which you request me to recommend a pardon for ———.

In reply, it is my duty to say to you that during my service in the Senate I have never interfered with judicial processes or with pardons or paroles and have always refused to recommend pardons or paroles for the obvious reason that when Senators or Representatives do interfere in such matters they thwart the administration of justice. I shall not recommend pardon for ———.

With kind regards, sincerely yours,

HENRY F. ASHURST.

APRIL 17, 1935.

Mr. R. W. KNAPP,
Phoenix, Ariz.

DEAR FRIEND KNAPP: Your letter received.

It is quite true that many, if not most, of the laws passed in the hope of rescuing the country from the depression were experiments. Some of these experiments are successful, whilst frankness and candor compel me to say that some of them are failures. No rational person would admit a belief in the wholesomeness of all of these laws, and he would have been a bold man who would have ventured to prophesy that all of these experiments would be a success.

I share the hope you entertain that we may abandon experiments that are obvious failures and retain such as have been demonstrated to be of value.

In times of grave danger to our country, whether from unemployment, famine, fire, flood, war, pestilence, or depression, a nation, and certainly a first-rate nation, becomes a laboratory to test problems and discover which is the plan of recovery.

I observe your reference to the securities bill and also your reference to the Rayburn bill. It may come to pass that in order to emerge from the depression our Nation may yet be obliged to resort to those prosaic, unpopular, and age-old remedies that have never failed—economy, hard work, and the other simple virtues that made our Nation.

With kind regards, sincerely yours,

HENRY F. ASHURST.

Monday, March 13, 1933

Mr. ASHURST. Mr. President, I have received, as doubtless many Senators have, a large number of telegraphic dispatches respecting Senate bill No. 233, a bill to maintain the credit of the United States Government. One of the dispatches reads as follows:

"I feel it my duty to advise that your future success is in grave danger if you uphold granting Presidential power."

Another reads:

"Your attitude very unsatisfactory. You are taking $6,300,000 annually from Arizona, and are politically dead unless you change your attitude."

Mr. President, sometime ago I made the astonishing and for a while, to myself, the distressing discovery that the perpetuity of the American Government did not absolutely depend upon the reelection of one HENRY FOUNTAIN ASHURST to the Senate of the United States.

When a Senator makes such a discovery, at first the fact appears incredible. It seems as if the stars above his head had faded and the earth had slipped beneath his feet. But, as time rolls on, such a discovery proves to be a real antidote to megalomania; and the further flight of time brings to the discoverer a serenity and a humility to be envied by the world's greatest philosophers.

It may be, Mr. President, that the perpetuity of the American Republic does not depend upon my reelection to the Senate; but the perpetuity of the Republic may, indeed, depend upon granting to the President the authority to make the economies called for in his message to Congress.

MAY 29, 1933.

Mr. G. H. BROWN,
Phoenix, Ariz.

DEAR MR. BROWN: Yours of May 25 received, advising that you desire a position with the Bureau of Internal Revenue, and you request me to recommend you "to the new collector at Phoenix as soon as he is appointed."

It is my duty to tell you that the district attorney, marshal, collector of internal revenue, collector of customs, and register of the local land office, respectively, will be appointed upon the recommendations of the United States Senators from Arizona.

In my judgment, it would be improper for a Federal Senator to make any suggestion as to whom such persons thus recommended by Federal Senators should appoint. The Federal officials who may be appointed upon my recommendation shall be left free to select their own assistants, deputies, accountants, and clerks.

On this point I may be—probably am—censurably delicate, but it is my inflexible rule to which I adhered during the Wilson administrations. Quite naturally I desire to please as many of my constituents as possible and to offend as few of them as possible, but I believe in the principle of absolute noninterference by Federal Senators in the selection of the subordinates of Federal officials appointed upon my recommendation.

Sincerely yours,

HENRY F. ASHURST.

OCTOBER 16, 1933.

Mr. G. A. ROBERD,
Phoenix, Ariz.

MY DEAR FRIEND: Your letter received advising that the chamber of commerce had "denounced" Senator HAYDEN and myself for not securing larger sums of Federal funds for Arizona.

This complaint of the chamber of commerce is not at all unique, for daily, from the mail bags, there are dumped upon my desk demands that "this, that, or the other" industry be nourished by some gift, bounty, or largess out of the Federal Treasury.

I sympathize somewhat with the impatience of the chamber of commerce, and say in reply that I have worked harder since March 4 last than I have ever worked before, but I am not complaining, for, when an officeholder complains of overwork, he is simply proving that he has a task too big for him.

I have been for years a critic here and hope I am able, without making a wry face, to take a small dose of that medicine—criticism—of which I have given other fellows sizable doses; in other words, I not only "ladle it out" but can also "take it." Pardon my dropping into slang, but it conveys my thoughts precisely.

I believe you are correct in your conclusion that a number of candidates—all excellent gentlemen—will try to displace me at the next election, but it is beginning to appear as if I shall be reelected, not by reason of any particular merit that I possess or by any political activity on my part, but by the folly of my opponents.

Kind regards.

Sincerely yours,

HENRY F. ASHURST.

DECEMBER 18, 1933.

Mr. W. H. PETERSEN,
16 South Twentieth Avenue, Phoenix, Ariz.

DEAR FRIEND: Your letter of December 10 received requesting the payment of the adjusted-service (compensation) certificates before their maturity.

During the years when no deficit existed in the Federal finances I supported the adjusted-service (compensation) legislation, and I do not believe I made any mistake in so voting.

The question of cashing the adjusted-service (compensation) certificates before their maturity depends now upon the condition of the Federal Treasury.

If the Treasury may without disaster cash these certificates before they fall due, I should, so far as I am able to perceive at this time, be inclined to vote to cash the certificates now, provided always the Treasury may stand the strain.

If, however, the Treasury may not meet this demand and could not pay the certificates before maturity, I would not vote, and could not be expected to vote, to bring a collapse of our national credit. It is a principle of my personal and political conduct, and the same principle should guide governments, never to hold out a promise where such promise is obviously incapable of fulfillment; in other words, do not make promises unless you are certain you can translate the promises into actuality.

I decline to make promises that cannot be fulfilled.

I refuse to raise up hopes that I know will be dashed to the ground.

I shall indeed give careful consideration to and make a close investigation of the question of the ability of the Treasury to pay these certificates before their maturity.

I realize that the phrase "give careful consideration and make a close examination" is sometimes used as a polite euphemism for postponed negation, but I am not using the phrase in that sense, for I shall examine the subject in the hope of finding that the Treasury's condition may justify my voting to pay the certificates before they are actually due; and if, upon investigation, the facts show that the Treasury cannot stand that strain, I shall not be a party to an insincere gesture of pretending to pay an immature obligation out of an empty Treasury.

Kind regards.

Cordially yours,

HENRY F. ASHURST.

EXTRACT FROM A SPEECH DELIVERED BY HON. HENRY F. ASHURST, OF ARIZONA, AT THE ANNUAL BANQUET OF THE ALFALFA CLUB, JANUARY 16, 1930, WASHINGTON, D. C.

Mr. Toastmaster, I have lately received letters, some of them written in a serious vein and some of them written in bitter irony, urging that the Democratic Party abandon the donkey as its emblem and symbol, but I have replied to the letters that I hoped the Democratic Party would never abandon the donkey for he is a compendium of endurance, patience, fortitude, and stately dignity; he is a seriocomic philosopher whose stamina and stoicism conquered the wilderness and sustained the pioneer; the donkey uncomplainingly bears heavy burdens; he is a surefooted trustworthy creature of epicurean taste and gargantuan appetite, but his appetite and taste, happily enough, may be satisfied by a nibble at a desert cactus, and he is then ready for another long and lonely journey.

The donkey is the personification of the sublime virtues of moderation, forbearance, restraint, and rigid economy. From the vibrant chords of his throat there come zigzag bars of music as thrilling as the midnight minstrel of the nightingale. The donkey must not be abandoned for upon his back the Democratic hosts ascend the steep acclivity to power, or, to change the figure of speech, he is the pons asinorum over which they march to victory, and we should be ingrates if, in our day of supremacy, we felt abased at the donkey's homely indigence, deserted him, and offered to his lips the cup of neglect and oblivion.

THE STATE CAN DO NO WRONG—ARTICLE BY H. R. FRASER

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article recently published in the American Mercury entitled "The State Can Do No Wrong." This article contains the history of the efforts made to obtain legislation permitting tort actions against the Government, and points out that the present law forbidding the Court of Claims from considering all claims "sounding in tort" has placed an increasing burden on the Congress, which has to deal with hundreds of such claims during each session of the Congress. Representative THEODORE L. MORITZ, of the Thirty-second Congressional District—Pittsburgh—of the State of Pennsylvania, has been especially interested in this subject, and it is at his suggestion I am making this request.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE STATE CAN DO NO WRONG

By Hugh Russell Fraser

On November 7, 1918, Beatrice Manges, of Cleveland, was riding in an automobile which collided with a United States Army truck. Police investigation of the accident disclosed that the driver of the truck was clearly at fault. The injured girl, crippled for life, took her claim for damages to Congress—since the United States Government is immune from suit without its consent. The matter was, in course of time, referred to the Committee on Claims. Along about 1920 the claim was turned over to a subcommittee. After still another Congress had met and adjourned, it was reported to the full committee and approved. By the time it got to the floor of the Senate, however, three Presidents of the United States had come and gone. At last, on March 13, 1935—almost 17 years after the accident—the claim was reported out, passed, and the sum of $3,500 appropriated in full settlement.

On February 12, 1927, Federal prohibition agents raided a still in the town of Palisades Park, Bergen County, N. J. During the raid, one Thomas Peraglia walked in and said, "Hello." Immediately, and without warning, one of the agents shot him through the right lung. The visitor ran a short distance and fell. He was found to be unarmed. Some time later he died of his wounds. His widow, the mother of three children, presented her claim to Congress. Years passed. In 1934 the House committee agreed to pay $7,500. This was reduced to $5,000 by the Senate, and on April 15, 1935, the bill passed. Time elapsed: 8 years.

Late in September 1919 one Henry M. Hughes was crossing a street in Chicago. Suddenly, a United States mail truck speeded out of an alley and struck him. Subsequently he died of injuries sustained. His widow, astonished to find the Government was immune from suit, presented her case to the Committee on Claims. Finally, in the second week in April 1935—over 15 years later—it reached the floor of the House, and a bill appropriating $2,500 was passed.

In the Federal court for the northern district of Georgia on May 8, 1917, a pistol in the hands of a court attendant accidentally went off, killing one J. M. Crim. His widow, Mary M. Crim, petitioned Congress for damages. But it took 18 years for her bill to reach the floor of the House.

On the same day a resolution was reported, appropriating $5,000 to one Mrs. G. A. Brannan, "in full satisfaction for all claims

against the United States for damages for the death of her son, John Douglas Malone, from injuries received by him in the line of duty while employed as a fireman on the steamboat *John R. Meigs*, which was destroyed by an explosion of a mine laid by the Government on or about September 3, 1898, near Fort St. Phillip in the Mississippi River below New Orleans."

But perhaps the classic example of delay dates from June 30, 1866, when the private steamer *Olive Frances* was destroyed in a collision with a United States gunboat. Inquiry revealed the pilot of the gunboat clearly at fault. It was not, however, until February 1905—nearly 50 years after—that Congress conferred jurisdiction on a United States district court to try the case. At the trial the pilot of the gunboat doddered into the courtroom, an old man, a retired rear admiral. The gunboat was found clearly at fault, and damages were awarded.

Endless cases could be cited of similar delay and similar denial of justice. The record is full of them.

And no greater resentment in the entire field of the law exists than that felt by the individual who, wronged by the State, has no effective remedy. In the democratic United States the Government cannot be sued without its consent. It is the old application, of course, of Hobbes' theory that "the king can do no wrong." Originally the theory was that "the king was not privileged to do wrong"—a very different thing; but Blackstone set it down as meaning that the king was incapable of doing wrong. From thenceforth it became a maxim of law, associated with kings and kingdoms and the divine rights reputed to go therewith.

What was originally ascribed to a monarchy is now ascribed to a democracy. It is the United States, however, that has maintained almost unimpaired this ancient and monarchial doctrine of sovereign irresponsibility. England has long since abandoned, for all practical purposes, its substantive meaning. Today a British subject may petition for the right to sue the Crown, and the petition is rarely, if ever, denied. That is the same right which in varying forms exist today in all the countries of western Europe and in Canada, New Zealand, Australia, and British South Africa. But in the United States, beginning with the adoption of the eleventh amendment in 1798, the right has been consistently denied.

II

The whole question of sovereign immunity is bound up in a maze of contradictions. Although you can sue a city, you cannot sue a State without its consent, and this despite the fact that a given city may be larger than a State. To the first Chief Justice, John Jay, this was an absurdity; he said he couldn't see the difference in legal principle between "a suit against the 40,000 citizens of Philadelphia and one against the 50,000 citizens of Delaware."

For a hundred years the courts have been splitting hairs between governmental and corporate functions, with some curious results; thus, if you fall into a hole in the street in Memphis and break your arm, you can recover damages; but if you happen to be just over the city line in Shelby County, you are simply out of luck. In some States, if you are electrocuted by a city electric wire, your widow may or may not recover for damages, depending on whether the wire was used for street lighting or for domestic supply of electricity. Slip and fall on an unlighted stairway in a public building, in which some offices are rented to private individuals, and recovery will depend on where you were going when you entered the building. If you are run over by a fire engine going to a fire, the chances of recovery are slight because the fire engine has been held to be engaged in a governmental function; wait until the fire truck comes back from the fire, however, and your widow can recover damages if you are killed.

This kind of nonsense has been going on ever since the adoption of the eleventh amendment, which provides:

"The judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States, by citizens of another State, or by citizens or subjects of any foreign state."

The amendment specifically bars suits against a State by a citizen of another State. Not a word, however, is said about a suit against a State by one of its own citizens. But as late as 1934 the Supreme Court has held, in *Monaco* v. *Mississippi*, that it was unthinkable to suppose that the eleventh amendment exhausted the prohibitions forbidding suits against a State without its consent. Declared Chief Justice Hughes:

"Can we suppose that when the eleventh amendment was adopted it was understood citizens of a State could sue their own State in the Federal courts, while suits by citizens of other States were repelled? Supposing that Congress—when proposing the eleventh amendment—had included a proviso 'that nothing therein contained should prevent a State from being sued by its own citizens', can we imagine that in that event such a proviso would have been adopted by the States? The supposition that it would is almost an absurdity on its face."

It may have been an absurdity, and it is clear the States were not aware of it, but it is a fact that such a clause—giving the right to sue a State—was written into the Constitution of the United States. Article III, section 2, of the Constitution provides:

"The judicial power shall extend * * * to controversies to which the United States shall be a party; to controversies * * * between a State and citizens of another State * * *."

Here, in clear unqualified language, is a denial of the ancient and monarchical doctrine that "the king can do no wrong." It was written into article III, section 2, by Gouverneur Morris, the final draftsman of the Constitution. Morris was acting with the full approval of a small group of lawyers on the Committee on Detail, who, while intense nationalists at heart, believed that the United States in setting up a democracy in the New World should definitely and unequivocally break away from every last vestige of legal medievalism. The clause specifically provided for suits against a State by citizens of another State, and inferentially for suits against a State by citizens of that State. For by what logic could a suit in the first instance be upheld and in the latter denied?

The real sponsor of the clause was probably James Wilson, of the Committee on Detail. James Wilson was a Pennsylvania lawyer, later a member of the Supreme Court, a man of great learning and ability and a close friend of Gouverneur Morris. Knowing that the delegates to the Constitutional Convention were jealous of State sovereignty, neither Morris nor Wilson drew attention to the clause on the floor of the Convention. Nor, by an amazing coincidence, did the opponents of the Constitution notice it until it was sent to the States for approval.

In the original draft the clause did not appear. Careful examination of the records of the Convention indicates that the assembled delegates had no idea that the clause was in the final draft; that no suggestion of it was made in the Committee of the Whole; and that the Committee on Detail, responsible for the change, had no authorization to make any fundamental changes in the sections referred to it for drafting. But when the committee submitted the final draft to the Convention on August 6, 1787, the clause appeared for the first time. Sleight of hand had accomplished what debate could never have done. When the Constitution was sent to the States, however, sharp eyes soon detected what had been overlooked, and the fun began. Alexander Hamilton managed to stifle it in New York by a simple and sweeping assertion. A delegate suggested that under article III, section 2, a suit could be brought by a citizen against a State. Hamilton was quickly on his feet. The idea was not only untenable but preposterous. The word of the future Secretary of the Treasury was taken, and the question was passed over.

In Pennsylvania, James Wilson himself took the lead in defending it. Unlike Hamilton in New York, he did not attempt to deny that the clause meant what it said, but he frankly upheld it as necessary. "Impartiality is the leading feature of the Constitution", declared Wilson. "It pervades the whole. When a citizen has a controversy with another State there ought to be a tribunal where both parties may meet on a common footing." Wilson was speaking hurriedly, and the Pennsylvania State convention was generally friendly. Little did he guess, however, that he was the only delegate in any State convention to defend openly the clause as necessary and as meaning what it obviously said.

In the Virginia State convention the same farce was enacted as in New York, only in this instance the opponents were men of independent judgment who could read the English language and refused to take things on faith. There, on June 18, 1788, George Mason gained the floor and pounced on the clause. Sarcastically he flung down his challenge:

"Is the sovereignty of a State to be arraigned like a culprit or private offender? It would be ludicrous to say that you could put a State's body in jail! How is the judgment then to be enforced? A power which cannot be executed ought not to be granted."

Madison, arising to contradict him, said that the clause did not refer to suits by a citizen against a State, but by a State against a citizen. This absurdity brought the ever-alert Patrick Henry to his feet. Applause swept the galleries as he turned upon Madison:

"There is nothing to warrant such an assertion. He says the State may be plaintiff only. If gentlemen pervert the most clear expressions and the usual meaning of the language of the people, there is an end of all discussion. What says this paper? It says that the Federal court shall have cognizance of controversies between a State and citizens of another State, without discriminating between plaintiff and defendant. What says the honorable gentleman? The contrary—that the State only can be plaintiff. What!—Is justice to be done to one party and not to the other? If gentlemen take this liberty now, what will they do when our rights and liberties are in their power?"

John Marshall was sent for; the Constitution was in danger. Hurriedly he was located in the lobby. There was only one thing to do, he felt: namely, to do what Hamilton had done in New York—deny the obvious and inescapable meaning of the English language. And so he said:

"I hope no gentleman will think that a State can be called to the bar of the Federal court. It is not rational to suppose that the sovereign power should be dragged before a court. The intent is to enable individuals to recover claims against individuals residing in other States."

Later, when Chief Justice of the United States, Marshall was to repudiate this view by saying in Cohens against Virginia that the sentiment which led to the adoption of the eleventh amendment forbidding suits against a State was induced not by the fear that the dignity of a State would be degraded by dragging it into Federal court, but by the practical fear that it might be forced to pay its debts. But Marshall's word, like Hamilton's in New York, carried the day in Virginia. The Constitution was ratified. The Supreme Court, however, was soon to contradict both Hamilton and Marshall as to what article III, section 2, said.

III

In South Carolina lived one Alexander Chisholm, executor of the estate of a former resident of Georgia, whose property had been impounded by the State. In 1793—4 years after the Constitution had been ratified—Alexander Chisholm brought suit in the Supreme Court against the State of Georgia, charging that the property in question had been illegally taken. Chisholm, pointing out

that, under article III, section 2, of the Constitution, he could bring suit against Georgia, asked Attorney General Edmund Randolph, who had been a member of the Committee on Detail and had concurred in the drafting of the clause, to represent him in the Supreme Court. Randolph agreed to do so, although he immediately became the subject of bitter attacks, including the official protest of Georgia. But he held his ground. Answering his critics, he pointed to his duty:

"I did not want the remonstrance of Georgia to satisfy me that the motion I made is unpopular. On ordinary occasions, this dignified opinion might influence me greatly. But on this, which brings into question a great constitutional right, to surrender it would be in me official perfidy."

Although Georgia declined to appear officially before the Court, the State's written protest was submitted to Chief Justice Jay, Justice James Wilson (the same man who as delegate from Pennsylvania had sponsored the clause in the Committee on Detail), and Justice Iredell. The protest was scornful and defiant in tone. It recited that Georgia was a sovereign State, that it did not deign even to appear before the Court officially to answer an insolent attempt to bring a sovereign State before the bar of justice, and that the proceedings were outside the pale of all that was known to the law.

Attorney General Randolph replied that article III, section 2, gave the Court jurisdiction in the case of the clearest of terms. He pointed out that the United States was not a monarchy and that the sovereignty rested in the people; that the very purpose of the Constitution was to establish domestic tranquillity and to promote the general welfare; and that these objectives could not be obtained if a State was not amenable to the legitimate claims of a citizen.

When Randolph concluded, the Court inquired if any of the distinguished lawyers present wished to present argument on the other side. None of them did, and a few weeks later the Court handed down its decision upholding the right to sue as within the meaning of article III, section 2. Justice Iredell alone dissented.

Interest was keen as the decision was handed down. In the most elaborate, carefully reasoned verdict of his career, Chief Justice Jay upheld the whole doctrine of the suability of a State by a citizen, saying:

"It—article III, section 2—is honest because it provides for doing justice without respect to persons; because it leaves not even the most obscure and friendless citizen without means of obtaining justice from a neighboring State; and because it recognizes that justice is the same, whether due from one man to a million or from a million to one man."

The Chief Justice went even further. He pointed out that the same section of the Constitution provides for suits "to which the United States shall be a party", without mentioning whether it means as plaintiff or defendant. Under this provision, he declared that a citizen might bring suit against the Federal Government, but that candor compelled him to note that there was a difference between a suit against a State and a suit against the Federal Government, namely, that in suits against States, the Supreme Court is supported in its decisions "by the arm of the Executive power of the United States, but in cases of actions against the United States itself, there is no power which the courts can call to their aid." It was an important distinction, but it was the first and only time that the Supreme Court pointed out that the National Government might be amenable to suit by a citizen under the specific terms and provisions of the Constitution.

Now came the turn of Justice Wilson to uphold his own handiwork in the Committee on Detail. And he made the most of the occasion: Citing the language of article III, section 2, he said: "Could the strictest legal language describe with more precise accuracy the cause now pending before this tribunal? * * * The Constitution also provides that 'the judicial power of the United States * * * shall extend * * * to controversies between two or more States.' Can the most consummate degree of professional ingenuity devise a mode by which this 'controversy between two or more States' can be brought before a code of law and yet neither of these be defendant?" He was hitting at the reasoning of Madison and Hamilton in the State conventions. Then he went on to point out the inevitable trend of sovereign irresponsibility:

"I shall have occasion to show how true it is that states and governments were made for man, and how it is that his creatures and servants have first deceived, next vilified, and at last oppressed their original master and maker. * * * To the Constitution of the United States the term 'sovereignty' is totally unknown. There is but one place where it could have been used with propriety: those who ordained and established the Constitution might have constituted themselves the 'sovereign people of the United States', but they avoided the ostentatious declaration."

From this clear-cut and definite breaking away from the medieval doctrine that "the king can do no wrong", Justice Iredell alone dissented. He denied a literal construction of article III, section 2, and declared that the States were sovereign as to all powers not specifically delegated to the Federal Government, and that in any case the possibility of suit against a State without its consent was a proposition unknown to the law.

Of course the Justice was right in that this was a principle heretofore unknown to the law; but it was for that very reason and by that very fact that Gouverneur Morris and the Committee on Detail wrote it into the Constitution of the United States. America was to be a democracy in law as well as in legislative process.

A storm of disapproval met the majority decision. The States, jealous of their independence and fearful of their interdependence, formally protested. The lower house of the Georgia Legislature passed a resolution decreeing "death by hanging" to any agent or officer of the United States who attempted to carry out the decree of the Supreme Court by any manner or process whatsoever. The newspapers seethed with attacks on the Court, and the day after the decision Representative Sedgewick, of Massachusetts, gave notice of his intention of introducing an amendment to the Constitution forbidding suits against a State. This proposal ultimately became the eleventh amendment as it exists today. By its very words it nullified the plain and obvious meaning of article III, section 2, thus to all intents and purposes repealing the clause inserted by Gouverneur Morris and James Wilson.

It was the beginning of the fastening upon the democratic United States of the doctrine that "the king can do no wrong."

IV

The sensible way to attack this doctrine would be to repeal the eleventh amendment. That would leave article III, section 2, free to be construed as it was construed by the Supreme Court in *Chisholm* v. *Georgia*. But the Supreme Court, as late as 1934, showed itself to be against such a construction when it refused to attach any meaning to the plain words of article III, section 2, even though viewed without the modification of the eleventh amendment. Thus in *Monaco* v. *Mississippi*, Chief Justice Hughes said:

"We cannot rest with a mere literal application of the words of article III, section 2. Behind the words of the constitutional provisions are postulates which limit and control. * * * There is the postulate that States of the Union, still possessing attributes of sovereignty, shall be immune from suits without their consent save where there has been a surrender of this immunity in the plan of the Convention."

In other words, the language of the Constitution means nothing if it is in conflict with the "plan of the Convention", concerning which the Chief Justice quotes Hamilton in the Federalist. By this interesting theory, if one person enters into a contract with another, and said contract is duly signed and executed, the Court—in the event of a dispute—can go back of the plain words of the contract and cite the remarks and opinions expressed by the contracting parties before the contract was signed, and these opinions cited can specifically nullify the words and language of the contract itself.

Specifically, the Court says: "We cannot rest with a mere literal application of the words of article III, section 2." Then what good is a Constitution? What was the use of Gouverneur Morris and James Wilson writing in such phrases as "The judicial power shall extend to all cases in law and equity * * * to which the United States shall be a party; to controversies * * * between a State and citizens of another State"? Surely these phrases, from which Chief Justice Jay plainly deduced that a suit could be maintained against a State or the Federal Government, mean something or they mean nothing. If they mean nothing, then the doctrine that "the king can do no wrong" cannot be nullified or repudiated in the supposedly democratic United States, no matter what language is written into the Constitution or how clear and simple the force of expression.

Obviously, the Supreme Court is concerned with what the signers of the Constitution intended to write into that compact, not what was written in. And yet the question may be fairly raised as to whether or not the Court has a right to speak of "postulates which limit and control" when the postulates are, as in this case, relics of medievalism, of the ancient and monarchical doctrine of the divine right of kings. Surely, if by sheer circumstance of accident, a forward-looking and progressive principle was actually written into the Constitution, the Court might well go out of its way to uphold it so far as it is not specifically nullified by the eleventh amendment. This is the trend of progress throughout western Europe, and it has been attained to an extent never reached in the United States.

But since the Court is obviously determined to cling at all hazards to the doctrine of sovereign immunity from suit, the Congress has the power to extend the jurisdiction of the established Court of Claims to most cases involving property damage, personal injury, or death. At present, the Committee on Claims, a political agency, alone has this jurisdiction. Congress could, by appropriate legislation, such as is contained in the Federal tort claims bill introduced in 1925, remove claims against the Government from the political channel into a legal channel.

The Federal tort claims bill, passed in 1928, was vetoed by Coolidge on the advice of his Attorney General. Astutely drawn by Yale's Hotchkiss Professor of Law, Edwin M. Borchard, it limits the amount of recovery in personal injury or death to $7,500 and in property cases to $25,000, with certain upward extensions. The defect of the measure consists in the large class of exemptions made, although Professor Borchard declares this was done deliberately to win political support. A similar measure for enactment by the States, setting up State administrative boards and State claims courts, has been pushed by the Political Science Association, so far without result.

The Court of Claims, of course, is barred at present from considering all claims "sounding in tort." This has been narrowly construed—so narrowly, in fact, that an increasing burden has been thrown on the Congress.

Both Federal and State legislation is thus needed to end the undemocratic doctrine that the State can do no wrong, which has been abandoned, in effect, by all the nations of western Europe. It remains for the United States to recognize—in the words of Chief Justice Jay—that "justice is the same, whether due from one man to a million or from a million to one man."

RELIEF PROGRAM AND THE UTILITIES BILL

Mr. BONE. Mr. President, I ask unanimous consent to have printed in the RECORD editorials from the August 14, 1935, edition of the Philadelphia Record dealing with the relief program and the pending utilities bill.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Philadelphia Record, Aug. 14, 1935]

BUSINESS DOESN'T WANT TO RETREAT

The United States Chamber of Commerce—true to its policy of representing Wall Street and not business men—calls upon Congress to cut $1,700,000,000 from the Federal budget.

Typically, $1,100,000,000 of the cuts suggested would be made in the relief appropriation.

Just suppose Congress called the Chamber of Commerce's bluff and accepted this suggestion. Picture the result and ask yourself just how much the business men, whom the Chamber of Commerce is supposed to represent, would like it.

In the first place, business income immediately would be cut by several times the amount of the reduction in Government spending—because each dollar spent for relief multiplies as it flows into trade and makes employment in private industry.

Gains of the past 2 years would begin to disappear. Values would head back toward 1933. Sales, earnings, dividends would sink together.

Meanwhile, what of the relief recipients?

Right now they are receiving the absolute minimum for subsistence. Suppose their payments were cut 25 percent. That would mean hunger and desperation.

Moreover, the cut would have to be closer to 50 than 25 percent for each recipient because, if the Government's spending program is curtailed, so many more men will be thrown out of work in private business that the relief rolls would jump appreciably.

Most of the progress we have made toward recovery has been based upon Government spending.

Now that the battle is half won, do business men generally want us to turn around and march back, to 1932?

They do not—and well the bluffers, the propagandists, and the Wall Street spokesmen who run the C. of C. know it.

COUNT ON INSULL FOR FOUR VOTES

Philip H. Gadsden defies President Roosevelt to make holding company regulation the issue in 1936.

Mr. Gadsden, head of the utility lobby in Washington, declares that there are 5,000,000 holders of utility securities in America. And he adds, these 5,000,000 utility security holders mean 10,000,000 votes.

Perhaps Mr. Gadsden is right. But before he counts too many of his chickens before they are hatched he might remember that among those stockholders are:

Thousands and thousands who bought Insull securities, which are worthless today.

Thousands more who hold securities in the Associated Gas & Electric Co.—the company which has been able to find around $800,000 to fight the Wheeler-Rayburn bill, and which has been able to pay an estimated $2,000,000 in the last 5 years to the elusive Mr. Hopson, but which hasn't been able to find a single penny for dividends since 1932.

It may be that security holders in these concerns will be enthusiastic to join the fight against Mr. Roosevelt's program of regulation. But we wouldn't be too sure of it.

INVESTIGATION OF LOBBYING ACTIVITIES

Mr. BLACK. Mr. President, I send to the desk a resolution amendatory of Senate Resolution 165 heretofore adopted by the Senate. After having it read I shall ask for its immediate consideration. I shall explain the reasons for it after it shall have been read.

The VICE PRESIDENT. The clerk will read, as requested.

The legislative clerk read the resolution (S. Res. 184), as follows:

Resolved, That in order to consider the full purpose and effect of efforts to influence legislation and Government contracts and activities by showing the realized and anticipated financial benefits therefrom, and to consider the connections and associations therewith of stock capitalization, corporate affiliations, salaries, bonuses, corporate relationships, corporate structure and political activities, and efforts to influence or suppress or foment public sentiment, in addition to the authority heretofore conferred upon the special Senate committee by Senate Resolution No. 165, agreed to July 11, 1935, the said special committee is hereby given the following additional power and authority:

(a) To investigate and report to the Senate upon the financial structure, corporate affiliations, interlocking stock ownerships and directorships and the financial relationships, stock transactions, capitalization, expenditures, and operations of such persons, companies, corporations, partnerships, and groups as have sought in any way to influence the passage or defeat of legislation, or to influence public contracts, activities, or concessions.

(b) To investigate and report upon the political contributions and activities of such persons, corporations, partnerships, or groups, their officers and agents, and their efforts if any to control, directly or indirectly, the sources and mediums of communication and information.

The original resolution is hereby amended by striking out the comma, on page 2, line 3, after the word "Congresses" and adding the following language: "as it may be necessary to properly perform the duties imposed by this resolution."

Mr. McNARY. Mr. President, I should like to have the Senator give some reasons for and explanation of the resolution.

Mr. BLACK. I shall be glad to give my reasons.

Mr. McNARY. Have the committee considered it this morning?

Mr. BLACK. Mr. President, I will state that the committee have studied the resolution and have unanimously agreed that it should be adopted for these reasons: First, let me state that it is my own judgment that each and every power contained in the amendatory resolution is already contained in the original resolution. However, in a number of answers to questionnaires the question has been raised by those to whom the questionnaires have been sent, and in addition to that Mr. Hopson, of the Associated Gas & Electric Co., has publicly stated before another committee, and his representatives have raised the question, that we do not have the right to do the things which are mentioned specifically in the resolution which has just been read. It is my own judgment that the original resolution was sufficiently broad to authorize the committee to carry out the purposes in view, and yet I realize the Congress will adjourn in a short time and the situation must be clarified before adjournment.

The question already having been raised not only by Mr. Hopson but by numerous others in their answers to the questionnaire, in order to make it so clear that even the most skillful lawyer cannot fail to understand it, we have endeavored to clarify the resolution as stated.

There is one amendment, I might state, in line 3 of the original resolution, which was made necessary by reason of a typographical omission in the original resolution. The customary phraseology in such resolutions is the committee may sit "at such times and places as it may be necessary to properly perform its duties." The original resolution simply stated that the committee could meet "at such times and places." For some reason the words "as it may be necessary to properly perform the duties" were omitted, that being the regular form heretofore used in connection with such resolutions.

The entire membership of the committee have gone over the resolution, have worked over it, and have unanimously agreed that it is necessary in order for the committee to carry out the duties imposed upon them by the Senate.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. HASTINGS. Mr. President, I should like to inquire particularly with reference to paragraph (a), which reads as follows:

(a) To investigate and report to the Senate upon the financial structure, corporate affiliations, interlocking stock ownerships and directorships and the financial relationships, stock transactions, capitalization, expenditures, and operations of such persons, companies, corporations, partnerships, and groups as have sought in any way to influence the passage or defeat of legislation, or to influence public contracts, activities, or concessions.

I am wondering just how it would help the committee or how it would help the Congress in any way to know about such matters.

Mr. BLACK. I shall be glad to answer the Senator. I think it is a very pertinent inquiry the Senator has submitted. I might give the Senator an illustration based upon questions which were asked and which have already been answered before the committee as to one company, and which the committee anticipates will be the course followed in connection with others.

For instance, the Associated Gas & Electric Co. has more than 150 subsidiaries, associates, and affiliates. Some of them are not associates or affiliates, but are privately owned by two men at the top—Hopson and Mann. The evidence

will show, when we get Mr. Hopson before our committee—and we expect to have him shortly, and, if not, we expect to cite him to the Senate for proper action—that Hopson and Mann are the two men who control all this vast utility empire by small stock ownership. In order to prove the incentive behind the lobbying activities, the reason why it is necessary for these gentlemen to spend so much money and, as a part of the entire campaign, who bore the brunt of the campaign, it was necessary to look into certain books and records of the Associated Gas & Electric Co., its associates and affiliates, and of the partnerships or companies owned by Messrs. Hopson and Mann.

The question is immediately raised each time, "You have no right to look at this paper because it relates to an entirely different matter. It has nothing whatever to do with that expenditure." Yet we find when we look into the records that in many instances such papers have a great deal to do with the expenditure. Many of the items are covered up so that it is not easy to find them. It will be found that they appear in some obscure expense account of some individual who may not be the one in whose expense account it would naturally be expected to be found. He might be connected with a company a thousand miles removed from the particular company we are investigating, but closely related to it by stock ownership, stock control, interlocking directorship, and so forth.

In addition to that, when the Associated Gas representatives were on the stand we followed the course right up to the top of the control of the expenditures, to ascertain what was being expended and from whom it was being taken, all of which the committee unanimously believed to be a part of the entire transaction, to illuminate and show just why there is such intense interest on the part of a certain few individuals to do something with reference to companies a thousand or two thousand miles away.

Mr. HASTINGS. Mr. President, I have no objection, and I think it is pertinent to inquire what has been done by anybody to influence the Congress to do a certain thing. I should like to ask a specific question in order that I may better understand the situation. I think no one is willing to stand here and defend the Associated Gas and all of its affiliated companies.

However, may I inquire, in order that I may secure the view of the chairman of the committee, what particular help it would be to have, for instance, the answer to the question which Mr. Hopson refused to give to the House committee when he was asked, "What is your salary?"? What difference would it make whether his salary were $50,000 or $250,000 or $500,000? What difference would it make, except to show to the members of the committee that he was getting more than the committee might think he ought to get?

Mr. BLACK. It would have this influence: We expect to show, when Mr. Hopson takes the stand, that he was directing, controlling, and mapping out the entire program of propaganda, of lobbying, and of activities on the part of his men all over the Nation.

Mr. HASTINGS. When the committee shall have gotten that much, what more do they want from him?

Mr. BLACK. I think it would be most interesting and necessary for the Congress, in connection with legislation concerning those who are directing lobbying activities, to find out how much financial reward they get for it, and at whose expense, and out of whose pocket it comes. Certainly when we show, as we will show, that Mr. Hopson was directing this entire immense lobby which was used to create the most tremendous impression that has ever been developed in the United States, he might be shown to be quite different from a man drawing $3,000 a year, especially if it were shown that he was not only drawing $200,000 a year salary, but was making, as has already been shown, $2,500,000 a year at the expense of his stockholders.

Mr. HASTINGS. But when the Senator has shown that this man has done as much as he could under any circumstances, what is the purpose of finding out his particular interest in the matter?

Mr. BLACK. Congress might wish to legislate with reference to various things in connection with lobbying activities, and the incentive for such lobbying activities, with a view to putting up the proper legislative obstacles to prevent them hereafter.

Mr. HASTINGS. May I inquire of the Senator whether he thinks the Congress would make a distinction between the right of a man to lobby who was getting $25,000 a year and the right of a man to lobby who was getting $100,000 a year from the corporation in which he was interested?

I am merely trying to get the point of view of the chairman of the committee.

Mr. BLACK. It might not make any distinction if the two men were shown to be engaged in exactly the same kind of lobbying activities, but, for instance, in the case of a man who is making $2,500 a year it has been my observation in the investigations we have had that he really is not very often engaged in lobbying at his own instance. Usually he is doing it, because somebody above him directs him to do it, and commands him to do it, and he is absolutely bound to lobby, whether or not he desires to do so. To a certain extent he becomes an automaton and a machine, to be directed by somebody far removed from him. On the other hand, when lobbying is done by a man who is annually extracting $100,000 or $200,000 or $300,000 from the pockets of the stockholders and the investors, the fact should be shown, so that the Congress may take steps to see that the stockholders and investors may be protected hereafter from the dissipation of their funds into the pockets of the individual who is reaping such as unconscionable reward.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. BLACK. I yield to the Senator.

Mr. HASTINGS. Just a moment; I am about through. I desire to thank the Senator from Alabama for replying to my questions, and to say that I am perfectly willing to yield to the unanimous opinion of the committee, although I express some doubt as to whether the committee ought to be authorized to do what is proposed.

The VICE PRESIDENT. Without objection, the resolution is agreed to.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8574) to provide revenue, equalize taxation, and for other purposes.

Mr. HARRISON. Mr. President, I shall not impose upon the Senate at length. I shall try to be as brief as possible, and content myself with a brief explanation of the changes made in the House bill by the Committee on Finance.

The President recommended three major tax policies:

First. An inheritance tax in addition to existing estate taxes, with a complementary gift tax.

Second. Increased surtaxes on large incomes.

Third. A graduated corporation tax in lieu of the present tax imposed at a uniform rate.

Substantial revenue will be brought in under either the House proposal or the Senate proposal. There are no substantial differences, so far as revenue is concerned, between the House bill and the Senate Finance Committee bill. The House bill will bring in revenue estimated at $255,000,000. The committee bill will bring in revenue estimated at $254,000,000.

To enumerate in detail, I may say that in the case of the surtax increases, for example, the House bill would raise $45,000,000 in revenue. The House bill starts raising the surtaxes at $50,000 and scales them on up to 75 percent. The Committee on Finance tried to follow the President's recommendation of putting an increase in surtaxes on very large incomes, and started at $1,000,000. That is where the graduation now stops. The basis of the present law is a surtax of 59 percent on $1,000,000 income and all over that amount. The Finance Committee proposal starts at $1,000,000 and graduates the tax until it reaches 75 percent on incomes of over $10,000,000.

It is quite interesting to note that according to the estimates of both the Treasury experts and the committee experts, by virtue of the increase in surtaxes in the Finance

Committee proposal only $4,000,000 will be derived from those very great increases. That answers some of the questions as to how much money we can get for the Government by drastic increase of rates on incomes in the higher brackets.

In the case of the graduated corporation tax, the House bill would have raised an additional revenue of $15,000,000, but under the Senate committee proposal $60,000,000 would be raised.

By its provisions respecting the capital-stock tax, the House bill would raise nothing in addition to the present tax. The tax would remain at $1 a thousand. The Senate committee increased the tax from $1 a thousand to $1.50 a thousand, and we should receive from that source an increase of $55,000,000 in taxes.

The excess-profits tax provisions of the House bill, it is estimated, should provide $100,000,000; but in the Senate committee bill we made the tax milder and more liberal, so that we propose to raise only $10,000,000 of increased revenue from excess profits.

From the inheritance tax $86,000,000 would be derived under the House bill, but nothing under the Senate bill, as it does not carry these provisions.

In lieu of the inheritance tax the Committee on Finance has recommended an increase of the rates in the present estate-tax structure. From that source there should be derived approximately the same amount which it is estimated would be obtained from the inheritance tax carried by the House bill; that is, the Senate committee proposal would raise $80,000,000 of increased revenue.

From the gift tax, which is a corollary to the increased inheritance tax of the House bill, or to the estate tax in the Senate committee proposal, we should receive $24,000,000 under the House bill from the increased rates on gift taxes, while under the Senate committee proposal the increase, it is estimated, would be $21,000,000.

Coming now to intercompany dividends—that is, dividends declared and paid by one corporation to another—the House bill did not include that feature of the President's message. The Committee on Finance has recommended to the Senate a proposal to tax such dividends. Under the present law there is a 100-percent deduction where dividends are paid by one corporation to another. The Finance Committee's proposal allows only an 85-percent deduction, which would amount to about a 2-percent intercompany dividend tax, and from that source $39,000,000 should be raised.

Both in the House bill and in the Senate committee proposal a provision is incorporated, similar in character in each measure, which permits deductions for charitable gifts by corporations which would entail a loss from the estimated yield in the amount of $15,000,000. Consequently, in the aggregate, as I have stated, from the House bill it is estimated that $255,000,000 of additional revenue would be raised, and from the Senate committee proposal $254,000,000.

The House bill provides increases in the surtax schedule in the case of surtax on net incomes of more than $50,000. The graduation reaches a maximum on surtax net incomes of over $5,000,000, in which case the rate is 75 percent. The Committee on Finance recommends increasing the surtax rates only in the case of net incomes over $1,000,000. Up to $1,000,000 we do not disturb any present surtax rates, but over that amount the surtax is carried, graduated up over $1,000,000, to a point where it reaches 75 percent on net incomes of over $10,000,000.

The committee believes the surtax changes which it proposes are more in conformity with the President's message than is the House bill in this respect. The President suggested restricting only vast personal incomes by very high taxes.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. HARRISON. I yield to the Senator from Massachusetts.

Mr. WALSH. I was detained from the Chamber when the Senator began. Perhaps he would prefer not to be interrupted. If he does not object, I should like to ask him to state what the yield is from surtaxes under the present law, what the yield would be under the House bill, and what the yield would be under the Senate bill?

Mr. HARRISON. I will give those figures to the Senator if he desires. I gave only the increases by virtue of the changes in the rates.

Mr. WALSH. Am I correctly informed that there is an increase in the House bill over the present yield from surtaxes and an increase over present yields in the Senate bill, but a decrease in the Senate bill as compared with the House bill?

Mr. HARRISON. That is true. As I stated before the Senator came in, by virtue of the increased rate in the House bill, which starts at $50,000 and increases the tax on up to 75 percent, it is estimated that an increase of $45,000,000 in revenue would come into the Treasury. Under the Senate bill, which starts only at $1,000,000 and increases the tax up to 75 percent, there would be an increase of only $4,000,000 from that particular item.

Mr. NORRIS. Mr. President, is the Senator now speaking of income tax or estate tax?

Mr. HARRISON. I am speaking of surtaxes or income taxes as the case may be.

As to the graduated income tax on corporations, as Senators appreciate, the present tax on corporation profits is 13¾ percent. In the case of railroads, which are the only corporations now permitted to file consolidated returns, in the event they choose to file such returns, the tax is 15¾ percent.

The House made a gesture toward complying with the President's suggestion with reference to a graduated tax on corporations. They made the tax 13¼ percent up to $15,000 profit, and over that it was 14¼ percent. In other words, they made a graduation of only 1 percent, dropping it one-half percent from the present law of 13¾ percent in the case of profits under $15,000, and increasing it a half percent over the present law where the profits were more than $15,000.

The Committee on Finance in its bill has written a graduated income tax, as follows:

Twelve and one-half percent on the portion of net income in excess of $15,000.

Fourteen percent on the portion of net income in excess of $15,000 and not in excess of $40,000.

Fifteen percent on the portion of net income in excess of $40,000 and not in excess of $100,000.

Fifteen and one-half percent when it is over $100,000.

By this graduated tax on corporations, as I have stated, the rate fixed in the House bill would bring, in additional revenue, $15,000,000. Under the Finance Committee bill the Government would collect $60,000,000, according to the estimates.

Of course, because of its corporation income tax provisions, the House imposed a fairly heavy excess-profits tax. One of the major matters before the Committee on Finance was the criticism of the excess-profits tax because the House bill did not permit corporations to declare a new value for their capital stock.

It will be recalled that some 2 years ago, in one of the bills being considered at that time, we revived the old capital-stock tax, which had previously been eliminated from the law. We needed $80,000,000 in revenue, and we thought that was the best way to get it, so we gave to corporations, on the imposition of the $1-a-thousand capital-stock tax, the right to declare the value of their capital stock.

We wrote a provision into the law that if a corporation put the value of its capital stock down too low it would be penalized by having to pay an excess-profits tax of 5 percent on profits over 12½ percent. We thought those provisions would balance one another and compel the corporations to give a fair value to their capital stock, but in the event they should not do so, but should undervalue their capital stock, then they would have to pay the penalty.

The provision has worked magnificently. So far as the return is concerned, it has yielded just about the revenue that was estimated. I think during the last year the Gov-

ernment received about $91,000,000 from the capital-stock tax.

The committee bill allows corporations to make a new declaration of value, which they should be permitted to do. I make that statement, because some 2 years ago when we passed that law many corporations, especially out in the West, engaging in the mining business and other similar activities, had little value, but those values have considerably increased, in some corporations more than others, and some corporations would be penalized greatly if they were not permitted to declare a new value. Therefore, the committee bill, so far as the capital-stock tax and the excess-profits tax are concerned, permits the corporations to make a new declaration.

We have lowered the excess-profits figure from 12½ percent, where it would start in the present law. We recommend in the committee bill that there shall be no penalty, that is, that there shall be no excess-profits tax, until the corporations shall have made 10 percent. Then, on net incomes running from 10 percent to 15 percent, they pay 6-percent penalty, not the 5 percent as in the present law. If the profits amount to over 15 percent, then they pay 12-percent penalty. Under the House bill the rate starts at 5 percent on profits over 8 percent and is graduated up to 20 percent on profits over 25 percent.

We think, therefore, that so far as the capital stock and excess-profits structure is concerned, the Senate committee bill is an immense improvement over the House bill, and as a result of our permitting this new declaration of capital values, there should not be serious objection to it.

I have explained the proposal with reference to the dividends received by corporations from one another and what they would have to pay on them.

With respect to the objections to the provisions of the House bill affecting insurance companies, about which there has been much discussion and a great assault before the Committee on Finance, we have removed all that ground of objection; and so far as the insurance companies are concerned the present law is not changed by the Senate committee bill. It was changed by the House, but the Senate committee leaves the present law unchanged. Of course, insurance companies will pay the graduated income tax like other corporations filing separate returns.

Mr. NORRIS. How did the House change it?

Mr. HARRISON. The House changed it considerably because of the inheritance tax which was imposed; and since the Committee on Finance struck out the inheritance tax, it removed the insurance complication, and there was no need of changing the present law affecting insurance companies. I may say that if the inheritance feature should be restored as carried in the House text, in my opinion, there should be some change made in the House provision with reference to insurance companies.

As to the effective date of the provisions it is proposed that the increased surtax shall take effect with respect to taxable years beginning after December 11, 1935. In other words, they go into effect after the first of next year. This is the same effective date as that recommended by the House in connection with this provision.

The same thing is true in connection with the graduated income tax on corporations, and with the reduced deduction allowed on domestic dividends received by corporations.

The increased capital-stock tax will take effect on capital-stock returns filed after the year ending June 30, 1936. That is because the practice has been for them to compute incomes by fiscal years, and as the returns have already been made for the present fiscal year, it would complicate things if we did not date it from June 30, 1936.

We have inserted a provision with reference to China Trade Act corporations. About $75,000,000 of American capital is invested in China, in China trade corporations, which have been permitted by the State Department through the years. This matter was presented by the Department of Commerce and the State Department.

The Committee on Finance provides special relief for China Trade Act corporations in the case of both the capital-stock tax and the excess-profits tax. This credit is similar in principle to the credit now allowed such corporations for the purpose of computing the income tax. The reason for allowing such credits is the desire to put China Trade Act corporations on an equal competitive basis with corporations of foreign countries doing business in China.

As to personal holding companies, the committee proposes an amendment to section 351 (a) of the Revenue Act of 1934 relating to such companies. I may say, as a background, that some of the holding companies formerly allowed their profits to remain in their treasuries. They did not declare dividends, and the stockholders escaped surtaxes. So in the Revenue Act of 1934 we imposed a pretty heavy penalty on personal holding companies.

Mr. NORRIS. Mr. President, will the Senator at this point define a personal holding company, and distinguish such a company from any other holding company?

Mr. HARRISON. The personal holding company we were trying to reach was one a majority of whose stock is owned, say, by five persons. That is what we are trying to get at by this provision.

Mr. NORRIS. That would not constitute a holding company.

Mr. HARRISON. Their income comes from investments in operating concerns. Instead of paying out dividends and permitting individuals to get their dividends on the incomes, they just put the incomes into the holding company, and so they build up a tremendous surplus.

In the present law the rate of tax on personal holding companies is 30 percent of the amount of the undistributed adjusted net income not in excess of $100,000; plus 40 percent of the amount thereof in excess of $100,000. That is the present law.

Because we have increased the surtaxes, we felt that we ought also to increase the percentages on such holding companies, and to conform to those increases we have fixed the following rates:

Twenty percent of the amount of the undistributed adjusted net income not in excess of $2,000; plus

Thirty percent of the amount thereof in excess of $2,000 and not in excess of $100,000; plus

Forty percent of the amount thereof in excess of $100,000 and not in excess of $500,000; plus

Fifty percent of the amount thereof in excess of $500,000 and not in excess of $1,000,000; plus

Sixty percent of the amount thereof in excess of $1,000,000.

These increases were made simply because we increased the surtax rate.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. NORRIS. The Senator said the increases were made simply because the surtax rate had been increased. Does the Senator mean the surtax rate on personal income?

Mr. HARRISON. On personal income.

Mr. NORRIS. Not on inheritance taxes or estate taxes?

Mr. HARRISON. No. This was done in the case of holding companies because of the increase in surtaxes on personal incomes. As to the estate tax, we made a change in it because we had increased the maximum rate to 70 percent.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. WALSH. Is there any change in the yield from the personal holding companies by the proposal which the committee makes?

Mr. HARRISON. There is practically no change.

Mr. WALSH. I observe that it is not included among the items which would yield any increase in revenue.

Mr. HARRISON. There is no change. It is merely negative. It is done as a matter of protection. The tax forces distribution of dividends, and indirectly we gain by getting more revenue from surtaxes.

The existing estate-tax law is amended by a provision permitting the deduction of the shrinkage in value which may occur between the date of death and a date 1 year after death. This is quite important. If such shrinkage is allowed, it is confined to the shrinkage which can be shown

to exist by taking the difference between the aggregate value of all assets on the date of death and the aggregate value of all assets 1 year after death. If assets should be sold or exchanged by the executor between the date of death and 1 year after death, the value on the date of sale or exchange would be used in lieu of the value 1 year after death.

This provision is equitable in its effects, and in practically all cases will obviate the danger of complete confiscation of estates, due to a sudden decline in market values. In order to give an opportunity to take advantage of this provision, the due date of the tax is extended for a period of 3 months; that is, from 1 year after death to 15 months after death.

It will be recalled that there were many cases where, when persons died, their estates, because of the sharp decline which the country experienced in 1929, were practically wiped out. In some instances there was hardly enough of the estate left to pay the taxes, because the taxes dated from the time of the death of the individual.

The House bill contained a provision applicable to inheritances providing that the estate might have the option of having the tax fixed at the date of the death of the person or 1 year after death. Where some of the property is sold within the year, of course the sale price fixes the value of the property. We think it is fair to estates, especially large estates, that they should have the option of fixing the value either 1 year after death or at the time of the death of the individual.

Mr. WALSH. Mr. President, as I understand, the present law fixes the estate tax upon the basis of the value of the estate as reported at the time of the death. Am I correct?

Mr. HARRISON. That is correct. That is the basis under the old law.

Mr. WALSH. The result has been that where there has been depreciation in the value of the estate resulting from sales while the estate has been liquidating, there has been no provision of law to allow the taxpayer any credit for that depreciation. It is now proposed in the pending bill that 1 year after the death of the testator, where there have been actual bona fide sales showing depreciation in some of the assets of the estate, a new inventory may be made and allowance granted for the depreciation in assets, for the purpose of finally fixing the estate tax.

Mr. HARRISON. That is true, whether or not the property was sold. The executor of the estate may elect to take the value 1 year after death or at the date of death.

Mr. WALSH. I am pleased to have that information. I did not think the provision went so far as to have a complete revaluation of every item. I thought it was only with respect to those items where it was claimed there was a depreciation as the result of sales.

Mr. HARRISON. No; it is with respect to the whole estate.

Mr. WALSH. So it really is a permission for an entirely new inventory to be filed at the end of the year?

Mr. HARRISON. Yes. It would not really be fair to allow an election only in the case of certain items of the estate; so we felt it should be allowed in the aggregate; or, if some part of it should be sold within a year after the date of death, then the sale price should determine its value.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. GERRY. The purpose of this provision, as I understand, is to provide some sort of cushion if there should chance to be a panic such as we had in 1929, so that the depreciation would be somewhat taken up. Of course it would not operate if there were selling, in which case the depreciation feature would come into play. It does not entirely take out that feature. It merely betters the condition.

Mr. HARRISON. Of course, when we increased the estate taxes up to 70 percent, and all down the line, and also decreased the exemption—the exemption in the present law under the estate taxes is $50,000—it became necessary to prevent complete confiscation of estates. In this bill we fix the exemption at $40,000. We start the rate at 2 percent, and then graduate up to 70 percent. We had to buttress that. We had to protect the situation by increasing the gift taxes. So we have increased the gift taxes to three-fourths of whatever the rates are in the estate tax, and they run through the bill in that way.

In the House bill the gift tax applied to the donee as well as to the donor. We have eliminated that provision from the bill, and apply it now only in the case of the donor, not of the donee, because it became unnecessary when the Committee on Finance struck out the inheritance-tax feature.

There are some other minor features in the bill; and as we proceed with the discussion of the bill I shall be very glad to explain them if any one desires me to do so; but I have now covered the main points involved. If any Senator has any question he wishes to ask me, I shall be very glad to try to answer him.

Mr. VANDENBERG. Mr. President, I wish to discuss the pending bill and to submit a motion.

Mr. LONG. Mr. President, will the Senator yield? I shall not take over half a minute. I simply wish to put something into the RECORD.

Mr. VANDENBERG. I shall yield if it is for only half a minute. I wish to proceed with what I have to say, however, and should not like to yield for a longer period.

Mr. LONG. What I have to offer should not take more than a minute. I have been good to the Senator from Michigan on occasion, and I ask that he yield to me for a moment so I may put something into the RECORD.

Mr. VANDENBERG. I am glad to reciprocate the Senator's kindness.

Mr. LONG. Mr. President, I was informed this morning, through several persons, of a statement made by a Member of the Senate in private conversation with other Senators which I undertook to get the Senator in question to place in the RECORD, but he declined to affirm or deny the statement. However, on responsible authority, I have the statement from a well-known witness as to its truth, and I wish it to be placed in the RECORD, because I think it is an epigram which the future generations will desire to peruse.

The Senator from Idaho [Mr. BORAH] is quoted by another Member of this body, speaking to a friend of mine, as having said:

'The Constitution of the United States is a powerful enough document that, in my opinion, it will survive the attack of President Roosevelt and the defense of ex-President Hoover.

Mr. VANDENBERG. Mr. President, I wish to make a statement regarding the pending tax bill, and ultimately to make a motion. Inasmuch as the last thing I should want to do is to retard the speediest possible consideration of the matter, particularly if my effort is to be futile in respect to my subsequent motion, I am going to take the liberty of suggesting to the Senate that I be permitted to proceed without interruption, although, of course, I shall be happy to yield if any Senator asks me to.

Mr. President, discussion of the pending bill logically falls into two separate and distinct considerations.

First is it wise or safe or fair or prudent to attempt any tax bill whatever, in the absence of correlative Budget balancing, which will restore the Republic to solvency? Is it rational to write any tax legislation in the slap-dash snap judgments of the final days of a Congress consumed by an insistent purpose to adjourn?

For myself—and, I believe, for a substantial section of American public opinion—I answer this question without reservation in the negative.

If this also were the decision of the Senate, it would be unnecessary to go to the second general consideration. But since the administration program is at war with this conclusion and intends to force the issue, we must also face the merits—or demerits—of the thing proposed. Hence the other basic question.

Second, if we must have an ill-timed and ill-starred tax bill, should it be a tin-foil measure—and when I speak of it as a "tin-foil measure", I mean no disrespect to $270,000,000 as such. That still is an enormous sum of money to

take from the pockets of the American people, even in this new deal day of astronomical calculations. I speak of it as "tin foil", because in proportion to the deficit which we contemplate in respect to the operations of the Government it is nothing more than a tin-foil wrapping to hide what is inside the package.

I now repeat my second question.

Second, if we must have an ill-timed and ill-starred tax bill, should it be a tin-foil measure which snipes inconclusively at wealth, but which will neither produce revenue commensurate with our spendings nor achieve any useful social purpose; or shall we be honest with our problem and, pursuant to the temporary theory of the Senate Finance Committee's majority before it marched up the hill and down again, seek such schedules as do not wholly stifle economic progress but which clearly notify the American people that a painful pay day may be just around the corner, that prejudicial wealth taxes are but a drop in the bucket of our prodigal disbursements, and that our whole people may soon inescapably face the tax collector and the reckoning?

For myself, I answer the latter half of this question in the affirmative. It seems to me that it is the only possible service which can here and now be rendered. But having rendered it the wisdom of then withholding final action until next winter, when we shall be in the presence of all related considerations, is emphasized in exact proportion as we have demonstrated the all-pervading tax needs of the Government.

Mr. President, I wish now to enlarge upon these two separate considerations. In discussing them we must remember that the House bill continues to be just as much in issue as the Senate bill, because, regardless of our immediate Senate decisions, the legislation finally will be written in a conference between the House and Senate where both measures will be expediently compromised and resolved; a conference which either will deadlock over incompatible views or which will melt under the August sun into an agreement born of dictation, desperation, and exhaustion.

This leads to brief comment upon the first general question, Should there be any tax bill now?

Here is my first answer to this primary question:

The pending tax bill fails to serve any real fiscal purpose or any mythical social advantage because, among other reasons, it is hastily thrown together by weary and reluctant legislators in grudging response to an unexpected and unwelcome eleventh-hour Executive mandate which, for a time, perplexed and mystified even the administration's most faithful and best informed congressional adjutants. But the President knew exactly what he wanted and why he wanted it, which is more than the rest of us know even now. The result is a bill which, despite any possibility of rationalizing amendments, is born of pell-mell statesmanship which has had no adequate permit or chance to study the whole problem in all its implications. The variegated record of the bill in the Senate Finance Committee emphasizes these baffling and disconcerting contemplations. It is the exact antithesis of seriously planned economy.

This is not merely my opinion, Mr. President; it is the well-nigh universal verdict of the American press. I do not mean to labor the Senate with quotations typical of the editorial verdicts to which I refer. I simply quote two sentences from the editorial columns of the independent Washington Star of last night:

> The real danger now is that Congress, in trying to make good a political bluff, will enact a crazily patched-up tax measure capable of great harm to recovery now under way and incapable of raising needed revenue. And the added danger is that fear of levying taxes directly affecting the people who must shoulder the cost of government—and that means most of them—will be as great a few months or a year or so hence as it is now. That will leave ruinous inflation as the alternative.

Mr. President, this is not only the general opinion of the American press respecting the spectacle which Congress makes of itself in attempting to pass a fundamental tax law under these circumstances and auspices, but I doubt whether there would be dissent from this same conclusion by any recognized economist who values his reputation.

I quote one famous commentator who, let it be remembered, has been among the most loyal and consistent devotees of this regime. Mr. Walter Lippmann says:

> Whether it is a revenue measure or a social reform, or both, the new tax bill is legislation in the dark.

By the phrase "in the dark", I am sure Mr. Lippmann has in mind no sinister references; none of us would, for a moment, impute anything of that character to the distinguished Senator from Mississippi and his colleagues upon the committee. "In the dark" means the absence of light thrown upon the subject in any adequate degree.

Now, I continue Mr. Lippmann's statement. These are Mr. Lippmann's words:

> Rarely has a measure of comparable importance been railroaded into law so casually, so carelessly, so hastily, so superficially.

Mr. President, I respectfully decline, sir, any part of such a responsibility—responsibility for what may become a complete upheavel in the American system. It is midsummer madness, and nothing else. The nature of the method irresistibly prophesies the character of the result. That is the horrible feature of it. Casually! Carelessly! Hastily! Superficially! In the dark! These are sinister and monitory words. Yet they spell the substantial truth. And there might well be added two other words—capricious and impetuous.

It is in this picnic spirit of irresponsibility that we are asked to deal with the desperately important matter of the public credit and the resources of all our taxpayers—not with just the little group of victims who are presumed to have been isolated for this specialized assault; they are but the primary targets. Inevitably the whole land gets the repercussion and pays the shot. I know of no finer, classic utterance upon this subject than the words of the present President of the United States, speaking back in the "horse and buggy" days of 1932 before Olympus had opened its new box of tricks. Mr. Roosevelt said:

> Taxes are paid in the sweat of every man who labors, because they are a burden on production. If excessive, they are reflected in idle factories, tax-sold farms, and hence in the hordes of the hungry tramping the streets and seeking jobs in vain.

This is the President of the United States speaking:

> Our workers may never see a tax bill, but they pay—

The present President of the United States, pretending to us that we now can wisely and exclusively make a few levies confined to the rich, disclosed only a few years previously the whole truth, namely, that though—

> Our workers may never see a tax bill, but they pay, in deductions from wages, in increased cost of what they buy, or in broad cessation of employment. There is not an unemployed man—there is not a struggling farmer—whose interest in this subject is not direct and vital.

These are the interests, Mr. President, with which we are commanded to deal—casually, carelessly, hastily, superficially—in the dark. And the crowning folly of the whole thing is that none of these taxes on incomes and corporations will be collected until the middle of next March anyway. Taxes voted now will be collected no sooner than taxes voted next winter. There is time to do a shipshape job. But time is denied us. At this hour—and at no other—we must strike. The reasons are as mystifying and inscrutable as is the task itself which we are ordered summarily to complete.

The distinguished President of the United States said another thing, upon ancient occasion, which was, and still is, the imperishable truth. I quote his first message of March 10, 1933:

> Most liberal governments are wrecked upon the rocks of loose fiscal policy; we must avoid this danger.

Mr. President, that was a magnificent, courageous aspiration; but, instead of an aspiration today, and particularly in the presence of the frenzied thing we are now asked summarily to do, it ceases to be an aspiration and becomes the epitaph of an administration which has forgotten and forsaken its own primary principles.

The sturdy warning of 1933 is ignored in these marching orders of 1935 when a sham revenue law is perpetrated "care-

lessly, casually, hastily, and superficially "upon the American people. There is no sound reason for present action. There are countless reasons otherwise. I do not speak in terms of mere personal inconvenience or personal distress of individual legislators who are physically exhausted. That is beside the point, although it bears upon the anemic type of deliberative thinking which may be devoted to this crucial problem. I speak in terms of the national welfare. This bill, under existing circumstances, is not an asset to this welfare. It is a pathetically needless liability.

Mr. President, I call your attention, furthermore, to the manner and fashion in which tax legislation is considered by the Senate Finance Committee and by the Senate itself in some other directions and when it is acting in an orderly way. For one whole year a select committee of the Senate dealt with the subject of a war-profits tax. At the end of the year it brought into the forum of the Senate and into the jurisdiction of its information all the witnesses who wanted to be heard and all the study and examination that could be made. At the end of a year's scrutiny we submitted, last April, a report which recommended a war-profits tax bill.

What happened? The war-profits tax bill was referred to the Senate Committee on Military Affairs, as it should have been. The Senate Committee on Military Affairs appointed a subcommittee to investigate it, as it should have done. The subcommittee took ample time. The subcommittee made its report to the full committee. The full committee acted in the presence of this complete information. The bill was reported back to the floor of the Senate 2 months later and then referred to the Senate Finance Committee for further inquiry and investigation.

Ah, Mr. President, when we had legislation in pursuit of war profits there was no hasty mandate to us to proceed summarily. The bill was then referred to the Senate Finance Committee. The Senate Finance Committee referred it to a subcommittee. That subcommittee is now engaged in its consideration and discussion. We are advised that because of the importance of the matter there will be no report at this session, but a postponement of the issue until the next session of Congress.

Mr. President, I have no quarrel in the world with what has happened to the war-profits tax bill, although I express my deep regret that we could not have brought it more quickly to the statutes of the Nation in view of the fact that the whole wide world seems to be on fire with incipient war. I make no complaint, however, that the Senate and the Senate Finance Committee propose to know precisely and exactly what the correct answer is before they will recommend any such legislation. I never complain when legislators look before they leap.

But I ask you, sir, to parallel that contemplation—that contemplation of legislation which already has 16 months of investigation behind it, yet which has not even yet been sufficiently investigated to warrant action at this session of Congress—with the fact that the tax bill now before us came to the Senate on August 5, was immediately referred to the Finance Committee, and was reported by the Finance Committee on August 12, 7 days later, with the order that it must be passed in a few hours before this Congress shall be permitted to adjourn. If the Senate committee's conservative procedure in respect to war-profits taxes is justified, then its precipitous procedure in respect to the pending tax bill is nothing short of insufferable scandal and outrage.

Mr. President, there is a second answer to the question I have asked as to why there should be no legislation at the present time and as to why this problem should be postponed to next January, as it will be if the Senate shall adopt the motion which I shall subsequently make. Here is my second answer.

This tax bill, Mr. President, is unrelated to the Budget. This is, perhaps, its paramount and incurable infirmity. Except as taxes are raised in direct relation to the Government's expenditures, one checking the other, the revenues are calculated to be largely wasted. The Republic today is in no position to fritter away a single resource.

Taxes buy a tangible achievement when they produce a balanced Budget. A balanced Budget is the key to popular confidence in governmental solvency and sanity; and confidence, in turn, is the key to dependable progress and recovery. An epidemic of dread—dread chiefly of an inflation which this bill in no degree assuages—is the country's chief handicap. A tax program, however painful, which tends to dissipate this dread will be worth all it costs—not the least advantage being that reckless expenditures will be less popular when we renew the solvent process of paying as we go.

But this tax bill is unrelated to a balanced Budget. It is not even in telescope reach of a balanced Budget. It has no relationship to the Budget, and can have none, because the Budget does not reach us until next January. When that time comes, we can search out essential economies, consistent with our unavoidable responsibilities. When that time comes, we can intelligently contemplate the problem of taxation to bridge the intervening gap. The two things, so far as possible, should go together in courageous plans for the next fiscal year.

It is sheer waste to raise a little patch of taxes that have no bearing on the budgetary problem. Such revenues accomplish relatively nothing. They resemble nothing quite so much as shooting an arrow into the night. It is like trying to fill a barrel with a dipper while the spigot runs wide open. It is like thrusting one's finger in the lake, withdrawing it, and looking for the hole.

Nor is it any mitigation to say apologetically, in behalf of this measure, that it at least brings us $200,000,000 nearer solvency. That begs the question. It brings us no nearer solvency unless and until we draw the dead-line in the Budget. This is what I mean. If one starts upon a thousand-mile journey with only 1 gallon of gasoline in his motor tank, he will not reach his destination; he will merely waste his gasoline. This bill is sheer, wanton waste.

It makes little difference, in the larger view, whether this year's deadly deficit is $3,800,000,000 or $3,600,000,000, the difference measured by the proceeds of this pending bill. But it will make all the difference in the world if next winter, or at latest, the following winter, Congress can curtail expenditures and then assess a tax which leaves no deficit at all. That is a destination. That is getting somewhere! And arrival in such a safety zone is worth whatever it may cost.

Mr. President, the distinguished Secretary of the Treasury, who presumably is the highest fiscal consultant and authority in the land, and with whom my distinguished friend the Senator from Mississippi [Mr. HARRISON] had what seemed to me to be a peculiarly painful and inconclusive colloquy when the Secretary appeared before the committee—the Secretary of the Treasury, who seems with commendable caution to have been scrupulously careful not to commit himself to any of the details of this bill, has said that the time has come to move in the Budget-balancing direction to which I have referred. He also has said that the time has come to segregate all new tax revenues for debt-retirement purposes. That is one piece of direct and specific advice we have had from the Secretary of the Treasury.

Can that be done under the pending scheme? It cannot. It is physically impossible, because you are still creating new debt infinitely faster than these tax proceeds should extinguish existing debt. Each time you creep forward an inch you will slip back a foot. You cannot fill the Secretary's prescription unless you tie adequate taxes to a balanced Budget. I submit that he confirms my thesis—namely, that taxes and budgets should travel together. There is no other rule of prudent political economy.

Let me again quote the present President of the United States. Again he is speaking in the premillennium of 1932 and speaking the unassailable truth:

> If the Nation is living within its income, its credit is good.

I may say to my friend from South Carolina [Mr. SMITH]—who has just entered the Chamber, and whose opinion I value most highly—that I am quoting from President Roosevelt 2 or 3 years back. I tell him because I am sure the Senator would not possibly recognize the quotation today, except as I gave him this ancient identification.

> If the Nation is living within its income, its credit is good. But if, like a spendthrift, it throws discretion to the winds, is

willing to make no sacrifices at all in spending, extends its taxing to the limit of the people's power to pay, and continues to pile up deficits, it is on the road to bankruptcy.

This bill does precisely what Mr. Roosevelt said 3 years ago marks the road to bankruptcy! It "extends taxes", yet "continues to pile up deficits." It miserably fails to relate the two. That is my basic complaint. In my view, and in the Roosevelt phrase of 1932, it "throws discretion to the winds."

I quote again from Mr. Lippmann, who, I repeat, has been an enthusiastic tribune for this administration and who, therefore, must be acquitted of any hostile bias when he now complains. Says Mr. Lippmann:

My own view is that no new taxes should be imposed until after the Budget is presented to Congress next winter. * * * What could be more dispiriting?

Mr. President, I emphasize the challenge, because the one thing that the American people should be saved from today is more dispiriting influences at a moment when they are undertaking, in spite of governmental discouragements, to galvanize themselves again into a courageous forward march.

I quote from Mr. Lippmann, continuing:

What could be more dispiriting than to be taxed drastically without making a dent on the deficit? Taxation of this sort is merely punitive. It hurts the taxpayer and helps no one.

It seems to me, Mr. President, that facts and logic argue irresistibly against the course which we here pursue.

Mr. President, so much for the first half of the general reasons I have submitted to the Senate as to why action should not be continued at the present session. I now take up briefly the second question which I submitted, and I ask the Senate to forgive me for a few observations bearing upon the second challenge.

Leaving the first general question, I come now to the second. If we must have tax legislation at this illogical and vagrant moment, despite the fact that no amount of amending can cure its inherent infirmities which are calculated to retard recovery, destroy values, cheat its own promises, and create more problems than they solve; if we must legislate, for some reason which must be more political than economic, should it be a sham bill or, in some degree, a real one? I have already answered that, if possible, it should be a real one, although I renew my doubts that any adequate legislation is possible under the circumstances.

This proposition is intended, by its authors, either to raise revenue or to distribute wealth. It will do neither, although it may force an ultimate remodeling of our social and economic system. I take it that the President had the latter objective largely in mind—to wit, the remodeling of our social system—when he stunned Congress with his unexpected message of June 19, because he practically dismissed the revenue phase in a single sentence, while lingering on the social phase through 2,000 words. What this must have meant to his own party leaders may be imagined from the following previous statement of the distinguished Senator from Arkansas [Mr. ROBINSON], the Democratic floor leader:

In my humble opinion, taxes should not be levied for the purpose of distributing wealth or reducing fortunes, but solely with the view of obtaining revenue. Taxation on any other principle approaches confiscation.

The Senator from Arkansas need never apologize for that statement. The single Presidential sentence on the subject of revenue, in the June message, was in part as follows:

These suggestions—

"These suggestions" being the President's idea of isolating the rich and then soaking them—

are based on the broad principle that if a government is to be prudent, its taxes must produce ample revenues without discouraging enterprise.

Apply that test to the Presidential proposals or to the House bill or the Senate bill. They do not produce ample revenues. They do discourage enterprise. Indeed, in some phases of the inheritance proposals, they kill enterprise completely.

Consider the revenue. Upon this score the bill is a fiscal fiasco. It produces little more than pocket change, relatively speaking, for some of the high treasoners who preside over the distribution of Federal funds at the rate of $2 out for every dollar coming in. In its normal expectancy, the House bill would produce $270,000,000. That scarcely pays the deficit for 20 working days. The Senate Finance Committee did considerably better until it changed its mind. In any event, we are not proposing to pay the deficit for a single month. Yet the revenue pretense of the legislation will be pleaded next January—and mark this well, my fellow Senators—the revenue pretense of this legislation will be pleaded next January as a convenient but transparent excuse for ignoring any further revenue pursuits for another year, which will take us past the next election. We chatter about revenue in millions while we confront deficits in billions.

This is sheer tax sophistry. It is a bungling budgetary burlesque. [Laughter.] It lacks any element of the prudence for which the President assumed to speak. But it does have one virtue. It does do this: It does prove to the average citizen of modest means that the heaviest possible taxes which may be accumulated from the rich, as proposed in the bill, even when augmented by increased burdens in the lower brackets, as originally proposed in the Senate bill, will not remotely pay the present bills for our gargantuan expenditures, if the latter shall continue.

This is not intended to suggest that all of this extra spending could be avoided. It started inevitably in 1929 and has progressively continued down to date. It is the byproduct of the depression. On the other hand, much of it can be curbed and must be curbed. But, in any event, and whatever the character of the spending, I repeat, it is useful for the average citizen to know that he, finally, must help settle the accounts. The Senate committee's original proposal had the virtue of more plainly and more courageously acknowledging and assessing this reality.

There are those who believe that if business is given a reasonable chance to continue natural recovery, it will produce the necessary revenues under existing tax laws to balance a subsequent budget which may be reasonably reduced by practical economies. Such an optimistic outcome would indeed be happy. This appears to be the view of business itself, speaking through the United States Chamber of Commerce. Frankly I do not believe it possible. But if it is possible—or in whatever degree it is possible—any such prospectus is entirely ruined by the present tax proposal, particularly because the present proposal will retard natural business recovery and the taxable resources incidental thereto. This is one more reason for postponing the entire decision until Congress shall be in the presence of conclusive facts and information.

But if we shall proceed now, we dodge realities if we do not concede that the proposed revenues are wholly inadequate and that adequate revenues can be reached only by broadening the tax base. If that is not a reason for broadening the tax base, then it is a conclusive reason for waiting to see what next year's budgetary needs will be.

It is not a pleasant thing to contemplate tax increases upon our mass citizenship, which already is struggling with just about all the load it can carry. It is not a popular or a politic thing. But, Mr. President, it is infinitely less pleasant, from my point of view, to contemplate an ultimate situation which may drive us into deliberate monetary inflation. If we ever confront those alternatives, I choose taxes, because I believe they will be far less burdensome and destructive than progressive inflation. Progressive inflation is the kiss of death.

These pyramiding Federal deficits may be stopped by economies upon the one hand and by increased revenue from existing tax laws on the other hand in time. But if they are not thus stopped, they have got to be met one of these days by hard cash out of all our taxpayers' pockets or we shall be forced to rely upon the treacherous and illusory magic of printing-press money.

There will soon be an end to financing our deficits by bond borrowings—and there ought to be, because it is a species of pillaging our children. There will be an end just as soon as the banks, already choked with Government bonds, can no longer assimilate these multiplying issues. Then we choose

between taxes and inflation. We cannot oppose both. For myself I choose taxes, because no tax burden could be as heavy, in the long run, as the burden of inflation.

On the basis of today's conditions—if you insist upon tax legislation today—I summarize this portion of my comment by asserting my belief that you need all of the revenue originally sanctioned by the Senate Finance Committee and all of the revenue proposed by the amendments proffered by the senior Senator from Wisconsin [Mr. LA FOLLETTE] and yet some more. If you legislate today, which you certainly should not do in common sense, it is a mere indecent flirtation with the problem to rely upon the flabby bill now before the Senate.

Mr. President, finally, my last answer to this second general question which I have submitted to the Senate in respect to this proposed legislation is in regard to the alleged social advantage to be gained by this summary adventure.

There remains, of course, this suggestion that this hasty and impatient tax bill serves a social purpose; and it makes for greater equity and larger opportunity for mass America. Any such objective is laudable. Any effort more scrupulously to assess taxes according to the ability to pay is socially worth while. I believe emphatically in taxes assessed according to the ability to pay. There is no doubt in the world that a real tax bill when passed—if it shall meet its budgetary obligations—must sharply increase taxes upon wealth. It is logical and inevitable. I do not oppose such a purpose.

But I maintain that it serves no social purpose—as distinguished from a socialistic purpose—to increase the taxes on wealth as a mere punitive proposition; or when the proceeds are dissipated through failure to make them count, along with other taxes, toward a balanced budget or toward their substitution for excise taxes; or when the rates violate the law of diminishing returns by driving wealth out of dynamic industrial investments and into static tax-exempt bonds.

In line with this argument it seems to me that the greatest social purpose which could be furthered at the present time in respect to taxes would be to initiate the long-discussed constitutional amendment which will end these tax exemptions and thus end the escape of wealth from any share of the tax burden which soon must be spread across the backs of our whole people if today's governmental deficits indefinitely prevail. Yet there is nothing whatever in the pending program which initiates any such protections.

So far as redistributing wealth is concerned—using the phrase in its familiar contemporary lexicon meaning—this bill, of course, redistributes nothing. As a sop to the real redistributors it is greeted with jeers. It raises about $2 per capita. That would be the "dividend" to each of our people if the proceeds were distributed. But, of course, they are not distributed. They are swallowed up in the yawning deficit of an empty Treasury. To this extent, however, the bill may be credited with unwittingly providing the proofs that there can be no redistribution of wealth short of a perfectly frank confiscation of major proportions in the form of a straight capital levy.

The social philosophy of this bill appears to be an arbitrary attack upon bigness because of its inherent size and without regard to its service in commerce or its useful influence upon American life. This is apparent both in the inheritance-tax section and in the President's proposal for a graduated corporation tax based on the physical size of the corporation rather than upon the relative size of its earnings. Here again, Mr. President, I emphatically dissent. It is not sound political economy. It is rank delusion. It may fool some of the people, in the first flush of soap-box emotions, but it will become in practice a prejudicial liability to commerce and the common good.

I turn to page 41 of the Senate committee hearings to read but a single quotation from one of the Senate committee's own authorities, quoting Prof. C. C. Plehn, of the University of California, former president of the American Economic Association, and known as one of the leading tax experts of the United States. I quote:

> A graduated Federal tax upon corporations will * * * be especially burdensome upon widows and retired persons living on invested savings. Since it is the rate of profits, not the mere absolute size, that signifies, the basis of graduation is absurd.

Mr. President, it seems to me that statement is irresistible, and it seems to me that the most casual consultation of the contemplation recommended to us by the Senate Committee on Finance demonstrates that this is not a measure based in equity but a measure based in utter inequity.

Let me indicate what I mean in respect to the graduated corporation tax. Here upon the one hand is a rich man with $10,000 invested in a small corporation earning $15,000. His investment faces only a 12½-percent tax before dividends, just because the earnings of the company are small.

On the other hand is a poor man with a thousand dollars invested in a big corporation earning $101,000. His investment faces a 15½-percent tax before any dividends can reach him.

The $15,000 earnings of the one corporation may represent 100-percent profit on invested capital, yet it is called upon to pay only 12½ percent, but the big corporation with earnings of $101,000, which may represent only one-tenth of 1 percent profit on invested capital, pays 15½ percent.

I submit it is an affront to equity, it is a violation of common sense, it is not a social purpose. The only rational way to deal with this phase of the problem would be through a graduated excess-profits tax.

Mr. President, we think superficially that we have here a measure which lacks a particularly dangerous repercussion because it is supposed to involve only a few of the superrich. There never was a sillier fallacy on the face of the earth. It involves the earnings of every corporation in the United States. These corporations involve, in turn, millions and millions of stockholders, not the stockholders of great wealth alone, but thousands and tens of thousands of the lesser stockholders.

Speaking in behalf of the women investors in America—and, after all, they do represent the greatest category, because they are the legatees, ordinarily, of the average inheritance—speaking for the women investors of America, seeking to retain for them some element of protection under this supposedly social quest for new equity upon which we are engaged, Miss Cathrine Curtis, representing Women Investors in America, Inc., testified before the Senate Committee on Finance, and I quote from the report of her testimony at page 149 as follows:

> Women are daily becoming more interested in national financial problems. This interest is based on the deep responsibilities that they have as guardians and trustees of a vast portion of the country's wealth—wealth of all kinds—insurance policies, savings bank accounts, trust funds, real estate—

And mark this—

> in addition to over 50 percent of the stock ownership of many of our larger corporations.

Make no mistake about it! You are not confining this tax poison to a few rich folks. All of the 50 percent of the stock ownership of many of our larger corporations, represented by these women's organizations, are within the jurisdiction of this contemplated law, and will pay and pay and pay.

How many stockholders are there in the corporations of America? I quote from a book published by the Twentieth Century Fund last year, entitled "Stock Market Control", and I read just two sentences:

> Only the roughest guesses can be made. It is probable, however, that between six and ten million individuals own bonds and between nine and eleven million individual men and women in the United States own stock. Even assuming that almost every one who owns bonds also owns some stock it is probably true that at least every ninth or tenth man, woman, and child in the United States has a direct stake in the Nation's security markets—which means at least 1 family out of every 3.

So, Mr. President, you are not dealing with a few rich men and their associates when you contemplate this legislation. In the final analysis you are dealing with a torch which carries its flame and throws its shadow into 1 out of every 3 homes in the United States. Although it might

be pleaded in some strange fashion that you are entitled summarily to pass a tax law in this cavalier fashion if it only affected a few rich folk, how can you make any such defense for this summary action when it involves the welfare, the living, the livelihood of 1 family out of 3 all through the United States.

However, it attacks bigness as such. That is the theory of the thing. When bigness graduates into monopoly it may, and frequently does, become antisocial. But the logical way to attack monopoly is through the antitrust laws—which, paradoxically were recently given an anaesthetic under N. R. A.—and not through a blunderbuss assault upon all bigness solely because of its size. Personally I greatly prefer decentralized commerce and decentralized community life for our America. But size is not automatically a sin. The test is the use of size. The rational means of restraint are not confiscatory tax laws but antimonopoly laws.

The question transcends the mere question of misfortune for a few rich individuals. I want them to carry their maximum share of the load, and I always so vote. They need no sympathy. They usually find a way to take care of themselves. In the present instance, for example, they will have the perfect excuse to drop out of the jeopardy and annoyance and burden of industrial investments and to quarantine themselves within the safe and easy sanctuaries of tax-exempt securities.

Why in God's name should an employer labor through the day and through the night in order to maintain employment for 10,000 other men when all that he can earn for his social effort as well as his economic effort—all that he can earn is to be set down as a menace to the Commonwealth by the legislative hypocrisy of the American Congress?

It is the same old question of the law of diminishing returns which no tax bill can escape, no matter what our zeals may be to pummel wealth into tax submission. I cannot escape the conviction that it serves no social advantage—quite the contrary—to ignore these facts.

Mr. President, I spoke the other day of the Ford situation. I did not volunteer the Ford exhibit. I did not bring up the Ford exhibit on my own volition. I spoke of the Ford exhibit only after all the tax proponents of the administration, evidently fearing the ultimate challenge of the Ford exhibit, had attempted to plead in advance that the thing which they contemplate would not ruin this great typical enterprise.

I repeat, I spoke the other day of the Ford situation and the possible effect of an inheritance levy which would require $270,000,000 to be raised and paid in taxes out of a $300,000,000 inheritance. It has been urged that any such formula would force a liquidation and then a disintegration which would jeopardize continued operations on anything but a banker basis. I do not want to labor the point. I realize this case is the exception rather than the rule, although, in lesser degree, the case is infinitely multiplied in American commercial life. I refer to it again only to illustrate what I am trying to say about the need of extreme care in using the taxing power as a punitive weapon. This is my point: There is no need to sympathize with the material welfare of Ford heirs if they have $30,000,000 left out of $300,000,000, and if they are fortunate enough and smart enough to get it out.

I am not worrying about the Ford heirs. But from the standpoint of social advantage—and this is our presumed objective—there is very great need for careful vigilance that we do not stifle a gigantic reservoir of values, which in its comparatively short lifetime—and I am speaking again of the Ford exhibit—has poured $3,450,000,000 of wages and salaries into the stream of American employment, and $7,698,000,000 into materials and services in every nook and corner of the land, and $569,263,000 into the tax coffers of government.

Mr. President, I decline to consent that when the ingenuity of a self-made man, starting from zero, can build that sort of a contribution to the lives and the livelihood and the welfare of hundreds and hundreds of thousands of human beings all across this land, I decline to consent to a governmental philosophy which undertakes to say that that is a disservice to America. I think it is distinctly otherwise. I repeat, that the situation involved in the Ford exhibit is repeated time and time again in the industrial economy in lesser degree. I deny that there would be any social advantage in deliberately creating a situation which would disturb or discourage or prevent continued enterprise of this character—not merely the Ford enterprise—that is only a case exhibit—but countless lesser enterprises of like import, the sum total of which spells American prosperity.

The power to tax is the power to destroy. I submit that the preparation of this bill has been entirely too casual and hasty to be sure that, in the name of social equities, we do not destroy more social values than we create.

So, Mr. President, let me summarize my viewpoint in a very brief conclusion. I have not tried to discuss detailed rates. That would be an expert's task—which, by the way, I fear no experts have yet had time adequately to do. I have dealt only with general considerations. But I submit they lay a challenge to the Senate. The challenge is twofold.

If we must have a tax bill at this hasty moment, it should be a tax bill which makes larger progress toward our present known deficits; and such a bill must include not only the rich—to the last practical degree which produces net advantages—but also many, many others who can ill afford the strain. Fundamentally, furthermore, it must initiate the necessary termination of tax-exempt securities.

But long before we reach the consideration of such details, I submit that the entire situation argues against any tax bill at all until next winter when, with due deliberation and adequate inquiry, we can rationally probe the whole fiscal problem, in the presence of the Budget, and meet the national need with that considered conclusiveness which we owe to the American people.

Mr. President, in order to bring this particular viewpoint to a focus, I desire to submit a motion. This particular viewpoint could not be covered by any direct ballot on the bill or any direct ballot upon amendments. I know of no way to test the sense of the Senate as to whether or not it is the course of wisdom to wait until next winter and do a real job when we are in the presence of all the essential facts. I know of no way to test that question except by a motion to recommit with instructions.

Therefore, for the purpose of ascertaining what the view of the Senate may be in connection with this fundamental contemplation in common sense, I move that the pending bill be recommitted to the Senate Finance Committee, with instructions to report at the next session of this Congress.

Mr. COPELAND. Mr. President, I have listened with great interest to the eloquent address of the Senator from Michigan. In view of the fact that I sit on the Democratic side of the aisle I feel there must be something wrong in my conclusions when I decide in my own mind that I am agreeing with the Senator. Of course, I must not always do that!

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. VANDENBERG. I hope the Senator will acquit himself of any embarrassment and count this agreement as the biological result of his previous Michigan residence.

Mr. COPELAND. If there is any one thing in my biological existence of which I am proud, it is the fact that I was born in Michigan, where I lived until 40 years of age. A Senator remarks, "The best part of your life." It was, indeed, the best part of my life.

Mr. President, I am sorry that I must speak in opposition to this bill. I am opposed to this measure in its details; I am opposed to it in its purposes.

If we were now attempting to balance the Budget, if we were cutting down on expenditures, if we were striving, day and night, to lessen the cost of government—if under such conditions we found ourselves without sufficient revenue, I should join cheerfully, as I believe every other Senator here would, in the enactment of any measure of taxation which had for its purpose the raising of money to balance the Budget. But, Mr. President, to my mind it is grotesque—certainly little short of that—to think about this tablespoon-

ful of revenue having any relation to the balancing of the Budget or the wiping out of the national deficit.

In the first place, I oppose the provision of the bill which seeks to raise $80,000,000 by an increase in the estate tax. There is nothing more comforting to a man in public life than to be able to refer to the record and by it to prove to his constituents that he is at least consistent.

I am not sure that consistency, in any sense, is a mark of greatness. If I remember correctly, Emerson said, in effect: "Great men have nothing to do with consistency." But it is somewhat comforting for me to find that on the 28th of January 1926—almost 10 years ago—when there was pending before the Senate the question of the establishment of a Federal estate tax, the RECORD shows that I took some part in the debate. I am going to reinforce what I shall have to say today by a quotation from the RECORD of that particular date. I shall not undertake to make any extended or statistical attack upon the pending bill; but there are certain sentimental features attached to it which, to my mind, are worthy of our consideration now as I felt they were 10 years ago.

There was a debate in the Senate at that time, participated in by the then Senator from Wisconsin, Mr. Lenroot, and the then Senator from North Carolina, Mr. Simmons, and I find that the matter which I desire to quote begins as follows, being found on page 2889 of the CONGRESSIONAL RECORD, volume 67, part III, Sixty-ninth Congress. At that time I said:

Mr. President, I was surprised to hear from the Senator from Wisconsin and the Senator from North Carolina that the Federal estate tax is necessarily a just tax. I cannot see how anybody can argue that in every instance it is a just tax.

My impression is that those who argue longest and strongest for the estate tax, basing their argument on the ground that it is a just tax, do so because they have in mind men like Mr. Morgan, Mr. Rockefeller, Mr. George F. Baker—

Who since that time has died—

and other men who have accumulated great fortunes, not through their own efforts but through their interest in joint corporate enterprises reaching into every State in the Union. But the difficulty about the contentions of the advocates of an estate tax, as I see it, is that they do not differentiate and distinguish between an estate tax imposed upon the estate of a man of the type mentioned and the tax imposed upon the estate of a man who, by the aid of his wife and children, has accumulated something of a fortune.

All the time I have had in the back of my mind that idea in connection with an estate tax and an inheritance tax, the estate tax particularly.

A man is alive today; he owes the country nothing. He dies tonight, and then there is a tax laid upon his estate. It is my opinion that every worth-while man has had in his wife and frequently in his children partners in his business. The conferences that have taken place in the household, the advice that has been given by members of the family have in many instances, as I have known, had much to do with the prosperity and success of certain individuals.

I now continue the quotation from my own speech of a decade ago:

I recognise that, as has been said, the estate tax is easy to collect. All you have to do is to go in with a bludgeon and attack the mourning wife and take away from her a share of the estate which she had just as much to do in accumulating as the husband had. I do not admit, for myself, that the estate tax is a just tax. It may be just in some instances, but in thousands of cases happening every year in the United States it is a very unjust and unfair attack upon the estate.

If the estate of Mr. A owes to this Government a thousand dollars or a hundred thousand dollars, the minute Mr. A dies Mr. A must have owed this Government when he was still alive. I cannot see that the mere fact of his death makes his estate a proper prey of the Government and a proper place to go to collect money.

I do not believe we can consider an estate tax a just tax unless we differentiate between estates. So I do not wish to let go unchallenged and to be passed over the statement made in this Chamber that the estate tax is a just tax.

In my opinion, the estate tax is very frequently an unjust and a cruel and a wicked tax.

What I said 10 years ago, I repeat today; I feel as strongly now as I did then that the estate tax may be "a cruel and a wicked tax."

It takes money from persons who are just as much entitled to that money as was the man who died, because in many instances, and I believe in most instances, the wife and family of the man who died had just as much to do with the accumulation of the property as the man who has gone to that bourne from which no traveler returns.

At that point I was interrupted by the distinguished Senator from Nebraska [Mr. NORRIS].

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from New York yield to the Senator from Massachusetts?

Mr. COPELAND. I yield to the Senator from Massachusetts.

Mr. WALSH. I have not had the benefit of hearing all the Senator's statement; he is undoubtedly making an able argument; but I understand he is now stating his opposition to the principle of the estate tax?

Mr. COPELAND. I was not only stating my opposition to it, but was establishing my proud position by my own record of 10 years ago. I am quoting from myself in what I am reading.

Mr. WALSH. Showing the consistency of the Senator. It is very difficult for us to be consistent from year to year, perhaps, but it is commendable in this case.

Mr. COPELAND. If it is really confirmatory it is not only commendable but also desirable!

Mr. WALSH. I should like to ask the Senator if he believes in the principle of the inheritance tax?

Mr. COPELAND. I do not.

Mr. WALSH. So that the Senator from New York does not believe in any tax levied after death, either an estate tax or an inheritance tax?

Mr. COPELAND. No; but if I had to choose between an estate tax and an inheritance tax I would prefer the latter.

Mr. WALSH. Let me see if I correctly understand the Senator. He does not believe in either an estate or an inheritance tax?

Mr. COPELAND. I do not.

Mr. WALSH. If he had a choice which one would he take?

Mr. COPELAND. I would take the inheritance tax.

Mr. WALSH. I assume the Senator takes the position he does regardless of the value and volume of the estate or the amount of the inheritance?

Mr. COPELAND. I do.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield to the Senator from Rhode Island.

Mr. GERRY. The difficulty we have here, though, is that the House provided for an inheritance tax which was in addition to the present estate tax. The Finance Committee struck out that provision and inserted an increase in the estate tax. I take from the Senator's remarks that he would probably prefer what the Senate Finance Committee did rather than the polyglot arrangement which was adopted by the House?

Mr. COPELAND. Oh, yes; I would, because our committee is $6,000,000 better than the House committee. To that extent I commend the committee.

As I was saying when I was interrupted by the able Senators from Massachusetts and Rhode Island, at the time I was debating this matter in 1926, at the point where I just finished reading I was interrupted by the Senator from Nebraska [Mr. NORRIS], who disputed my doctrine that the wife and family had much to do with the accumulation of these large fortunes. I continue my quotation from my own remarks:

I admit the cogency of very much of the statement made by the able Senator from Nebraska. Yet, after all, when we come to consider those vast estates, even then we have to differentiate. I was not in the Chamber when the debate started; I happened to be attending the coal investigation hearing, and I do not know what the discussion has been during the afternoon, but an illustration of what I have in mind is the prospective estate of Henry Ford.

That apparently continues to be a favorite illustration in the present debate, but this is what I said 10 years ago:

Mr. Ford stands out unique in this country in that he has a fortune which he himself developed. He did not inherit anything. If I am correctly advised about his early life, he was a repairer of

bicycles—a poor man, anyhow; but by his genius and through his own efforts he has built up a tremendous fortune. I would not have a word to say about the disposition of that fortune if it were not so invested or so used as to be of benefit to mankind. But you have only to go to Michigan and drive out west of Detroit to see the great buildings which have been erected—

When I began my remarks this afternoon the Senator from Michigan [Mr. VANDENBERG] spoke about my origin, saying I was born in Michigan. As a matter of fact, I was born within about 30 miles of the Ford establishment, so when I speak about these buildings west of Detroit I speak of buildings in a territory very familiar to me. I continue quoting from myself:

But you have only to go to Michigan and drive out west of Detroit to see the great buildings which have been erected, one of them, as I recall it, a mile long, where Mr. Ford is making automobiles, tractors, airplanes, and automobile parts.

Mr. Ford has built up a great fortune, Mr. President, which he has used not alone for his own joy and for purchasing the Wayside Inn and some other establishments; he has not only used his money to encourage the old-fashioned fiddlers and old-fashioned dances, but he has used his money to help the people who work for him. I believe that the labor of America at the present time can thank Mr. Ford for a large part of the prosperity which they enjoy, because his example has been such that thousands of manufacturers and other employers of labor throughout this country have been shamed into giving larger wages than they gave before.

There is no question that Mr. Ford was the pioneer in establishing what we now call the "prevailing wage." He had much to do with the establishment of the high wages paid to labor in this country.

I might say in passing that while I have no personal acquaintance with Mr. Ford, we possess many mutual friends. I have time and time again heard from them about the ideals held by Mr. Ford. He feels that he is not only a great manufacturer, not only that he has been successful in the accumulation of wealth, but that he has been a contributor to the happiness and the welfare of the people of the world.

It so happens that I was born on a farm. I frequently see that farm. I can well picture in my mind, when I visit it, how my father and my grandfather toiled to cultivate that farm. Now, by the invention and development of the tractor, which is largely the work of Mr. Ford, farm work has become very much less toilsome and difficult than it was in pioneer days.

Likewise by the invention and development of the automobile truck, which can be purchased at a small price, the farmer is enabled to take his produce everywhere at much greater speed and greater profit than he could in the old days of oxen and horses.

More than that is the invention and development of the inexpensive automobile. I have no doubt that the inexpensive automobile has been the means of bringing happiness to many homes, not only on the farms of the country, but the homes of people everywhere throughout the country.

I resume my quotation:

Mr. Ford has built up a tremendous business, which depends to a large extent upon his personal supervision or, at least, a maintenance and continuance of policies which he has established.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from New York yield to the Senator from Massachusetts?

Mr. COPELAND. I yield.

Mr. WALSH. I agree with the Senator that Mr. Ford deserves the highest commendation for his ingenuity, industry, and business success; but I inquire of the Senator, in view of the volume and rapidity with which Mr. Ford acquired his large fortune, does he deserve special credit for the charities and philanthropies and gifts he has made?

Mr. COPELAND. I remember hearing Mark Twain make a speech one time, in which he said of Mr. Carnegie——

Mr. WALSH. I remind the Senator of Mr. Ford's moral obligations. To my thinking wealth imposes an obligation on its possessors, in part at least, to act as stewards of the poor and their less fortunate fellow beings.

Mr. COPELAND. Mark Twain said of Mr. Carnegie, "He does not deserve any credit for what he has done. I would have done it myself if I had had the money." I am sorry the Senator from Massachusetts has not all the wealth that Mr. Ford has. If he had, I know he would be generous with it. I am frank to say I think he would be even more generous than is Mr. Ford.

Regardless of what Mr. Ford may have done in the way of his individual gifts, the very fact that he is maintaining and operating a business which employs hundreds of thousands of persons and maintains hundreds of thousands of families makes it tremendously important that there should be no break-down in that industry, as there would be a break-down in it if by the imposition of tremendous estate taxes it were to be turned over to Wall Street.

His fortune lies not in cash or stocks and bonds, but in a good plant, in machines and equipment. It cannot be reached by the tax collector unless it is sold, dissipated, perhaps, and converted into money.

Mr. WALSH. The Senator has raised a question in connection with Mr. Ford's taxes upon which we may not be very far apart. I personally feel that Mr. Ford's immense fortune and other large fortunes should not have been permitted by our Government to accumulate to their present proportions. I am inclined rather to think the Senator agrees with me, in view of his opposition to inheritance and estate taxes, that one way, at least, with which to deal with the problem of preventing the accumulation of wealth in the hands of the few is by a limitation upon excessive profits or by limitation of the amount of money that may be possessed by any one individual.

Mr. COPELAND. I think there are many evils in the accumulation of wealth in the hands of a few persons.

Mr. WALSH. Assuming we cannot deal with it by taxation without confiscation, is it not the way to take care of this problem by placing a limitation upon the profits that may be made and the removal of those special privileges fostered by government that permit a few rapidly to acquire not wealth but immense fortunes?

Mr. COPELAND. I do not know how it could be dealt with, but I do know that on this 14th day of August, with the mercury at nearly 100, it cannot be solved by passing a bill coming to us only a day or two ago, if that long. I am satisfied that a great social problem, a problem so vital as that suggested by the Senator from Massachusetts, is not presented to us in considered form which entitles it to action at this moment.

Mr. WALSH. Of course, there is nothing in the bill dealing with the suggestion as to how to prevent the accumulation of wealth in this country. It is a different subject and should be dealt with entirely apart from a tax bill. Generally speaking, it is unethical and immoral for a government to take over, in whole or in part, the property of a citizen; but when the wealth of a nation concentrated in the hands of a few is found to be harmful to the common welfare, then the state may take part of that wealth under reasonable conditions.

The state is obligated to remove obstacles to its well-being and the well-being of its citizens. To remove the obstacles of excessive wealth when it is accumulated in the hands of a few it must be found to be an evil. And, also, provision must be made that the wealth seized by the Government is seized in a manner which will prevent recrudescence of the original evil and thereby again conflict with the general welfare.

Without discussing further this very interesting and important problem, let me conclude my brief colloquy by stating that the control of wealth by a few is, in my opinion, a real evil in this country. The way to solve the problem is not by confiscation but by carefully worked-out legislation to prevent vast fortunes in the future.

Mr. COPELAND. That is primarily my position. It is the only way to deal with this great problem.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. GERRY. It may interest the Senator from New York to know, as I am sure the Senator from Massachusetts knows, that the experts felt that they could not carefully work out the administrative features, particularly of the inheritance-tax provisions sent over by the House, so that they would not do grave injustice, inside of 3 weeks.

Mr. COPELAND. I have great sympathy for the committee. I realize that the committee worked under great pressure.

Mr. WALSH. That is, I understand the Senator from Rhode Island to say that the experts advising the Finance Committee stated that they could not correct the mistakes made and the injustices perpetrated in the House provisions dealing with the inheritance-tax without 3 weeks of sessions by the Finance Committee?

Mr. GERRY. Yes.

Mr. COPELAND. So, in view of the fact that there was that difficulty with the House provisions, the Senate committee decided to take a lesser evil?

Mr. GERRY. That is it.

Mr. COPELAND. That is the way I thought it was. There is no Senator in this Chamber who can stand on his feet and say that this is a well-worked-out, well-considered, and wise bill.

Mr. President, if we were engaged in a war, and needed money, or if there were some other emergency which demanded haste, it would be all right on the 14th of August, with a temperature of 100 degrees, to work out a bill to get the money. Here, however, is a bill which has to do with taxes which will be collected next March, 6 or 7 months from now. What is the hurry about it? I do not wish to impose upon the Senate committee any burdens which I myself am not willing to carry; but they could work out this bill through the rest of the year, and bring us in January a bill which perhaps would be a better bill; certainly it could not be a worse one.

Mr. President, I continue a quotation from my 10-year-old speech. I do not know that that was quite a tactful remark for my own sake; but, at any rate, it is a speech 10 years old, and I believe it is a little beyond the 10-year period of life, too:

> If the operation of an inheritance tax—
>
> Or an estate tax—
>
> such as we are discussing were to be applied to the estate of Mr. Ford when he is taken away, as in the nature of things he must be eventually—and I hope the day may be far distant—if Mr. Ford were to die tomorrow and the prevailing estate tax were to be applied to his estate, it would make impossible, as I understand it, the continuance of the great enterprise which he built up. The effect of such taxation would be to destroy a great establishment, which employs thousands upon thousands of men in Detroit and which employs tens of thousands of men throughout the country, in every State of this Union, in the disposition of his products.

I may say now, after 10 years, that it is now hundreds of thousands.

If this tax were to be applied as proposed in this bill, there would not be enough money in the estate to pay the tax. If I were free to do it, I could speak of another great estate about which I know and which was practically ruined by the imposition of the estate tax. Certainly, there would not be enough cash money to take care of the estate tax on Mr. Ford's property.

Mr. GERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Rhode Island?

Mr. COPELAND. I yield.

Mr. GERRY. If the Senator will turn to page 306 of the hearings before the Finance Committee, he will find a statement by Mr. May, who is a public accountant of Price, Waterhouse & Co., and a well-known tax expert, showing exactly what the House bill would do to Mr. Ford's estate. I think it states the matter very clearly. Mr. May said:

> Briefly summarizing this statement, the valuation of the estate is $350,000,000; estate and inheritance tax thereon, $312,900,000; the annual installment of the tax, one-tenth, $31,297,000; annual dividends, $35,000,000; surtaxes thereon, $26,000,000; leaves a balance for the estate and inheritance taxes of $8,900,000, which is 2.8 percent of the total charges, or 28 percent of the annual installment of the tax.
>
> Senator KING. Did you take into consideration the taxes that might be imposed in the various States?
>
> Mr. MAY. I have left out the State taxes, interest on deferred tax, and everything of that kind.
>
> Senator KING. If they paid all of those, there would be nothing left.
>
> Mr. MAY. When you get to 2.8 percent, it does not make very much difference about the rest. It amounts to practical confiscation.

Then, on the other hand, saying that the Ford estate was an unusual one, Mr. May, taking an estate of three and one-half million dollars, said:

> The annual installment of tax would be $203,000, and the balance that would remain out of the dividends after paying the surtaxes would be $165,000. So you would be able to pay 80 percent of your annual installment, or 8 percent of the total taxes. Those are the figures in the case of a $3,500,000 corporation.
>
> Senator KING. Supposing you had no dividends?
>
> Mr. MAY. Then you would be out of luck.

Mr. May also said, referring to the case of the Ford estate, and to the statement by Mr. Jackson, who represented the Treasury—and, although I do not agree with him, he is a very able advocate, and made a fine statement of his side of the case:

> Mr. Jackson also said that he thought this could be financed by a bond issue, and people would be glad to finance a bond issue. On $350,000,000, the taxes would be 89.5 percent.
>
> Mr. Jackson's experience with underwriters may be more favorable, although I think it is probably less extensive than mine; but I have never found a bond house that was able to underwrite a bond issue for 90 percent of the value of the property, and I doubt if his hopes are well founded, and I doubt if anybody is going to try the experiment with a $350,000,000 issue.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. GERRY. The Senator from New York has the floor.

Mr. COPELAND. I yield to the Senator from Iowa.

Mr. MURPHY. Assuming that a bond issue should be floated, the bonds would be bought by individuals who already have money to invest. The money would be realized from the sale of other securities and conversions. Under those circumstances, can the Senator describe wherein there would be any approach toward equality in the distribution of wealth?

Mr. GERRY. Of course, there would not be any such approach. All that would happen would be that the property would be taken out of the very efficient hands of Mr. Ford, and turned over to the stock market and the bankers for them to sell.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. GERRY. I have not the floor. The Senator from New York has the floor.

Mr. COPELAND. I yield to the Senator from Texas.

Mr. CONNALLY. The property would not be taken out of the hands of Mr. Ford by the tax, because death is the only thing that would take it out of the hands of Mr. Ford.

Mr. GERRY. Well, it would be taken out of the hands of his heirs.

Mr. CONNALLY. The tax would not apply to Mr. Ford until his death, so that it would not be the tax that would be taking the property out of his hands.

Mr. GERRY. I should have stated that it would be taken out of the hands of Mr. Ford's heirs or executors.

Mr. COPELAND. Of course, what would happen then would be, so far as the doughnut is concerned, the Ford estate would have the hole.

Mr. GERRY. That is it.

Mr. COPELAND. The doughnut would have gone into Wall Street, and, as the Senator from Iowa has suggested, into the hands of other wealthy persons; so wealth would not be distributed. The hole in the doughnut would be left to the heirs.

Mr. MURPHY. There would be a new set of owners. Is not that all?

Mr. COPELAND. The ownership would be changed; but the genius of the Ford family—which, fortunately, is lodged not alone in Mr. Ford, but in his son, too—would have been extinguished, and the industry would have passed into other hands.

Mr. MURPHY. Mr. President, will the Senator further yield?

Mr. COPELAND. Yes; I yield.

Mr. MURPHY. The case assumes the issuance of bonds. The bonds would bear a fixed rate of interest. If the stock were sold and a very large return paid on the stock, there would then be some support for the theory that some of the wealth was distributed in distributing the larger earnings, but with a fixed return on the bonds, there would not be any more distribution of the earnings beyond the fixed return on

the bonds than would be had on any other issue the investor might acquire.

Mr. COPELAND. Mr. President, I am very much obliged to the Senators for what they have added to the value of the discussion. I wish to quote a few words more from my speech of January 1926:

> Far be it from me to argue about the disposition of great estates. I am not worried about the ultimate disposition of mine.

I was not worried then, and I am less worried now.

> I still insist, however, that to have an estate tax a just tax there must be a differentiation, and there must be a classification of estates. It is all very well to talk about Mr. Ford's business, and that after taking away from it 40 percent the executor could go on with it.

Of course, we know now that under present conditions it would be far more than 40 percent. It would be practically all of it, according to the statement in the record.

> But if we took away that amount from the business in which he has invested his entire fortune, we would ruin the business. The very success of the enterprise depends upon gross production.
>
> I am not worried that the condition spoken of by the Senator from Nebraska would ever come back to haunt us. We have the power to tax estates. Our experiences of the immediate past have demonstrated our power to do that. If any estate grows so great that it is "greater than the Government", as the Senator suggests—

Somewhat as was suggested by the Senator from Massachusetts a few moments ago.

If it becomes "a menace to society, there would be no trouble about enacting some law to correct that evil. But I insist that it is an unjust and unfair thing to say in general, because there is a great estate and the man who developed it with the aid of his family dies, that because he is dead and is not there to defend it the Government may move in and take possession."

Then my colleague, the then Senator WADSWORTH, said:

> Mr. President, will my colleague yield?
>
> Mr. COPELAND. With pleasure.
>
> Mr. WADSWORTH. Suppose the widow dies within another year and again the estate is assessed, where is the justice there?

Mr. President, I can see no justice or fairness or wisdom in the taxation of these estates. It is natural for all of us to have a little resentment that the other fellow has the money. I suppose it is as natural as human nature itself to have a sort of a disagreeable feeling about a rich man.

I have known many rich men. I have known very few of them who were happy. I would rather have a home by the side of the road and live in the horse-and-buggy stage than to put up with all the trials and tribulations to which most of the rich men I have known have had to submit. The fact that they are rich does not mean that they have no troubles of any sort. There are demands upon them to keep their estates going, and I know Mr. Ford has had such demands.

Mr. President, I opposed the bill then pending because, among other reasons, of the provision in it about the taxation of estates. But my opposition to the pending bill today does not end there.

I find in the summary on the last page of the report, as to the sources of additional revenue, that the graduated corporation tax will bring in $60,000,000, that the capital-stock tax will bring in $55,000,000, that the excess-profits tax will bring in $10,000,000, a total of about $125,000,000.

I stated in the beginning that if this were a measure needed to balance the Budget and to afford funds with which to operate the Government, I would not hesitate about supporting a bill twice as severe as this; but we are seeking to restore business and restore confidence—and the restoration of confidence is primary and essential to the restoration of business—and at the same time are asked to strike business a blow between the eyes, making it still more difficult for an economic world already staggering in its attempts to recover its feet.

Let no Member of the Senate believe that there is any such restoration of business in the United States as now to justify an attack upon business. I was very much interested yesterday in the speech made by the Senator from Tennessee [Mr. MCKELLAR]. I tried hard to drink in everything he said and to be stimulated by his remarks. I ventured to ask him some questions about business. I asked him about carloadings, and he said they were increasing. But I happened to have in my hand the record of the carloadings, and gave them to him in a very brief colloquy in the debate yesterday.

I can conceive of no better or more accurate test of business than the movement of freight. There can be no more accurate test of the return of recovery than a comparison of carloadings of today with the carloadings of a year ago today, or even 2 years ago today. I realize that if we go back 5 years, we go back into a period entirely different. In 5 years there has been a great increase in the uses of busses and trucks, but there has not been a great increase in 1 year, there has been very little increase since 2 years ago.

I read every week a publication known as "Railroad Data." I read it in the first place because its editor happens to be a friend of mine, and afterward I read it because of the condensed and valuable material which I found in it. So every week I get this little sheet, and the one I hold in my hand is the last issue. I take the last one I received, put it in my pocket, and throw the preceding issue away. The one to which I now refer is the issue of August 2.

In the month of February of this year there was an increase in the number of carloadings of 10,000 over last year. With the exception of that one period, there has been a decline in the carloadings every month of 1935 as compared with 1934.

During the week of July 6 there was a decline of 50,000 cars under 1934 and of about 70,000 cars under 1933.

The week of July 13 there was a decline of 38,000 cars under 1934 and of 90,000 cars under 1933.

In the week of July 20 there was a falling off of 23,000 cars under 1934 and over 60,000 cars under 1933.

The total carloadings in the United States for the year 1935 amounted to 16,808,332, as against 17,177,596 in 1934.

Mr. President, I know there may be local conditions and local influences which might produce in a locality in Delaware increased prosperity. There might be an unusual crop of apples in Delaware.

I hope that this year the quantity of apples raised on the great plantation of my friend the Senator from Delaware [Mr. TOWNSEND] will be greater than last year. I have his assurance that there will be an increase. That is fine. That means that there will be more trucking of apples out of that territory and there will be more carloadings, I hope.

Of course, there may be local conditions which make for improvement. I am glad that in Florida prosperity is on the way and that there is a real boom there. However, when we take the country at large there is no more sure or more certain index of whether prosperity is returning or not than the carloadings, and the carloadings are declining, not increasing. Business is not on the upgrade. Then is this the time to impose new burdens of taxation upon business? Is this the time, when business is declining, to increase corporation taxes and capital-stock taxes and excess-profits taxes? Is not this the very time when business should be encouraged?

Mr. President, what we are discussing here is of interest to every man, woman, and child in the United States, whether or not his or her name is on the tax roll. When a rich man is assessed and has to pay a tax he does not go out into the apple orchard to the seventh tree and the thirteenth row and dig down and get a pot of gold out of which he pays his taxes. Every time a tax is levied it means that there is an increase in the price of the clothing which we wear and the food which we eat and the rent which we pay, and the burden of taxation falls upon all individuals in the United States, including the poorest family upon the dole.

Because a man is not rich, because he has not a bank account, because his name is not upon the assessment rolls, let him not, therefore, imagine for a minute that he is not paying the taxes. The cost of every hat and every pair of shoes will be increased by reason of taxes levied under any form by the Government.

My contention is, Mr. President, that this is not the time to increase the burden of taxation in America. It could be done if we were balancing the Budget. If we were making provision to take care of government and pay Government

expenses out of current revenue or income, then it would be all right. But there is no effort made to do that. There is no effort made to balance the Budget; no effort made to make both ends meet. So at this time, I think it is unwise, simply as a gesture—I cannot see what else it is—to attempt to bring in a few million dollars from business already staggering under the burden imposed upon it by these years of disaster. I think it is so unwise that no one of us can afford to go forward with the bill.

Mr. President, so far as I am concerned and so far as my knowledge goes I am in perfect health, ready to face all the weather and vicissitudes of service here through weeks to come. But what is the use of it? Why impose this physical burden, with the newspaper reports saying 100 Members of the other body are ill, and I know there are Members of this body who are? What is the use of staying here to try to pass a bill which, after we shall have passed it, will not be worth the powder to destroy it? It seems to me so unwise, so contrary to all the principles of statesmanship, so absolutely absurd from start to finish, that I can hardly believe the Senate is actually giving serious consideration to the passage of this measure.

Mr. President, with all the conviction of my soul I believe this is an unwise measure, and, so far as my small influence goes, I beg of Senators to reject it. Let it go back to the Finance Committee for further study, let it go back with a view to revision of our methods of procedure as a government in order that we may at the earliest possible moment balance the Budget, put our house in order, and be a going concern as a government.

Mr. HASTINGS obtained the floor.

REGULATION OF COMMERCE IN PETROLEUM

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield for just a moment without taking the chance of losing the floor?

Mr. HASTINGS. I yield.

Mr. THOMAS of Oklahoma. There is pending on the calendar Senate bill 2027, to regulate commerce in petroleum, and for other purposes. A similar bill was introduced in the last Congress; and the Committee on Mines and Mining, after hearings, reported it favorably. Of course, the bill did not pass Congress; in fact, it was not brought up for passage.

During the present session of Congress a similar bill was introduced, hearings were held, and the bill has been reported favorably. It is a rather lengthy bill, and at this late date there is no chance whatever, as I see it, of getting it before the Senate or the House for consideration.

Mr. McNARY. Mr. President, is the Senator referring to Senate bill 2027?

Mr. THOMAS of Oklahoma. I am referring to the original bill, Senate bill 2027.

Mr. McNARY. Is that the bill to ratify a compact between six States which produce oil?

Mr. THOMAS of Oklahoma. The original bill contained such a section, along with other sections; but I have just said that there is no chance now to have that bill passed. So I am asking unanimous consent to call up the bill with the understanding that if it may be considered the Senator from Texas [Mr. CONNALLY] will offer a substitute embracing but three sections. Section 1 is to approve the compact between six States of the West. Section 2 is to extend the provisions of the Connally law passed by this Congress, having to do with the transportation of illegally produced oil. Section 3 deals with the limitation of imports. Those three sections are the only ones I am asking to have considered by unanimous consent at this time.

Mr. McNARY. The substitute has not as yet been offered?

Mr. THOMAS of Oklahoma. No.

Mr. McNARY. Mr. President, the Senator from Texas [Mr. CONNALLY] spoke to me today about the proposal now being made by the Senator from Oklahoma, which involves the ratification of a compact between six oil-producing States. The Senator from Texas, I understand, is to offer a substitute for the bill proposed by the Senator from Oklahoma which is now on the calendar.

Mr. THOMAS of Oklahoma. That is correct.

Mr. McNARY. Will the Senator from Texas briefly explain the bill?

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. HARRISON. I understand that all the Senators from the six States affected are in agreement on this matter and that there will be no discussion of it. With that understanding, I shall not object if it shall be decided to take up the measure.

Mr. CONNALLY. Mr. President, will the Senator from Delaware yield in order that I may answer the interrogatory of the Senator from Oregon?

Mr. HASTINGS. I yield.

Mr. CONNALLY. Let me say to the Senator from Oregon that there is nothing in the proposed substitute to be offered by me which is not in the bill of the Senator from Oklahoma, so, in effect, my amendment has been passed upon by the committee and reported favorably. My proposed substitute simply deletes most of the bill of the Senator from Oklahoma.

Mr. McNARY. Mr. President, I have just been advised that one of the Senators on this side of the Chamber who wishes to be present when this matter is discussed is absent; and I ask that the request be deferred for a few moments.

Mr. THOMAS of Oklahoma. Very well.

SANITATION COMPACT BETWEEN NEW YORK, NEW JERSEY, AND CONNECTICUT

Mr. COPELAND. Mr. President, will the Senator from Delaware yield to me for a moment?

Mr. HASTINGS. I yield.

Mr. COPELAND. I ask unanimous consent that Senate Joint Resolution 159, being Calendar No. 1277, be acted on at this time. The joint resolution proposes to permit the three States of New York, New Jersey, and Connecticut to enter into a compact to prevent pollution of New York Harbor. It was introduced jointly by the six Senators from the three States and has been approved by the Committee on the Judiciary. The reason we are anxious to have action, I may say, is that the joint resolution must also be passed by the House of Representatives, and the commissions of the three States are ready to act.

Mr. HARRISON. Mr. President, will the Senator from Delaware yield to me?

Mr. HASTINGS. I yield.

Mr. HARRISON. With the understanding that the consideration of the joint resolution will not involve discussion, I will raise no objection to laying aside temporarily the unfinished business so that the joint resolution may be considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the joint resolution mentioned by him?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 159) granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the Interstate Sanitation District and the establishment of the Interstate Sanitation Commission, which had been reported from the Committee on the Judiciary with amendments to the preamble.

The joint resolution was read, as follows:

Resolved, etc., That the consent of Congress is hereby given to the States of New York, New Jersey, and Connecticut to enter into the compact hereinbefore recited, and to each and every part and article thereof: *Provided*, That nothing contained in such compact shall be construed as empowering or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of such compact.

SEC. 2. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

Mr. ROBINSON. Mr. President, may I ask the Senator from New York if the joint resolution proposes to create a Federal commission?

Mr. COPELAND. No; under section 1 of the Constitution, a compact has been entered into by the three States, and

the legislatures of the three States have already agreed to the compact.

Mr. ROBINSON. The commission is to represent the States?

Mr. COPELAND. That is correct.

Mr. ROBINSON. The passage of the joint resolution will not involve a charge on the Federal Government?

Mr. COPELAND. It will not.

Mr. WALSH. Mr. President, I should like to inquire if the legislatures of the several States have approved the compact?

Mr. COPELAND. All three of them have done so.

Mr. WALSH. And it is a necessary requirement that the Congress approve the legislative action of the three States?

Mr. COPELAND. That is correct.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The amendment to the preamble will be stated.

The LEGISLATIVE CLERK. In article X of the compact as recited in the preamble, on page 11, after the name "New York", it is proposed to strike out "Harbor until and unless the said waters are found to be in compliance with the minimum standards of purity, as provided in this compact", and insert "Harbor: *Provided, however,* That said discharge shall be in accordance with the terms and provisions of the stipulation entered into on April 14, 1910, between the United States of America and Passaic Valley Sewerage Commissioners"; so as to read:

The provisions of this act shall not affect the discharge from the outfall pipes of the Passaic Valley sewerage system into the waters of New York Harbor: *Provided, however,* That said discharge shall be in accordance with the terms and provisions of the stipulation entered into on April 14, 1910, between the United States of America and Passaic Valley Sewerage Commissioners.

The amendment was agreed to.

The next amendment was in article XVI of the compact as recited in the preamble, on page 13, after the word "such", to strike out "States", and insert "State"; so as to read:

ARTICLE XVI

1. This compact shall become effective as to the State of New Jersey and the State of New York immediately upon the signing thereof by the representatives of such States, and thereafter it shall also become effective as to the State of Connecticut immediately upon the signing thereof by the representatives of such State:

The amendment was agreed to.

The next amendment was, in article XVI of the compact as recited in the preamble, on page 13, to strike out:

2. Nothing herein contained shall affect or abate any action now pending brought by any governmental board or body created by or existing under any of the signatory States.

3. The said agreement or compact when signed or sealed by the commissioners of each State, as hereinbefore provided, shall become binding upon the State of New Jersey and shall be filed in the office of the secretary of state of the State of New Jersey.

4. If by death, resignation, or otherwise a vacancy occurs among those appointed hereunder by the State of New Jersey, the Governor of the State of New Jersey is hereby authorized to fill the same.

5. The said commissioners, together with the commissioners appointed from the State of New York, shall have power to apply to the Congress of the United States for its consent or approval of the agreement or compact signed by them; but in the absence of such consent of Congress and until the same shall have been secured, the said agreement or compact shall be binding upon the State of New Jersey in all respects permitted by law of the two States of New Jersey and New York without the consent of Congress to cooperate, for the purposes enumerated in said agreement or compact and in the manner provided therein.

6. Until the compact shall have been signed by the representatives of the State of Connecticut, the district as set forth in article II of said compact shall not embrace any territory within the jurisdiction of the State of Connecticut nor shall the commission exercise any jurisdiction or perform any duties or acts affecting such territory and until the State of Connecticut shall through its duly designated representatives sign the said compact, the Interstate Sanitation Commission shall consist of 10 members.

7. This act shall take effect immediately.

The amendment was agreed to.

The preamble, as amended, was agreed to.

E. JEANMONOD

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1046) for the relief of E. Jeanmonod, which was, on page 1, line 11, after the name "France", to insert a colon and the following proviso:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BAILEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CARRIE PRICE ROBERTS

The PRESIDING OFFICER laid before the Senate the amendments for the House of Representatives to the bill (S. 2993) for the relief of Carrie Price Roberts, which were, on page 1, line 6, to strike out "$7,500" and insert "$5,000", and on the same page, line 11, after the numerals "15", to insert a comma and "1934."

Mr. BAILEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

HUDSON BROS.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 985) for the relief of Hudson Bros., of Norfolk, Va., which was, on page 1, line 6, after "$620.60", to insert "in full settlement of all claims against the United States."

Mr. BYRD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PRESERVATION OF HISTORIC AMERICAN ANTIQUITIES

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2073) to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes, which were, on page 2, to strike out lines 12 to 20, inclusive, and insert:

(d) For the purpose of this act, acquire in the name of the United States by gift, purchase, or otherwise any property, personal or real, or any interest or estate therein, title to any real property to be satisfactory to the Secretary: *Provided,* That no such property which is owned by any religious or educational institution, or which is owned or administered for the benefit of the public shall be so acquired without the consent of the owner: *Provided further,* That no such property shall be acquired or contract or agreement for the acquisition thereof made which will obligate the general fund of the Treasury for the payment of such property, unless or until Congress has appropriated money which is available for that purpose.

(e) Contract and make cooperative agreements with States, municipal subdivisions, corporations, associations, or individuals, with proper bond where deemed advisable, to protect, preserve, maintain, or operate any historic or archeologic building, site, object, or property used in connection therewith for public use, regardless as to whether the title thereto is in the United States: *Provided,* That no contract or cooperative agreement shall be made or entered into which will obligate the general fund of the Treasury unless or until Congress has appropriated money for such purpose.

On page 2, line 21, to strike out "(e)" and insert "(f)"; on page 3, line 1, to strike out "(f)" and insert "(g)"; on page 3, line 4, to strike out "(g)" and insert "(h)"; on page 3, line 11, after "administration", to insert ": *Provided,* That such concessions, leases, or permits shall be let at competitive bidding, to the person making the highest and best bid"; on page 3, after line 11, to insert "(i) When the Secretary determines that it would be administratively burdensome to restore, reconstruct, operate, or maintain any particular historic or archeologic site, building, or property donated to the United States through the National Park Service, he may cause the same to be done by organizing a corporation

for that purpose under the laws of the District of Columbia or any State"; on page 3, line 12, to strike out "(h)" and insert "(j)"; and on page 3, line 18, to strike out "(i)" and insert "(k)."

Mr. BYRD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

Mr. HASTINGS. Mr. President, I desire to make a very brief statement in respect to the pending bill.

Mr. President, I doubt whether the Finance Committee has ever presented to the Senate a revenue measure which is so universally unsatisfactory as is the bill now under consideration. I have assumed always that every Member of Congress must dread to vote for the imposition of new taxes of any kind. Somebody has said that the imposition of new taxes or the increasing of old tax rates is a necessary evil which the American Congress ought to avoid as long as possible.

I doubt whether, up to this time, the suggestion has ever been made to levy a tax for the sole purpose of punishing certain classes of persons. I have no patience with a punitive tax. The levying of taxes, and the absence of fairness and equality in levying them have been the downfall of many nations.

That the normal expenses of the Government must be met by taxation is recognized by all patriotic citizens. Nobody pays such taxes willingly when he knows that the money he pays is to be spent extravagantly. Nobody pays them willingly when he thinks he is paying more than his share. No man certainly would pay willingly when he knew the only purpose of levying the tax was to punish him for his energy, thrift, and skill in gathering together what he has. No man will pay without complaining when an unreasonable tax is levied upon the fortune that his parents possessed. On the other hand, every patriotic citizen is willing to pay what is actually necessary in order that he may share his part of the burden of supporting the Government which protects him.

This particular bill was conceived in political intrigue. It is a cross between a spendthrift and a social revolutionist. It has for its principal object the Presidential election of 1936. It intends to drive out of the Democratic Party whatever is left of the wealthy class. It is a bid for the votes of those who have but little. It makes a pretense of meeting the demands of those who believe the salvation of the country is in the share-the-wealth proposal. It will not raise sufficient money to pay the deficit for 20 days. It will bring in no money until March 1937; and I think it is safe to say that it does not meet the actual desires of 10 percent of the Members of either House of Congress. The truth is that it has been drawn and is about to be passed because of the President's message of June 19, and because certain Members of the Senate "called the bluff" of the President in sending that message.

Mr. President, after that message was received and the smoke which followed it had cleared away, I proposed to the Senate that the Congress adjourn until November in order that a real tax bill might be written by the committees of the two Houses after careful and painstaking study. I have not changed my mind in regard to the desirability and necessity of proceeding in some such way as that, but after it had been determined that some kind of a face-saving revenue measure must be passed by the Congress, I sat with the Finance Committee and endeavored to assist in writing a bill which was agreeable to the majority of the committee.

I announced to the committee that I did not propose to support any bill written in any such manner as this one was being written, but that I was willing to do what I could in helping frame a bill to be reported to this body. I was assured that if we did not make some report, the committee would be discharged and an effort would be made to write a bill upon the floor of the Senate.

The committee struggled with the matter all day Friday, August 9, and by 3 o'clock on Saturday, August 10, had agreed on all the major problems involved in the House bill. It was distinctly agreed that the inheritance tax should be eliminated and that the estate tax should be increased. It was distinctly agreed that the House provision with respect to normal corporation taxes should be left in the bill. It was distinctly agreed that in the matter of excess-profit tax that corporations should be allowed to revalue their property each year. It was agreed that the exemption of single persons should be reduced to $800 and of married men to $2,000, and the exemption for children, now limited to 18 years, should be increased to 20 years. The income tax was increased in all of the lower brackets, and an entirely new schedule adopted. The exemption of the surtax was reduced to $3,000 instead of $4,000. The result of our work was that we were reporting a tax bill which would raise a sum not far less than $500,000,000 annually.

When I left the committee at 3 o'clock on Saturday, my understanding was that the bill in the form I have outlined was ready for the draftsmen, and I assumed that I knew what was to be reported to the Senate. The committee print was prepared by the draftsmen and presented to the committee members Monday morning. Unfortunately, I was away on Monday, being compelled to keep an engagement of long standing. An executive meeting was called for 2 o'clock on Monday, and at that meeting the committee practically rewrote the bill. The chairman succeeded in having the graduated income tax for corporations put in so that it would more nearly meet the desires of the President. The important La Follette amendment was reconsidered and stricken out. The Senator from Kentucky who had been spending the week-end with the President and who was not present on Saturday had returned to the committee. The objections of the Senator from Idaho [Mr. BORAH] and the Senator from Nebraska [Mr. NORRIS] to the La Follette amendment had been published in the press.

I mention these facts only for the purpose of showing what a "sloppy" job has been done. I make no individual criticism of the chairman of the committee or any of its members. I only point out how impossible it is to do a good job with such an important matter at the end of a long session of the Congress. One member of the committee had charge of a bill in the Senate all day Friday and all day Monday, and could not attend the session at all. Other members were interested in the bill then pending, and could not attend the committee meetings.

Under normal conditions the important matters would have been decided by the Finance Committee with the greatest of care and any member of the committee who could not be present would have had an opportunity to be polled and thus express his opinion. The Senate for these reasons cannot, therefore, give the same weight to the committee report that ordinarily attaches and ought to attach to a tax bill, or any other bill.

Mr. President, I do not propose to discuss the merits of this tax bill. The bill itself is without merit. It is intended to deceive the followers of the "share the wealth" movement; but what is more serious is that it is offered as a snare and delusion to the average taxpayer. The refusal to lower the exemptions and to increase income taxes in the lower brackets was intended to impress the Nation with the fact that so long as Mr. Roosevelt shall be retained in the Presidential office no such increase will be necessary; that the entire load may be carried by the large corporations and the more wealthy class. I repeat, this is a snare. Mr. Roosevelt may be right in this; he may make the delusion last until after the next election. I do not know about that, but I trust the people may not be deceived. I hope they may be wise enough to see that the Federal Government can only meet its obligations by taxation, direct or indirect; that if the Federal Government takes all the income from the wealthy it cannot obtain enough money to meet the extravagant demands of the present administration. I hope they may ultimately see that we are on the road to repudiation or inflation. I trust they

may see far enough ahead to realize that if these things shall occur the poor will be the greatest sufferers.

I wish it were possible to point out effectively how these things are holding back recovery and keeping millions of people on the relief rolls. I am sorry that when one tries to do this he is accused of having no more worthy object than the protection of the wealthy and the large corporations.

Yesterday the distinguished senior Senator from Tennessee [Mr. McKELLAR], in a long speech in the Senate defending the administration, referred to this tax bill and said:

> The critics dropped their complaints about not raising taxes with which to pay for extraordinary expenses, and at once began to shout their denunciation of President Roosevelt for a so-called "share-the-wealth" proposal. Of course, no such proposal as that has been recommended by the President. On the contrary, the tax proposals recommended by President Roosevelt are in direct line with the policy of the Government since 1914.

Again, he said:

> It is easy to see that this recommendation of the President is not a soak-the-rich plan, nor is it a divide-the-wealth plan. There is not a semblance of relationship between this plan and the plan to divide the wealth. This tax bill is nothing but an amendment to the policy we began in 1914.

Well, Mr. President, if that be true, certainly the President and those who follow him as closely as does the Senator from Tennessee are going to be disappointed because the President in his message said:

> The transmission from generation to generation of vast fortunes by will, inheritance, or gift is not consistent with the ideals and sentiments of the American people.
>
> In the last analysis such accumulations amount to the perpetuation of great and undesirable concentration of control in a relatively few individuals over the employment and welfare of many, many others.
>
> Such inherited economic power is as inconsistent with the ideals of this generation as inherited political power was inconsistent with the ideals of the generation which established our Government.
>
> The disturbing effects upon our national life that come from great inheritances of wealth and power can in the future be reduced, not only through the method I have just described but through a definite increase in the taxes now levied upon very great individual net incomes.

Certainly, if the distinguished Senator from Tennessee is correct, the President has changed his own mind since he sent this message to Congress.

I do not agree, Mr. President, with the statements contained in the President's message. Inherited political power was a thing against which our forefathers provided. Inherited economic power was encouraged. I think it is perfectly natural that there are wealthy people and large corporations in our country. In my judgment, they form an important part of the lifeblood of the Nation.

It is admitted by all that Congress in many instances must have some control over large corporations, and that control must be such as to meet the needs of the Nation, but we ought not to resort to the taxing power in order to exert such control. Taxes should never be laid except to raise necessary revenue.

I agree with the Senator from Tennessee that this is not a share-the-wealth movement. It is worse than that. It is a movement to destroy, to confiscate. We confiscate the property of the wealthy and thus destroy the capital upon which our income depends. We increase the taxes on large corporations so as to make it more difficult for them to find employment for the needy. I do not propose to be a party to killing the goose that lays the golden egg. Nay, I am not even willing to take a chance on killing the duck that may have laid a silver egg.

My defense of the wealthy and the large corporations against this outrageous tax bill grows out of my desire to protect that class of people that Mr. Roosevelt once described as "the forgotten man." I think this bill will in the end injure that class of people who are now so nearly helpless.

It is true, as the Senator from Tennessee says, the people of the Nation are indirectly paying a great tax, and that tax is bound to increase; but what I am anxious about is to give some encouragement in the one place to which we must look for the revival of business in this Nation, namely, the people who furnish employment. This cannot be done until a real honest effort is made to make both ends meet.

I do not propose to try to delay the passage of the pending bill. I do not propose to try to amend it. I want it to stand out as one of the Roosevelt accomplishments. I want those who agree with him to put their stamp of approval upon it. I hope those who disagree with him will have courage enough to vote against it. If Mr. Roosevelt thinks he has made political capital for himself and his party, let him make the most of it, but my prediction is that when the next campaign shall be over and before the time shall come for any of the income taxes levied in this bill to be paid, Mr. Roosevelt, if reelected, will be urging upon the Congress a real tax bill and one which will affect millions of people who are being deluded with this thing that is now before us.

Mr. LONG. Mr. President, I do not want to take much of the time of the Senate now, because I may want to submit some remarks on the bill a little later. Before the Senator from Delaware [Mr. HASTINGS] leaves the Chamber, if that is his purpose, I want to get one matter into the RECORD.

As I understood the remarks of the Senator from Delaware, a rendezvous on tax legislation was held by himself and the Senator from Wisconsin [Mr. LA FOLLETTE] and the leadership of the Finance Committee. May I inquire of the Senator from Delaware if the Chairman of the Finance Committee went along to Saturday's happy meeting-ground on the tax bill?

Mr. HASTINGS. Mr. President, the amendment offered in the committee by the Senator from Wisconsin [Mr. LA FOLLETTE] proposed to change the income-tax schedule, and to begin at the very lowest bracket and go to the very top. Among other things it proposed to provide for a reduction in exemptions from $1,000 to $800 for single men and from $2,500 to $2,000 for married men. In addition to that it provided that those supporting children between the ages of 18 and 20 might deduct $400 for each such child. The present age limit is 18 years.

The Senator from Wisconsin offered that amendment in the committee and pointed out how necessary it was, if we were undertaking to raise sufficient revenue to meet the expenses of the Government, to begin at that point and go along the line, with all of which I agreed.

The difference between the Senator from Wisconsin and myself was that I think it is unreasonable to begin to raise additional revenue at all until we have closed the gap at the other end. But since there was no effort to close that gap and since I was called upon to vote upon a single amendment and since that amendment agreed with my theory of what must be done when we ultimately reach the point of raising sufficient revenue to meet the needs of the Government, I voted for the amendment.

I cannot answer the question of the Senator further, because I do not desire to take the responsibility of answering for the chairman of the committee. My recollection is that he did not vote for the amendment, but I do not want to be held responsible for the chairman of the committee.

Mr. LONG. Mr. President, I am sorry the Senator from Mississippi [Mr. HARRISON] and the Senator from Wisconsin [Mr. LA FOLLETTE] are not in the Chamber. I want to have recorded indelibly in the RECORD for the future that this so-called "share the wealth" bill evidently got into the hands of a very bad set of friends, if they were friends at all, of the proposed legislation.

The next thing we knew was that the President's bill had the President's sponsors breaking bread with the Senator from Delaware [Mr. HASTINGS]. If it had not been for a few of us erstwhile characters on the outside, they would have all come in and made a loving cup out of the bill which they drew up last Saturday afternoon. It just so happens that a few of us on the outside are involved. My name happened to be mentioned among them by accident at that time.

The Senator from Nebraska [Mr. NORRIS], the Senator from Idaho [Mr. BORAH], and myself, and perhaps one or two others, were quoted as looking upon the proposed

legislation as being a dig down into the pockets of the little people and robbing them in a legal way of the meager earnings and relief allowances they are presently granted. We made known our intention to oppose the proposed legislation on every ground and with every resource at our command. Whereupon the same army that had been up the hill and had come down a couple of times went back up the hill again and looked at the boiling furnaces and the smoke and flame of public indignation and then came back with something else, and we are now going to be informed as to what it is that we now have before us.

I desire to make a comment apropos of the peculiar kind of activity that is going on in this high legislative realm. As a leading Democrat of this country—one of the very leading Democrats of the country, still a Democrat, and still accepted as a Democrat in the Democratic councils of my State by the voters of the State, who are almost entirely Democrats—I desire to make this observation and pay this tribute:

I have before me the Evening Star of today, Wednesday, August 14. I read from page 1, columns 2 and 3:

Ohio test of new-deal favor again rejected by Governor Davey.

In other words, I read headline no. 1, which says that the Democratic Governor of Ohio is preventing an election to fill a vacancy which has occurred in the Ohio delegation in the House of Representatives. That headline, standing alone, would not give the full picture, however. After saying that the Democratic Governor of Ohio kept the Roosevelt policies from undergoing a test in the Buckeye State; after the readline "Ohio test of new-deal favor again rejected by Governor Davey" comes the next headline, which reads as follows:

Plans conference today at White House to talk relief projects.

In other words, it looks as though they might just as well say that the Governor of Ohio came and brought along the basket and said, "You do not want the Democratic Party new-deal test to occur in Ohio. On the one hand I announce that it will not occur and with my left hand I hold out the basket." [Laughter.]

A man like this from Ohio deserves compliment. A word of praise should be said for the Governor of Ohio; and having myself been the Governor of a State once upon a time, I feel that one who has occupied that important position should be credited with valiant service done for the party. Many people overlook the service that is rendered to the cause of the party by the Governors of the various States.

I was never even mentioned for the service I performed for the party while I was Governor of my State, whereas I think my service in that capacity was as valuable as it is in my present capacity to the cause of the democracy of the United States. However, I wish to make a comparison to show what effect this Governor's activity has on the party at this particular day and time, when one day we are going to tax the rich, and the next day the conservative reactionaries from Delaware and other States are writing a bill to tax the poor, and are presenting the capsule to be swallowed by 96 Members of the Senate, two-thirds of whom are Democrats.

Here is what the comparison will show:

In Rhode Island there was a vacancy in the representation of the State in the House of Representatives, caused by the resignation of a Democrat. A Democratic Representative resigned, creating a vacancy from a district in Rhode Island. What did the Democratic Governor of the State do? He called an election. Here at this time, when anybody with a thimbleful of discretion ought to have known that the new deal was in for a wholesale repudiation and annihilation, the Democratic Governor of the State called an election.

Who made that mistake for the Democratic Party. I wish to have it understood that this was not a Republican district. This was a Democratic district. It has been a Democratic district since the time Al Smith ran for President of the United States. Now it is written on the wall that this Democratic district, which had supported the party, repudiates it, lock, stock, and barrel.

Ah, Mr. President, but over in Ohio, when there was a State-wide vacancy, where the whole State would be called upon to say what it thought of the "new deal", or the "raw deal", or whatever other kind of a deal it is, from the bottom or the middle of the deck, or perhaps now and then a card off the top; when the whole State of Ohio had an opportunity to place itself on record and say what it thought of the "new deal", and the flimflamming going on here and in the Finance Committee and other executive councils controlled by the "new deal" or the "raw deal", one hero came to the rescue of the Democratic Party. Let all honor and all praise be given to Governor Davey, of Ohio. I am a man who believes that the laborer is worthy of his hire, and I hope his basket will be well filled from the $5,000,000,000 fund which we voted to reward the faithful and to punish the unfaithful in the executive councils of the party. [Laughter.]

REGULATION OF COMMERCE IN PETROLEUM

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield at this point?

Mr. LONG. I yield.

Mr. THOMAS of Oklahoma. Referring again to the request made earlier in the day, I ask unanimous consent that the unfinished business be temporarily laid aside so that Senate bill 2027 may be considered by the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. I should like to call for a quorum, if the Senator has no objection, after the request is agreed to.

The PRESIDING OFFICER. Is there objection to laying aside the unfinished business and considering Senate bill 2027 at this time?

Mr. GEORGE. Mr. President, I should like to inquire first just what Senate bill 2027 is, and whether it will provoke any discussion or lead to any debate.

Mr. THOMAS of Oklahoma. If it shall provoke discussion, the request will be withdrawn.

The original bill is the petroleum bill. We cannot get the bill through at this session. It is agreed by those interested in the oil States that two or three sections of the bill should be passed at the present session. One section approves the compacts between some six States in the West. Relative to this matter, the President has forwarded a message to the Congress.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. I will say to the Senator from Georgia that I understand there has been a general agreement among Senators who are interested in the subject matter of the proposed legislation. I do not think it will take more than a few minutes to dispose of the measure.

Mr. MCNARY. Mr. President, when the bill was brought to the attention of the Senate earlier in the day, I objected to the request for consideration because I desired to consult certain Members of the Senate. I am now advised that the bill is acceptable and that there is no objection to it on the part of those who are concerned.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Senate proceeded to consider the bill (S. 2027) to regulate commerce in petroleum, and for other purposes, which had been reported from the Committee on Mines and Mining with amendments.

Mr. CONNALLY. Mr. President, I send to the desk an amendment in the nature of a substitute, which I ask to have stated.

The PRESIDING OFFICER. The amendment, in the nature of a substitute, offered by the Senator from Texas will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and to insert the following:

CONSENT OF CONGRESS TO STATE OIL AND GAS COMPACT OF FEBRUARY 16, 1935

SECTION 1. The consent of Congress is hereby given to an interstate compact to conserve oil and gas, executed in the city of Dallas, Tex., the 16th day of February 1935, by the representatives of the States of Oklahoma, Texas, California, and New Mexico, and there recommended for ratification by representatives of the

States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and since ratified by the States of New Mexico, Kansas, Oklahoma, Colorado, Illinois, and Texas, which compact has been deposited in the Department of State of the United States, and reads as follows:

"ARTICLE I

"This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"ARTICLE II

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"ARTICLE III

"Each State bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

"(a) The operation of any oil well with an inefficient gas-oil ratio.

"(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas in paying quantities.

"(c) The avoidable escape into the open air or the wasteful burning of gas from a natural-gas well.

"(d) The creation of unnecessary fire hazards.

"(e) The drilling, equipping, locating, spacing, or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"(f) The inefficient, excessive, or improper use of the reservoir energy in producing any well.

"The enumeration of the forgoing subjects shall not limit the scope of the authority of any State.

"ARTICLE IV

"Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas-conservation statutes or any valid rule, order, or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"ARTICLE V

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"ARTICLE VI

"Each State joining herein shall appoint one representative to a Commission hereby constituted and designated as 'The Interstate Oil Compact Commission', the duty of which said Commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said Commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"The Commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"No action shall be taken by the Commission except: (1) By the affirmative votes of the majority of the whole number of the compacting States, represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined, as follows: Such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting States during said period.

"ARTICLE VII

"No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"ARTICLE VIII

"This compact shall expire September 1, 1937. But any State joining herein may, upon 60 days' notice, withdraw herefrom.

"The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory States.

"This compact shall become effective when ratified and approved as provided in article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.

"Done in the city of Dallas, Tex., this 16th day of February 1935."

(b) The right to alter, amend, or repeal the provisions of subsection (a) is hereby expressly reserved.

AMENDMENT TO ACT OF FEBRUARY 22, 1935

SEC. 2. (a) The act of February 22, 1935, entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", is amended by striking out section 13 thereof.

IMPORTS

SEC. 3. The importation of petroleum and its products, including natural asphalt, is hereby limited so that whenever the President has reason to believe that petroleum and its products, including natural asphalt, are being imported or are likely to be imported into the United States under such conditions and in such quantities as materially to depress the petroleum industry of the United States by causing or contributing to a supply here in excess of reasonable market demand, as determined by the President, if such importations are at a ratio to domestic production greater than that which prevailed in the last 6 months of 1932, or if the effect is to render ineffective or materially interfere with any program or operation undertaken under this act under the interstate compact to which the consent of Congress is given by this act, hereinbefore referred to, the President shall cause the United States Tariff Commission to make an immediate investigation to be made to determine such facts. Such investigation shall be made after such notice and hearing, and subject to such regulations as the United States Tariff Commission shall specify. If, after such investigation, the said Commission finds the existence of such facts, it shall certify all records pertaining thereto to the President and if after such report, findings, and recommendations by the said Commission, the President finds the existence of such facts he shall by order direct that the entry into the United States of such petroleum and its products, including asphalt, shall for such time as may be specified by him, be permitted subject to (1) such terms and conditions, and (2) such limitations on the total quantities thereof, as may be necessary to prevent the occurrence or continuance of the conditions above referred to. Any decision of the President as to facts under this section shall be final. The decision of the President shall be certified to the Secretary of the Treasury and upon information of any such order of the President, the Secretary of the Treasury shall permit entry of any petroleum, or its products, including natural asphalt, specified therein only in conformity with such order. After investigation, report, and finding in the manner provided in the case of an original order, any order or provision thereof shall be suspended or revoked by the President whenever he finds the circumstances requiring the order or provision thereof no longer exist, or shall be modified by the President whenever he finds that changed circumstances require such modification to carry out the provisions of this section.

SEPARABILITY OF PROVISIONS

SEC. 4. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SHORT TITLE

SEC. 5. This act may be cited as the "Petroleum Compact Act of 1935".

The PRESIDING OFFICER. The question is on the amendment, in the nature of a substitute, offered by the Senator from Texas [Mr. CONNALLY].

Mr. O'MAHONEY. Mr. President, I offer the amendment which I send to the desk to the amendment just proposed as a substitute by the Senator from Texas.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming to the amendment in the nature of a substitute will be stated.

The LEGISLATIVE CLERK. On page 2, line 2, after the word "Texas", it is proposed to insert:

And such consent is likewise hereby given to the adherence to said compact by any oil-producing State which may hereafter become a party to the said compact as provided in article VIII thereof.

Mr. THOMAS of Oklahoma. Mr. President, this amendment provides that hereafter, if any State desires to adhere to the compact already adhered to by six States, it may have that privilege. I see no objection to the amendment.

Mr. CONNALLY. I see none. I accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the amendment, in the nature of a substitute, offered by the Senator from Texas [Mr. CONNALLY].

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment as amended.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill consenting to an interstate oil compact to conserve oil and gas, for the regulation of imports of petroleum and its products, and for other purposes."

Mr. McADOO. Mr. President——

Mr. LONG. I had the floor, Mr. President. I yield to the Senator from California, though I shall occupy the floor only for a few minutes.

Mr. McADOO. I did not hear what the Chair said about the passage of the bill.

The PRESIDING OFFICER. The bill has been finally passed.

Mr. McADOO. I feel obliged to ask for a reconsideration, because I did not understand that the measure was under consideration, for what was said about it was not audible to me. I regret to state that I am advised by some of my constituents in California that they are opposed to the bill, and I should like to have an opportunity to inform myself about it.

Mr. LONG. Mr. President, will the Senator let me make a statement? When the Senator looks into the bill, I am satisfied he will find that there will be no objection to it. It is no more than practically an effort by the States concerned to give one another advice. That is about all there is to the bill. The board has been cut out.

Mr. McADOO. My constituents advise me that there is very serious objection to the section relating to importations. They say, "Why should we permit any importations into this country on the part of the big oil companies when we are limiting the production in our own country?"

Mr. CONNALLY. Mr. President, let me say to the Senator that his objection could not possibly be to this bill. The Senator's objection would be to existing law, which permits imports to come in on the payment of the tariff duty.

Insofar as this bill affects imports at all, it affects them favorably to the view of the Senator from California, because there is a section in the bill which provides that the President and the Tariff Commission shall undertake to so relate imports to domestic production as imports were related in 1932, and that was the period which was most favorable to the domestic-oil situation. So, while the bill will not do all the Senator wants done, it will do more than the present law does, because it will have a tendency to reduce the imports. We cannot introduce a bill in the Senate to stop imports altogether, of course; such a bill would have to come from the House, but this bill does not do that. The present law does what the Senator is complaining of, and this bill seeks to lessen the objection.

Mr. McADOO. Mr. President, I have been in a conference for days representing the Committee on Banking and Currency of the Senate, and have had no opportunity to communicate with my constituents. This is a very important matter to the State of California. Some of my constituents have just advised me by telephone that there is serious objection to the bill, and have said that they were mailing letters to me on the subject. So I feel, of course, that I should like to have an opportunity of knowing something about the bill before I could say that I would be disposed to support it.

Mr. CONNALLY. Let me say to the Senator that under the rules of the Senate he would have 2 days in which to move for reconsideration, and the bill could not possibly hurt the Senator's constituents. It would benefit them.

Mr. McADOO. They are familiar with the bill, they tell me, because it was telegraphed out to them, and they raise these objections, and have sent me by air mail their reasons for their objections. I might upon receipt of their communications decide that there is no objection to the bill.

Mr. CONNALLY. If the bill were killed the Senator's constituents would be in a worse fix than they are now in.

Mr. McADOO. They seem to feel otherwise.

Mr. CONNALLY. I hope the Senator will not move a reconsideration at this time, but will let the matter stand as it is, and if I cannot convince the Senator within 2 days' time that he is wrong, the action of the Senate may be reconsidered.

Mr. McADOO. The question is whether or not a motion to reconsider could be heard within the next 2 days, if I should so move.

Mr. GEORGE. Mr. President, I should like to make some inquiries about this matter. It appears now, from the discussion here, as I understand it, that the bill places a limitation upon imports on the basis of some past years, most favorable, of course, to the producers in the United States. If that is the import of the bill, it is a matter of too much importance to present here as a matter affecting only the oil States, because many other States are affected by it. There has been no more highly controversial question than the question of tariff rates upon petroleum products.

Mr. CONNALLY. Mr. President, if the Senator will bear with me——

Mr. GEORGE. I shall make a motion to reconsider, unless the vote may be reconsidered by unanimous consent, if that is one of the provisions of the bill.

Mr. CONNALLY. Mr. President, let me suggest, in answer to the Senator from Georgia, that I have the figures here as to importations. I was in error a while ago in stating that the 1932 imports were favorable to the oil industry. That is not true. The imports in 1932 were 74,000,000 barrels; in 1933, 45,000,000 barrels; in 1934, 50,000,000 barrels; and in 1931, 86,000,000. The reason why 1932 was selected was because that was a period before the code went into effect, and importations were not restricted, but they were free, and came in. In 1933 the oil code came into existence.

Mr. GEORGE. Mr. President, I shall be obliged to ask for the regular order, but before I do that, unless I may have unanimous consent, I shall enter a motion to reconsider the vote by which the bill was passed. I ask unanimous consent to reconsider the vote by which the bill was passed.

Mr. GORE. Mr. President, I shall feel obliged to object. I suggest to the Senator to give notice of his motion to reconsider, and that will halt the bill's further progress.

Mr. GEORGE. Yes, Mr. President; but from now on there will be no unanimous consent given in the case of important measures of this kind. When I ask unanimous consent that the vote by which the bill was passed be reconsidered, the Senator from Oklahoma may interpose his objection. I give notice of a motion to reconsider, and I ask for the regular order.

The PRESIDING OFFICER. Does the Senator from Oklahoma object to a reconsideration of the vote?

Mr. GEORGE. I understand the Senator from Oklahoma to object.

Mr. GORE. Mr. President, I think that is the best procedure, because——

Mr. GEORGE. Mr. President, I formally enter a motion to reconsider the vote by which the bill was passed, and I ask for the regular order.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. LONG. Mr. President, let me say just a word.

Mr. McADOO. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. McADOO. As I understand the parliamentary situation, a motion to reconsider has been entered, and it may be taken up at any time.

The PRESIDING OFFICER. That will keep the bill in the Senate for 2 days.

Mr. GEORGE. No, Mr. President.

Mr. McNARY. Mr. President, 2 days is given for the entry of the motion, but the motion remains on the Senate calendar until final disposition is made.

The PRESIDING OFFICER. The Senator from Oregon is correct.

Mr. McADOO. Mr. President, would it be possible to have an understanding that the motion to reconsider may be taken up at some convenient time within the next few days?

Mr. LONG. Mr. President, if I may resume the floor, I wish to say that when my friend the Senator from California gets through he will find that he let the Senator from Georgia come in here and scramble up our eggs a little bit. We oil people were getting something out of this bill.

Mr. GEORGE. I suspect that is true, Mr. President. My concept is that the country has some right to be heard upon an important matter of this kind, which is, in effect, probably a very drastic tariff regulation.

Mr. McADOO. Mr. President, if I may have a moment in which to say a word, I wish to thank the Senator from Louisiana for his courtesy in allowing me to make my statement, and to express my regret that I am obliged to take this course until I can secure the necessary information from California. The information is now in the mail and will be here shortly.

Mr. CONNALLY. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. CONNALLY. I wish to make it clear that the Senator from Texas is not trying to take snap judgment on either the Senator from California or the Senator from Georgia. These oil measures have been pending here for a considerable period; they have been favorably reported by the committee; all of them contain this particular provision; and the substitute which the Senator from Texas offered deleted and took out of the pending bill nearly everything in the world there was in it except the ratification of the compact and the retention of the import-control clause. That has been passed upon by the committee, and the bill which I offered was the least objectionable of all the bills.

I do not want the Senator from Georgia or the Senator from California to think I was trying to take snap judgment on them, and I am perfectly willing that a time be set to consider the motion of the Senator from Georgia. I shall be very glad to have a vote of the Senate on it, after such debate and consideration as may be proper under the circumstances.

Mr. LONG. Mr. President, I merely wish to say a word further about the oil bill. As I understand, it merely undertakes to prevent reckless overproduction in the United States, and in order to do that we have to prevent importations to some extent, for there is no need of prescribing any domestic limitation if we are to have no limit on the importations from foreign countries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 739) to provide for the establishment of a national monument on the site of Fort Stanwix in the State of New York.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate numbered 152 to the said bill and concurred therein; and that the House had receded from its disagreement to the amendments of the Senate numbered 128, 155, and 163 and concurred therein severally with an amendment, in in which it requested the concurrence of the Senate.

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 290) to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934, and it was signed by the Vice President.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

Mr. LONG. Mr. President, I shall conclude in just a moment what I had started to say about the action of my friend the Governor of Ohio, Mr. Davey, whom I have never met. I conclude what I have to say about Mr. Davey by merely stating that I endorse Governor Davey's action in this matter, and, as one, I intend to wire him a telegram tonight, unless he receives notice of my remarks on the floor of the Senate by other processes, that I highly endorse his action in allowing no test to be made at this time in Ohio on the kind of legislative activity that has been endorsed and carried out by the present new-deal administration. I thank Governor Davey personally and as a party leader for having saved us from a repudiation and from such a debacle as unwise counsel brought on us as a result of an uncalled-for election held in Rhode Island. It certainly is due Governor Davey for me to say that if he was not received with open arms as he approached the White House today, if he needs my assistance to be properly introduced and escorted there, for one, as a national committeeman, I volunteer readily to go with him. [Laughter.]

One more word and I shall be through. We have one more important bill here which bears on this subject. It is a bill to prevent the appointed employees of the administration from sitting in and nominating a candidate for the Democratic Party or of any other party.

Mr. President, it is a rule of law that a juror has no right to sit in a case in which he is personally interested. If we were to summon a panel of petit jurors tomorrow, under the law prevailing in all States, and in the courts of the United States, and a juror should come in and say that if the case went one way he would get $100, or if it went another way he would get $1,000, the court would instantly bar him from sitting on the jury. Under the law a man who has a pecuniary, personal interest in the finding of the jury is not allowed to act as a juryman.

The Democratic National Convention is to meet next May or June or July in some State, where, of course, we hope there will have been no election shortly prior to the assemblying of the convention. I may also say that if we could keep Ohio from having an election to fill the present vacancy in the House of Representatives, it might be a good idea to hold the convention in Cleveland, but if an election should be held there in the meantime, we would not want the convention held in Cleveland.

The bill about which I am now talking, the Steiwer bill, would establish a system which is prevalent in all the courts of the land, under which a man who is pecuniarily interested in the finding of a body is not allowed to sit as a member of that body. Therefore, if we are to have sitting in a national convention postmasters and various and sundry other employees who are appointed by the prevailing administration of the present day, it is the same as saying that only those who have had a hand in the mismanagement, or, if you wish so to term it, the "good management", of the Government, as they believe, can sit there and select a candidate to present to 125,000,000 people.

This bill should long ago have been passed. When the Republicans were holding their post-office conventions I was criticizing the system in vogue, and the Democratic Party was criticizing it. Now, that the Democrats are in power, leading Democrats throughout the United States who have received no plunder whatever at the hands of this administration or any other administration, who have only the welfare of the party in mind, who wish to see someone nominated who can carry the party to success and maintain the principles of the Democratic Party which have prevailed since the days of Jefferson and Lincoln, ought to be permitted to nominate a candidate for the good of the party and for the good of the country, and not have their wishes and their votes vetoed by the pork-barrel politician who finds himself on the pay roll, or sitting somewhere at the pie counter drawing a fat sum, regardless of the welfare of the country.

Mr. President, the Steiwer bill ought to be passed. I understand it has been reported by the Judiciary Committee. I inquire of the Senator from Oregon if the bill has been favorably reported by the Judiciary Committee.

Mr. STEIWER. Yes; Mr. President. It has been on the calendar for some time.

Mr. LONG. Did not the committee report a similar bill last year?

Mr. STEIWER. Yes; and the Senate passed it.

Mr. LONG. A similar bill passed the Senate last year. I knew it was reported from the Judiciary Committee, and I think it was done by unanimous vote. There may have been a vote against it, but I do not remember one.

However, a Democratic Judiciary Committee, of which I had the honor to be a member, last year—I was not in attendance at the meeting when it was reported this year—a Democratic Judiciary Committee, having the welfare of the party and the country at heart, has twice reported this bill favorably, and it has once been passed by the Senate. Therefore the right thing for us to do is to make sure before final adjournment that these parties are kept from being amalgamated or confused with the fleshpot type of politician who has a pecuniary interest in having his employer nominated. We ought not to have an employees' convention to pass on the employer. We ought to have somebody other than that type sitting in the convention, and we ought not to have the convention dominated by that type.

No doubt if the old Republican Party were in power it would do just as it always has done. It probably would choke off the effort to have a convention which was not composed of those receiving plums and benefits by Executive appointment. I say that without intending to reflect on anyone on the other side of the aisle; but since the days of Taft and before the days of Taft national conventions of the party in power ought not to be called "National Democratic Conventions" or "National Republican Conventions." They ought to be called "national assemblies of employees in convention."

That is all the next Democratic convention will be unless Congress shall enact the Steiwer bill. If the Republicans were in power, that is all their convention would be unless the Steiwer bill should become a law. It would be an assembly, on the one hand, of the employees, and on the other side those who wish to be employed. That is all that will be had—two assemblies of that kind—until we shall pass this meritorious measure.

So this bill, while it comes from the Republican side of the Senate, nonetheless, is favorably reported by a Democratic committee, and a similar bill last year was sponsored by a Democratic Senate. If it can be passed in such nonpartisan atmosphere, all well and good. Let it be passed, and let us have a convention which will not be dominated by public employees.

Mr. President, I shall close in less than a minute.

Mr. BAILEY. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. BAILEY. I should like to know if the Senator has such a law as he is speaking of in Louisiana.

Mr. LONG. We are putting it in this year.

Mr. BAILEY. Such a law is being passed in Louisiana this year?

Mr. LONG. Yes; such a law is being passed in Louisiana this year. We tried to pass such a law. I sponsored a bill of this kind and it failed to pass; but we are going to have our delegates in Louisiana elected by the people this year.

Mr. BAILEY. The Senator failed to get one of his bills through his legislature?

Mr. LONG. Sometimes. We all make mistakes and do not get all we want.

Mr. ROBINSON. Mr. President, may I ask the Senator if the bill to which he referred forbade State employees or officers from serving in the convention?

Mr. LONG. I beg the Senator's pardon, but I did not hear his question.

Mr. ROBINSON. Did the bill which the Senator from Louisiana so gallantly championed to prevent influence in conventions forbid employees of the State government from serving as delegates?

Mr. LONG. It would allow no one but an elected man to sit in the convention. He would have to be elected by the people by direct election.

Mr. ROBINSON. Does not the Senator feel that the State organizations are competent to choose their own delegates? Why does the Senator want the Federal Government to say who may or who may not be chosen as a delegate to a national convention? Is it not true that the Senator feels that unless some such rule as he suggests is adopted there may be chosen some delegates who might be unfriendly to his own candidacy?

Mr. LONG. Well, the Senator is announcing me, I presume, as a candidate.

Mr. ROBINSON. No; the Senator announces himself every time he gets an opportunity.

Mr. LONG. I see.

Mr. ROBINSON. Both in his speeches in the Senate and by radio and everywhere else he announces himself.

Mr. LONG. I will answer the Senator's question this way——

Mr. ROBINSON. The last thing I would ever do would be to announce the Senator from Louisiana as a candidate for President.

Mr. LONG. All right. Let me say this to the Senator in answer to his question, and then I will answer his declaration. I favor delegates to the national conventions being elected by the people. I have proposed that for many years. In 1928, when I was Governor of my State——

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. ROBINSON. Does not the Senator recognize that that is a matter properly to be controlled by the State organizations?

Mr. LONG. No, no; I do not. I do not think so, for the reason that it means that State organizations, always looking out for plunder to maintain themselves, will naturally reward the plunder distributor with the delegation in order to help maintain the organization in office.

Mr. ROBINSON. The Senator does not mean that every Government employee, State or Federal, is a plunderer?

Mr. LONG. No, not exactly; but they are a whole lot nearer being plunderers than not.

Mr. ROBINSON. I do not think that implication or that insinuation is justified in any sense of the term. I think there are many people in private life who have axes to grind and more selfish purposes to accomplish in legislation and in national conventions and in State conventions than some in public positions.

Mr. LONG. The Senator is making a speech instead of asking me a question. I will undertake, if he will pardon me, to make this statement in my own time.

Mr. STEIWER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. STEIWER. I desire to refer to what was stated by the Senator from Arkansas [Mr. ROBINSON]. He asked some questions about the application of this bill to the State employees as distinguished from Federal employees. As a matter of fact, the bill has application only to the appointees of the Federal Government, and that is necessarily so, because under the Constitution the Federal Congress has no jurisdiction over the conventions of the political parties. We cannot, if we desire to, under the rule in the Newberry case, assert any authority with respect to the composition of those conventions. There is only one thing within the competence of the Congress, and that is to make a direction with respect to the employees of the Federal Government. So this bill, which I have sought to keep within the jurisdiction of the Congress, makes no pretense at all save to prohibit the appointed agents of our Government from sitting in those conventions.

If the Senator will indulge me further, I desire to say also that the proposed legislation is not based upon the theory of plunderbund. It is based more upon the idea that the appointees look to somebody for their positions. They look to some national chairman or somebody else for the places they hold and for their livelihood. I claim, and I do not believe the Senator from Arkansas will contradict me in that claim, that however high is the character of the Federal employee,

he always finds it difficult to contradict the political ambitions of those who make his livelihood possible. I think it is too much to expect that a Federal appointee will go against the appointing power, and thus, regardless of his character, he becomes in a political sense a mere puppet, and I agree with the Senator from Louisiana that he is in the same position as a juror who is interested in the trial of a case, and in these days he ought not to be in the convention, but we ought to find other citizens of the Republic who are free and independent men, beholden to no one politically, and free to do that which ought to be done in order to preserve the life of this country.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. Certainly.

Mr. ROBINSON. May I ask the Senator from Louisiana how the delegates from Louisiana to the convention have been selected heretofore?

Mr. LONG. Just as they are in Arkansas.

Mr. ROBINSON. They are elected by the State central committee?

Mr. LONG. Yes.

Mr. ROBINSON. The Senator would like to exclude all Federal officers and employees and then leave the delegates from Louisiana to be selected by himself from among the State employees?

Mr. LONG. Oh, no; elected by the people. Let every delegate be elected.

Mr. ROBINSON. Yes; but the Senator has driven through the seven extra sessions of the legislature, held in the last year and a half, every measure which he has advanced, with the exception, I believe, of the one to which he is now referring.

Mr. LONG. It does not take a measure. It takes a rule of the committee. I have only recently been elected chairman of that committee.

Mr. ROBINSON. That is the suggestion I make, that the organization should control these matters.

Mr. LONG. I differ with the Senator for this reason: I do not believe the people ought to have to take a choice between two men, one of whom has been selected by the employees of one of the men and the other by former employees.

We are liable to have the Democratic Party with Roosevelt as a candidate. The Republican Party is apt to have Hoover as a candidate. The Republicans do not want Hoover, but he has the machine. The majority of the national committeemen and the men who will be sitting in the convention are men to whom Hoover gave jobs 4 years ago. They will go to the convention, notwithstanding the fact that Hoover is not the man to nominate, knowing that a majority of the Republicans do not want Hoover, and will nominate Hoover on their ticket because of the fact that there is a sense of loyalty which they feel they must respect.

I honor that feeling. I know how it is. Any man in politics, if he is the right kind of a man, is going to stand by the man who gave him a job. I have seen the time when I have gone down the line for a man whom I have begged not to offer himself as a candidate. I have begged him to let us put up somebody else, but he had done me favors, or he had helped some friends, and those friends would feel that we ought to stand by him and give him a chance, even though it meant slaughter to everybody on the inside of the breastworks.

There is the situation the Republican Party is facing with respect to Hoover as a candidate. There is no question, as between some Members of this body who are liberal in their tendencies, in their stand on Hoover and in their belief that the Republicans of the country would far prefer a man of another type than Hoover.

On the other hand, we have Mr. Roosevelt. I say this as a politician of practical experience. Some of my friends call me a politician. I am no more a politician than any other Senator sitting in this body, only I am a little more unsuccessful than the other politicians here. I went in with more and came out with less than most politicians. [Laughter.]

We have the candidacy of Mr. Roosevelt. What is the situation? The State organization is going to meet. They pick out the men who are to be members of the State central committee and the chairman of the State central committee, those who have the ordinary leanings of humanity, and they doctor them up with a few jobs and post offices to the point where, when the committee meets, the ordinary American citizen has not a ghost of a show against them. They are going to vote for their employer, for the man who has given them something, and the man who will give them something else if he can stay in office.

The two great parties go into the convention and, ordinarily, the people are given a choice between two sets of selfish, mercenary—and I say that charitably—political sets of employees, who afford the people a chance to take Hoover's employees' choice for President or Roosevelt's employees' choice for President of the United States.

In Louisiana we have gone according to what has been the custom of the party. I am a progressive. My leadership in some parts of that State for a short time has brought about certain progressive reforms. We have brought about a reform such as this in Louisiana: There were about 350,000 qualified voters in our State previously. We have changed the disqualifying provisions of law to the point where our voting strength today will be about 800,000 votes. We have made it possible for every man to vote whether or not he wants to pay for it or has property to qualify himself. That is one thing we did. I could cite many other things we have done to liberalize the election laws of Louisiana to give a genuinely popular candidate of the people a chance in the primaries.

But we have not yet in that State provided for the party to have its electors and to have its delegates in the national convention elected by direct vote of the people. That we propose to do by resolution of the party in the election which will occur next January. I apprehend there is a fair chance that some of my friends will be elected among those delegates. They might not be. I am hoping that some of those elected will be friends of mine. I have to take that chance.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. Certainly.

Mr. ROBINSON. With the Senator in control of the election machinery and also in control of most of the offices of the State, I should think that would be a very fair prospect. [Laughter.]

Mr. LONG. I thank the Senator. I was getting discouraged a few weeks ago, but knowing that the Senator has a keen political eye, this is encouraging news indeed, and I thank him for it. [Laughter.]

I want to say further along that line that it is not as bad as the Senator may have been told. We have a law in Louisiana which creates an arbitration commission in every voting precinct. Regardless of who constitutes the election machinery there is a nonpartisan arbitration board which can take any step it wishes to preserve the purity of the ballot. The only way we could see to avoid dummy candidates was to try that plan.

I am not going to argue further for the bill because it is not the business before the Senate at this time, but I hope the Senate and the Congress will not adjourn without passing it. Let us not have a post-office convention.

Let me say one more word of tribute, because the Senator from Arkansas [Mr. ROBINSON] and the Senator from Oregon [Mr. STEIWER] are here now and were not here when I started. I close by paying tribute to the high integrity and good character and political sagacity of the Democratic Governor of the State of Ohio, Mr. Davey, who is saving the party from a debacle at this time by declining to allow an election to be held in that State. I only say in retrospect how much I regret that the Democratic Governor of Rhode Island did not have that kind of sagacity.

I follow that with a word of warning. Now that the Democratic Governor of Ohio has saved us from another public repudiation, let us change our course of conduct before we have to face another election, so we will not fear

to go before the people and have them pass upon our merits.

H. C. HOPSON AND W. A. HILL

Mr. BLACK. Mr. President, I submit a report and a privileged resolution. I ask to have the report read.

The VICE PRESIDENT. The report will be read.

The Chief Clerk read as follows:

SENATE REPORT 1272

Your committee appointed under Senate Resolution No. 165, Seventy-fourth Congress, herewith makes a partial report in connection with the performance of its duties under the said Senate Resolution No. 165.

(1) On the 13th day of August your committee issued a summons to H. C. Hopson, a copy of which is hereto attached, marked exhibit A.

(2) The committee duly designated Joseph P. McCarthy to serve such summons upon H. C. Hopson, and the said J. P. McCarthy undertook to serve the said summons on August 13 in the city of Washington.

(3) The said H. C. Hopson declined to accept such summons and the said J. P. McCarthy was prevented from serving such summons upon said H. C. Hopson, and by interference from one or more persons, who were with the said H. C. Hopson, and the said H. C. Hopson taking advantage of said interference left the said McCarthy in an elevator, and getting out of the elevator ran from the elevator to a taxicab and thus escaped from the said J. P. McCarthy.

(4) One W. A. Hill, an attorney, was with the said H. C. Hopson, and the evidence showed that the said W. A. Hill physically interfered with the said J. P. McCarthy in his effort to serve said subpena. The evidence before the committee on the part of the said W. A. Hill discloses that he is the attorney for the said H. C. Hopson and that he has been in conference with the said H. C. Hopson several times during the period while the said H. C. Hopson has been sought by the representatives of the committee in an effort to serve him with a subpena.

(5) While the said W. A. Hill has denied before the committee that he actually physically interfered with the service of the subpena, evidence of the other witnesses is that the said W. A. Hill did interfere with the service of the subpena, and in addition to this said W. A. Hill admits that he attempted to orally persuade the said J. P. McCarthy that summons could not be served on the said H. C. Hopson.

(6) On today, the 14th day of August, another summons was issued to the said H. C. Hopson, an exact copy of which is hereto attach, marked "Exhibit B", and the said summons was served upon the said H. C. Hopson at 11:20 a. m., August 14. Notwithstanding the service of said summons, the said H. C. Hopson has failed, declined, and refused to appear before your committee as directed in said summons, and has failed to give any reason to the committee or any excuse for his failure so to appear.

(7) For the convenience of the Senate, there is hereto attached, marked "Exhibit C", the sworn evidence of J. P. McCarthy before the committee, and also the sworn evidence of Mr. Paul W. Anderson, Mr. Richard L. Turner, Mr. Eugene D. Lambert, and Mr. Joseph W. Shimon.

(8) The evidence further shows that the said H. C. Hopson has known that his presence was desired by your committee to testify, for a number of weeks, and that it was known to his attorney, Mr. W. A. Hill, and the committee has reached the conclusion that plans have been conceived and executed to try to prevent a summons from being served upon the said H. S. Hopson, and that the escape of the said H. C. Hopson from the service of summons has been, as hereinbefore set forth, and was a part of this plan.

(9) On account of the matters and things hereinbefore set forth, your committee believes that this Senate should order the arrest of the said H. C. Hopson and W. A. Hill and cause them to be brought before the bar of this Senate, and that the said H. C. Hopson should be required to give testimony before this committee answering such pertinent inquiries as may be made, and that this committee should order the said H. C. Hopson and W. A. Hill to show cause, if any they have, why they should not be punished for contempt of this Senate, on account of the matters and things hereinbefore set forth.

HUGO L. BLACK.
LYNN J. FRAZIER.
ERNEST W. GIBSON.
SHERMAN MINTON.
L. B. SCHWELLENBACH.

EXHIBIT A

UNITED STATES OF AMERICA,
CONGRESS OF THE UNITED STATES.

To H. C. HOPSON, *greeting:*

Pursuant to lawful authority, you are hereby commanded to appear before the Special Committee to Investigate Lobbying Activities of the Senate of the United States, instanter, at their committee room, 357 Senate Office Building, Washington, D. C., then and there to testify what you may know relative to the subject matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Joseph P. McCarthy to serve and return.

Given under my hand, by order of the committee, this 13th day of August, in the year of our Lord one thousand nine hundred and thirty-five.

HUGO L. BLACK,
Chairman Committee to Investigate Lobbying Activities.

EXHIBIT B

UNITED STATES OF AMERICA,
CONGRESS OF THE UNITED STATES.

To HOWARD C. HOPSON, *greeting:*

Pursuant to lawful authority, you are hereby commanded to appear before the Special Committee to Investigate Lobbying Activities of the Senate of the United States, instanter, at their committee room, 357 Senate Office Building, Washington, D. C., then and there to testify what you may know relative to the subject matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Joseph P. McCarthy to serve and return.

Given under my hand, by order of the committee, this 14th day of August, A. D. 1935.

HUGO L. BLACK,
Chairman Committee to Investigate Lobbying Activities.

EXHIBIT C

STATEMENT OF JOSEPH P. M'CARTHY

(The witness was duly sworn by the Chairman.)

The CHAIRMAN. Mr. McCarthy, what are your initials?

Mr. MCCARTHY. Joseph P.

The CHAIRMAN. Did you have a subpena for H. C. Hopson given to you by this committee to serve on him?

Mr. MCCARTHY. Yes, sir.

The CHAIRMAN. See if that is the subpena [handing paper to witness].

Mr. MCCARTHY. That is the subpena.

The CHAIRMAN. That will be inserted in the record at this point.

(The subpena referred to is as follows:)

[True copy]

UNITED STATES OF AMERICA,
CONGRESS OF THE UNITED STATES.

To H. C. HOPSON, *greeting:*

Pursuant to lawful authority you are hereby commanded to appear before the Special Committee to Investigate Lobbying Activities of the Senate of the United States instanter at their committee room 357 Senate Office Building, Washington, D. C., and then and there to testify what you may know relative to the subject matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Joseph P. McCarthy to serve and return.

Given under my hand, by order of the committee, this 13th day of August in the year of our Lord 1935.

(Signed) HUGO L. BLACK,
Chairman Committee to Investigate Lobbying Activities.

The CHAIRMAN. Did you attempt to serve that subpena on Mr. H. C. Hopson today?

Mr. MCCARTHY. Yes; I did, at the completion of the House hearing today.

The CHAIRMAN. Where?

Mr. MCCARTHY. In the old House Office Building, just outside of the caucus room.

The CHAIRMAN. Was anyone with Mr. Hopson?

Mr. MCCARTHY. He was accompanied, I believe, at the time only by his attorney, Mr. W. A. Hill; but it later developed he was accompanied by others also.

The CHAIRMAN. You only saw Mr. Hill?

Mr. MCCARTHY. At that time.

The CHAIRMAN. Did you serve this subpena on him?

Mr. MCCARTHY. Would you like me to tell just what happened?

The CHAIRMAN. Yes.

Senator GIBSON. Is that the same Hill that appeared before this committee?

Mr. MCCARTHY. The same attorney that appeared before this committee; yes, sir. As the hearing was completed, I stepped over to the door and waited for Hopson and Hill to leave. As they approached the door from the inside I stepped in and took hold of Hopson's arm and leaned over and said, "Mr. Hopson, I am with the Senate investigating committee, and I have a subpena for you." He continued to move forward in the press of the group that was accompanying him, apparently muttering, "No, no", and waving his hands in a motion to rid himself of me; and at that time one of his party took hold of my arm and pulled me loose from Hopson.

The CHAIRMAN. Who was the party?

Mr. MCCARTHY. I do not know.

The CHAIRMAN. You do not know who the man was?

Mr. MCCARTHY. No; I did not recognize him. At the time I was stating this to Hopson, Hill leaned over across Hopson and spoke to me and stated, in effect, "You cannot serve a subpena on him." I went over to Hill and walked along with him with my arms on his and said, "Mr. Hill, are you going to refuse to permit Mr. Hopson to accept this subpena from the Senate committee?" He said, "You cannot serve a subpena. Hopson is already under

subpena from the House, and you cannot serve another subpena on him now."

I continued along and said, "Do you mean to state that you are going to refuse to permit him to accept the subpena?" And he said, "Yes." We then proceeded on through, the crowd getting larger, toward the elevator, and at the elevator a fellow, I believe, who is a clerk to O'CONNOR—

The CHAIRMAN. Do you know that?

Mr. MCCARTHY. I believe I have been told that. I do not know. He was acting in the capacity of a clerk in the House hearing. He was rushing around as though he belonged there. At any rate, this individual preceded Hopson into the elevator and Hopson entered and this fellow whom I referred to as pulling me from Hopson before entered. Then he entered and then indicated that it was all right for him to enter, but I should not. At that time I partly got into the elevator and this fellow turned around and put his hand on my chest and pushed me out.

The CHAIRMAN. Which fellow—the clerk did?

Mr. MCCARTHY. I do not know; the one who first pulled me from Hopson.

The CHAIRMAN. You do not know who he was?

Mr. MCCARTHY. No, sir.

The CHAIRMAN. What did he say? Did he say anything?

Mr. MCCARTHY. No, sir. All this time I was carrying the subpena in my hand. He may have said, "Get out."

The CHAIRMAN. You do not know what was said? As far as you know, he did not say anything?

Mr. MCCARTHY. Nothing that I can recall.

The CHAIRMAN. But he pushed you out?

Mr. MCCARTHY. Yes, sir.

The CHAIRMAN. And they shut the elevator?

Mr. MCCARTHY. Shut the elevator immediately, and they descended with just those three in the elevator.

The CHAIRMAN. One was Hopson?

Mr. MCCARTHY. One Hopson and one the bodyguard, I believe, and the other——

The CHAIRMAN. You do not know what the bodyguard's name was?

Mr. MCCARTHY. No; I do not. He was accompanying Hopson. I watched Hopson and Hill enter the room, and apparently they were just alone. They did not have anyone accompanying them and I did not expect them to have anyone go out with them.

Senator MINTON. Were you present in the room when the man named Hopson was sworn?

Mr. MCCARTHY. Yes, sir.

Senator MINTON. Did you hear him testify that his name was H. C. Hopson?

Mr. MCCARTHY. Yes, sir.

The CHAIRMAN. Who was the third man in the elevator—the clerk?

Mr. MCCARTHY. I do not know. I believe he is probably a clerk. He may be in O'CONNOR's office or just a general clerk around the House. He was apparently functioning as a clerk at that hearing. He did not appear to be a member of Hopson's group, although he took them out of the building and he came in——

Senator SCHWELLENBACH. Did you make any further attempt to serve the subpena?

Mr. MCCARTHY. No, sir; they got in a taxicab and left, joined by two other fellows at the cab.

The CHAIRMAN. How did they go to the cab?

Mr. MCCARTHY. Ran.

The CHAIRMAN. Ran?

Mr. MCCARTHY. At least I had to take the stairway down, and when I got there Hopson and the first person I spoke of were at the car, and the three who had gone down the elevator were at the cab, and these two others in Hopson's group were running toward the cab as I got downstairs. As I got there they joined the group and left.

Senator MINTON. Did you attempt to read the subpena to him?

Mr. MCCARTHY. No, sir; I could not.

Senator MINTON. Why not?

Mr. MCCARTHY. As I told him I had a subpena for him, then I was pulled away from him.

The CHAIRMAN. Who pulled you away? Do you know?

Mr. MCCARTHY. That is the fellow I told you about who went with him in the elevator.

The CHAIRMAN. The fellow who went with him in the elevator?

Mr. MCCARTHY. Yes, sir.

Senator SCHWELLENBACH. As you went along talking to Hill, how close was Hopson to you?

Mr. MCCARTHY. Hill was between me and Hopson, and possibly one other was between Hopson and Hill.

Senator SCHWELLENBACH. Could Hopson hear your conversation with Hill?

Mr. MCCARTHY. I do not believe he could. This was just an adjournment and there were quite a number of people in the hall. But they moved in a solid group—this party. As I now construct it, there were five men. There must have been five men in Hopson's party that joined at the exit of the caucus room and went together to the elevator.

Senator GIBSON. Did Mr. Hill interfere with your service of the subpena?

Mr. MCCARTHY. He did not physically interfere. He interfered by instructing him not to—that I could not serve it.

The CHAIRMAN. The only man who physically interfered, as far as pushing you, was this one man?

Mr. MCCARTHY. Yes.

The CHAIRMAN. And some other man was in the elevator as the elevator went down?

Mr. MCCARTHY. Yes; that is the idea.

The CHAIRMAN. Did you try to hand the subpena to Hopson?

Mr. MCCARTHY. I had it in my hand, anticipating he would take it when I was pulled away, and, of course, I did not get anywhere close enough to Hopson again to hand it to him.

The CHAIRMAN. He did not take it?

Mr. MCCARTHY. No, sir.

Senator MINTON. Did Hopson make any response?

Mr. MCCARTHY. His response was entirely negative. It was not exactly words; they were gestures. You gathered that he responded in effect that he did not want it.

Senator MINTON. Well, did he say anything?

Mr. MCCARTHY. No; except "no"—a series of noes. That was the impression.

Senator MINTON. No; a thousand times no. [Laughter.]

The CHAIRMAN. And they left?

Mr. MCCARTHY. They left.

STATEMENT OF PAUL Y. ANDERSON

(Called as a witness but not sworn.)

The CHAIRMAN. Mr. Anderson, you saw this?

Mr. ANDERSON. Yes, sir.

The CHAIRMAN. Will you be sworn?

(The witness was thereupon sworn.)

The CHAIRMAN. The witness' name is Paul Y. Anderson. Do you know who these men were with Mr. Hopson?

Mr. ANDERSON. No; I do not, except Mr. Hill.

The CHAIRMAN. Mr. Hill?

Mr. ANDERSON. Yes, sir.

Senator SCHWELLENBACH. Was it the same Mr. Hill who testified before the committee?

Mr. ANDERSON. It was.

The CHAIRMAN. Did you see what occurred?

Mr. ANDERSON. I saw about the last half of it. I was following when they left the room, and I caught up with them about half way to the elevator. I saw Mr. McCarthy try to hand the subpena to Mr. Hopson, and Mr. Hill shouldered in between them. I think he is mistaken when he said he did not interfere physically. He certainly pushed his way in between them, and he said, "You cannot serve him." I heard him say that several times. Then the big fellow shouldered in and they got in the elevator, and the big chap pushed McCarthy out. I think he is mistaken again when he said he did not say anything. He said, "You get to hell out of here."

Senator GIBSON. Who said that?

Mr. ANDERSON. The big chap. McCarthy got out and a uniformed Capitol policeman came in and put his arm across the door and then the elevator went down and I said to the Capitol policeman, "Do you realize you interfered with the service of a Senate subpena?" He said, "All I know is I am carrying out the orders of the committee not to let anyone get around Mr. Hopson."

Senator GIBSON. What committee did he refer to?

Mr. ANDERSON. The Rules Committee.

Senator GIBSON. Of the House?

Mr. ANDERSON. That is right.

Senator SCHWELLENBACH. Do you know the name of the Capitol policeman?

Mr. ANDERSON. No; but I would know him if I saw him.

The CHAIRMAN. Did you see anything else?

Mr. ANDERSON. That is all.

The CHAIRMAN. That is the whole thing you saw?

Mr. ANDERSON. Yes, sir.

The CHAIRMAN. Did you hear Mr. Hopson say anything, or were you close enough to him?

Mr. ANDERSON. Just as Mr. McCarthy said: "No, no." I did not hear him say, "A thousand times no."

Senator MINTON. Could you hear anything McCarthy said?

Mr. ANDERSON. Well, I could not hear distinctly. I could hear him saying something to the general effect that he wanted to serve the subpena for the Senate committee, and I heard Hill say two or three times, "You cannot serve it", and also I heard him say, "He is under subpena by this committee and you cannot serve him."

Senator MINTON. Do you know where Mr. Hopson is now?

Mr. ANDERSON. I have not the remotest idea, nor have I had at any time. [Laughter.]

The CHAIRMAN. That will be the whole of the hearing at the present time. The committee will have an executive session and we will ask the reporter to sit in.

(Whereupon, the committee went into executive session, following which the doors were opened and the hearing was resumed as follows:)

STATEMENT OF EUGENE D. LAMBERT

(Witness was duly sworn by the chairman.)

The CHAIRMAN. What is your business?

Mr. LAMBERT. I am a member of the Metropolitan Police Force attach to the detective bureau headquarters.

The CHAIRMAN. Were you up today before the House Committee on Rules?

Mr. LAMBERT. I was over here this morning; yes, sir.

The CHAIRMAN. Under whose orders did you come?

Mr. LAMBERT. I came over through Mr. Congressman O'CONNOR.

The CHAIRMAN. Did he order you?

Mr. LAMBERT. He called for two men from headquarters and I was sent over.

The CHAIRMAN. Who ordered you to go?
Mr. LAMBERT. Well, the order came from Congressman O'CONNOR.
The CHAIRMAN. Who is your superior who ordered you to go?
Mr. LAMBERT. My superior is Inspector Burke.
The CHAIRMAN. Did Inspector Burke order you to go?
Mr. LAMBERT. No; my partner, who came over with me, said there was a call to be there today at 9 o'clock.
The CHAIRMAN. Is your partner here?
Mr. LAMBERT. Not yet. Captain Thompson is trying to locate him.
The CHAIRMAN. Is your partner the one from whom the order came?
Mr. LAMBERT. That is right.
The CHAIRMAN. Was it taken up with the chief of police?
Mr. LAMBERT. I really do not know. I am unable to answer that question.
The CHAIRMAN. Is Mr. Shimon your superior?
Mr. LAMBERT. No, sir.
The CHAIRMAN. Did you receive any order from your superior?
Mr. LAMBERT. Directly, no sir; not today.
The CHAIRMAN. Had you received any order before about this?
Mr. LAMBERT. Yes; I received an order before to go to the Shoreham Hotel several days ago—to be exact, last Tuesday.
The CHAIRMAN. What for?
Mr. LAMBERT. Well, I was to assist two men from the Capitol who were officers here, I suppose, or presume. I think one was named Spiven. Is that right?
The CHAIRMAN. I do not know.
Mr. LAMBERT. Over at the House.
The CHAIRMAN. What time did you get over here?
Mr. LAMBERT. Nine o'clock this morning—maybe 2 or 3 minutes after.
The CHAIRMAN. Did you prevent the gentleman here from serving the subpena on Mr. Hopson?
Mr. LAMBERT. No, sir.
The CHAIRMAN. Were you in the elevator at the time Mr. Hopson went down?
Mr. LAMBERT. No, sir.
The CHAIRMAN. Who was in the elevator?
Mr. LAMBERT. I think Detective Shimon and there is another gentleman that came with Mr. Hopson.
The CHAIRMAN. Where is Detective Shimon?
Mr. LAMBERT. I told you Captain Thompson has ordered him over, or as soon as he can get in touch with him.
The CHAIRMAN. He is the man who came down the elevator with him?
Mr. LAMBERT. Yes, sir. I was on the outside when Mr. Hopson came down.
The CHAIRMAN. Did you have anything whatever to do with the prevention of the summons being served?
Mr. LAMBERT. No, sir; nothing at all.
The CHAIRMAN. Were you given any instructions about that by anyone?
Mr. LAMBERT. No, sir.
The CHAIRMAN. Were you working with Mr. Shimon?
Mr. LAMBERT. I was working with him; yes, sir.
The CHAIRMAN. Was he given any instructions?
Mr. LAMBERT. I did not hear any instructions given in reference to any summons being served at all.
The CHAIRMAN. Where were you when this gentleman was trying to serve the summons?
Mr. LAMBERT. I do not know. If he was in the elevator, I was not there, because I was outside when Mr. Hopson came out, and for several minutes before he came out.
The CHAIRMAN. Were you on the outside when Mr. McCarthy came up to Mr. Hopson to serve the summons?
Mr. LAMBERT. I do not recall seeing this gentleman, but I was on the outside when Mr. Hopson——
The CHAIRMAN. Outside the building?
Mr. LAMBERT. Yes, sir; outside of the building.
The CHAIRMAN. Down close to the car?
Mr. LAMBERT. Yes, sir; down close to the cab.
The CHAIRMAN. Who supplied the cab?
Mr. LAMBERT. Well, he cab was ordered.
The CHAIRMAN. Who ordered it?
Mr. LAMBERT. I did.
The CHAIRMAN. At whose direction?
Mr. LAMBERT. At the direction of Mr. O'CONNOR's man.
The CHAIRMAN. What is his name?
Mr. LAMBERT. I do not know. I could identify the man if I saw him again.
The CHAIRMAN. He told you to order a cab for Mr. Hopson?
Mr. LAMBERT. Yes, sir; to have a cab at the same entrance of the House Office Building that was used when Mr. Hopson went in.
The CHAIRMAN. Were you there when Mr. Hopson came in?
Mr. LAMBERT. Yes, sir.
The CHAIRMAN. Were you there to protect Mr. Hopson? What was your object in being there? What instructions were you given about it?
Mr. LAMBERT. Well, we were told to be there when Mr. Hopson went in.
The CHAIRMAN. Who told you that?
Mr. LAMBERT. Congressman O'CONNOR.
The CHAIRMAN. What did he tell you?
Mr. LAMBERT. To go and have an elevator ready when Mr. Hopson came up.
The CHAIRMAN. To do what?
Mr. LAMBERT. To take him upstairs to the caucus room.
The CHAIRMAN. Were you given any instructions about anyone serving any paper on him?
Mr. LAMBERT. No, sir; none at all.
The CHAIRMAN. Was anyone with Mr. Hopson? Did he tell you Mr. Hopson was dangerous; that that was the reason he had to be protected by two policemen?
Mr. LAMBERT. I do not know.
The CHAIRMAN. You did not get any instructions as to why he had to have two policemen guard him?
Mr. LAMBERT. No, sir; I did not inquire into that.
The CHAIRMAN. What did you understand you were there for?
Mr. LAMBERT. I did exactly what he said—to be there and have the elevator down and see that he got on it all right; that they would not be crowded.
The CHAIRMAN. Would not be crowded? In other words, you were to see that he had an elevator where he would not be crowded?
(No response.)
The CHAIRMAN. Those were your instructions?
Mr. LAMBERT. The instructions were to be there for any disorder—in case there was any.
The CHAIRMAN. What disorder were you told to anticipate?
Mr. LAMBERT. I do not know of any. That is usually our business.
The CHAIRMAN. That is what I thought. I was wondering what was disorderly that you anticipated?
Mr. LAMBERT. I did not anticipate any trouble and there was no trouble.
The CHAIRMAN. You met him at the machine? How did you recognize him? Had you even seen him before?
Mr. LAMBERT. Never had.
The CHAIRMAN. Who told you this was Hopson?
Mr. LAMBERT. I knew he was coming there. I was told he would be at that entrance.
The CHAIRMAN. Were you told what time he would be at the entrance?
Mr. LAMBERT. No, sir; no specific time.
The CHAIRMAN. How long did you wait before he arrived?
Mr. LAMBERT. Two or three minutes.
The CHAIRMAN. You knew he was on his way right then?
Mr. LAMBERT. Yes, sir; I was told that.
Senator SCHWELLENBACH. By whom?
Mr. LAMBERT. The gentleman who came from Mr. O'CONNOR's office.
The CHAIRMAN. Where were you when he told you that?
Mr. LAMBERT. Standing on the House side of the Capitol.
The CHAIRMAN. Were you told not to let anybody ride on the elevator with him?
Mr. LAMBERT. I do not recall any instructions of that kind; but in the elevator were Mr. Hopson, his attorney, and another gentleman whom I did not know.
The CHAIRMAN. Did you know his name?
Mr. LAMBERT. No, sir; I think the attorney gave his name before the committee this morning—he went by the name of Gill.
Senator SCHWELLENBACH. Did he say where he was from?
Mr. LAMBERT. No, sir. I have never seen any of the gentlemen before. I had only seen Mr. Hopson's picture in the paper.
Senator SCHWELLENBACH. You took him up in an orderly way—you did not have any disorder, and you protected him?
Mr. LAMBERT. I went along with him; that is all.
The CHAIRMAN. Then, with you carefully guarding and protecting Mr. Hopson and his sacred privileges from the public, you got him up to the elevator. Now, did you have any trouble after you got him on the elevator?
Mr. LAMBERT. No, sir; no trouble at all.
The CHAIRMAN. Did you have to protect him from the elevator man?
Mr. LAMBERT. No.
The CHAIRMAN. The elevator man let him alone?
Mr. LAMBERT. Yes, sir.
The CHAIRMAN. When you got off the elevator, was any one after him?
Mr. LAMBERT. No, sir.
The CHAIRMAN. Nobody attempted to create any disorder there and you two policemen—you had two policemen?
Mr. LAMBERT. There were two of us; yes.
The CHAIRMAN. And you gentlemen then took Mr. Hopson on in, in due and ancient form——
Mr. LAMBERT. I walked in the rear.
The CHAIRMAN. Who had the privilege of walking by his side?
Mr. LAMBERT. I think his attorney was on one side, as well as I can remember, and this other gentleman who came along with him.
The CHAIRMAN. You were behind?
Mr. LAMBERT. I was in the back.
The CHAIRMAN. And the other policeman in front?
Mr. LAMBERT. No; I think he was in the rear.
The CHAIRMAN. Both of you were in the rear?
Mr. LAMBERT. Yes, sir; both.
The CHAIRMAN. And you marched him up. Where did you march him to?
Mr. LAMBERT. I did not march him. He was directed to go to the caucus room.
The CHAIRMAN. Who directed him?
Mr. LAMBERT. Some gentleman from Mr. O'CONNOR's office.
The CHAIRMAN. They were there at that time?
Mr. LAMBERT. Yes, sir.
The CHAIRMAN. Oh, they met him, too?
Mr. LAMBERT. Yes, sir.
The CHAIRMAN. How many of them were there?

Mr. LAMBERT. Two.

The CHAIRMAN. They were in front?

Mr. LAMBERT. They were there; yes, sir.

The CHAIRMAN. I see. As they marched up these two gentlemen were in front of Mr. Hopson and flanked on the right by his lawyer and on the left by Mr. Gill, protected from a rear assault by you two policemen? Is that the form of battle array?

Mr. LAMBERT. That is the form in which we marched.

The CHAIRMAN. Then you landed him safely up at the caucus room?

Mr. LAMBERT. Yes, sir.

The CHAIRMAN. Did you stay in the room to protect him also, in there from anything that might occur?

Mr. LAMBERT. I sat in there until I had further orders.

The CHAIRMAN. Did you have any signs of disorder or discontent——

Mr. LAMBERT. None whatever.

The CHAIRMAN. Or warfare in there?

Mr. LAMBERT. No, sir; nothing at all.

The CHAIRMAN. And then when the procedure had been completed up to that moment he was excused, was he?

Mr. LAMBERT. I was not there when he was excused.

The CHAIRMAN. Did you leave the room?

Mr. LAMBERT. I did.

The CHAIRMAN. How long did you stay away?

Mr. LAMBERT. I was out some minutes. As I told you in the beginning, I was told to call a cab, which I did.

Senator MINTON. Who told you to call the cab?

Mr. LAMBERT. I do not know the gentleman's name. He is from Mr. O'CONNOR's office.

Senator MINTON. Where were you when he directed you to call the cab?

Mr. LAMBERT. Sitting in the caucus room.

Senator MINTON. You had a cab ready when Hopson came out?

Mr. LAMBERT. Yes, sir.

Senator MINTON. And when you got down there you kept anyone from contacting Mr. Hopson?

Mr. LAMBERT. There was no one there.

Senator MINTON. Did you not prevent anyone from coming to Mr. Hopson when he got to the cab?

Mr. LAMBERT. No, sir; there was no one there.

The CHAIRMAN. I see from the papers that not only you were there but a dozen Capitol policemen. Did you see any?

Mr. LAMBERT. Quite a few.

The CHAIRMAN. Sitting all around the room?

Mr. LAMBERT. Yes, sir.

The CHAIRMAN. As Mr. Hopson marched, he had his cane?

Mr. LAMBERT. Yes, sir; he had his cane.

The CHAIRMAN. And these Capitol policemen were seated all around the room in various parts. Did you people succeed in keeping order?

Mr. LAMBERT. I did not try to keep any order. I had no authority in there at all.

The CHAIRMAN. After he left did you march behind him or in front of him?

Mr. LAMBERT. As he came out——

The CHAIRMAN. Oh, you did not go out with him?

Mr. LAMBERT. I did not go out with him.

The CHAIRMAN. You were still under orders?

Mr. LAMBERT. Yes, sir.

The CHAIRMAN. What were your orders when he left?

Mr. LAMBERT. He said, "That is all, gentlemen."

The CHAIRMAN. Before he got in the car, what was your order—what was your duty?

Mr. LAMBERT. My duty was to call a cab and have it at the entrance.

The CHAIRMAN. Ready for the departure of the guests?

Mr. LAMBERT. Yes, sir.

The CHAIRMAN. And when the guests came down and got in the car——

Mr. LAMBERT. That is right.

The CHAIRMAN. You were through as soon as you saw he was safely away. It was your duty to see that he was safely away?

Mr. LAMBERT. They said that is all after he left and we returned to headquarters.

The CHAIRMAN. And he and his men left and everything was all right?

Mr. LAMBERT. Yes, sir.

Senator MINTON. Who said that that was all?

Mr. LAMBERT. This same gentleman who is over in Mr. O'CONNOR's office now.

Senator MINTON. Did Hopson say anything to you?

Mr. LAMBERT. He did ask me, I think, when I was in the caucus room, when I was sitting there, who I was.

Senator MINTON. Did you tell him?

Mr. LAMBERT. I did.

Senator MINTON. Did he say anything more?

Mr. LAMBERT. Nothing more.

Senator MINTON. He was probably afraid of all you policemen in there.

The CHAIRMAN. You were not in the elevator?

Mr. LAMBERT. No, sir.

The CHAIRMAN. You do not know what happened there?

Mr. LAMBERT. No, sir; I do not.

Senator MINTON. You did not follow Mr. Hopson as he drove away?

Mr. LAMBERT. No, sir; we remained and went to headquarters together.

The CHAIRMAN. You do not know where he went?

Mr. LAMBERT. I have no idea.

Senator SCHWELLENBACH. You said something about going to the Shoreham recently?

Mr. LAMBERT. Yes, sir.

Senator SCHWELLENBACH. Tell us about that.

Mr. LAMBERT. Well, I was out there on Tuesday, Wednesday, and Thursday. I spent 13 hours Tuesday, 8 hours on Wednesday, and 8 hours on Thursday.

Senator SCHWELLENBACH. What doing?

Mr. LAMBERT. Watching a particular room to see if anyone went in or out.

Senator SCHWELLENBACH. Did anyone go in?

Mr. LAMBERT. No, sir; they did not.

Senator MINTON. Whose room was it?

Mr. LAMBERT. I do not know.

Senator MINTON. Whose was it supposed to be?

Mr. LAMBERT. It was supposed to have been some of Mr. Hopson's party.

Senator MINTON. Whom did you have instructions to pick up or apprehend?

Mr. LAMBERT. Nobody. I did not have any authority to pick up anyone.

Senator MINTON. If you had seen anybody go into that room, whom would you have notified?

Mr. LAMBERT. I would have notified Congressman O'CONNOR.

Senator MINTON. Did he tell you whom to look for?

Mr. LAMBERT. Yes; he suspected Hopson would be there. That was what we were looking for or any of his party; in other words, he wanted to know if anybody went into that room, but they did not go in.

Senator GIBSON. What room was it?

Mr. LAMBERT. Room 405–E.

Senator MINTON. You had no subpena?

Mr. LAMBERT. No, sir.

Senator MINTON. You were to notify O'CONNOR if anyone did go into the room?

Mr. LAMBERT. That is right.

Senator SCHWELLENBACH. Did you talk to Mr. O'CONNOR this morning?

Mr. LAMBERT. Yes, sir.

Senator SCHWELLENBACH. Where?

Mr. LAMBERT. Up in the Rules Committee.

Senator SCHWELLENBACH. When?

Mr. LAMBERT. Around 9 o'clock or a few minutes after.

Senator SCHWELLENBACH. What did he say to you?

Mr. LAMBERT. He told me, just as I told you before, to go to that particular entrance in the House Office Building, or he told me to go down with the gentleman in his office, and he did point out this particular entrance, and he wanted me to be there, but when we got downstairs the gentleman I went down from his office with told me to have an elevator at that point.

Senator SCHWELLENBACH. You stayed inside and kept the elevator ready?

Mr. LAMBERT. Just a matter of a few minutes before I got to the spot I was supposed to go to, a cab drove up with Mr. Hopson.

Senator SCHWELLENBACH. Did Mr. O'CONNOR give you any instructions as to what you would do after Mr. Hopson arrived?

Mr. LAMBERT. No; no instructions at all.

Senator SCHWELLENBACH. Did he give you any instructions as to what you were to do if anybody attempted to interfere with Mr. Hopson?

Mr. LAMBERT. No; naturally, if there had been any disorder on the outside, we would have had to take action.

The CHAIRMAN. Suppose anybody had been disorderly enough to come up and serve some paper on him?

Mr. LAMBERT. We had nothing to do with that.

The CHAIRMAN. Your partner had nothing to do with that?

Mr. LAMBERT. No, sir.

The CHAIRMAN. May I ask you if you remember when Mr. Hopson was leaving——

Mr. LAMBERT. Yes, sir.

The CHAIRMAN (continuing). If anyone gave you orders to keep the reporters and crowd and the photographers away from him?

Mr. LAMBERT. Yes, sir.

The CHAIRMAN. Who gave you that order?

Mr. LAMBERT. That was the gentleman who was with Mr. Hopson—said, "Keep the crowd back." There was no crowd. There were about three people.

The CHAIRMAN. Did you keep all of them back?

Mr. LAMBERT. Shimon had the door covered at that time.

The CHAIRMAN. Had it fully covered?

Mr. LAMBERT. Yes, sir; and they rushed and got to the cab.

The CHAIRMAN. How did he cover the door?

Mr. LAMBERT. Just put his hand across it.

The CHAIRMAN. In other words, he was to protect Mr. Hopson from that part——

Mr. LAMBERT. To let him get away.

The CHAIRMAN. Did anyone tell you why it was of such supreme importance that he should get away and not come to the Senate committee? Did anyone tell you why that was of such supreme importance?

Mr. LAMBERT. No, sir.

The CHAIRMAN. Who was it, besides this man with Mr. Hopson, that told you to keep this crowd of reporters and photographers away from him?

Mr. LAMBERT. There was only Mr. Gill and the lawyer with him. I think he gave his name——

The CHAIRMAN. He was the lawyer who flanked him on the left?
Mr. LAMBERT. He sat on his right in the Caucus room.
The CHAIRMAN. I mean as he marched in battle array down to the car.
Mr. LAMBERT. I do not remember which side.
The CHAIRMAN. He was flanked on the other side by Mr. Hill? At any rate one was on one side and one on the other?
Mr. LAMBERT. There were two with him.
The CHAIRMAN. And did not someone else tell you to keep the crowd away from him?
Mr. LAMBERT. Only when he was leaving. I was almost to the curb and they hollered as they went by me, to keep that crowd back and there were about three men coming out of the door.
The CHAIRMAN. And your partner had the crowd fully covered?
Mr. LAMBERT. Yes.
The CHAIRMAN. And you covered the retreat back toward the car?
Mr. LAMBERT. I went back toward him.
The CHAIRMAN. You covered the retreat toward the car—you were closest to the car?
Mr. LAMBERT. That is right.
The CHAIRMAN. And your partner covered the crowd at the door where the large crowd of three were surging toward the car?
Mr. LAMBERT. Yes, sir.
The CHAIRMAN. And having fully covered everybody, he got in the car. Did both lawyers get in with him?
Mr. LAMBERT. No, sir; I think only one.
The CHAIRMAN. Only one?
Mr. LAMBERT. I am not positive of that. I think only one.
The CHAIRMAN. They went away very slowly?
Mr. LAMBERT. I do not think they went exceptionally fast.
The CHAIRMAN. Did any of them run to the car?
Mr. LAMBERT. They ran when they went out.
The CHAIRMAN. Well, you had them covered and your partner had them covered, and yet they ran away?
Mr. LAMBERT. Yes, sir; they did not lose any time getting to the car.
The CHAIRMAN. What did Mr. Hopson do with his cane when he was running?
Mr. LAMBERT. I think he had that with him [laughter].
Senator SCHWELLENBACH. You got to O'CONNOR's office about 9 o'clock?
Mr. LAMBERT. Yes, sir.
Senator SCHWELLENBACH. What time was it when Hopson came?
Mr. LAMBERT. I think—I would say around quarter past 9 or maybe 20 minutes past. I am not so sure of the time, but between 9 and 9:30.
Senator SCHWELLENBACH. You got down outside downstairs within 2 or 3 minutes?
Mr. LAMBERT. Yes——
Senator SCHWELLENBACH. From the time he testified and left?
Mr. LAMBERT. Yes, sir; in fact, while I was on the steps talking to this gentleman from Mr. O'CONNOR's office the cab drove up.
Senator SCHWELLENBACH. Did Mr. O'CONNOR tell you that Mr. Hopson was going to be there at that exact time?
Mr. LAMBERT. No, sir; but the man from his office said that he would be there.
Senator SCHWELLENBACH. You mean the place?
Mr. LAMBERT. He said he would be there, and they wanted to enter from that door, and I should go there and have an elevator down.
Senator SCHWELLENBACH. This man from O'CONNOR's office knew exactly when Hopson would arrive?
Mr. LAMBERT. Yes, sir; because he was there in a very few minutes.
The CHAIRMAN. Is that your first experience in escorting people and protecting them from a summons?
Mr. LAMBERT. The very first time I ever came up here. This is my first experience.
The CHAIRMAN. Ordinarily, when you go out that way, it is to serve some paper or arrest someone who has done something, or prevent any disorder?
Mr. LAMBERT. That is right.
The CHAIRMAN. Do you recall going out before on a call to protect someone from the service of a paper?
Mr. LAMBERT. I did not have a call this time to protect him from being served with a paper. We do not have anything to do with that.
The CHAIRMAN. What were you told you had to protect him from?
Mr. LAMBERT. I told you everything I did. I had no order in reference to a subpena at all.
The CHAIRMAN. Were you not instructed to let nobody come anywhere near about him when he was coming from the car?
Mr. LAMBERT. When he came out I was instructed not to let that crowd, that they thought were reporters and photographers——
The CHAIRMAN. Reporters and other outlaws, you mean. Before that, you were out there to protect him from something. What was it?
Mr. LAMBERT. If there had been any disorder, that would have been our duty to prevent it if possible, but we had orders to keep hands off of this paper business from headquarters, from our captain there.
The CHAIRMAN. Who ordered you?
Mr. LAMBERT. Captain Thompson.
The CHAIRMAN. What did he tell you?
Mr. LAMBERT. That we did not have anything to do with serving subpenas and could not serve them.
The CHAIRMAN. Why did he tell you that?
Mr. LAMBERT. He always puts you right——
The CHAIRMAN. Why would he say you had nothing to do with the serving of a paper?
Mr. LAMBERT. He said that if anyone suggested we serve a paper, that we would not have anything to do with it; that they had men here to do that.
The CHAIRMAN. That you should not serve any paper on him?
Mr. LAMBERT. That is right.
The CHAIRMAN. Did he tell you who would serve the paper on him?
Mr. LAMBERT. No, sir.
The CHAIRMAN. What did you gather he meant by that?
Mr. LAMBERT. I suppose he meant we were to go there, on our first detail——
The CHAIRMAN. Oh, that is out at Wardman Park. I am talking about the other place.
Mr. LAMBERT. I had no instructions other than what I have told you.
Senator GIBSON. Did you know that Mr. Hopson was wanted by the Senate committee?
Mr. LAMBERT. Only what little I had read of it; that is all.
Senator GIBSON. From what you did read, you were convinced that the Senate committee was looking for him?
Mr. LAMBERT. I understood everyone was looking for him. [Laughter.]
The CHAIRMAN. Why did you understand anybody else was looking for him?
Mr. LAMBERT. Well, from what you read and hear.
Senator GIBSON. You understood, in fact, the Senate committee was looking for him?
Mr. LAMBERT. Yes; I had read that.
Senator GIBSON. And wanted to serve that subpena?
Mr. LAMBERT. Yes, sir.
Senator GIBSON. And when you went to the Shoreham, were you told to keep people away from that room?
Mr. LAMBERT. No, sir.
Senator GIBSON. Just to watch who went in?
Mr. LAMBERT. Yes, sir.
Senator GIBSON. When you received your orders over here at the House Office Building, you were told to keep everybody away from Mr. Hopson?
Mr. LAMBERT. No; only the one time when the crowd was—that is, when the crowd of three were coming to the door, and they said, "Keep them back."
Senator GIBSON. Keep people away from him, and you would have attempted to keep a process server away from him?
Mr. LAMBERT. No, sir; not if I knew it.
Senator GIBSON. Did you see anyone there trying to serve a process?
Mr. LAMBERT. No, sir.
Senator MINTON. Where were you when you got your detail to come out here this morning?
Mr. LAMBERT. Shimon told me of this yesterday evening; that we were to be here.
Senator MINTON. You reported directly to the Hill this morning?
Mr. LAMBERT. No, sir; I reported to headquarters. This is my office duty. Every 21 days we do office duty.
Senator MINTON. You came out with Shimon?
Mr. LAMBERT. Yes, sir; in the headquarters car.
Senator MINTON. Did anybody call you when you came out this morning?
Mr. LAMBERT. No, sir.
Senator MINTON. When Shimon spoke to you yesterday afternoon about it, what did he say to you?
Mr. LAMBERT. He said Mr. Collins called and said Mr. O'CONNOR wanted us over to room 326 of the old House Office Building and we reported to that room and we were directed by Mr. Collins, or I, myself, to go over and see Mr. O'CONNOR.
Senator MINTON. When you got to room 326, you saw Mr. Collins and he sent you to Mr. O'CONNOR?
Mr. LAMBERT. Yes, sir.
Senator MINTON. And Mr. O'CONNOR told you what you were to do?
Mr. LAMBERT. He pointed this particular entrance out, which you can see from his window in the Rules Committee room, and I proceeded downstairs with a man from his office and I was told to have the elevator down there.
Senator MINTON. Where did Shimon go?
Mr. LAMBERT. He had to go to court. He is on the fugitive squad [laughter]. We had a case up in court.
The CHAIRMAN. Is it his duty to catch fugitives or aid fugitives? Which one is it?
Mr. LAMBERT. Well, we did not have any orders to catch anyone.
Senator MINTON. Did Shimon come down to the Hill with you this morning?
Mr. LAMBERT. Yes, sir; and returned and went to court.
Senator MINTON. Did he go to O'CONNOR's office with you?
Mr. LAMBERT. No, sir.
Senator MINTON. He went to Collins' office?
Mr. LAMBERT. Yes, sir.
Senator MINTON. And there left you?
Mr. LAMBERT. Yes, sir; and went to police court at Sixth and D Streets.
Senator MINTON. Did you see him at the caucus room afterward?
Mr. LAMBERT. Yes, sir; I seen him when I was leaving the front of the Capitol.

Senator MINTON. Did Mr. Shimon give you any instructions as to what you were supposed to do?

Mr. LAMBERT. No, sir.

Senator MINTON. Other than that you were to report to Mr. O'CONNOR?

Mr. LAMBERT. Yes, sir.

Senator MINTON. And he gave you your instructions?

Mr. LAMBERT. That is right.

The CHAIRMAN. You and Mr. Shimon had exactly the same instructions as to your duties?

Mr. LAMBERT. Yes, sir; of course, Shimon did not go to Mr. O'CONNOR'S office with me this morning.

Senator SCHWELLENBACH. Shimon was there when you left?

Mr. LAMBERT. Yes, sir.

Senator SCHWELLENBACH. He came down on the elevator with Mr. Hopson?

Mr. LAMBERT. Oh, yes.

The CHAIRMAN. You policemen, of course, were both armed?

Mr. LAMBERT. He was there when Mr. Hopson went into the House Office Building.

The CHAIRMAN. Both of you were armed and had pistols?

Mr. LAMBERT. Yes, sir.

The CHAIRMAN. And do you know whether the Capitol policemen had pistols?

Mr. LAMBERT. They had their coats off with their side arms showing.

The CHAIRMAN. How many of them would you say you saw?

Mr. LAMBERT. I would say 8 or 10. That is a rough estimate. [Laughter.]

Senator GIBSON. You think, on the whole, you rendered some assistance to Mr. Hopson in making his exit?

Mr. LAMBERT. We were not assisting him in getting away or anything of that kind. I did not interpret the order to assist in getting him away from anyone.

Senator GIBSON. But to keep people away from him?

Mr. LAMBERT. More as a protection if there was any trouble there.

The CHAIRMAN. Trouble between whom?

Mr. LAMBERT. What is that?

The CHAIRMAN. Trouble between whom?

Mr. LAMBERT. I do not know. You never can tell.

Senator GIBSON. But you were told sometime not to aid in the service of any subpena?

Mr. LAMBERT. Yes, sir.

Senator GIBSON. Your instructions were a protection to him to that extent?

Mr. LAMBERT. No, sir; there is nothing connected with the subpena——

Senator GIBSON. You were told not to help in the service of a subpena?

Mr. LAMBERT. I never heard anything about helping in the serving of a subpena.

Senator GIBSON. You were told——

Mr. LAMBERT. We were told we had no authority to serve any paper on him.

Senator GIBSON. Did you have any authority on the Hill at all?

Mr. LAMBERT. No, sir.

Senator GIBSON. Now, you think it is proper for the Metropolitan Police force, without authority, to come up and assist as you assisted?

Mr. LAMBERT. Sir, I was only acting on orders. I was just one given an order, and I have to carry it out.

Senator MINTON. If a Congressman or Senator calls you up and asks you to report to his office, do you have to do it?

Mr. LAMBERT. Yes, sir; if any of you down here call up there, I am sure someone will report.

Senator MINTON. I did not know we had so much power.

The CHAIRMAN. You saw the picture of Hopson on the front page the other day with a $50 reward?

Mr. LAMBERT. Yes, sir; but I did not see the reward.

The CHAIRMAN. You did not catch him?

Mr. LAMBERT. No, sir.

The CHAIRMAN. You helped him get away.

Mr. LAMBERT. Not knowingly.

The CHAIRMAN. What did you understand you were doing when you were protecting him from the crowd?

Mr. LAMBERT. Only from any disorder, the same as any other person.

Senator SCHWELLENBACH. What did Mr. O' CONNOR tell you his purpose was in having you there?

Mr. LAMBERT. He did not say the purpose of it.

Senator SCHWELLENBACH. When you went in, did he give you any word as to what he wanted you to do outside of——

Mr. LAMBERT. To go to that entrance and the man that left his office and went downstairs and took me down—he said he would give me the orders down there. I went down and he said to have an elevator down when this car drives up, and by the time I could go from the Capitol across the street the car was there.

Senator SCHWELLENBACH. When Mr. Hopson got out, did he have any officer of any kind with him?

Mr. LAMBERT. No, sir; not that I know of.

Senator SCHWELLENBACH. In other words, he came up there by prearrangement without any officer of any kind with him?

Mr. LAMBERT. I do not know about that.

Senator SCHWELLENBACH. There was no officer with him?

Mr. LAMBERT. No, sir; there was no officer with him.

Senator SCHWELLENBACH. And you knew he was to be there because you were told?

Mr. LAMBERT. Yes, sir.

Senator SCHWELLENBACH. He came up without an officer and left without an officer?

Mr. LAMBERT. Yes, sir.

Senator SCHWELLENBACH. He came up in a car and you knew, at that time, that he was under summons from the Senate committee? You had seen it in the papers?

Mr. LAMBERT. No; I did not know he was under summons.

Senator SCHWELLENBACH. You know he came up there with no officer? He was not brought there with an officer?

Mr. LAMBERT. No, sir.

Senator SCHWELLENBACH. You knew in advance he was to come?

Mr. LAMBERT. There was this gentleman that came from Mr. O'CONNOR'S office that got in the cab with him.

Senator SCHWELLENBACH. Where?

Mr. LAMBERT. In front of the Capitol.

Senator SCHWELLENBACH. That is, after he got there?

Mr. LAMBERT. After he was here, on this side (indicating).

Senator SCHWELLENBACH. Got in there before he came to the entrance?

Mr. LAMBERT. Yes; he got in here.

Senator SCHWELLENBACH. Where did he meet him?

Mr. LAMBERT. In front of the House Office Building.

The CHAIRMAN. But at that time Mr. Hopson did not have any officer—Federal, State, city, county, or any other kind—who brought him here?

Mr. LAMBERT. Not to my knowledge.

The CHAIRMAN. And he could not be under arrest unless he had an officer with him?

Mr. LAMBERT. Not very well.

The CHAIRMAN. Do you know where Mr. Hopson is now?

Mr. LAMBERT. No, sir; I do not, and I am glad of it.

STATEMENT OF RICHARD L. TURNER

(Witness was duly sworn by the chairman.)

The CHAIRMAN. Mr. Turner, were you over at the House when this Mr. McCarthy attempted to serve this paper on Mr. Hopson?

Mr. TURNER. Yes, sir.

The CHAIRMAN. Did you see the transaction?

Mr. TURNER. I was just behind a group, consisting of Mr. Hopson and several others whom I could not identify definitely because their backs were turned to me. Mr. McCarthy was at one side trying to get to Mr. Hopson and the gentleman to Mr. Hopson's right was holding him off with his arm.

The CHAIRMAN. Mr. Hill?

Mr. TURNER. I could not say definitely, but Mr. McCarthy was asking him—I overheard a question to the effect, "Do you object to his appearing before the Senate committee?" Possibly that would identify the man in Mr. McCarthy's mind.

The CHAIRMAN. You could identify him?

Mr. TURNER. Possibly; yes, sir.

The CHAIRMAN. How did he push him away?

Mr. TURNER. Warding him off with his forearm.

The CHAIRMAN. Did you see anyone else push him?

Mr. TURNER. Things got rather hectic about that time and I could not say positively.

STATEMENT OF JOSEPH W. SHIMON

(The witness was duly sworn by the chairman.)

The CHAIRMAN. Your name is Joseph W. Shimon?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. Are you a member of the Metropolitan Police force?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. Did you come directly up here from down there?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. Did they give you the message at 4 o'clock?

Mr. SHIMON. The captain started to tell me and he was called to the phone, and maybe it was a little after 4.

The CHAIRMAN. How long did he take at the phone?

Mr. SHIMON. There was some difficulty about five chauffeurs in a garage, and I stood by and I talked to someone——

The CHAIRMAN. You came directly up here?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. You did not stop anywhere?

Mr. SHIMON. No, sir.

The CHAIRMAN. Are you the one who came in the elevator with Mr. Hopson?

Mr. SHIMON. I am one of them.

The CHAIRMAN. Who else came down with him?

Mr. SHIMON. I believe Detective Sergeant Lambert.

The CHAIRMAN. Sergeant Lambert?

Mr. SHIMON. And there were two other men.

The CHAIRMAN. The man whom we talked to—was he in there?

Mr. SHIMON. I think so.

The CHAIRMAN. Sergeant Lambert was in there, too?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. And he came down in the elevator with Mr. Hopson?

Mr. SHIMON. He and two others besides Mr. Hopson.

The CHAIRMAN. Who were they?

Mr. SHIMON. I do not know. One man was sitting alongside of me at the caucus room this morning during the hearing. He is a tall man, about 6 feet, with a dark suit. Apparently he was with Mr. Hopson. The other fellow, I believe, was in and around the House Office Building. I have seen him before.

The CHAIRMAN. In the Rules Committee?

Mr. SHIMON. Yes, sir; I believe so.

The CHAIRMAN. Do you know his name?

Mr. SHIMON. No, sir; I do not.

The CHAIRMAN. Were you in the elevator when Mr. McCarthy here [indicating] tried to get in it?

Mr. SHIMON. I do not recall. I cannot place him.

The CHAIRMAN. Do you remember a man trying to get in there?

Mr. SHIMON. Well, I told you——

The CHAIRMAN. And someone told him to get to hell out?

Mr. SHIMON. I had difficulty in getting in there myself.

The CHAIRMAN. Who told him to get out?

Mr. SHIMON. I was the last of the group I mentioned to get in and that tall man with the dark suit had his arm up against the elevator and I had to identify myself.

The CHAIRMAN. Who did you tell him you were?

Mr. SHIMON. I told him I was from police headquarters, and he let me in.

The CHAIRMAN. Who was he?

Mr. SHIMON. He was a tall man with a blue suit and dark hair.

The CHAIRMAN. Do you not know who that was?

Mr. SHIMON. I have not heard his name. It was the first time I ever saw him.

The CHAIRMAN. You went in the elevator then?

Mr. SHIMON. I went in there.

The CHAIRMAN. What did you go in there for?

Mr. SHIMON. To ride down. [Laughter.]

The CHAIRMAN. What for?

Mr. SHIMON. I understood I was to ride down with Mr. Hopson.

The CHAIRMAN. What for?

Mr. SHIMON. I do not know.

The CHAIRMAN. You did not know what you were riding with him for?

Mr. SHIMON. I imagine to keep him from——

The CHAIRMAN. A little louder.

Mr. SHIMON. I imagine it was—it is one of those details we get. We get so many of them——

The CHAIRMAN. What was your object in riding down there?

Mr. SHIMON. I was told to be there.

The CHAIRMAN. For what?

Mr. SHIMON. I do not know. They did not tell me what to do. They said, "You go along with Mr. Hopson and go and take him as far as the street."

The CHAIRMAN. Sergeant Lambert was in control?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. He is the one who was in control?

Mr. SHIMON. I do not think so.

The CHAIRMAN. Who was in control?

Mr. SHIMON. Apparently this other——

The CHAIRMAN. You state that Sergeant Lambert was in the elevator?

Mr. SHIMON. The man who seemed to have charge of affairs was the other chap—I think he is connected with the committee over there in some manner. He seemed to be in charge, in telling us where to go and what to do.

The CHAIRMAN. What did he tell you to do?

Mr. SHIMON. He came before the hearing broke up and said, "When Mr. Hopson starts out you and I"—I believe Sergeant Lambert went out to get a cab. He said, "We want to take him to the side elevator, down to the sidewalk."

The CHAIRMAN. Did he say what for?

Mr. SHIMON. He did not say what for.

The CHAIRMAN. What time did you get up there?

Mr. SHIMON. Shortly after 9 o'clock, and then went back to police court.

The CHAIRMAN. Had Mr. Hopson arrived when you got there?

Mr. SHIMON. He arrived several minutes later. I was at the main gate, and I saw all the lights flash and knew he had arrived at the room upstairs.

The CHAIRMAN. You had lights to notify you when he arrived?

Mr. SHIMON. Those were the photographers' flashes upstairs.

The CHAIRMAN. Did you see him drive up?

Mr. SHIMON. No, sir.

The CHAIRMAN. Where were you when he drove up?

Mr. SHIMON. Just at the main entrance.

The CHAIRMAN. You did not receive him?

Mr. SHIMON. No, sir.

The CHAIRMAN. That was Sergeant Lambert?

Mr. SHIMON. I guess it was.

The CHAIRMAN. You went up, and when you got there whom did you report to?

Mr. SHIMON. I went up there and got in the caucus room, and this same man I referred to brought me a chair and said, "Sit here until the hearing is over."

The CHAIRMAN. That was Mr. Clauffen?

Mr. SHIMON. Is that his name?

The CHAIRMAN. Did you hear his name—Clauffen? Did you hear his name?

Mr. LAMBERT. The one from Congressman O'CONNOR's office?

The CHAIRMAN. Yes.

Mr. LAMBERT. I do not recall. He had a rather peculiar speech.

The CHAIRMAN. He told you to sit down?

Mr. SHIMON. He said, "Sit here and I will tell you what to do later."

The CHAIRMAN. He told you to sit there and he would tell you what to do later?

Mr. SHIMON. And I sat through the hearing.

The CHAIRMAN. You saw all the other policemen?

Mr. SHIMON. There were quite a few—I say quite a few.

The CHAIRMAN. You, of course, were yourself armed, ready to protect against anything that happened?

Mr. SHIMON. I have to carry my equipment even when I am off duty.

The CHAIRMAN. You had your gun there?

Mr. SHIMON. Yes.

The CHAIRMAN. You sat there through the hearing. Did anybody tell you anything during the hearing?

Mr. SHIMON. Nothing. Nobody talked during the hearing.

The CHAIRMAN. All right; when the hearing was over, what instructions did you have?

Mr. SHIMON. This man came along a few minutes before the hearing was over and said, "When we take Mr. Hopson out you walk along with him. We are going to take him out to the elevator and through the side door to a cab." That is all.

The CHAIRMAN. Didn't tell you what to do?

Mr. SHIMON. No.

The CHAIRMAN. Weren't you supposed to protect him?

Mr. SHIMON. I imagine that is what we were there for, but he didn't tell me so.

The CHAIRMAN. Didn't tell you?

Mr. SHIMON. I don't know what he wanted to be protected from.

The CHAIRMAN. Well, you walked right in there with him, didn't you?

Mr. SHIMON. I did.

The CHAIRMAN. And you saw a man come up and try to give him a paper, didn't you?

Mr. SHIMON. No; I didn't.

The CHAIRMAN. You didn't see—where is McCarthy? You didn't see that gentleman there come up when you were standing right there with him, the gentleman right over there next to Sergeant Lambert?

Mr. SHIMON. I tell you, there were so many faces there.

The CHAIRMAN. You didn't see a man come up and take him by the arm and hand him a paper?

Mr. SHIMON. No; I didn't.

The CHAIRMAN. Didn't see anybody push anybody away?

Mr. SHIMON. I did not.

The CHAIRMAN. Didn't hear Mr. Hopson say anything?

Mr. SHIMON. No; I did not.

The CHAIRMAN. Didn't hear him say anything?

Mr. SHIMON. There was quite a few people milling around, and they were going through the crowd in such a hurry.

The CHAIRMAN. But you were there with him?

Mr. SHIMON. I was, I will say, maybe alongside of him or 2 or 3 feet to the left of him. I was walking to the left of him.

The CHAIRMAN. Was anybody else walking to the left of him?

Mr. SHIMON. I guess there was quite a few people there.

The CHAIRMAN. I mean how many came out with him to protect him?

Mr. SHIMON. With him?

The CHAIRMAN. Yes.

Mr. SHIMON. Well, I saw uniformed men around him, and I believe there was a lieutenant from the Capitol Police. He was around.

The CHAIRMAN. He was around too?

Mr. SHIMON. He was around us; and other officers. There were so many around him.

The CHAIRMAN. Had him fully surrounded, didn't they?

Mr. SHIMON. I wouldn't say fully surrounded, because there was so many photographers in and out snapping pictures.

The CHAIRMAN. They told you then to keep the photographers away from him?

Mr. SHIMON. Didn't tell me to keep the photographers away.

The CHAIRMAN. Who did they tell to keep them away?

Mr. SHIMON. I didn't hear them tell anybody to keep them away.

The CHAIRMAN. Didn't they tell you to keep anybody away?

Mr. SHIMON. Well, that is it. They just told me they were taking him out the side entrance out to a cab, and didn't tell me what to do.

The CHAIRMAN. And when they got down to the bottom of the elevator then you and he got out?

Mr. SHIMON. Yes; everybody got out.

The CHAIRMAN. And all of you ran to the cab?

Mr. SHIMON. Well, we didn't all run to the cab.

The CHAIRMAN. He did, didn't he?

Mr. SHIMON. He ran to the cab. I stopped at the door.

The CHAIRMAN. But you were guarding him yourself?

Mr. SHIMON. Yes. We stopped at the door.

The CHAIRMAN (addressing Mr. McCarthy). Is this the one you said was covering the side door?

Mr. MCCARTHY. Yes, sir.

The CHAIRMAN. You were holding the crowd back there at the door, weren't you?

Mr. SHIMON. There was only one man came to the door. He was a photographer, running with a camera.

The CHAIRMAN. What did you do to him?

Mr. SHIMON. I said, "I don't think they want you out there."

The CHAIRMAN. Why did you say that?

Mr. SHIMON. When he stopped at the door this same man—I don't know what—what did you say his name was? He told me not to let anybody come after him through the door.

The CHAIRMAN. Oh, I see.

Mr. SHIMON. That is the only time.

The CHAIRMAN. Now, we have found out about what is happening. What was it he told you?

Mr. SHIMON. Not to let anybody come through that door.

The CHAIRMAN. Told you not to let anybody chase him through that door, didn't he?

Mr. SHIMON. Yes. I assume there was photographers——

The CHAIRMAN. I am not talking about photographers. What was it he told you?

Mr. SHIMON. Told us not to let anybody through the door.

The CHAIRMAN. Told you not to let anybody through the door. And you didn't let anybody through the door, did you?

Mr. SHIMON. Well, only one man tried to get through, and I told him they didn't want him out there.

The CHAIRMAN. May I ask you a question there, Sergeant: Was that the place where you said there was three men?

Mr. LAMBERT. I thought there was about three.

The CHAIRMAN. Looked to you about three.

Which one was the fugitive squad?

Mr. SHIMON. I am.

The CHAIRMAN. You are connected with the fugitive squad? When this particular fugitive that you were guarding there left the elevator there he ran to a car, didn't he?

Mr. SHIMON. Yes, sir.

The CHAIRMAN. And you guarded him to keep anybody from chasing him, didn't you?

Mr. SHIMON. Well, I assume that was what I was to do. I was not told to by him.

The CHAIRMAN. Was not told to? You just say you were told——

Mr. SHIMON. I was told to keep the crowd from coming out that door. I wasn't told a thing about guarding him.

The CHAIRMAN. You had seen in the paper and you knew that this was the man Hopson?

Mr. SHIMON. I heard a lot about him.

The CHAIRMAN. You knew and you had seen in the paper and knew that he was the one the Senate committee was after, didn't you? And you knew that you were to keep him from being summoned?

Mr. SHIMON. I didn't know who was after him. I didn't know who wanted him, whether it was a Senate committee or House committee. I didn't know who was after him. I know I read in the paper he was badly wanted.

The CHAIRMAN. You read in the paper that he was wanted by the Senate committee, and then you saw in the paper where the House committee wanted him, didn't you?

Mr. SHIMON. Well, I suppose so.

The CHAIRMAN. Who was this photographer you kept back; do you know?

Mr. SHIMON. I don't know. There was quite a few people there.

The CHAIRMAN. How many were in this elevator when you say you got in?

Mr. SHIMON. Mr. Hopson.

The CHAIRMAN. All right.

Mr. SHIMON. Lambert; this chap I referred to I said I think he is connected with the Rules Committee; this tall man, blue suit, dark hair—I don't know his name, myself.

The CHAIRMAN. All right now, when you got out, let them out—how many got out of the elevator and ran to the cab?

Mr. SHIMON. Well, we all got out of the elevator, walked to the door. There was nobody down there then.

The CHAIRMAN. All right then, how many ran to the cab?

Mr. SHIMON. Mr. Hopson and the tall man, and I think this other chap ran to the cab.

The CHAIRMAN. You mean the man from the Rules Committee?

Mr. SHIMON. Yes. I think I ran to the cab and came right back.

The CHAIRMAN. In other words, Mr. Hopson and the Rules Committee man and another man all ran to the cab?

Mr. SHIMON. That is it.

The CHAIRMAN. And the Rules Committee man then came back after they got in the cab and went off—that is what happened, isn't it?

Mr. SHIMON. Well, he came back. He ran to the cab or halfway to the cab and then came—we were standing at the door and he came back and says, "Don't let anybody through that door." Then he ran back to the cab, the cab drove away, and then he just went back in the building.

The CHAIRMAN. He went back to the cab and then he came back?

Mr. SHIMON. Yes.

The CHAIRMAN. And then the guests departed in the cab?

Mr. SHIMON. They did.

The CHAIRMAN. Then your detail was over?

Mr. SHIMON. I walked away. I assumed it was over.

The CHAIRMAN. You assumed it was over when the fugitive left?

Mr. SHIMON. Yes; the excitement was all over. I didn't stick around any longer.

The CHAIRMAN. Who told you to come up here and do that?

Mr. SHIMON. I got a call yesterday; Mr. Collins. I think he is a counsel.

The CHAIRMAN. Called you?

Mr. SHIMON. Called me. I called him. I called him and he told Mr. Lambert and myself to report to his office at 9 o'clock.

The CHAIRMAN. What for?

Mr. SHIMON. Said he wanted to see us.

The CHAIRMAN. Where is his office?

Mr. SHIMON. Room 336 in the old House Office Building.

The CHAIRMAN. You went up there yesterday afternoon?

Mr. SHIMON. No. He told us to be there this morning.

The CHAIRMAN. What time?

Mr. SHIMON. At 9 o'clock.

The CHAIRMAN. And how long was it after 9 o'clock when Mr. Hopson arrived?

Mr. SHIMON. I can't give you the exact time. I imagine it was after 10. But I went to Mr. Collins' office. I went directly back to the police court.

The CHAIRMAN. When you got there did he tell you what time to be back to meet Mr. Hopson?

Mr. SHIMON. He didn't. I told Mr. Collins I had a case being heard in police court and if he wanted me I would return. He said, "Well, when we do", he said, "I will leave word here where you can find me."

The CHAIRMAN. Did you have any superiors tell you to come up here?

Mr. SHIMON. Why, when we got there and he asked us to stay, we had asked Dr.—I call him Dr. Collins; it was Mr. Collins—we had him call either the inspector or captain to explain to him that he wanted two men there. We can't go there without an order from some superior. I believe he talked to Lieutenant Cooling and explained that Congressman O'CONNOR wanted us there.

Senator SCHWELLENBACH. What did he tell you that he wanted you there for?

Mr. SHIMON. He just said that Congressman O'CONNOR wanted myself and Lambert there this morning. Because we can't go on any detail without reporting back to the superior officer.

Senator GIBSON. Mr. Collins is former assistant to the district attorney of the District of Columbia?

Mr. SHIMON. Yes, sir.

Senator MINTON. He is this lawyer over there that is investigating it.

Senator GIBSON. Yes.

Mr. SHIMON. He is the same man that questioned Mr. Hopson for Congressman O'CONNOR.

Senator MINTON. Then it was Mr. Collins that called you yesterday afternoon?

Mr. SHIMON. Yes, sir.

Senator MINTON. And he didn't call your superiors but called you directly. Did you report it to your superior?

Mr. SHIMON. No, I did not; not at that particular time. He just wanted to see us at 9 o'clock in the morning. We get so many calls——

Senator MINTON. You came out at his request to be there at 9 o'clock?

Mr. SHIMON. Yes, sir.

Senator MINTON. And when you found out what he wanted you to do you had him get the O. K. from your superior?

Mr. SHIMON. Yes, sir.

Senator MINTON. And what did he tell you he wanted you to do?

Mr. SHIMON. He told us that Congressman O'CONNOR wanted us to stick around. I told him that I was going back to police court, and I left, and I didn't see—I saw Mr. Collins, told me to go down to the main entrance.

Senator MINTON. Where did he want you to stick around?

Mr. SHIMON. We were supposed to go to Congressman O'CONNOR's and receive instructions, I believe; but I haven't seen Congressman O'CONNOR. I went back to police court and he was in the caucus room.

Senator MINTON. After you got back to police court where did you go?

Mr. SHIMON. I called to Mr. Collins' office. They told me to hang around the main entrance. About the time I got back there everybody was upstairs. Mr. Hopson had arrived. So I walked up there and he handed me a chair and I sat down.

The CHAIRMAN. Mr. Shimon, you are a policeman. How long have you been a policeman?

Mr. SHIMON. Seven years.

The CHAIRMAN. You know what you were there for, don't you?

Mr. SHIMON. Well, I assume—without getting any specific orders, I assumed if there was any trouble. Of course——

The CHAIRMAN. You know that you were down there to keep anybody from getting to him as he got away, don't you? When he went out why were you keeping people away from him? What was your object?

Mr. SHIMON. I didn't keep anybody away from him.

The CHAIRMAN. Oh, well; you just said they told you not to let anybody go out and keep them from trying to get to him as he was getting away.

Mr. SHIMON. Well, I assume he didn't want the photographers out.

The CHAIRMAN. You were not up there as a policeman to protect them from photographers, were you?

Mr. SHIMON. We have such details.

The CHAIRMAN. Your judgment is that your sole object up there was to protect Mr. Hopson and his cane from photographers?

Mr. SHIMON. Not photographers. Anybody—a crowd, you know, milling around.

The CHAIRMAN. Oh, I see; you just had to protect this citizen from the crowds. That is what it was, was it?

Mr. SHIMON. I assume that is the detail.

The CHAIRMAN. Just such an important personage that you considered that this important personage simply had to be protected from the people?

Mr. SHIMON. It is just another detail.

The CHAIRMAN. I know it is another detail, but where were you trying to protect him from?

Mr. SHIMON. I assume to keep the crowd away from him, that is all. We have those details. Different people will visit and you have to keep the crowds from getting around—a detail to keep the crowds away from them. We get a lot of them.

The CHAIRMAN. See if you recognize that picture.
Mr. SHIMON. Yes. This is——
The CHAIRMAN. Who is that?
Mr. SHIMON. Right here?
The CHAIRMAN. Yes.
Mr. SHIMON. You mean this one?
The CHAIRMAN. Who is that with his back turned?
Mr. SHIMON. That is me.
The CHAIRMAN. All right; who is the other one?
Mr. SHIMON. Right here?
The CHAIRMAN. Yes.
Mr. SHIMON. I never saw him before.
The CHAIRMAN. Look at this gentleman. Where is Mr. McCarthy? Look at this gentleman right here.
Mr. SHIMON. Oh, that is McCarthy right there.
The CHAIRMAN. All right; and who is the other one?
Mr. SHIMON. Right here? That is a police officer with a cap, and this one is the tall man I told you about.
The CHAIRMAN. All right.
Mr. SHIMON. Now, here is the point I explained to you: I had to explain to him who I was. You see his hand right there. He was keeping me from getting into the elevator, and I was explaining to him who I was. I told him I was from police headquarters, and he let me go in.
The CHAIRMAN. But you saw Mr. McCarthy there, didn't you?
Mr. SHIMON. Yes.
The CHAIRMAN. And you know that you didn't let him get in?
Mr. SHIMON. I really didn't pay any attention. He might have done that.
The CHAIRMAN. Mr. Shimon, weren't you all instructed not to let him in?
Mr. SHIMON. No, no. Really, that is not so. I never heard of Mr. McCarthy. First time I ever saw him.
The CHAIRMAN. Why didn't you let him in?
Mr. SHIMON. He kept me out there until I told him who I was. You can see right there, I am explaining to him who I am, "I have orders to ride down with him."
The CHAIRMAN. Who is that man he is with?
Mr. SHIMON. Hopson.
The CHAIRMAN. With Mr. Hopson?
Mr. SHIMON. Yes. He was there. He sat there alongside of me this morning, and I walked out with him.
The CHAIRMAN. And the other man was already in the elevator at that time, wasn't he?
Mr. SHIMON. I believe so.
The CHAIRMAN. He was already in there?
Mr. SHIMON. I was the last one in. They were closing the door on me before I got in there.
The CHAIRMAN. Who is this one right here?
Mr. SHIMON. Who is that? Here? That looks like Hopson.
The CHAIRMAN. That is Hopson.
Mr. SHIMON. There was so many there I really didn't recognize anybody around except the tall man.
The CHAIRMAN. That one there is Mr. Hill, isn't it?
Mr. SHIMON. Who is that?
The CHAIRMAN. Did you meet Mr. Hill?
Mr. SHIMON. No; I never saw him before.
The CHAIRMAN. Didn't meet Mr. Hill. Look in there and see what Mr. McCarthy had in his hand.
Mr. SHIMON. It looks like a paper.
The CHAIRMAN. Like a paper, doesn't it?
Senator SCHWELLENBACH. You walked all the way down the hall to the point of the elevator that close to Mr. Hopson?
Mr. SHIMON. No; not that close. I was trying to get in there then.
Senator SCHWELLENBACH. No; but I mean all the way down the hall.
Mr. SHIMON. I had to get through 2 or 3 people around there. I think one was a uniform policeman who blocked my entrance. I told him who I was, and I got past somebody else, and about that time they were getting ready to close the door and this man stopped me and wanted to know where I was going.
Senator SCHWELLENBACH. How far was the elevator from the caucus room?
Mr. SHIMON. Not very far.
Mr. SCHWELLENBACH. Well, how far?
Mr. SHIMON. I would say about 50 feet.
Senator SCHWELLENBACH. Did you see Mr. McCarthy going down that hall with you?
Mr. SHIMON. I did not.
Senator SCHWELLENBACH. You did not?
Mr. SHIMON. No; I cannot say that I did.
Senator SCHWELLENBACH. Did you hear any conversation going on between Hopson and anybody?
Mr. SHIMON. I didn't hear the conversation. I didn't get close to hear any conversation.
The CHAIRMAN. Can't hear you.
Mr. SHIMON. I was not up close to hear any conversation that they were carrying on—this man walking alongside of him.
Senator MINTON. Were you behind Hopson when you were walking down the hall?
Mr. SHIMON. I was either 2 or 3 or 4 or 5 feet behind him. There was this line-up on both sides, and I had to try to keep up with him. I was jostling along with the crowd. That was about the size of it. And then there was a crowd around the elevator, and they were on the elevator before I got there. That is how I lost track of him.
The CHAIRMAN. Have you talked to anybody about this since?
Mr. SHIMON. I have not. I have been out on an assignment. I just reported back to the office. I haven't talked with anybody.
The CHAIRMAN. And you didn't know what your business was in walking down there with him?
Mr. SHIMON. I assumed it was to keep him away from the crowd, keep the crowds away from him.
The CHAIRMAN. Did somebody tell you that Hopson was the man you were to keep the crowds away from?
Mr. SHIMON. Oh, yes.
The CHAIRMAN. Who told you that?
Mr. SHIMON. Why, Hopson was the man who goes down the elevator when this chap said, "Now, when he gets up you keep the crowd—walk to the elevator and out to the street with him." And I assumed——
The CHAIRMAN. Wait a second. Read what he said he was told there.
Mr. RANDOLPH. "Why, Hopson was the man who goes down the elevator when this chap said, 'Now, when he gets up you keep the crowd—walk to the elevator and out to the street with him.'"
The CHAIRMAN. What was it he told you to do?
Mr. SHIMON. The best I can remember my instructions were to go to the elevator with Hopson.
Senator MINTON. Keep the crowd back?
Mr. SHIMON. He might have said, "Keep the crowd back", but everything happened so fast.
The CHAIRMAN. Go to the elevator with him?
Mr. SHIMON. That is it.
The CHAIRMAN. Did he tell you to go down the elevator with him?
Mr. SHIMON. Well, I assumed he wanted me to go to the elevator with him. I tried to get on all right. Oh, yes; I assumed he did, because he says, "We are going to take him down the side elevator and out the side door to a taxicab."
The CHAIRMAN. Oh, yes. He said, "We are going to take him down the side elevator"?
Mr. SHIMON. Yes.
The CHAIRMAN. "Out through the side door"?
Mr. SHIMON. Yes.
The CHAIRMAN. "Into the taxicab"?
Mr. SHIMON. Yes.
The CHAIRMAN. And then what did he tell you he wanted you to do in connection with that taking?
Mr. SHIMON. Well, his specific order was at the door to keep anybody from coming out the door.
The CHAIRMAN. Keep anyone from coming in that door?
Mr. SHIMON. That is all.
The CHAIRMAN. Ordinarily your duties require you to apprehend people that are wanted in some case, do they not? Those are your usual duties?
Mr. SHIMON. Our duties are to apprehend people wanted in other jurisdictions than Washington.
The CHAIRMAN. Have you ever served on a detail before where it was your duty to keep somebody away from a man that was wanted?
Mr. SHIMON. Why, no.
The CHAIRMAN. That is rather a new detail, isn't it?
Mr. SHIMON. Well, Hopson was here. I didn't know they wanted him any further than they had him.
The CHAIRMAN. Oh, you didn't?
Mr. SHIMON. I didn't know he was wanted any further. I know they were quite upset here about a week ago. The papers had him in town and out of town.
The CHAIRMAN. How fast did he run?
Mr. SHIMON. He is not so fast.
The CHAIRMAN. He was running about the best he could?
Mr. SHIMON. Well, I——
The CHAIRMAN. Did he throw his cane down, or did he carry it with him?
Mr. SHIMON. I believe he carried it with him. I didn't see it fall.
The CHAIRMAN. Didn't see it fall?
Mr. SHIMON. No.
The CHAIRMAN. Did Mr. Hill, his lawyer, run, too?
Mr. SHIMON. Oh, his lawyer didn't go with him.
The CHAIRMAN. Who did go with him in the taxicab?
Mr. SHIMON. This tall fellow. Oh, that is right; there was another one in the elevator—his lawyer. The fellow that sat with him, he left us on the main floor.
The CHAIRMAN. I see.
Mr. SHIMON. That is right.
The CHAIRMAN. And these two ran to a car as fast as they could run and beat it right then, didn't they?
Mr. SHIMON. Yes.
The CHAIRMAN. As fast as they could go, then, didn't they—that is correct, isn't it?
Mr. SHIMON. Oh, yes; they got off in a hurry.
The CHAIRMAN. They what?
Mr. SHIMON. They got off in a big hurry.
The CHAIRMAN. And then this gentleman from the Rules Committee told you it was all over and you left, didn't you?
Mr. SHIMON. That is correct.
The CHAIRMAN. That is correct?
Mr. SHIMON. That is correct.
The CHAIRMAN. Thanked you for your services in aiding to get Mr. Hopson away, and everything was good?
Mr. SHIMON. Said, "It is all over."
The CHAIRMAN. Said what?

Mr. SHIMON. Said, "It is all over."
The CHAIRMAN. Said, "It is all over"—after they left.
Senator SCHWELLENBACH. What did Hill say when he got off on the main floor?
Mr. SHIMON. I didn't hear what Hill said. He said something to Mr. Hopson, and I didn't quite catch it, and then Hill walked away. This other fellow had Hopson by the arm kind of hurrying him along. They were in a hurry about getting out of there.
The CHAIRMAN. Was hurrying to get out?
Mr. SHIMON. Yes.
The CHAIRMAN. There isn't any question about that. There is no doubt about that.
Mr. SHIMON. There is no doubt about that.
Senator GIBSON. I suppose you have had quite an experience with fugitives?
Mr. SHIMON. I have, sir.
Senator GIBSON. Arresting them, picking them up?
Mr. SHIMON. Yes, sir.
Senator GIBSON. Quite often they run?
Mr. SHIMON. Oh, yes; if you give a chance to them.
Senator GIBSON. Usually, if they have the opportunity?
Mr. SHIMON. Well, we try not to give them an opportunity. I have never had one run from me.
Senator GIBSON. If you give them an opportunity, they would run?
Mr. SHIMON. I guess they would; but I never had one run.
Senator GIBSON. Mr. Hopson ran.
Senator MINTON. He had an opportunity.
The CHAIRMAN. Those fugitives that you have been after heretofore were not so fortunate as Mr. Hopson to have police protection?
Mr. SHIMON. No.
The CHAIRMAN. Usually the police are after them.
Senator GIBSON. Did you have orders to go back tomorrow?
Mr. SHIMON. No, sir.
Senator GIBSON. Not any further orders in regard to the Rules Committee?
Mr. SHIMON. No; no further orders.
Senator GIBSON. Did you go out to the Shoreham?
Mr. SHIMON. I was out there, I think, last week or week before last.
Senator GIBSON. How many times?
Mr. SHIMON. Once.
Senator GIBSON. How long did you stay?
Mr. SHIMON. I stayed 13 hours.
Senator GIBSON. What did you do?
Mr. SHIMON. Told me to watch a room, and I stayed out in the hallway.
Senator GIBSON. What did you do?
Mr. SHIMON. I just sat there and watched the room.
The CHAIRMAN. Did it leave?
Mr. SHIMON. No.
Senator GIBSON. Did anybody go into the room?
Mr. SHIMON. No. We were to sit there or stand there the best we could, and, if anybody came to the particular room, to notify Congressman O'CONNOR. That was all.
Senator GIBSON. And no one came?
Mr. SHIMON. No one came.
Senator GIBSON. Whose room was it?
Mr. SHIMON. I haven't found that out.
Senator GIBSON. Well, wasn't it rather a peculiar assignment to be sent to watch a room and you didn't know whose room it was?
Mr. SHIMON. Well, it was supposed to have been—Hopson was supposed to stay there.
Senator GIBSON. Do you think he was in there?
Mr. SHIMON. I don't know. He was not there for 13 hours that I was there.
Senator GIBSON. Was anybody in the room?
Mr. SHIMON. I don't think so.
Senator GIBSON. You think Hopson was expected for that room?
Mr. SHIMON. Well, from what they told us, he had occupied the room the night before and they expected him back.
Senator GIBSON. Did you check up with the room clerk?
Mr. SHIMON. I didn't check up.
Senator GIBSON. Did anyone check with the room clerk?
Mr. SHIMON. I think it was checked by Mr. Lambert.
Senator GIBSON. Mr. Lambert?
Mr. SHIMON. Yes.
Senator GIBSON. To see if he did actually occupy the room?
Mr. SHIMON. To the best of my knowledge, there was nobody by the name of Hopson checked into that room.
Senator GIBSON. Did you check to see if the room was in fact occupied?
Mr. SHIMON. I had no way of getting in there.
Senator GIBSON. I mean with the room clerk.
Mr. SHIMON. No; I didn't.
Senator GIBSON. Did Sergeant Lambert?
Mr. SHIMON. I don't know. I don't think that was expected of us. We were just told to watch.
Senator GIBSON. You were just told to watch by your superior officer?
Mr. SHIMON. I was told by my superior officer to report to the Shoreham Hotel and see a Mr. Tavener.
Senator GIBSON. Mr. who?
Mr. SHIMON. Tavener, I think his name is.
Senator GIBSON. Did you see Mr. Kavanaugh?
Mr. SHIMON. Tavener.
Senator GIBSON. Oh, Tavener?
Mr. SHIMON. Yes.
Senator GIBSON. Did you see him?
Mr. SHIMON. I did.
Senator GIBSON. Where did you see him?
Mr. SHIMON. He was in the lobby of the Shoreham Hotel.
Senator GIBSON. Who is he?
Mr. SHIMON. Mr. Tavener.
Senator GIBSON. Yes; but I mean what was his business?
Mr. SHIMON. Well, he said he was there trying to locate a Mr. Hopson, supposed to be in the hotel at the time, and he had a subpena from the House committee.
Senator GIBSON. He was a process server for the House committee?
Mr. SHIMON. Yes; and this other man was with him I referred to from that committee over there that was in the elevator with him.
The CHAIRMAN. Oh, this other man that was protecting him over there this morning?
Mr. SHIMON. Yes. They were together.
Senator GIBSON. The process server and the man who was protecting him went together?
Mr. SHIMON. And they seemed to be in charge, and we were told to report to them. So we were to watch room 405.
The CHAIRMAN. You didn't stand up all that 13 hours?
Mr. SHIMON. Oh, we stood up and sat down.
The CHAIRMAN. Did they bring you a chair?
Mr. SHIMON. They did after a few hours.
The CHAIRMAN. You had a chair out in front of this room in the hall?
Mr. SHIMON. Later in the evening I was shifted up to the eighth floor and was told to watch Mr. B. B. Robinson's room.
Senator GIBSON. Who was he?
Mr. SHIMON. That is all I know, B. B. Robinson.
The CHAIRMAN. Did you have a chair up there also?
Mr. SHIMON. Well, I sent for one after the first couple of hours.
The CHAIRMAN. You just sat there in the hallway on a chair?
Mr. SHIMON. That is all.
The CHAIRMAN. Out in front of the door?
Mr. SHIMON. Not in front of the door. Around the corner.
The CHAIRMAN. But could you see?
Mr. SHIMON. Oh, you couldn't see the door.
The CHAIRMAN. And if they couldn't see you how could you see them?
Mr. SHIMON. Well, you could hear anybody getting off the elevator. You could look around the corner.
The CHAIRMAN. Oh, you just sat there and waited 13 hours?
Mr. SHIMON. Yes.
The CHAIRMAN. The committee will adjourn until in the morning at 10 o'clock in room 357.
(Accordingly, at 4:55 p. m., a recess was taken until 10 a. m. the following day, Wednesday, Aug. 14, 1935.)

Mr. McNARY. Mr. President, is it the request and the desire of the Senator to have immediate consideration of this matter?

Mr. BLACK. I will state to the Senator that I personally see no reason why it should not be considered at this time. However, the Senator from Mississippi [Mr. HARRISON] states that he desires to have a vote on a motion to table the motion of the Senator from Michigan [Mr. VANDENBERG].

Mr. McNARY. I have no present objection to the immediate consideration of the resolution; but I think it would be fair to give notice to the absent Members of what is proposed to be done, and I was about to suggest the absence of a quorum.

Mr. BLACK. I think the Senator is correct in the suggestion that there should be a quorum call. The Senator from Mississippi thought he could secure a vote on the motion to table at this time, however.

Mr. HARRISON. Mr. President, I had hoped the Senator from Alabama would withhold this matter until we could have a vote on the motion made by the Senator from Michigan [Mr. VANDENBERG].

Mr. McNARY. I think it is the desire of my colleague [Mr. STEIWER] to speak upon the pending motion.

Mr. HARRISON. If that is the case, of course we cannot have a vote at once.

The VICE PRESIDENT. Let the Chair state the parliamentary situation, if the Senate desires to have that done.

The Senate had under consideration the tax bill. The Senator from Michigan [Mr. VANDENBERG] made a motion to recommit the bill. The Senator from Alabama [Mr. BLACK] secured the floor, and submitted a privileged resolution, which is subject to debate. The Senator from Oregon has the floor.

Mr. McNARY. Mr. President, this is a Democratic responsibility all down the line. I am not going to make any suggestion, other than that if a privileged question is to be taken up, I desire to have a quorum present.

Mr. HARRISON. If the Senator will yield, we do not think it is by any means merely a Democratic question; but, if the Senator and his colleague [Mr. STEIWER] will permit me to do so, I was about to make a motion to lay on the table the motion to recommit, so that we might get that question out of the way this afternoon.

Mr. McNARY. I hope the Senator from Mississippi will not do that. It would foreclose discussion by my colleague.

Mr. HARRISON. I shall not do it, of course, if the Senator from Oregon desires to speak first. That is why I have not made the motion.

Mr. STEIWER. Mr. President, I desire to be heard on the motion to recommit.

Mr. McNARY. Let it be understood that my colleague will address the Senate, and then later we will dispose of this matter.

The VICE PRESIDENT. Does the Senator from Oregon suggest the absence of a quorum?

Mr. McNARY. No; it is not the desire of my colleague to have that done. I merely wish in some fashion to notify Senators who are absent if we are about to take up the privileged question presented by the Senator from Alabama.

The VICE PRESIDENT. The Senator from Oregon has the floor; but the Chair feels that he should recognize the Senator from Alabama, who has a privileged matter.

Mr. ROBINSON. Mr. President, with the approval of the Senator from Alabama, I ask unanimous consent that the privileged question now before the Senate go over until tomorrow.

The VICE PRESIDENT. Is there objection?

Mr. FLETCHER. Why not read the resolution? If it is not to be read, I ask that it be printed in the RECORD.

The VICE PRESIDENT. The Senator from Florida requests that the resolution be printed in the RECORD. Is there objection? The Chair hears none.

The resolution (S. Res. 186) this day presented by Mr. BLACK is as follows:

Resolved, That the President of the Senate issue a citation directing H. C. Hopson and W. A. Hill to show cause, if any they have, why they should not be punished for contempt of the Senate on account of their efforts to prevent the service of process of the special Senate committee under Senate Resolution No. 165 upon H. C. Hopson, and by reason of the failure and refusal of the said H. C. Hopson to appear before the said special Senate committee to give testimony in accordance with the summons served upon him on August 14.

Mr. BLACK. Mr. President, I understood the unanimous-consent request of the Senator from Arkansas to be that we now proceed with this matter.

Mr. ROBINSON. No; my request was that the resolution go over. The Senator from Alabama has indicated, however, that that course is not acceptable to him.

Mr. BLACK. I suggest to the Senator that he and I discuss the matter, and meanwhile that it be laid aside for the purpose of enabling the Senator from Oregon [Mr. STEIWER] to discuss the pending motion. Then I can discuss this privileged matter with the Senator from Arkansas, and probably we can arrive at a conclusion which will be mutually satisfactory.

Mr. ROBINSON. I ask, then, that the privileged matter be temporarily laid aside.

The VICE PRESIDENT. Is there objection? The Chair hears none.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

Mr. STEIWER. Mr. President, much that I had thought ought to have been said in behalf of the motion to recommit has already been said by other Senators. I shall endeavor, therefore, to avoid a repetition of arguments heretofore made, and to summarize in a reasonably brief compass the views which I wish to present.

I am one of those who regard the pending tax bill as inadequate, both as a producer of revenue and as a proposal in behalf of social justice. It is inadequate on the first score because the amount proposed to be raised by the bill is pathetically disproportionate to the necessities of the day.

It is inadequate on the second score because it does so little in a substantial way toward the redistribution of wealth or toward the leveling off of the great fortunes of the country.

In my humble opinion the bill falls so far short of the proposal made by the Chief Executive of this country that it may well be regarded as repudiation of the President's theory.

I ask the indulgence of Senators while I read brief excerpts from the President's message to the Congress on June 19, 1935. In that message the President made these statements:

> I am able to make a number of suggestions of important changes in our policy of taxation. These are based on the broad principle that if a government is to be prudent its taxes must produce ample revenues without discouraging enterprise; and if it is to be just it must distribute the burden of taxes equitably.

It is most obvious from the discussion already had that the pending tax bill does neither of these things.

The President also said, with respect to the subject of taxation of great wealth:

> The transmission from generation to generation of vast fortunes by will, inheritance, or gift is not consistent with the ideals and sentiments of the American people.
>
> The desire to provide security for one's self and one's family is natural and wholesome, but it is adequately served by a reasonable inheritance. Great accumulations of wealth cannot be justified on the basis of personal and family security. In the last analysis such accumulations amount to the perpetuation of great and undesirable concentration of control in a relatively few individuals over the employment and welfare of many, many others.

The most perfunctory examination of the pending bill will disclose that the haste with which it has been drawn has resulted in a betrayal of the purpose which the President included in his message and, moreover, that the report of the committee in a very practical way admits that it did not have time to give to the message adequate consideration. I quote from page 8 of the report of the Senate Committee on Finance as follows:

> While it is recognized that the inheritance tax in a number of respects is more equitable than the estate tax, nevertheless the difficulties encountered in designing an inheritance tax even reasonably free from serious administrative difficulties are very numerous. Your committee believes, therefore, that, in view of the short time available for the study of an inheritance tax, it is safer to accomplish the same general purposes by an increase in estate-tax rates.

Mr. GORE. Mr. President, I have just entered the Chamber. What is the Senator quoting?

Mr. STEIWER. I am quoting from the report of the committee.

The House had included in its draft of the bill a provision for a high rate of tax upon inheritances. The Committee on Finance in its wisdom has stricken that provision from the bill, and has substituted for it a schedule of estate taxes, phrased in the main upon existing law, but decreasing the exemption from $50,000 to $40,000, and increasing the rates.

I invite the attention of the Senate to the accomplishment of the committee with respect to the increases in this rate. Upon page 8 of the committee report we find the estate-tax rates upon certain net estates after deduction of the exemptions as provided by law. An examination of the table, to which I now refer, shows that upon a net estate up to $10,000 the rate has been made 2 percent, against the rate in existing law of 1 percent. In other words, whereas the tax now would be $100, the bill pending before the Senate would make it $200.

On a net estate of between $10,000 and $20,000 the rate has been raised from 2 percent to 4 percent, and so in the schedules just above those to which I have just now called attention. We find in all the brackets, up to a net estate of $50,000, that the rate has been doubled.

I think it would be impossible to place too much emphasis upon the fact that upon all the net estates from $50,000 down the tax rate has been doubled.

Mr. President, let me invite attention now to the changes in rates with respect to estates where the net estate is greater than those to which I have just now referred. If the net estate is $1,000,000 and up to a million and a half, we find that the

rate in the existing law is 28 percent, and the rate in the bill now pending before the Senate is 32 percent. Thus the tax rate has been raised 4 percent.

If we take a much larger estate—we will say one of $5,000,000 up to $6,000,000 in net amount—we find that the existing rate is 50 percent, and the rate proposed by the Finance Committee is 56 percent. So in the very highest brackets we find that the rate has been increased something like 5 or 6 or 7 percent.

I bring this to the attention of the Members of the Senate because I do not want to employ my personal opinion, but wish the facts stated in the report of the committee to emphasize that the bill raises the tax upon the lowest estates 100 percent and upon the great estates somewhere from 7 up to 8 or 9 or 10 percent.

I submit that there has been a betrayal of the purpose and theory of the President. The philosophy upon which his message proceeded has been abandoned entirely by the committee, so far as this part of the bill is concerned.

I do not criticize the committee; I do not know that they were in error, but I do know that we are confronted with confusion, one theory from the White House, another theory from our Committee on Finance, and still another theory which has come to us embodied in the bill from the House of Representatives.

I have no doubt that if adequate consideration could be given to this subject these various conflicts might be reconciled and that the Members of this body and the great Finance Committee would be able to bring about some rational understanding of the problems which are before us, but that reconcilement has not yet been had, and the case is now before us upon this confused basis of a Presidential recommendation in one direction, a Finance Committee recommendation in another direction, with the House of Representatives acting in still another.

I shall not detain the Senate to go into further detail with respect to the specific provisions of the bill. On several scores criticism might be made much in keeping with the criticism which I have just made with respect to the estate taxes. In this condition of confusion, when we are confronted with a bill of discordant purposes, and at the same time know that as a Budget-balancing bill it is admittedly a failure, and when we know, Mr. President, that the whole country is confused, just as the Congress is confused, it seems to me it would be well for us to halt, and to analyze very carefully the economic consequences of legislation of this kind before we enact it.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. WALSH. Does the Senator contemplate pressing his motion at this stage?

Mr. STEIWER. I do not know the motion to which the Senator from Massachusetts refers. I am addressing myself to the motion of the Senator from Michigan [Mr. VANDENBERG], who has moved to recommit the bill to the Committee on Finance. There is no other motion pending.

Mr. WALSH. I thought the Senator from Oregon made the motion.

Mr. VANDENBERG. Will the Senator yield?

Mr. STEIWER. I yield.

Mr. VANDENBERG. It is my view that if the motion to reconsider, with instructions to report at the next session, shall be carried, it will preclude the necessity for any further debate, and therefore the logical thing is to take a vote now on the motion to recommit.

Mr. WALSH. Mr. President, it seems to me it would be helpful to the Committee on Finance, assuming it to be desirable to recommit the bill, to have the measure discussed on the floor in order to get the views of the Members of the Senate. I hope the Senator will not press his motion until after the bill shall have been further discussed in the Senate.

Mr. STEIWER. I think there is much in the suggestion which was made by the Senator from Massachusetts that it would be well, on account of the great importance of the subject, and also on account of the importance of the motion made by my colleague the Senator from Michigan, that the motion be very thoroughly debated and considered. However, I do not know that there is any large number of Senators interested in the further presentation of this matter.

Now I wish, as I had started to do, to call attention to another phase of the tax subject which, to my mind, is very important. June 12, 1934, Congress passed a tariff treaty law, and under it our State Department has been carrying on negotiations with a number of the countries of the world. Four treaties have already been negotiated, others are under negotiation, still others are in contemplation. It is beginning to be quite evident that if the State Department shall be permitted to proceed unampered before a great while it will have revised a great part of the tariff law of this country.

I make no reference at this time to the economic aspects of that transformation, much less to the theory of protection, or the political questions which are involved. I refer to the subject only to say that this readjustment in the tariff structure has a very pronounced and immediate effect upon the revenues of our country. It is said with respect to the Cuban tariff agreement that the decreases in duties upon sugar and upon tobacco—upon two items alone—will reduce our revenues in an amount approximating $50,000,000 a year. I have been told by those who are students of the revenues derived by our Government from the customs duties that if the various treaties which are now under contemplation are actually entered into, almost immediately our Treasury will suffer a loss in customs duties which will amount to something near $250,000,000 per year. I call attention to this figure at this time because it happens to approximate the figure which is estimated as the yield under the pending bill, and because I wish to suggest to those who are listening to me that the real question involved here is not so much the taxation of the rich nor the taxation of the poor. The real question involved here is a question of governmental powers.

Congress delegated to an executive department the authority to carry on treaty negotiations, and to give away or forego the revenues which may amount to a quarter of a billion dollars per year. Now if Congress shall pass the pending bill, and we delegate to the administrative agencies further authority to make the appraisal which the Federal agents put upon the estate at the time of the collection of the tax from the taxpayer Congress will have delegated still greater authority to the administrative agencies. First we substitute for one revenue of approximately $250,000,000 another revenue estimated at $250,000,000, and then we leave the matter at least 50 percent in the hands of those who are collecting the taxes.

Mr. GORE. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. GORE. I desire to ask the Senator if he thinks the estimate can be well founded or reliable that these trade agreements would reduce our receipts from the customs duties as much as $250,000,000. As I recall the total receipts from customs are slightly above $300,000,000.

Mr. STEIWER. No; they are more than that, Mr. President.

Mr. GORE. They are not much more.

Mr. STEIWER. At times they have been as much as $600,000,000.

Mr. GORE. I know they have been at times, but that was when we were doing a great deal of trading.

Mr. STEIWER. And even in these times it is quite possible that the wholesale basis upon which the State Department proposes to make these reductions in duties will result in the loss to the Treasury of customs duties approximating $250,000,000, or some other sum nearly as great.

Mr. GORE. I will say to the Senator that I find the receipts from customs duties for the fiscal year 1934 amounted to $313,000,000 and for the fiscal year ending June 30, 1935, to $343,000,000, and I could not conceive it possible that there would be a loss of five-sixths of that amount.

Mr. STEIWER. I tested that estimate with respect to the Cuban duties, and I found that in the Cuban duties the rate

upon sugar, which was formerly 2 cents per pound, had been cut down to something under 1 cent, and that that loss in the Cuban duties was estimated on sugar alone at about $44,000,000 per year.

Mr. GORE. I know sugar brings in a large percentage of our total revenues from customs.

Mr. STEIWER. The tobacco duty in respect to Cuba, I think has been reduced enough to bring the total to $50,000,000, and there will be some additional losses in the Cuban duties which have not been taken into calculation.

Mr. GORE. I should think that the reduction might approximate $50,000,000 on sugar, but I feel certain that it could not be five-sixths of the total amount collected from customs duties.

Mr. STEIWER. The figure which I have used may be too high, but it is not as much too high as the Senator from Oklahoma may assume. The estimate made for me was made by two persons—one an economist who spends a good deal of his time in consideration of tariff matters, and the other by a former member of the Tariff Commission.

Mr. LEWIS. Mr. President, will the Senator yield for a question?

Mr. STEIWER. I yield.

Mr. LEWIS. I am very much interested in this phase of the discussion. Does the Senator mean to intimate his belief that the treaties which are already executed or those which he understands have been proposed and may be executed carry the possibility of a loss of $250,000,000 in customs revenue?

Mr. STEIWER. In making the computation those who furnished me the figure took into consideration the four treaties already executed, plus those which are now under negotiation, and which it is assumed may be executed at some time in the near future.

Mr. President, I refer to this subject not because it is controlling with respect to a tax bill presently pending before the Senate, but because I desire to emphasize the confusion of mind and purpose which permits an administration of our Government by the process of delegation of power and by hastily considered tax legislation to substitute one sort of taxes for another to an extent which may conceivably be $250,000,000, but which if only $150,000,000 would use up 60 percent of the estimated yield of the pending bill. It is this sort of situation against which I wish to protest. I cannot believe that there will be one step taken in the direction of recovery if the tax policy of our Government is to remain as loose, immature, and as poorly digested as is indicated by this bill.

I now refer briefly to the theory upon which our tax policy might proceed. I shall content myself to make just one or two brief observations about it.

In the first place, the situation produced by delegated power, with dwindling revenues at the customhouse, and the creation of new taxes born in moments of uncertainty, administered by agents who may be generous in their appraisals or who may not be generous in their appraisals, all tends to bring about a condition of aimless uncertainty. It all tends to bring about a situation where recovery is retarded, first, by the higher tax upon industry and enterprise, and, second, by the degree of uncertainty in which the country finds itself.

I call attention in this connection to a fact which every Senator knows and which every member of the Finance Committee particularly knows, and that is that the rate of tax does not determine the yield. The rate of tax taken in connection with the condition of business in the country is what determines the net yield.

Let me call attention to some very interesting figures. The income taxes of our Government for the fiscal year ending June 30, 1926, according to the reports in my possession, amounted to $1,982,000,000 plus. The same for the fiscal year ending June 30, 1934, amounted to $818,000,000. I take the year 1926 because some like to refer to that as a year of normal business conditions. That is the year to which some of our economists would like to return. It is not the highest in business turnover and profits, nor is it the lowest. Whether it be the precise year that ought to be taken or not, it is fairly near the standard of what a prosperous condition ought to produce in the country.

To me it is an eloquent fact that in that year lower rates produced nearly $2,000,000,000, whereas in the year 1934 increased rates produced less than $1,000,000,000. I insist that it is not the rate which makes the revenue. It is the rate plus the activity and the condition of business. The proposed taxes, poorly considered as they are, brought hastily before the country, at least in part in violation of the President's theory, in contradiction of the idea of the House of Representatives, born of 5 or 6 days of consideration, and then heralded forth as the solution of the tax question of this country, will do more to retard recovery than most anything else the Congress could do at this time.

The net result, with the higher rates applied under a lower standard of business conditions, where recovery is retarded, will bring, not additional revenue to the Treasury but less revenue than our Treasury is receiving at this time.

I am almost ready to say that the estimate of the experts of the committee that the bill will yield $254,000,000 per year is a more hazardous estimate than the estimates of customs losses to which I made reference a little while ago. The bill will not yield $254,000,000 a year if it discourages enterprise and prevents recovery at this crucial time in our history.

The tax bill, without definite plan, brings burdens without benefit. It is a sort of expression of futility without any compensating net gain to our people. To my mind, there is no argument against the recommitment of the bill. There is no one fair argument against further consideration by the Finance Committee of the Senate.

It has been pointed out already that no taxes will be collected under the bill between now and the beginning of the next session of Congress. There is nothing at all before us at this moment save a frenzied effort to dispose of a poorly drawn piece of legislation. The taxes could be collected later under a law enacted next January or February. Our country would have an opportunity to express itself, our business people an opportunity to ascertain the effect of the tax upon them, our economists an opportunity to make their study, our committee an opportunity to give further time to the question, and then to bring back to the Senate a bill for which we will not be obliged to apologize at some future day.

To my mind, to all this there is only one fair answer, and that is to vote in behalf of the motion to recommit the bill and to get a good bill at an eventual date to supersede this hastily considered measure which is pending before us at this time.

Mr. HARRISON. Mr. President, I hope we may now have a vote on the motion to recommit the bill. I suggest the absence of a quorum.

Mr. McNARY. Yes; let there be a quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Lonergan	Schall
Ashurst	Costigan	McGill	Schwellenbach
Austin	Davis	McKellar	Sheppard
Bachman	Dieterich	McNary	Shipstead
Bailey	Pletcher	Maloney	Smith
Bankhead	Frazier	Metcalf	Steiwer
Barbour	George	Minton	Thomas, Okla.
Barkley	Gerry	Moore	Thomas, Utah
Bilbo	Gibson	Murphy	Townsend
Black	Glass	Murray	Trammell
Bone	Gore	Neely	Truman
Borah	Guffey	Norbeck	Tydings
Brown	Hale	Norris	Vandenberg
Bulkley	Harrison	Nye	Van Nuys
Bulow	Hastings	O'Mahoney	Wagner
Burke	Hatch	Overton	Walsh
Byrd	Hayden	Pittman	Wheeler
Byrnes	Johnson	Radcliffe	White
Carey	King	Reynolds	
Chavez	La Follette	Robinson	
Connally	Lewis	Russell	

Mr. LEWIS. Mr. President, I rise to reannounce the absence of certain Senators and the causes therefor as stated by me on a previous roll call.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

Mr. HARRISON. Mr. President, may we now have a vote on the motion of the Senator from Michigan?

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The question is on the motion of the Senator from Michigan [Mr. VANDENBERG] to recommit the bill to the Committee on Finance, with instructions.

Mr. McNARY. On that motion I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). On this question I have a pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the Senator from Idaho [Mr. POPE], and will vote. I vote "nay."

The roll call was concluded.

Mr. BARKLEY. I announce the unavoidable absence of my colleague [Mr. LOGAN], and that, if present, he would vote "nay."

Mr. AUSTIN. I announce the following pairs:

The Senator from Iowa [Mr. DICKINSON] with the Senator from Mississippi [Mr. BILBO]; and

The Senator from Delaware [Mr. HASTINGS] with the Senator from Wisconsin [Mr. DUFFY].

The Senator from Delaware [Mr. HASTINGS] is necessarily absent. If present, he would vote "yea", and the Senator from Wisconsin would vote "nay."

The Senator from New Hampshire [Mr. KEYES] also is necessarily absent. If present, he would vote "yea."

Mr. BULKLEY. I have a general pair with the senior Senator from Wyoming [Mr. CAREY], who is absent. Not knowing how he would vote, I withhold my vote.

Mr. DAVIS (after having voted in the affirmative). Has the junior Senator from Kentucky [Mr. LOGAN] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. DAVIS. I have a general pair with the Senator from Kentucky. Not knowing how he would vote, I withdraw my vote.

Mr. LEWIS. I announce that the Senator from Arkansas [Mrs. CARAWAY], the Senator from Missouri [Mr. CLARK], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Oklahoma [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from California [Mr. McADOO], the Senator from Nevada [Mr. McCARRAN], the Senator from Idaho [Mr. POPE], the Senator from Indiana [Mr. VAN NUYS] are necessarily detained from the Senate.

The Senator from West Virginia [Mr. HOLT] is detained by illness.

The Senator from New York [Mr. WAGNER] is detained at a conference at the White House. I am advised that if present and voting he would vote "yea."

The Senator from Rhode Island [Mr. GERRY] is also unavoidably detained. If present, he would vote "yea."

Mr. BILBO (after having voted in the negative). I note the absence of my pair, the Senator from Iowa [Mr. DICKINSON]. Not knowing how he would vote, I transfer my pair with him to the Senator from Indiana [Mr. VAN NUYS], and will let my vote stand.

The result was announced—yeas 19, nays 55, as follows:

YEAS—19

Austin	Gibson	Metcalf	Tydings
Barbour	Glass	Moore	Vandenberg
Burke	Hale	Schall	Walsh
Byrd	Lonergan	Steiwer	White
Copeland	McNary	Townsend	

NAYS—55

Adams	Chavez	Lewis	Radcliffe
Ashurst	Connally	McGill	Reynolds
Bachman	Costigan	McKellar	Robinson
Bailey	Dieterich	Maloney	Russell
Bankhead	Fletcher	Minton	Schwellenbach
Barkley	Frazier	Murphy	Sheppard
Bilbo	George	Murray	Shipstead
Black	Guffey	Neely	Smith
Bone	Harrison	Norbeck	Thomas, Okla.
Borah	Hatch	Norris	Thomas, Utah
Brown	Hayden	Nye	Trammell
Bulow	Johnson	O'Mahoney	Truman
Byrnes	King	Overton	Wheeler
Capper	La Follette	Pittman	

NOT VOTING—22

Bulkley	Davis	Hastings	McCarran
Caraway	Dickinson	Holt	Pope
Carey	Donahey	Keyes	Van Nuys
Clark	Duffy	Logan	Wagner
Coolidge	Gerry	Long	
Couzens	Gore	McAdoo	

So Mr. VANDENBERG's motion to recommit was rejected.

H. C. HOPSON AND W. A. HILL

Mr. BLACK. Mr. President, on behalf of myself and the entire committee acting under Senate Resolution No. 165, I send to the desk a resolution for which I ask immediate consideration.

The VICE PRESIDENT. The Senator from Alabama submits a resolution which will be read.

The resolution (S. Res. 186) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the President of the Senate issue a citation directing H. C. Hopson and W. A. Hill to show cause, if any they have, why they should not be punished for contempt of the Senate on account of their efforts to prevent the service of process of the special Senate committee under Senate Resolution No. 165 upon H. C. Hopson and by reason of the failure and refusal of the said H. C. Hopson to appear before the said special Senate committee to give testimony in accordance with the summons served upon him on August 14.

Mr. BLACK subsequently said: Mr. President, I ask unanimous consent that the President of the Senate be given the right to sign the citation which has been ordered by the Senate in connection with the proceedings against Mr. Hopson and Mr. Hill.

The VICE PRESIDENT. When the Senate is not in session?

Mr. BLACK. Yes; when the Senate is not in session.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

The VICE PRESIDENT. The clerk will state the first amendment of the committee.

Mr. McNARY. Mr. President, is not the Senator from Mississippi satisfied to have the Senate now take a recess?

Mr. HARRISON. I had hoped that we might finish with the first amendment.

Mr. LA FOLLETTE. Mr. President, I am sure it is not necessary for me to state to the Senator from Mississippi that I am very anxious to make progress with the bill, but it so happens that the amendments which I desire to offer all have to come in the nature of a substitute for the first committee amendment to the individual income-tax schedule, and unless it were contemplated to hold the Senate in session for some considerable time I should prefer not to take up the amendments now and to have their consideration interrupted by a recess.

Mr. HARRISON. Mr. President, would it be satisfactory then if we should pass over the first amendment and proceed with some of the other amendments to which there is no objection?

Mr. LA FOLLETTE. That will be perfectly agreeable to me.

Mr. HARRISON. Would that be agreeable to the Senator from Oregon? I would not ask the Senate to proceed beyond 5:30 o'clock, say.

Mr. McNARY. I think we have made wonderful progress, and I am equally anxious to get through with the bill, but it is 5 o'clock, and there is much to be done in our offices, and I think the Senate should now take a recess.

Mr. HARRISON. The Senate, of course, is showing a fine inclination to speed along the consideration of the bill, and I hope that it will be possible to conclude the consideration of the bill by Friday.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of the Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

Hugh H. Watson, of Vermont, now a Foreign Service officer of class 3 and a consul, to be a consul general; and

Findley B. Howard, of Nebraska, to be Envoy Extraordinary and Minister Plenipotentiary to Paraguay.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of Columbus C. Goza to be postmaster at Magnolia, Miss., in place of S. W. Pendarvis.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

ARMY PROMOTIONS UNDER PROMOTION ACT

Mr. SHEPPARD. Mr. President, from the Committee on Military Affairs I report quite a number of nominations, representing promotions brought about automatically as a result of the Army Promotion Act. In view of the fact that it would be quite expensive to publish all these names in the Executive Calendar, and in view of the fact that they are of a routine nature, I ask unanimous consent that the nominations of those officers whose names are not marked with the symbol (x) be confirmed subject to physical examination; that the nominations of the others be confirmed without condition; and that the President be notified of all the confirmations.

The VICE PRESIDENT. Is there objection? The Chair hears none; the nominations are confirmed as requested by the Senator from Texas, and the President will be notified.

DEFERRED POST-OFFICE NOMINATIONS

Mr. McKELLAR. Mr. President, we are approaching the close of the session, I hope, and I desire to call attention to the fact that there are about 200 post-office nominations which have been held in the committee at the request of various Senators. I hope the Senators will examine these nominations, and act on them as soon as possible.

THE CALENDAR

The VICE PRESIDENT. If there be no further reports of committees, the calendar is in order.

RESETTLEMENT ADMINISTRATION

The legislative clerk read the nomination of J. H. Jenkins, of Colorado, to be regional director.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. ROBINSON. I ask that the nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate resume legislative session.

The motion was agreed to; and the Senate resumed legislative session.

SIGNING OF THE SOCIAL-SECURITY BILL

Mr. HARRISON. Mr. President, it has just been my pleasure to be present when the President of the United States attached his signature to the social-security bill. In my opinion, this will prove one of the most beneficial pieces of legislation enacted by this administration. I am happy to have had a part in its enactment, and I am sure that other Senators who participated are happy to have had a part in it.

There was published in the New York Times on Saturday, August 10, a very fine analysis of the social-security bill, in this connection I ask to have it inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of Aug. 10, 1935]

SUMMARY OF BENEFITS PROVIDED IN SOCIAL-SECURITY BILL

WASHINGTON, August 9.—The social-security bill which went to President Roosevelt today is divided in its essential provisions into two parts, one dealing with the long-range plan of President Roosevelt for insuring Americans against "major hazards of our economic mechanism", and the other carrying special and immediate aid to the States in caring for dependent unemployables.

In the former group are provisions for old-age pensions and unemployment insurance, and in the latter are the sections dealing with assistance to needy aged, dependent children, mothers, crippled children, the indigent disabled, and the blind.

OLD-AGE ASSISTANCE

The bill authorizes an appropriation of $49,750,000 for the current fiscal year and so much as may be needed thereafter to assist the States in caring for the aged, persons over 65 years of age. Grants are authorized on a 50-50 basis, with the stipulation that the Federal Government's share shall in no case exceed $15 a month.

CONTRIBUTORY OLD-AGE PENSIONS

The bill provides a long-range old-age pension system, to be financed by an income tax on employees and a pay-roll tax on employers, starting in each case at 1 percent in 1937 and rising each 3 years until 1949, when each contribution is to be 3 percent.

Under the operation of the system each qualified worker who retires at the age of 65 years, but not prior to January 1, 1942, will receive a monthly pension until his death. The rate of payment will vary from $10 to $85 a month, depending upon the total amount of wages earned by the beneficiary after December 31, 1936, and before he reaches the retirable age. Lump-sum settlements are to be made to estates of qualified beneficiaries who die before reaching the age of 65.

UNEMPLOYMENT INSURANCE

The bill provides a Federal-State system of unemployment compensation, based upon a pay-roll excise tax upon employers. It provides that on and after January 1, 1936, employers of eight or more persons, or less if determined by the States, will be assessed excise taxes on their pay rolls of 1 percent in 1936, 2 percent in 1937, 3 percent in 1938 and subsequent years.

The funds so collected to be paid to employees on period of unemployment, according to laws and rules adopted by the States.

The bill allows the States the widest discretion in setting up laws suited to their own requirements, allows a credit up to 90 percent to employers on account of taxes paid into strictly State unemployment funds, and grants a Federal subsidy, $4,000,000 in 1936 and $49,000,000 annually thereafter, to assist the States in administering their laws.

AID TO DEPENDENT CHILDREN

The bill authorizes $24,750,000 for the current fiscal year and such amounts as may be needed in future years to assist the States in providing aid to dependent children. Grants are to be made on the basis of one-third by the Federal Government and two-thirds by the States, with the Federal allowance limited to $6 a month for a single child and $4 a month for any other child in the same household.

AID TO MOTHERS AND CHILDREN

The bill authorizes an appropriation of $3,800,000 a year to aid the States in promoting the health of mothers and children, "especially in rural areas and in areas suffering from severe economic distress."

MEDICAL CARE OF CRIPPLED CHILDREN

It authorizes $2,850,000 a year for assistance in the States in providing surgical, corrective, and other services and facilities for crippled children.

AID TO HOMELESS AND NEGLECTED CHILDREN

An appropriation of $1,500,000 is authorized by the bill to aid State welfare agencies in caring for homeless and neglected children.

REHABILITATION OF DISABLED

The bill authorizes Federal expenditures of $841,000 for the fiscal years 1936 and 1937, $1,938,000 a year thereafter to supplement State programs for vocational rehabilitation of the physically disabled.

PUBLIC HEALTH

An annual appropriation of $8,000,000 is authorized for assistance to the States and their political subdivisions in maintaining public health service.

AID TO THE BLIND

The bill authorizes $3,000,000 to aid the States on a 50-50 basis in pensioning the needy blind.

Administration of these provisions will be lodged in an independent bureau to be known as the "Social Security Board." The most immediately popular section of the entire bill is that dealing with immediate grants to the States of old-age assistance incorporated as title I of the bill.

It provides for the payment of old-age assistance to persons over 65, grants to be made on equal matching basis, the Federal

Government furnishing 50 percent and the States matching these grants with another 50 percent, except that in no individual case shall the Federal Government's share exceed $15 a month.

The Federal grants will be extended only to those States whose old-age assistance plans have been approved by the Social Security Board as complying with the requirements of the act.

To be approved, a State plan must be State-wide in operation, an individual to whom is denied old-age assistance must have the right to a fair hearing before a State agency, and some requirements are made as to reports, accounting, etc. The applicant for assistance under this title must be at least 65, although the State is empowered to make the limit as high as 70 until 1940.

Assistance shall not be denied to a person on the ground that he has not been resident long enough, if he has lived in the State for 1 year immediately preceding application, or for any 5 years out of the 9 immediately preceding.

PENSION PROVIDED AT 65

The old-age pension plan carried in title II provides for the payments of cash benefits to every individual who has attained the age of 65 and has fulfilled certain requirements. The benefits are to be paid to him monthly as long as he lives, in an amount proportionate to the total amount of wages received by him for employment before he attained the retirable age.

For the purpose of building up sufficient moneys to pay the benefits provided in this title, there is created in the Federal Treasury a fund to which an annual appropriation beginning with the fiscal year 1937 is authorized.

The amount of such appropriations will vary from year to year, but the amount appropriated for any one year shall be determined in accordance with accepted actuarial principles and on the basis of such mortality tables as the Secretary of the Treasury shall from time to time adopt and which, at 3 percent interest compounded annually, shall be sufficient to build up the required reserve.

To reimburse the Treasury for these appropriations, the bill imposes a tax upon both the employer and the employee, based upon the payments in wages to the latter. The tax on the employee is called an income tax, and the tax upon the employer is known as an excise tax. The rate on each is the same, beginning with 1 percent for the calendar years 1937, 1938, and 1939; 1½ percent for the calendar years 1940, 1941, and 1942; 2 percent for 1943, 1944, and 1945; 2½ percent during 1946, 1947, and 1948; and 3 percent thereafter.

The bill requires that all of these taxes be collected from the employer, but permits him to deduct the employee's part from his wages. To insure collection of the tax, the employer is made personally liable for it.

The tax on the employee is to be assessed against only that part of his wages less than $3,000 a year. Benefits are to be paid, under the bill, in cash. The following table illustrates how the plan will operate:

Average monthly salary	Pension based on years of employment—			
	10	20	30	40
$50	$17.50	$22.50	$27.50	$32.50
$100	22.50	32.50	42.50	51.25
$150	27.50	42.50	53.75	61.25
$200	32.50	51.25	61.25	71.25
$250	37.50	56.25	68.75	81.25

TAX FOR JOB INSURANCE

The unemployment insurance carried in title IX levies on employers an excise tax payable annually, measured by the total wages paid to his employees, and allows each taxpayer to credit against the amount of his tax 90 percent of what he pays under State laws. The tax is imposed ostensibly for the privilege of having more than eight individuals in his employ.

The rate of tax is specified at 1 percent for 1936, 2 percent for 1937, and 3 percent thereafter. No restrictions are laid on the States as to the amount of unemployment insurance they may pay or the classes of workers who may be eligible.

The money so collected is to be held in trust by the Federal Treasury, with the respective State agencies administering State unemployment-compensation laws as beneficiaries. Disbursements are to be made out of the fund under the authority of State laws, as approved by the Social Security Board, for the benefit of the unemployed during periods of stress.

All money withdrawn from the unemployment trust fund by the State authorities shall be used for the purpose of compensation, and none of it for administrative costs. The Government appropriates, under the terms of the bill, a sum to carry on the administrative expenses, beginning with $4,000,000 for the year 1936 and granting $49,000,000 for subsequent years.

STATES' LATITUDE IS WIDE

The States have the widest possible latitude to set up their own unemployment compensation systems, with the following general specific limitations:

That compensation shall be paid through public unemployment officers of the State.

That no compensation shall be paid until after the expiration of 2 years from the time contributions start.

That all money paid into the State unemployment fund shall be paid into the unemployment trust fund in the Federal Treasury.

That no person otherwise eligible shall be denied compensation on the ground that he refused to take a job when his denial is due to the fact that the position offered him is vacant due directly to a strike, lockout, or labor dispute, or to the fact that wages, hours, and other working conditions are less favorable than those prevailing in the locality, or that as a condition of employment he must join a company union or refrain from joining any other organization.

That the State law must contain a provision indicating that any rights, privileges, or immunities conferred under it may be taken away by the subsequent amendment or repeal of the law.

Sections relating to the other benefits are simple in their terms and merely provide the conditions under which the Government may grant money to be used to supplement State funds in caring for such dependent unemployables as is specified.

The Social Security Board will be composed of three members, no more than two of whom shall belong to the same political party. They are to be appointed by the President, by and with the advice and consent of the Senate, each receiving a salary of $10,000 a year.

The terms of office will be for 6 years, except that of the first three members appointed, one will hold office for 2 years, another for 4 years, and the third for 6 years. The President is to designate the chairman of the Board.

FEDERAL CONTROL OF ALCOHOLIC LIQUORS—APPOINTMENT OF CONFEREE

Mr. McNARY. Mr. President, is it the desire of the Chair at this time to appoint the conferees on the alcohol control bill?

The VICE PRESIDENT. The Chair understands that one of those appointed as a conferee is absent from the city.

Mr. HARRISON. Mr. President, I was about to call attention to the fact that I have been informed that the Senator from New Hampshire [Mr. KEYES] is not in the city, and that some other Senator should be appointed in his absence to take his place, because the conferees will meet tomorrow morning at 10.30 o'clock.

The VICE PRESIDENT. If there is no objection, the Chair will appoint, in place of the Senator from New Hampshire [Mr. KEYES], the Senator from Rhode Island [Mr. METCALF].

PENSIONS FOR NEEDY BLIND PERSONS

Mr. KING. Mr. President, sometime ago the House of Representatives passed what is called the "blind bill"; it came to the Senate and was referred to the Senate Committee on the District of Columbia, and was unanimously reported by that committee to the Senate.

A number of errors in phraseology and one or two other defects were discovered. This morning the Senate committee considered the measure and unanimously instructed me to report the bill with an amendment, which is practically the same as the House bill now on the calendar. I ask unanimous consent for the immediate consideration of the bill.

Mr. McNARY. Mr. President, may I ask the Senator whether the bill was reported by the full committee today?

Mr. KING. It was.

The VICE PRESIDENT. The Chair does not exactly understand the request of the Senator from Utah. Is he asking for the reconsideration of a bill?

Mr. KING. No; the bill is on the calendar. The Committee on the District of Columbia believed that a few amendments should be made, and today the full committee went over the bill and made the amendments, and instructed me to report a substitute for the bill now on the calendar.

The VICE PRESIDENT. Without objection, the bill, as reported today, will be placed on the calendar. The Chair hears no objection.

Mr. KING. Mr. President, I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate proceeded to consider the bill (H. R. 5711) to provide pensions for needy blind persons of the District of Columbia, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause and to insert the following:

That the Board of Commissioners of the District of Columbia (hereinafter called the "Board") is hereby authorized and directed to enforce the provisions of this act for the purpose of maintaining, supporting, and caring for needy blind persons who

are residents of the said District of Columbia, citizens of the United States, and not inmates of any institution supported in whole or in part by the Federal or District Governments, and said Board shall have the power to make and enforce all proper rules and regulations therefor, including the definitions of "blindness" and of "needy individuals" and the power to make and require any reports required by the Federal Social Security Board or otherwise authorized or required by law. The said Board may intrust the carrying out of the provisions of this act, or any of them, to any agency of the government of the District of Columbia which said Board may designate.

SEC. 2. As used in this act, the term "needy blind person" shall be construed to mean any person who by reason of the loss or impairment of eyesight is of such condition that he cannot be rehabilitated for self-support through the facilities offered by the Vocational Rehabilitation Service for the District of Columbia, United States Office of Education, and who is unable to provide himself with the necessities of life and who has not sufficient means of his own to maintain himself and who is otherwise qualified as further set forth in this act, and nothing in this act shall prevent any blind person in sound mental and physical condition who is an inmate of an institution for the care of the indigent from applying for the benefits under this act on the condition that they leave such institution upon the granting of such relief.

SEC. 3. In order that any person who shall have become blind while a resident of the District of Columbia may be entitled to aid under the provisions of this act such person must be at least 16 years of age and a resident of the District of Columbia for 1 year next preceding his application for aid hereunder: *Provided*, That in order that any person whose blindness originated while he was not a resident of the District of Columbia may be entitled to aid hereunder, such person must be at least 21 years of age and must have been a bona fide resident of the District of Columbia for a period of 5 years during the 9 years immediately preceding the filing of his application for aid hereunder and must have resided in the District of Columbia continuously for at least 1 year immediately preceding the date of the application: *And provided further*, That nothing in this act shall be construed to repeal or render void, so far as blind persons are concerned, any existing statutes which create or define a liability on the part of certain persons to support and provide for poor relatives.

SEC. 4. To receive aid under this act the applicant shall file his application with the Board or its designated agency, accompanied by an affidavit signed by himself stating his age, sex, places of residence during the period stipulated in the District of Columbia, his financial resources, and incomes, the name and address of his next of kin, degree of blindness, how long blind, what employment he has had, his general physical condition, and such other information as the Board or its designated agency may designate.

SEC. 5. No aid shall be granted hereunder until the Board or its designated agency is satisfied from the evidence of at least two reputable citizens of the District of Columbia that they know the applicant has the residential qualifications to entitle him to the aid asked for, and from the evidence of a duly licensed and practicing oculist whose duty it shall be to describe the condition of the applicant's eyes and to testify to his blindness, which evidence shall be in writing subscribed to by such witnesses, subject to the right of cross-examination by either the Board or its designated agency; and if the Board or its designated agency is satisfied by such testimony that the applicant is entitled to aid hereunder, it shall, without delay, allow such sum as it finds needed: *Provided*, That no aid shall be furnished any individual with respect to any period with respect to which he is receiving old-age assistance: *Provided further*, That in the case of a blind dependent child living with its parents or parent such aid shall not exceed $30 per month: *And provided further*, That any agency designated by the Board hereunder shall transmit to the Board a record of its actions in granting or refusing to grant aid to each blind applicant, and any blind applicant who is dissatisfied with the finding of such agency regarding his application for aid may appeal to the Board, who shall grant such applicant a full hearing, after reasonable notice, and shall then consider the application; and if a majority of the Board in attendance at a meeting at which a quorum is present shall find that the applicant is entitled to aid under the provisions of this act, they shall then and there award such aid as they deem proper.

SEC. 6. The Board or its designated agency shall investigate annually, or oftener, the qualifications of blind persons who receive aid hereunder, and may increase or decrease the allowance within the limits prescribed by this act; or if said designated agency is satisfied that any person receiving aid under this act is not entitled to such aid, it shall discontinue such aid and shall forthwith notify such person and the Board of such action: *Provided, however*, That the person receiving such aid may take an appeal to the Board from such action as if it were an original application for aid: *And provided further*, That such an appeal must be filed within 60 days from the notification by the designated agency to the beneficiary hereunder of the intended reduction or discontinuance of aid. If any such appeal be filed, the said aid shall be restored pending the findings of the Board on said appeal.

SEC. 7. No person shall be eligible to receive aid under the provisions of this act who, after receiving said aid publicly solicits alms in any manner, either by wearing, carrying, or exhibiting sign denoting blindness for the securing of alms, or by any signs calling attention to blindness exhibited on wares and merchandise, or the carrying of receptacles for the purpose of securing alms, or the doing of the same by proxy, or by stationary or house-to-house begging, or any other means of publicly securing aid.

SEC. 8. Any person qualifying for and receiving aid hereunder who removes himself from the jurisdiction of the District of Columbia and thereby ceases to be a resident, shall no longer be entitled to the benefits and aid under the provisions of this act. Absence for a reasonable length of time, as designated by the Board, shall not work a forfeiture hereunder.

SEC. 9. The benefits hereof shall not be granted to any person between the ages of 16 and 55 years who, having no occupation and being both physically and mentally capable of some useful occupation, or of receiving vocational or other training, refuses for any reason to engage in such useful occupation, or refuses to avail himself of such vocational or other training: *Provided*, That no person shall be entitled to the benefits of this act who shall refuse to submit to any treatment or operation for blindness when such treatment or operation is recommended by three examining oculists and approved by the Board or its designated agency.

SEC. 10. No person shall be eligible to the benefits of this act who shall hereafter either intentionally deprive himself of his eyesight or assist in the destruction thereof by others; or hereafter shall lose his eyesight during the perpetration of a criminal offense; or shall hereafter lose his eyesight by reason of vicious habits.

SEC. 11. The kindred of any persons otherwise entitled to aid under the provisions of this act, in line and degree of spouse, father, child, or grandchild living in the District of Columbia and of sufficient ability so to do shall be bound to support such person, in the order above named and in proportion to their respective ability. If at any time during the continuance of aid the Board of Commissioners or its designated agency has reason to believe that a spouse, father, child, or grandchild is reasonably able to assist him, it shall be empowered to bring suit, after notifying such person of the amount of such aid, against such spouse, father, child, or grandchild to recover the amount of such aid provided under this act, or such part thereof as such spouse, father, child, or grandchild was reasonably able to pay.

SEC. 12. At the death of a recipient of aid under this act, or of the last survivor of a married couple, either one of whom have received aid, the total amount of aid since the first grant, together with simple interest at the rate of 3 percent per annum, shall be deducted and allowed by the proper courts out of the proceeds of his property as a preferred claim against the estate of the person so assisted, and refunded to the Treasurer of the United States to the credit of the District of Columbia, leaving the balance for distribution among the lawful heirs in accordance with law: *Provided*, That upon sufficient cause, such as mismanagement, failure to keep in repair, or the inability of any recipient of aid properly to manage his property, the designated agency of the Board may demand the assignment or transfer of such property, or a proper part thereof, upon the first grant of such aid, or at any time thereafter that it deems advisable for the purpose of safeguarding the interest of an applicant or for the protection of the funds of the District of Columbia. Such agency shall establish such rules and regulations regarding the care, management, transfer, and sale of such property as it deems advisable and shall provide for the return of the balance of the claimant's property into his hands whenever the assistance is withdrawn or the claimant ceases to request it.

SEC. 13. Any person who attempts to obtain, or obtains, by false representation, fraud, or deceit, any allowance under this act, or who receives any allowance, knowing it to have been fraudulently obtained, or who aids or assists any person in obtaining or attempting to obtain an allowance by fraud, shall upon conviction in the police court of the District of Columbia be punished by a fine of not more than $500 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

SEC. 14. In order to carry out the provisions of this act there is authorized to be appropriated for the fiscal year ending June 30, 1936, the sum of $75,000, payable from the revenues of the District of Columbia, and for the fiscal year ending June 30, 1937, and annually thereafter, the Commissioners of the District of Columbia shall include in the estimate of appropriations for said District of Columbia, such an amount as may be necessary for this purpose; and the Board shall assign such personnel in the employ of the District of Columbia as may be necessary to administer this act; and said Board or its designated agency shall keep and render separate account of the funds expended and separate statistical reports of the persons aided, under the provisions of this act: *Provided*, That whenever necessary said Board shall appoint an acceptable member of the personnel to stand in loco parentis to any minor qualifying for aid hereunder.

SEC. 15. The Board of Commissioners or its designated agency is hereby authorized and directed to cooperate in all necessary respects with the Social Security Board of the United States Government in the administration of this act, and to accept any sums allotted or apportioned by such Board as are available under the provisions of the Social Security Act.

SEC. 16. The provisions of this act are to be liberally construed to effect its objects and purposes, and if any section, subsection, or subdivision of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to provide for needy blind persons of the District of Columbia and authorizing appropriations therefor."

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Thursday, August 15, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 14 (legislative day of July 29), 1935

FEDERAL BOARD FOR VOCATIONAL EDUCATION

The following-named persons to be members of the Federal Board for Vocational Education:

A. Lincoln Filene, of Massachusetts, for the unexpired term of 3 years from July 17, 1933, vice Edward T. Franks, term empired.

Clarence Poe, of North Carolina, for the unexpired term of 3 years from July 17, 1934, vice W. Harry King, term expired.

Henry Ohl, of Wisconsin, for the unexpired term of 3 years from July 17, 1935, vice Perry W. Reeves, term expired.

REGISTER OF LAND OFFICE

George A. Lingo, of Alaska, to be register of the Land Office at Anchorage, Alaska, vice George J. Love, deceased.

PROMOTIONS IN THE REGULAR ARMY

The following-named officers for promotion in the Regular Army of the United States, to rank from August 1, 1935. Those officers whose names are preceded by a symbol (x) have been examined and found qualified for promotion, all others are subject to the examination required by law.

To be colonels

Lt. Col. Gordon Rives Catts, Infantry.
Lt. Col. Henry Conger Pratt, Air Corps.
Lt. Col. Donald Cameron Cubbison, Field Artillery.
Lt. Col. Edwin Butcher, Infantry.
Lt. Col. Russell Vernon Venable, Infantry.
Lt. Col. Kinzie Bates Edmunds, Cavalry.
Lt. Col. Andrew Jackson White, Adjutant General's Department.
Lt. Col. Walter Scott Drysdale, Infantry.
Lt. Col. Matthew Henry Thomlinson, Infantry.
Lt. Col. Joseph Alexander Atkins, Infantry.
Lt. Col. Charles Fullington Thompson, Infantry.
Lt. Col. Thomas Leslie Crystal, Infantry.
Lt. Col. Ralph Rigby Glass, Infantry.
Lt. Col. Erle Martin Wilson, Infantry.
Lt. Col. Merrill Ellicott Spalding, Infantry.
Lt. Col. Joseph James Grace, Signal Corps.
Lt. Col. Joseph Alexander McAndrew, Infantry.
Lt. Col. Richard Rembert Pickering, Adjutant General's Department.
Lt. Col. Gerald Clark Brant, Air Corps.
Lt. Col. Clement Hale Wright, Infantry.
Lt. Col. William Ross Scott, Infantry.
Lt. Col. Napoleon William Riley, Quartermaster Corps.
x Lt. Col. Otto Louis Brunzell, Field Artillery.
Lt. Col. George Carson Lawrason, Infantry.
xLt. Col. James Barton Woolnough, Infantry.
Lt. Col. Innis Palmer Swift, Cavalry.
Lt. Col. Arthur Harrison Wilson, Cavalry.
Lt. Col. Walter Scott Fulton, Infantry.
Lt. Col. Sherburne Whipple, Adjutant General's Department.
Lt. Col. Harry Hawley, Infantry.
Lt. Col. Thomas Norton Gimperling, Infantry.
xLt. Col. Hugh Lawson Walthall, Adjutant General's Department.
xLt. Col. John Buchanan Richardson, Adjutant General's Department.
Lt. Col. Anton Caesar Cron, Infantry.
xLt. Col. John Clark Moore, Signal Corps.
Lt. Col. William Frederick Pearson, Adjutant General's Department.
Lt. Col. James Alexander Ulio, Adjutant General's Department.
Lt. Col. Charles Bernadou Elliott, Infantry.
Lt. Col. John Bunyan Corbly, Infantry.
Lt. Col. Charles Lewis Sampson, Infantry.
Lt. Col. John Walter Downer, Field Artillery.
Lt. Col. James Hatch Van Horn, Signal Corps.
xLt. Col. Cassius McClellan Dowell, Infantry.
Lt. Col. Albert Benjamin Kaempfer, Infantry.
Lt. Col. Forrest Elmer Overholser, Infantry.
Lt. Col. Charles Winder Mason, Infantry.
Lt. Col. Edmund Louis Gruber, Field Artillery.
xLt. Col. William Thomas Carpenter, Coast Artillery Corps.
Lt. Col. Benjamin Mart Bailey, Field Artillery.
Lt. Col. Ambrose Robert Emery, Infantry.
Lt. Col. Edmund Clivious Waddill, Infantry.
xLt. Col. DeWitt Clinton Jones, Corps of Engineers.
Lt. Col. Francis Bowditch Wilby, Corps of Engineers.
Lt. Col. Clarence Self Ridley, Corps of Engineers.
Lt. Col. Jarvis Johnson Bain, Corps of Engineers.
Lt. Col. Robert Spencer Thomas, Corps of Engineers.
Lt. Col. Roger Garfield Powell, Corps of Engineers.
Lt. Col. John Neal Hodges, Corps of Engineers.
xLt. Col. Thomas Marshall Spaulding, Adjutant General's Department.
xLt. Col. Rolland Webster Case, Ordnance Department.
xLt. Col. Norman Foster Ramsey, Ordnance Department.
Lt. Col. Benjamin Henderson Lorne Williams, Coast Artillery Corps.
Lt. Col. Thomas Dewey Osborne, Field Artillery.
xLt. Col. William Henry Dodds, Jr., Field Artillery.
Lt. Col. George Dillman, Cavalry.
Lt. Col. Philip John Radcliffe Kiehl, Ordnance Department.
Lt. Col. Adelno Gibson, Chemical Warfare Service.
Lt. Col. John Lee Holcombe, Coast Artillery Corps.
xLt. Col. Charles Lewis Scott, Cavalry.
Lt. Col. James Saye Dusenbury, Coast Artillery Corps.
Lt. Col. Lloyd Burns Magruder, Coast Artillery Corps.
Lt. Col. Robert Henry Lewis, Field Artillery.
Lt. Col. Ralph Talbot, Jr., Field Artillery.
xLt. Col. Arthur Willis Lane, Infantry.
Lt. Col. Walter Evans Prosser, Signal Corps.
xLt. Col. Henry Tacitus Burgin, Coast Artillery Corps.
xLt. Col. Bernard Lentz, Infantry.
xLt. Col. Clifford Lee Corbin, Quartermaster Corps.
Lt. Col. Frederick Coleman Test, Infantry.
Lt. Col. Owen Stedman Albright, Signal Corps.
Lt. Col. Hugh Hunt Broadhurst, Cavalry.
Lt. Col. Clifford Cabell Early, Infantry.
Lt. Col. Arthur William Holderness, Cavalry.
Lt. Col. Allan Rutherford, Infantry.
xLt. Col. Joseph Ray Davis, Field Artillery.
xLt. Col. Sherman Miles, Field Artillery.
Lt. Col. Charles Smith Caffery, Infantry.
Lt. Col. Allen Wyant Gullion, Judge Advocate General's Department.
Lt. Col. Louis Albert Kunzig, Infantry.
Lt. Col. John Pearson Bubb, Infantry.
Lt. Col. Clarence Andrew Mitchell, Adjutant General's Department.
Lt. Col. John Roy Starkey, Field Artillery.
Lt. Col. Joseph Edward Barzynski, Quartermaster Corps.
Lt. Col. Thomas Hixon Lowe, Adjutant General's Department.
Lt. Col. Torrey Borden Maghee, Infantry.
Lt. Col. William Whitehead West, Cavalry.
xLt. Col. Frederick Willis Manley, Infantry.
Lt. Col. Edward Joseph Cullen, Coast Artillery Corps.
Lt. Col. Henry Roland Smalley, Quartermaster Corps.
Lt. Col. Ira Longanecker, Air Corps.
Lt. Col. Robert Blaine, Cavalry.
Lt. Col. William James Connolly, Infantry.
Lt. Col. Felix Emmanuelli, Infantry.
Lt. Col. William Albert Johnson, Corps of Engineers.
Lt. Col. James Josephus Loving, Corps of Engineers.
Lt. Col. Edmund Leo Daley, Corps of Engineers.
Lt. Col. Henry Abercrombie Finch, Corps of Engineers.

Lt. Col. Edward Dahl Ardery, Corps of Engineers.
xLt. Col. Richard Coke Burleson, Field Artillery.
Lt. Col. Lloyd Patzlaff Horsfall, Coast Artillery Corps.
Lt. Col. Charles Gearhart Mettler, Ordnance Department.
Lt. Col. Forrest Estey Williford, Coast Artillery Corps.
xLt. Col. Earl McFarland, Ordnance Department.
Lt. Col. Joseph Andrew Green, Coast Artillery Corps.
Lt. Col. Jonathan Mayhew Wainwright, Cavalry.
xLt. Col. Walter Stephen Sturgill, Field Artillery.
Lt. Col. Charles Alexander Lewis, Infantry.
Lt. Col. Harold Wood Huntley, Field Artillery.
Lt. Col. Adna Romanza Chaffee, Cavalry.
Lt. Col. Edward White Wildrick, Field Artillery.
Lt. Col. Alexander Garfield Gillespie, Ordnance Department.
xLt. Col. Dawson Olmstead, Signal Corps.
xLt. Col. George Williamson DeArmond, Field Artillery.
Lt. Col. Frank Maxwell Andrews, Air Corps.
Lt. Col. Oscar Westover, Air Corps (Brigadier General, Assistant to the Chief of the Air Corps).
Lt. Col. Cortlandt Parker, Field Artillery.
xLt. Col. John Sedgwick Pratt, Coast Artillery Corps.
Lt. Col. Joseph Choate King, Cavalry.
xLt. Col. Martyn Hall Shute, Infantry.
Lt. Col. Ralph McTyeire Pennell, Field Artillery.
xLt. Col. Henry Black Clagett, Air Corps.
Lt. Col. Clyde Rush Abraham, Infantry.
Lt. Col. Pierre Victor Kieffer, Field Artillery.
Lt. Col. George Harris Paine, Field Artillery.
xLt. Col. Donald Allister Robinson, Cavalry.
Lt. Col. Rene Edward DeRussy Hoyle, Field Artillery.
Lt. Col. Ralph Allen Jones, Infantry.
Lt. Col. Horace Fletcher Spurgin, Coast Artillery Corps.
Lt. Col. Hugo Daniel Selton, Infantry.
xLt. Col. Max Akin Elser, Quartermaster Corps.
xLt. Col. William Torbert MacMillan, Adjutant General's Department.
Lt. Col. Jacob Earl Fickel, Air Corps.
Lt. Col. Bruce LaMar Burch, Cavalry.
xLt. Col. Rush Blodgett Lincoln, Air Corps.
Lt. Col. William Fletcher Sharp, Field Artillery.
Lt. Col. Bruce Magruder, Infantry.
Lt. Col. George Herman Huddleson, Quartermaster Corps.
Lt. Col. Henry Welles Baird, Cavalry.

To be lieutenant colonels

Maj. Joseph Benjamin Pate, Infantry.
Maj. Louis Clarence Wilson, Quartermaster Corps.
Maj. Charles Edwards Perry, Corps of Engineers.
xMaj. Henry Roy Bitzing, Judge Advocate General's Department.
Maj. Harry Anton Auer, Judge Advocate General's Department.
Maj. John Donaldson Easton, Infantry.
Maj. Charles Emmet McCarthy, Infantry.
Maj. Charles Henry Traeger, Ordnance Department.
Maj. William Mellard Connor, Judge Advocate General's Department.
Maj. Sam Inman McCants, Infantry.
Maj. John William Foos, Infantry.
Maj. Charles William Dyer, Infantry.
Maj. Laurence Stephen O'Toole, Infantry.
Maj. Roger Taylor, Ordnance Department.
Maj. Henry Lincoln Green, Quartermaster Corps.
Maj. George Blair, Infantry.
Maj. Elbert Johnston Lyman, Infantry.
Maj. Tom Kennan Price Stilwell, Infantry.
xMaj. Robert Kerr Alcott, Infantry.
xMaj. Lucius Meriwether Smith, Judge Advocate General's Department.
Maj. Mark Emmet Guerin, Judge Advocate General's Department.
Maj. Fred Warde Llewellyn, Judge Advocate General's Department.
Maj. Laurence Woodville Young, Infantry.
Maj. Ralph Waldo Wilson, Coast Artillery Corps.
Maj. Fred Mortimer Green, Coast Artillery Corps.
Maj. Delmar Samuel Lenzmer, Coast Artillery Corps.
Maj. Roland Wilbur Pinger, Ordnance Department.
Maj. Donald Armstrong, Ordnance Department.
Maj. Franklin Babcock, Coast Artillery Corps.
Maj. Hermann Heinrich Zornig, Ordnance Department.
xMaj. Gladeon Marcus Barnes, Ordnance Department.
Maj. Harvey Clark Allen, Coast Artillery Corps.
Maj. Edward Bennett Dennis, Coast Artillery Corps.
Maj. Leon Moffat Logan, Quartermaster Corps.
xMaj. Roger Baldwin Colton, Signal Corps.
Maj. Enrique Urrutia, jr., Infantry.
Maj. Arturo Moreno, Infantry.
Maj. Oliver Loving Spiller, Coast Artillery Corps.
Maj. James Madison White, Infantry.
Maj. Henry Bailey Barry, Quartermaster Corps.
Maj. James Warren Bagley, Corps of Engineers.
Maj. John Kay Clement, Ordnance Department.
Maj. Lawrence Hyskell Hedrick, Judge Advocate General's Department.
Maj. Robert John Halpin, Infantry.
Maj. Allen Fletcher, Infantry.
Maj. Bowyer Brockenbrough Browne, Corps of Engineers.
xMaj. Arthur Milton Heritage, Chemical Warfare Service.
Maj. Malcolm Elliott, Corps of Engineers.
Maj. Millard Fillmore Waltz, jr., Infantry.
Maj. Woodell Abner Pickering, Infantry.
Maj. Lee Sumner, Infantry.
xMaj. Myron Cady Cramer, Judge Advocate General's Department.
Maj. John Abdiel Smith, Judge Advocate General's Department.
Maj. George Wellington Graham, Ordnance Department.
Maj. John Henry Mellom, Quartermaster Corps.
Maj. Herbert Edward Pace, Finance Department.
Maj. John Emmitt Sloan, Field Artillery.
Maj. Alexander Wilson, Chemical Warfare Service.
Maj. Xavier Francis Blauvelt, Infantry.
Maj. Frank Dorwin Lackland, Air Corps.
Maj. Joseph Andrews, Field Artillery.
xMaj. Albert Samuel Peake, Infantry.
xMaj. Floyd D. Carlock, Infantry.
Maj. Arthur Boettcher, Infantry.
Maj. Horace Thurber Aplington, Cavalry.
Maj. Fred Livingood Walker, Infantry.
Maj. Alvan Cullom Gillem, Jr., Infantry.
xMaj. Rapp Brush, Infantry.
xMaj. Edward George McCormick, Infantry.
Maj. Philip Bracken Fleming, Corps of Engineers.
Maj. Joseph Cowles Mehaffey, Corps of Engineers.
Maj. Paul Sorg Reinecke, Corps of Engineers.
Maj. Raymond Albert Wheeler, Corps of Engineers.
Maj. William Benjamin Hardigg, Ordnance Department.
Maj. Harry Russell Kutz, Ordnance Department.
Maj. Thompson Lawrence, Infantry.
Maj. Freeman Wate Bowley, Field Artillery.
Maj. Charles Reuben Baxter, Ordnance Department.
Maj. Gustav Henry Franke, Field Artillery.
Maj. John Everard Hatch, Field Artillery.
Maj. Charles Anderson Walker, Jr., Ordnance Department.
xMaj. Bethel Wood Simpson, Ordnance Department.
Maj. Harold Floyd Nichols, Coast Artillery Corps.
Maj. Harry James Keeley, Infantry.
Maj. Charles Philip Hall, Infantry.
Maj. Alexander Day Surles, Cavalry.
Maj. William Edmund Larned, Ordnance Department.
xMaj. Franklin Kemble, Coast Artillery Corps.
Maj. Alfred John Betcher, Field Artillery.
Maj. Karl Slaughter Bradford, Cavalry.
Maj. Herbert Arthur Dargue, Air Corps.
xMaj. John Griffeth Booton, Ordnance Department.
Maj. Frederick Gilbreath, Cavalry.
Maj. George Richmond Hicks, Infantry.
Maj. James Blanchard Crawford, Coast Artillery Corps.
Maj. Haig Shekerjian, Chemical Warfare Service.
Maj. Benjamin Curtis Lockwood, Jr., Infantry.
Maj. Harrison Henry Cocke Richards, Air Corps.

Maj. Carroll Armstrong Bagby, Infantry.
Maj. Arthur Bayard Conard, Cavalry.
Maj. Gregory Hoisington, Infantry.
Maj. Ziba Drollinger, Infantry.
Maj. Jesse Amos Ladd, Infantry.
Maj. Paul William Baade, Infantry.
Maj. James Roy Newman Weaver, Infantry.
xMaj. John Porter Lucas, Field Artillery.
Maj. William Henry Harrison Morris, Jr., Infantry.
Maj. Carl Fish McKinney, Infantry.
Maj. Roscoe Conkling Batson, Field Artillery.
Maj. Allen Russell Kimball, Quartermaster Corps.
xMaj. Wilfrid Mason Blunt, Cavalry.
Maj. Ira Adelbert Rader, Air Corps.
Maj. Alvan Crosby Sandeford, Field Artillery.
Maj. William Jay Calvert, Quartermaster Corps.
Maj. David Hamilton Cowles, Infantry.
Maj. Ira Thomas Wyche, Field Artillery.
Maj. James Craig Riddle Schwenck, Cavalry.
Maj. John Louis Homer, Coast Artillery Corps.
Maj. Thomas Jonathan Jackson Christian, Field Artillery.
xMaj. Howell Marion Estes, Cavalry.
Maj. John Furman Wall, Cavalry.
Maj. Edwin Noel Hardy, Cavalry.
Maj. Thomas Gibbes Morgan Oliphant, Field Artillery.
Maj. Douglas Blakeshaw Netherwood, Air Corps.
Maj. Mert Proctor, Field Artillery.
Maj. Joseph Dorst Patch, Infantry.
Maj. Archibald Delos Cowley, Infantry.
Maj. Felix Englebert Gross, Coast Artillery Corps.
Maj. George Ralph Meyer, Coast Artillery Corps.
Maj. Lewis Hyde Brereton, Air Corps.
Maj. Cherubusco Newton, Jr., Finance Department.
Maj. Edward Lincoln Hoffman, Air Corps.
Maj. Casper Ball Rucker, Infantry.
Maj. Robert Currier Brady, Quartermaster Corps.
Maj. Hugh Johnston Knerr, Air Corps.
Maj. George Frederick Humbert, Coast Artillery Corps.
Maj. Arthur Woodfin Ford, Ordnance Department.
Maj. Reuben Noel Perley, Coast Artillery Corps.
Maj. Vincent Meyer, Field Artillery.
Maj. Herbert Elliott Taylor, Cavalry.
Maj. Lindsay McDonald Silvester, Infantry.
Maj. William Middleton Grimes, Cavalry.
Maj. Herbert Marshall Pool, Infantry.
Maj. Leonard Townsend Gerow, Infantry.
Maj. Henry Joseph Moody Smith, Cavalry.
Maj. George Derry Murphey, Quartermaster Corps.
Maj. William Clayton Rose, Adjutant General's Department.
Maj. Wesley Frost Ayer, Infantry.
Maj. Norman Potter Morrow, Field Artillery.
Maj. Lloyd Edmonstone Jones, Field Artillery.
Maj. George Abel Sanford, Infantry.
Maj. Alexander LeRoy Padwinetz Johnson, Infantry.
Maj. Walter Ferrell Winton, Field Artillery.
Maj. Maxon Spafford Lough, Infantry.
Maj. Newton Napoleon Polk, Field Artillery.
Maj. Ford Richardson, Infantry.
Maj. Henry Lawrence Cullen Jones, Field Artillery.
Maj. Lester Maple Wheeler, Infantry.
Maj. Edwin O'Connor, Cavalry.
Maj. Eugene Alexander Lohman, Air Corps.
Maj. Kenneth Prince Lord, Field Artillery.
Maj. Eugene Warren Fales, Infantry.
Maj. John Taylor Rhett, Infantry.
Maj. Livingston Watrous, Adjutant General's Department.
Maj. Herbert Alonzo Wadsworth, Infantry.
Maj. John Moore Thompson, Cavalry.
Maj. George Matthew Halloran, Infantry.
Maj. William Edward Brougher, Infantry.
Maj. Medorem Crawford, Jr., Infantry.
Maj. Sumner Waite, Infantry.
Maj. Albert Monmouth Jones, Infantry.
Maj. John Edward Creed, Infantry.
Maj. Harrison McAlpine, Infantry.
Maj. James Raymond Alfonte, Quartermaster Corps.
Maj. Andrew Goolsby Gardner, Infantry.
Maj. Albert Simon Kuegle, Infantry.
Maj. Claude Killian Rhinehart, Field Artillery.
Maj. Levin Hicks Campbell, Jr., Ordnance Department.
Maj. Follett Bradley, Air Corps.
Maj. Jonathan Waverly Anderson, Field Artillery.
Maj. Serafin Manuel Montesinos, Infantry.
Maj. John Absalom Baird, Chemical Warfare Service.
Maj. Philip Guillou Blackmore, Ordnance Department.
Maj. Henry Clarence Davis, Jr., Coast Artillery Corps.
Maj. Benjamin Noble Booth, Coast Artillery Corps.
Maj. Octave DeCarré, Coast Artillery Corps.
Maj. Claude Martin Thiele, Coast Artillery Corps.
Maj. Cedric Malcolm Stanley Skene, Coast Artillery Corps.
Maj. Avery Johnson French, Coast Artillery Corps.
Maj. Edward Montgomery, Chemical Warfare Service.
Maj. Shepler Ward FitzGerald, Air Corps.
Maj. Leigh Francis Joseph Zerbee, Chemical Warfare Service.
Maj. Randolph Tucker Pendleton, Coast Artillery Corps.
Maj. Stewart Woods Stanley, Signal Corps.
Maj. Kenneth Thompson Blood, Coast Artillery Corps.
Maj. Roy Silas Atwood, Coast Artillery Corps.
Maj. Samuel Franklin Hawkins, Coast Artillery Corps.
Maj. Jesse Lowry Sinclair, Coast Artillery Corps.
Maj. Oscar Krupp, Ordnance Department.
xMaj. Charles Thomas-Stahle, Coast Artillery Corps.
xMaj. Edwin Joseph O'Hara, Finance Department.
Maj. Alden George Strong, Coast Artillery Corps.
Maj. Rudolf William Riefkohl, Quartermaster Corps.
Maj. Alexander Camman Sullivan, Field Artillery.
Maj. Joseph Peter Vachon, Infantry.
Maj. Lloyd Baxter Bennett, Infantry.
Maj. Edward James Oliver, Infantry.
Maj. Albert Tucker, Infantry.
Maj. Frederic Waldo Whitney, Cavalry.
Maj. Clifford Mitchell Tuteur, Field Artillery.
Maj. Arthur Eugene Rowland, Coast Artillery Corps.
Maj. Leon R. Cole, Field Artillery.
Maj. Lee Roland Watrous, Jr., Finance Department.
Maj. Joseph Dowd Brown, Coast Artillery Corps.
Maj. Leslie MacDill, Air Corps.
Maj. Charles Augustus French, Coast Artillery Corps.
Maj. John Albert Hoag, Field Artillery.
Maj. Oscar Andrew Eastwold, Chemical Warfare Service.
xMaj. Earl Herbert Metzger, Coast Artillery Corps.
Maj. Max Stanley Murray, Infantry.
xMaj. Matthew John Gunner, Infantry.
Maj. Julian Francis Barnes, Field Artillery.
Maj. Robert Scott Lytle, Infantry.
Maj. Harold Cornelius Vanderveer, Field Artillery.
Maj. Kenna Granville Eastham, Cavalry.
Maj. Henry Terrell, Jr., Infantry.
Maj. Clift Andrus, Field Artillery.
xMaj. Frank Cadle Mahin, Infantry.
Maj. Lawrence Sprague Churchill, Air Corps.
Maj. George Elmer Arneman, Field Artillery.
Maj. Dale Francis McDonald, Infantry.
Maj. Raymond Eugene McQuillin, Cavalry.
Maj. Edward Hiltner Bertram, Infantry.
Maj. Hayes Adlai Kroner, Infantry.
Maj. Allan Stuart Boyd, Jr., Infantry.
xMaj. Francis Clinton Vincent Crowley, Cavalry.
Maj. Harry Lewis Twaddle, Infantry.
Maj. Clarence Leonard Tinker, Air Corps.
Maj. William Robert White, Quartermaster Corps.
Maj. Donald Bridgman Sanger, Signal Corps.
Maj. Martin Francis Scanlon, Air Corps.
Maj. William Hanson Gill, Infantry.
Maj. Edward Cornelius Hanford, Field Artillery.
Maj. Merrill Dole Wheeler, Quartermaster Corps.
Maj. Henry Hubert Stickney, Corps of Engineers.
Maj. Lester Seneca Hill, Jr., Judge Advocate General's Department.
Maj. Archibald King, Judge Advocate General's Department.

Maj. Frederic Granville Munson, Judge Advocate General's Department.
Maj. Carl Herndon Seals, Adjutant General's Department.
Maj. James Arthur Watson, Infantry.
Maj. Gordon Handy McCoy, Field Artillery.
Maj. Robert Boyd Cole, Infantry.
Maj. Milton Hager Taulbee, Field Artillery.
Maj. William Henry Lanagan, Corps of Engineers.
Maj. Sidney Glenn Brown, Infantry.
Maj. George Clinton Donaldson, Infantry.
Maj. Joseph Hamilton Davidson, Infantry.
xMaj. Russell Henry Brennan, Judge Advocate General's Department.
Maj. Benjamin Almond Brackenbury, Chemical Warfare Service.
Maj. John Putman Dinsmore, Judge Advocate General's Department.
Maj. Charles Wilbur Thomas, Jr., Infantry.
Maj. Roscoe Campbell Crawford, Corps of Engineers.
Maj. Milo Pitcher Fox, Corps of Engineers.
Maj. Lewis Andrews Nickerson, Ordnance Department.
Maj. Philip Ries Faymonville, Ordnance Department.
Maj. Russell Lamonte Maxwell, Ordnance Department.
Maj. John Shirley Wood, Field Artillery.
Maj. Robert Henry Lee, Ordnance Department.
Maj. William Henry Walmsley Youngs, Cavalry.
Maj. David McLean Crawford, Signal Corps.
xMaj. Oscar James Gatchell, Ordnance Department.
Maj. John Nathaniel Hauser, Field Artillery.
Maj. Karl Chris Greenwald, Field Artillery.
Maj. Thomas Jay Hayes, Ordnance Department.
Maj. Raymond Vincent Cramer, Coast Artillery Corps.
Maj. William Hale Wilbur, Infantry.
Maj. Sidney Parker Spalding, Ordnance Department.
Maj. Byron Quinby Jones, Air Corps.
Maj. Stephen Harrison MacGregor, Ordnance Department.
Maj. James Albert Gillespie, Field Artillery.
Maj. Basil Duke Edwards, Infantry.
Maj. Davenport Johnson, Air Corps.
xMaj. James Kirk, Ordnance Department.
Maj. Robert McGowan Littlejohn, Quartermaster Corps.
Maj. Wade Hampton Haislip, Infantry.
Maj. Robert Nall Bodine, Ordnance Department.
Maj. James Harve Johnson, Quartermaster Corps.
Maj. Harry Albert Flint, Cavalry.
xMaj. Walter Melville Robertson, Infantry.
Maj. John Henry Lindt, Coast Artillery Corps.
Maj. Pearl Lee Thomas, Cavalry.
Maj. Sidney Vincent Bingham, Cavalry.
Maj. Bird Spencer DuBois, Coast Artillery Corps.
Maj. Isaac Spalding, Field Artillery.
Maj. Harry James Malony, Field Artillery.
Maj. John Hartwell Hinemon, Jr., Signal Corps.
Maj. Henry Lytton Flynn, Cavalry.
Maj. Robert Fee Hyatt, Field Artillery.
Maj. Harold Marvin Rayner, Cavalry.
Maj. Charles Nathaniel Sawyer, Signal Corps.
Maj. Gilbert Richard Cook, Infantry.
Maj. Max Weston Sullivan, Infantry.
Maj. Franklin Cummings Sibert, Infantry.
Maj. Archibald Vincent Arnold, Field Artillery.
Maj. Stephen J. Chamberlin, Infantry.
Maj. John Traylor McLane, Cavalry.
Maj. William Horace Hobson, Infantry.
Maj. Walter Glenn Kilner, Air Corps.
Maj. Raymond Oscar Barton, Infantry.
Maj. Henry William Harms, Air Corps.
Maj. John Earl Lewis, Field Artillery.
Maj. Walton Harris Walker, Infantry.
Maj. Millard Fillmore Harmon, Jr., Air Corps.
Maj. John Duncan Kelly, Cavalry.
Maj. Edward Chamberlin Rose, Infantry.
Maj. Albert Eger Brown, Infantry.
Maj. William Nalle, Cavalry.
Maj. Ralph Cadot Holliday, Infantry.
Maj. Charles Chisholm Drake, Quartermaster Corps.
Maj. William Joseph Morrissey, Infantry.
xMaj. Robert Theodore Snow, Infantry.
Maj. Henry Charles McLean, Infantry.
xMaj. Frank Victor Schneider, Infantry.
Maj. Frank Joseph Riley, Quartermaster Corps.
Maj. Benjamin Franklin Delamater, Jr., Infantry.
Maj. Ralph Samuel Kimball, Adjutant General's Department.
Maj. Francis Bernard Mallon, Infantry.
Maj. Lathrop Boyd Clapham, Adjutant General's Department.
Maj. John Dilworth von Holtzendorff, Field Artillery.
Maj. Carl James Adler, Infantry.
Maj. Otto Godfrey Pitz, Coast Artillery Corps.
Maj. Burton Young Read, Adjutant General's Department.
Maj. Harry William Stark, Coast Artillery Corps.
Maj. Duncan Grant Richart, Cavalry.
Maj. Fred Hughes Coleman, Air Corps.
Maj. Archie Stanton Buyers, Ordnance Department.
Maj. William Ayres Borden, Ordnance Department.
Maj. Francis Tuttle Armstrong, Field Artillery.
Maj. Cecil George Young, Ordnance Department.
Maj. Carl Andrew Waldmann, Ordnance Department.
Maj. Paul Wesley Evans, Signal Corps.
Maj. Henry Armstrong Wingate, Quartermaster Corps.
Maj. William Claude Washington, Coast Artillery Corps.
Maj. Alfred Bixby Quinton, Jr., Ordnance Department.
Maj. Hamilton Templeton, Field Artillery.
xMaj. Bertram Frankenberger, Field Artillery.
Maj. John Keith Boles, Field Artillery.
Maj. Edward Fuller Witsell, Adjutant General's Department.
Maj. Alfred Loveday Rockwood, Chemical Warfare Service.
Maj. Edwin Pearson Parker, Jr., Field Artillery.
Maj. John Macaulay Eager, Field Artillery.
Maj. Carl Adolphus Hardigg, Quartermaster Corps.
Maj. Terry de la Mesa Allen, Cavalry.
Maj. John Chilton McDonnell, Air Corps.
Maj. Carl Lewis Caphton, Infantry.
Maj. William Rudolph Gruber, Field Artillery.
Maj. Otto Wagner, Cavalry.
Maj. Russell Brown Patterson, Cavalry.
Maj. Herbert Joseph Lawes, Quartermaster Corps.
Maj. Robert Crayton Williams, Corps of Engineers.
Maj. Clyde Vincent Simpson, Signal Corps.
Maj. Paul Xavier English, Chemical Warfare Service.
Maj. Estil Virgil Smith, Infantry.
Maj. Joseph Frank Richmond, Cavalry.
Maj. Troy Houston Middleton, Infantry.
Maj. Roland Francis Walsh, Quartermaster Corps.
Maj. Paul Murray, Infantry.
Maj. Roy Messick Jones, Air Corps.
Maj. Percy Edgar VanNostrand, Air Corps.
Maj. Frederic Vinton Hemenway, Adjutant General's Department.
Maj. John Bernard Brooks, Air Corps.
Maj. James Merriam Moore, Infantry.
Maj. John Breitling Coulter, Cavalry.
Maj. Welton Mathew Modisette, Cavalry.
Maj. John Parsons Wheeler, Cavalry.
Maj. Harold Aron Strauss, Air Corps.
Maj. Cyril Arthur Winton Dawson, Coast Artillery Corps.
Maj. Sherman Leo Kiser, Field Artillery.
Maj. Bradford G. Chynoweth, Infantry.
Maj. Howard Eager, Field Artillery.
Maj. John Charles Palmer Bartholf, Infantry.
Maj. Harold Thompson, Cavalry.
Maj. Robert Harwood Barrett, Infantry.
Maj. Ernest Joseph Carr, Infantry.
Maj. Patrick James Hurley, Infantry.
Maj. Hugh Broadus Keen, Infantry.
Maj. Walter Owen Rawls, Adjutant General's Department.
Maj. Francis Kosier Newcomer, Corps of Engineers.
Maj. William Gaulbert Weaver, Infantry.
Maj. Charles Francis Williams, Corps of Engineers.
Maj. Gordon Russell Young, Corps of Engineers.

Maj. Richard Ulysses Nicholas, Corps of Engineers.
Maj. Lewis King Underhill, Judge Advocate General's Department.
Maj. James Archer Dorst, Corps of Engineers.
Maj. Lunsford Errett Oliver, Corps of Engineers.
Maj. William Chalmers Young, Ordnance Department.
Maj. William Carey Crane, Field Artillery.
Maj. Carlos Brewer, Field Artillery.
Maj. David Edward Cain, Field Artillery.
Maj. John Eugene McMahon, Jr., Field Artillery.
Maj. Francis Augustus Englehart, Ordnance Department.
Maj. William Ashley Copthorne, Chemical Warfare Service.
Maj. George Wessely Sliney, Field Artillery.
Maj. Selby Harney Frank, Ordnance Department.
Maj. Eugene Tritle Spencer, Field Artillery.
Maj. Willis Dale Crittenberger, Cavalry.
Maj. Robert Heber VanVolkenburgh, Coast Artillery Corps.
Maj. Alfred Bainbridge Johnson, Ordnance Department.
Maj. Falkner Heard, Field Artillery.
Maj. Roland Louis Gaugler, Ordnance Department.
Maj. Samuel John Heidner, Infantry.
Maj. Junius Wallace Jones, Air Corps.
Maj. Thoburn Kaye Brown, Cavalry.
Maj. Manning Marius Kimmel, Jr., Coast Artillery Corps.
Maj. John Huff VanVliet, Infantry.
Maj. Leland Swarts Devore, Infantry.
Maj. Geoffrey Keyes, Cavalry.
Maj. Douglass Taft Greene, Infantry.
Maj. Robert Meredith Perkins, Coast Artillery Corps.
Maj. Lawrence Babbitt Weeks, Coast Artillery Corps.
Maj. Clarence Hagbart Danielson, Adjutant General's Department.
Maj. James Nixon Peale, Infantry.
Maj. John Arthur Considine, Cavalry.
Maj. David Beauregard Falk, Jr., Infantry.
Maj. William Cooper Foote, Coast Artillery Corps.
Maj. Francis Reuel Fuller, Infantry.
Maj. Clinton Warden Russell, Air Corps.
Maj. William Richard Schmidt, Infantry.
Maj. Louis Aleck Craig, Field Artillery.
Maj. George Edward Lovell, Jr., Air Corps.
Maj. Otis Keilholtz Sadtler, Signal Corps.
Maj. William Henry Jones, Jr., Infantry.
Maj. John Erskine Ardrey, Infantry.
Maj. Carlyle Hilton Wash, Air Corps.
Maj. Henry Pratt Perrine, Jr., Infantry.
Maj. Dennis Edward McCunniff, Infantry.
Maj. Henry Balding Lewis, Adjutant General's Department.
Maj. Henry Barlow Cheadle, Infantry.
Maj. Stewart Shepherd Giffin, Coast Artillery Corps.
Maj. Samuel Alexander Gibson, Infantry.
Maj. Paul Woolever Newgarden, Infantry.
Maj. Charles Andrew King, Jr., Infantry.
Maj. Alexander McCarrell Patch, Jr., Infantry.
Maj. Charles Bishop Lyman, Infantry.
Maj. Robert Lily Spragins, Infantry.
Maj. Ward Elverson Duvall, Coast Artillery Corps.
Maj. James Brown Gillespie, Ordnance Department.
Maj. Hans Robert Wheat Herwig, Quartermaster Corps.
Maj. Howard Calhoun Davidson, Air Corps.
Maj. William Lynn Roberts, Infantry.
Maj. William Alexander McCulloch, Infantry.
Maj. Lathe Burton Row, Infantry.
Maj. George Washington Price, Infantry.
Maj. Herbert Slayden Clarkson, Field Artillery.
Maj. Charles Gardiner Helmick, Field Artillery.
Maj. Madison Pearson, Adjutant General's Department.
Maj. Robert Duncan Brown, Coast Artillery Corps.
Maj. Ray Wehnes Barker, Field Artillery.
Maj. Mack Garr, Cavalry.
Maj. Edward Oliver Halbert, Coast Artillery Corps.
Maj. Frank Bonne Jordan, Field Artillery.
Maj. Alfred Eugene Sawkins, Infantry.
Maj. Robert Emmet Carmody, Cavalry.
Maj. Harry Lee King, Coast Artillery Corps.
Maj. Thomas James Camp, Infantry.
Maj. Robert Ogden Annin, Cavalry.
Maj. Augustin Mitchell Prentiss, Chemical Warfare Service.
Maj. Ralph Hospital, Field Artillery.
Maj. Theodore Barnes, Chemical Warfare Service.
Maj. Casey Hewitt Hayes, Field Artillery.
Maj. Harvey Steele Burwell, Air Corps.
Maj. Charles Bellows Hazeltine, Cavalry.
Maj. Russell Alger Osmun, Quartermaster Corps.
Maj. Joseph Olden Daly, Field Artillery.
Maj. Sidney Erickson, Infantry.
Maj. Elmer Yeager, Field Artillery.
Maj. Keith Frazee Adamson, Ordnance Department.
Maj. Frank Earl Bonney, Infantry.
Maj. Harry Foute Hazlett, Infantry.
Maj. George Lamberton Smith, Infantry.
Maj. Mahlen Augustus Joyce, Infantry.
Maj. Paul R. Davison, Cavalry.
Maj. William Henry Holcombe, Corps of Engineers.
Maj. Charles Philip Gross, Corps of Engineers.
Maj. Peter Cleary Bullard, Corps of Engineers.
Maj. Brehon Burke Somervell, Corps of Engineers.
Maj. Xenophon Herbert Price, Corps of Engineers.
Maj. Robert Walter Crawford, Corps of Engineers.
Maj. Dabney Otey Elliott, Corps of Engineers.
Maj. Frederick William Herman, Corps of Engineers.
Maj. John Hill Carruth, Corps of Engineers.
Maj. Philip Loomis Thurber, Field Artillery.
Maj. John Churchill Wyeth, Field Artillery.
xMaj. Arthur Ringland Harris, Field Artillery.
Maj. LaRhett Livingston Stuart, Coast Artillery Corps.
Maj. John Adams Brooks, Jr., Ordnance Department.
Maj. Cleveland Hill Bandholtz, Ordnance Department.
Maj. John Green Burr, Field Artillery.
Maj. Frank Lawrence Hoskins, Coast Artillery Corps.
Maj. John Benjamin Anderson, Field Artillery.
Maj. Cedric Watterson Lewis, Signal Corps.
xMaj. Joseph DeMoss McCain, Coast Artillery Corps.
Maj. Harry Clyde Ingles, Signal Corps.
Maj. James Lester Bradley, Infantry.

To be majors

Capt. Harry Winchester Benson, Cavalry.
Capt. John Hume Lucas, Infantry.
Capt. James William Howder, Quartermaster Corps.
Capt. Charles Cramer, Cavalry.
Capt. George Prentice Cummings, Cavalry.
Capt. John McBride, Infantry.
Capt. Charles Winston Burkett, Cavalry.
Capt. George Munteanu, Infantry.
Capt. Louis Bronson Gerow, Quartermaster Corps.
Capt. Clyde Eugene Austin, Quartermaster Corps.
Capt. Raymond Oscar Miller, Infantry.
Capt. Herman Christopher Kliber, Quartermaster Corps.
Capt. Victor Geoffrey Huskea, Infantry.
Capt. Fred Blackburn Rogers, Infantry.
Capt. Sexton Berg, Cavalry.
xCapt. Cornelius Francis O'Keefe, Cavalry.
Capt. Samuel Israel Zeidner, Quartermaster Corps.
Capt. Raymond Dresden Willis, Infantry.
Capt. Elliot Duncan Cooke, Infantry.
Capt. James Philip Lyons, Infantry.
Capt. Lloyd Leon Harvey, Air Corps.
Capt. Ernest Samusson, Infantry.
xCapt. Alfred Steere Knight, Infantry.
xCapt. Thomas Watson Hastey, Air Corps.
Capt. Alexander Calhoun Doyle, Quartermaster Corps.
Capt. Floyd Hubert Bain, Infantry.
Capt. Louis de Jussewicz, Quartermaster Corps.
Capt. Chester John Hirschfelder, Infantry.
Capt. Morris Berman, Air Corps.
Capt. Richard Fayette Fairchild, Infantry.
Capt. Donald John Myers, Infantry.
Capt. Charles Allen Easterbrook, Adjutant General's Department.
Capt. Herbert Allyn Myers, Cavalry.
Capt. Harold Witter Churchill, Ordnance Department.

Capt. Herbert Foster Wilkinson, Quartermaster Corps.
Capt. Marion Fred Shepherd, Infantry.
Capt. Rhey Thoburn Hellett, Cavalry.
Capt. George Fridfhof Bloomquist, Infantry.
Capt. Frank Emil Stoner, Signal Corps.
Capt. Roy Francis Lynd, Infantry.
Capt. Ernest Clifford Ayer, Infantry.
Capt. James Lester Ballard, Infantry.
Capt. John Patrick Ferriter, Signal Corps.
Capt. Harold William Webbe, Signal Corps.
Capt. Edward Henry Taliaferro, Jr., Coast Artillery Corps.
Capt. Walter Hitzfeldt, Field Artillery.
Capt. Walter Bender, Air Corps.
Capt. Aubrey Haines Baldwin, Quartermaster Corps.
Capt. Fred George Miller, Signal Corps.
Capt. Price Walter Beebe, Infantry.
Capt. James Jacob Firestone, Quartermaster Corps.
Capt. George Corbett Pilkington, Infantry.
Capt. James Kirker Campbell, Infantry.
Capt. Robert Lee Wright, Infantry.
Capt. Joseph Louis Bachus, Infantry.
Capt. Clyde Clarkson Way, Infantry.
Capt. Valentine Pearsall Foster, Coast Artillery Corps.
Capt. Richard Ernest Dupuy, Field Artillery.
Capt. Robert Neville Mackin, Jr., Coast Artillery Corps.
Capt. Harold Dean Woolley, Infantry.
Capt. John Henry Ball, Field Artillery.
Capt. Alfred Goodrich Braden, Jr., Judge Advocate General's Department.
Capt. Russell Baker, Infantry.
Capt. Everett Ernest Brown, Infantry.
Capt. Fay Ross, Infantry.
Capt. Harry LeRoy Branson, Cavalry.
Capt. Nels Louis Soderholm, Infantry.
Capt. Cyril Branston Spicer, Infantry.
Capt. Frank Gilson Chaddock, Field Artillery.
Capt. Carl Marcus Ulsaker, Infantry.
xCapt. Arthur Henry Rogers, Infantry.
Capt. Clinton William Ball, Corps of Engineers.
Capt. Harry Allen Austin, Infantry.
Capt. Kenneth George Althaus, Infantry.
Capt. Malcolm Byrne, Cavalry.
Capt. William Alexander Ellis, Infantry.
Capt. Sydney Clyde Fergason, Infantry.
Capt. Severne Spence MacLaughlin, Infantry.
Capt. Burton Francis Hood, Infantry.
Capt. Josiah Ara Wallace, Field Artillery.
Capt. Patrick Eugene Shea, Field Artillery.
Capt. William Daniel Candler, Quartermaster Corps.
Capt. Robert Baxter Field, Quartermaster Corps.
Capt. Charles Perfect, Quartermaster Corps.
Capt. James Truman Menzie, Cavalry.
Capt. Eugene Martin Foster, Finance Department.
Capt. Glenn Alonzo Ross, Quartermaster Corps.
Capt. Albert Michael Guidera, Air Corps.
Capt. Mark Vinton Brunson, Quartermaster Corps.
Capt. Elbridge Gerry Chapman, Jr., Infantry.
Capt. John James Harvey, Infantry.
Capt. Norman Doud Finley, Infantry.
Capt. Lincoln Martin, Quartermaster Corps.
Capt. Philip Theodore Fry, Infantry.
Capt. Edwin Owen Baker, Signal Corps.
Capt. Fred Guy Borden, Signal Corps.
Capt. Calvin Halcombe Burkhead, Signal Corps.
Capt. James Francis Doherty, Air Corps.
Capt. Wilmer Micajah Flinn, Quartermaster Corps.
Capt. Fred Page Andrews, Signal Corps.
Capt. Samuel Robert Kimble, Ordnance Department.
Capt. George Walter Whybark, Coast Artillery Corps.
Capt. John Gardiner Drinkwater, Corps of Engineers.
Capt. Bernard Smith, Corps of Engineers.
Capt. Donald Buckingham Greenwood, Coast Artillery Corps.
Capt. Lewis Charles Beebe, Infantry.
Capt. Alexander Seymour Ackerman, Corps of Engineers.
Capt. Howard McClymonds Yost, Corps of Engineers.
Capt. William Van Dyke Ochs, Cavalry.
Capt. Coburn Lee Berry, Coast Artillery Corps.
Capt. Edward Henry Besse, Quartermaster Corps.
Capt. Rufo McAmis Fitzpatrick, Infantry.
Capt. Lynwood Benjamin Jacobs, Air Corps.
Capt. George Roscoe Hedge, Infantry.
Capt. Ernest Russ Barrows, Coast Artillery Corps.
Capt. Vernon Webster Hall, Coast Artillery Corps.
Capt. Burritt Havilah Hinman, Judge Advocate General Department.
Capt. William Moore Carter, Infantry.
Capt. Rolla Valentine Ladd, Coast Artillery Corps.
Capt. Walter James Gilbert, Coast Artillery Corps.
xCapt. Frederic Webster Cook, Coast Artillery Corps.
Capt. Harold Street Wilkins, Ordnance Department.
Capt. Albert Leon Tuttle, Infantry.
Capt. Franklin Eugene Edgecomb, Coast Artillery Corps.
Capt. Harry Lee Hagan, Infantry.
Capt. Patrick Joseph Dodd, Infantry.
xCapt. Louis James Bowler, Coast Artillery Corps.
Capt. Dan Maynard Ellis, Infantry.
Capt. Frank Wilbur Wright, Air Corps.
Capt. George Blaney, Coast Artillery Corps.
Capt. Elmer Theodore Foss, Quartermaster Corps.
Capt. George David Condren, Infantry.
Capt. Douglass Newman McMillin, Infantry.
Capt. Thomas Raymond Parker, Coast Artillery Corps.
Capt. Elmer G. Lindroth, Infantry.
Capt. Gersum Cronander, Cavalry.
Capt. Harry Burgie Smith, Quartermaster Corps.
Capt. Jewett DeWitt Matthews, Field Artillery.
Capt. Harold Borden Bliss, Coast Artillery Corps.
Capt. Andrew Jackson Powell, Infantry.
Capt. Don Richman Norris, Coast Artillery Corps.
Capt. Stuart McLeod, Field Artillery.
Capt. Nathaniel Ernest Callen, Infantry.
Capt. Ernest Collidge Goding, Infantry.
Capt. Lawrence Stanley Woods, Quartermaster Corps.
Capt. Edward Joseph Glynn, Quartermaster Corps.
Capt. George Irvin Smith, Cavalry.
Capt. Joseph Vincent Coughlin, Infantry.
Capt. Macey Lillard Dill, Infantry.
Capt. Edgar Peter Sorensen, Air Corps.
xCapt. Edward Julius Renth, Infantry.
Capt. James Richard Townsend, Coast Artillery Corps.
Capt. George Head Duff, Field Artillery.
Capt. John Henry Harrington, Coast Artillery Corps.
Capt. Francis Firmin Fainter, Infantry.
Capt. Peter Girardeau Marshall, Jr., Infantry.
Capt. Robert Olds, Air Corps.
Capt. Eugene John Heller, Quartermaster Corps.
Capt. Thomas Harry Chambers, Finance Department.
Capt. Daniel O'Connell, Quartermaster Corps.
xCapt. Arthur Louis Koch, Quartermaster Corps.
Capt. Floyd Duren Jones, Quartermaster Corps.
Capt. Raymond Charles Blatt, Cavalry.
Capt. Franklin Miller Cochran, Infantry.
Capt. Fred William Fallin, Quartermaster Corps.
Capt. Elmer Conrad Goebert, Ordnance Department.
Capt. Edward Brigham McKinley, Quartermaster Corps.
Capt. Gilbert Livingston Thompson, Signal Corps.
Capt. William Arthur Worley, Quartermaster Corps.
Capt. Joseph Pemberton Glandon, Quartermaster Corps.
Capt. Claude Mitchell Adams, Infantry.
Capt. Walter Patrick O'Brien, Infantry.
Capt. Byron Tully Ipock, Coast Artillery Corps.
Capt. Carl Hugo Jabelonsky, Quartermaster Corps.
Capt. Lester Levi Boggs, Field Artillery.
Capt. Calvin Sutton Richards, Field Artillery.
Capt. Alexander Mitchell Owens, Quartermaster Corps.
Capt. Clifford Debray Cuny, Signal Corps.
Capt. Ira Harry Treest, Signal Corps.
Capt. Philip Boswell Taliaferro, Coast Artillery Corps.
Capt. Frank Brevard Hayne, Infantry.
Capt. Thomas Reed Bartlett, Coast Artillery Corps.
Capt. Lloyd Chandler Parsons, Signal Corps.

Capt. Theodore Edward Thomas Haley, Field Artillery.
Capt. Frederick Van Antwerp Berger, Quartermaster Corps.
Capt. Ralph Richard Guthrie, Signal Corps.
Capt. Archie Keefer Rupert, Infantry.
Capt. Thomas Castleman Harry, Field Artillery.
Capt. Harry Bernard Allen, Field Artillery.
xCapt. Arthur Pickens, Infantry.
Capt. Martin Clinton Walton, Jr., Field Artillery.
Capt. Samuel Charles Harrison, Infantry.
Capt. Charles Robert Hall, Field Artillery.
Capt. Daniel Floyd Jones, Field Artillery.
Capt. Walter Mulford Mann, Infantry.
Capt. Lewis Evans Reigner, Field Artillery.
Capt. Oscar Nelson Schjerven, Field Artillery.
Capt. William Leslie Brown, Infantry.
Capt. William Archibald Campbell, Field Artillery.
Capt. James Clark Hughes, Field Artillery.
Capt. Fred Ordway Wickham, Infantry.
Capt. William Gregory Brey, Coast Artillery Corps.
Capt. William Henry Sadler, Quartermaster Corps.
Capt. Ben Butler Blair, Coast Artillery Corps.
Capt. Frederick Sidney Doll, Infantry.
Capt. Lawrence Gibson Forsythe, Cavalry.
xCapt. Humphrey Swygart Evans, Quartermaster Corps.
Capt. Robert Edwards Hannay, Jr., Judge Advocate General's Department.
Capt. Lewis Frederick Kosch, Field Artillery.
Capt. Allender Swift, Infantry.
xCapt. William Richard Maris, Coast Artillery Corps.
Capt. Marion Lyman Young, Field Artillery.
Capt. Earle Howard Malone, Infantry.
Capt. Roy Samuel Gibson, Infantry.
Capt. John Gerak Cook, Field Artillery.
Capt. Everard Franklin Olsen, Coast Artillery Corps.
Capt. Irving Devance Offer, Field Artillery.
Capt. Arthur Francis Doran, Field Artillery.
Capt. Melvin Earl Gillette, Signal Corps.
Capt. Tom Christopher Rives, Signal Corps.
Capt. Andrew Raymond Reeves, Field Artillery.
Capt. Lewis Blaine Hershey, Field Artillery.
xCapt. William Frederic Marquat, Coast Artillery Corps.
Capt. Willis Aubrey Hedden, Infantry.
Capt. Allison Ware Jones, Coast Artillery Corps.
xCapt. Howard Herndon Davis, Infantry.
Capt. George Eitle Hartman, Quartermaster Corps.
xCapt. Philip Frederick Biehl, Coast Artillery Corps.
Capt. James Gasper Devine, Coast Artillery Corps.
Capt. Richard Bocock Willis, Field Artillery.
Capt. Howard Nathaniel Frisseli, Infantry.
Capt. Henry Vaughn Dexter, Infantry.
Capt. Hans Ernest Kloepfer, Cavalry.
Capt. Edward Allen Everitt, Jr., Cavalry.
Capt. Ted Harold Cawthorne, Infantry.
Capt. Henry Barton Dawson, Field Artillery.
Capt. Robert Hughes Lord, Infantry.
Capt. Archibald Ross MacKechnie, Infantry.
Capt. John Paul Ratay, Field Artillery.
Capt. Mose Kent Pigman, Infantry.
Capt. Harry William Maas, Cavalry.
Capt. Fenton Gay Epling, Coast Artillery Corps.
Capt. Herbert Gray Esden, Infantry.
Capt. Francis Henry Boucher, Field Artillery.
Capt. William Henry Sweet, Coast Artillery Corps.
Capt. Louis Cansler, Signal Corps.
Capt. Ross Gordon Hoyt, Air Corps.
Capt. William Bentley Mayer, Air Corps.
Capt. Harold Kernan, Field Artillery.
Capt. Hubert Augustine McMorrow, Coast Artillery Corps.
Capt. George Albert Jackson, Infantry.
Capt. Dwight Hughes, Jr., Cavalry.
Capt. William Robert Stickman, Cavalry.
Capt. Maximilian Clay, Infantry.
Capt. Calvert Hinton Arnold, Signal Corps.
Capt. Lloyd William Biggs, Cavalry.
Capt. Wilkie Collins Burt, Cavalry.
Capt. Ralph Emerson Bower, Infantry.
Capt. George Leland Eberle, Infantry.
Capt. Rufus Stanley Ramey, Cavalry.
Capt. Marcus Brenneman Bell, Infantry.
Capt. Louis Joseph Fortier, Field Artillery.
Capt. James Bentley Taylor, Cavalry.
Capt. Remington Orsinger, Infantry.
Capt. William Stewart Morris, Infantry.
Capt. Richard Henry Ballard, Air Corps.
Capt. Leon Chapman Dennis, Coast Artillery Corps.
Capt. Charles William Chalker, Infantry.
Capt. James Clay Short, Cavalry.
Capt. Roy Crawford Moore, Quartermaster Corps.
Capt. William Fred Lafrenz, Coast Artillery Corps.
Capt. John Deane Forsythe, Infantry.
Capt. John Franklin Hepner, Field Artillery.
Capt. Lawrence Byron Wyant, Cavalry.
Capt. Leslie T. Lathrop, Infantry.
Capt. James Black Muir, Jr., Coast Artillery Corps.
Capt. Edmund Hathaway Stillman, Coast Artillery Corps.
Capt. Robert Chapman Snidow, Coast Artillery Corps.
Capt. Ralph Hudson Wooten, Air Corps.
Capt. Kenneth Burman Bush, Adjutant General's Department.
Capt. Charles Henry Keck, Ordnance Department.
Capt. James Thomas Duke, Cavalry.
Capt. Thomas Watkins Ligon, Cavalry.
xCapt. Edward Hale Brooks, Field Artillery.
Capt. James David Brown, Coast Artillery Corps.
Capt. Wayland Bixby Augur, Cavalry.
Capt. Harold Mark McClelland, Air Corps.
Capt. William Brooks Bradford, Cavalry.
Capt. Edmund Waring McLarren, Finance Department.
Capt. Arnold Wilkinson Shutter, Field Artillery.
Capt. Abram Franklin Kibler, Field Artillery.
Capt. Cecil Ray Moore, Corps of Engineers.
Capt. Francis Sylvester Conaty, Field Artillery.
xCapt. Norman Lee Baldwin, Signal Corps.
xCapt. Grafton Sherwood Kennedy, Ordnance Department.
Capt. William Caldwell Dunckel, Field Artillery.
Capt. Harold Clarkson Mabbott, Coast Artillery Corps.
Capt. John Waller Faulconer, Jr., Field Artillery.
Capt. Gennad Alban Greaves, Field Artillery.
Capt. Francis Murry Crist, Field Artillery.
Capt. Lucas Elmendorf Schoonmaker, Coast Artillery Corps.
Capt. William Fergus Kernan, Field Artillery.
Capt. Gordon Marshall Wells, Ordnance Department.
Capt. Don Carlos Faith, Infantry.
Capt. Raymond Orr, Infantry.
Capt. Hermon French Safford, Ordnance Department.
Capt. Clifford Dean Hindle, Coast Artillery Corps.
Capt. Thomas Adam Austin, Jr., Infantry.
Capt. Morrill Ross, Field Artillery.
Capt. Vernon McTyeire Shell, Cavalry.
Capt. John Averill Steere, Field Artillery.
Capt. Leslie Edwards Babcock, Field Artillery.
Capt. Francis Howard Wilson, Infantry.
Capt. James Charles Longino, Quartermaster Corps.
Capt. Maxton Hale Flint, Finance Department.
Capt. Eugene Peter Henry Gempel, Chemical Warfare Service.
Capt. Charles Swett Pettee, Infantry.
Capt. John Melville Sanderson, Field Artillery.
Capt. Sidney Hamlet Negrotto, Infantry.
Capt. Gustav Joseph Braun, Infantry.
Capt. William Henry Egle Holmes, Field Artillery.
Capt. John Lindley Gammell, Field Artillery.
Capt. Charles William Walton, Chemical Warfare Service.
Capt. Douglas Meriwether Griggs, Coast Artillery Corps.
Capt. Ward Hale Maris, Field Artillery.
Capt. Hugh John FitzGerald, Cavalry.
Capt. Everett Langdon Upson, Infantry.
Capt. James Paul Jacobs, Coast Artillery Corps.
Capt. Paul Joseph Matte, Cavalry.
Capt. Don Forrester Pratt, Infantry.

Capt. Ernest Ransome Percy, Coast Artillery Corps.
Capt. Murray Henry Ellis, Cavalry.
Capt. Wolcott Paige Hayes, Air Corps.
Capt. Ernest Cleveland Bomar, Ordnance Department.
Capt. Donovan Paul Yeuell, Infantry.
Capt. Charles Edward Atkinson, Coast Artillery Corps.
Capt. Gustav Bismark Guenther, Cavalry.
Capt. Edward Benedict McCarthy, Coast Artillery Corps.
Capt. Leslie Frederick Lawrence, Cavalry.
Capt. Horace Waldo Forster, Cavalry.
Capt. Edwin Hubert Randle, Infantry.
Capt. Simpson Ridley Stribling, Ordnance Department.
Capt. Francis Marion Rich, Infantry.
Capt. Waldemar Adolph Falck, Cavalry.
Capt. Carl John Rohsenberger, Cavalry.
Capt. James Veto McDowell, Cavalry.
Capt. James Thomas Campbell, Coast Artillery Corps.
Capt. Howard Spencer MacKirdy, Coast Artillery Corps.
Capt. Harry Lee Hart, Quartermaster Corps.
Capt. John Henry Gibson, Infantry.
Capt. James Henry Beals Bogman, Signal Corps.
Capt. Percy Stuart Haydon, Cavalry.
Capt. Edwin Ernest Aldridge, Infantry.
Capt. Edwin Blake Crabill, Infantry.
Capt. Edmund Walton Hill, Air Corps.
xCapt. Albert Edward McIntosh, Cavalry.
Capt. Alfred Marston Shearer, Signal Corps.
Capt. Halbert Hale Neilson, Cavalry.
Capt. James Obadiah Tarbox, Infantry.
Capt. Truman Everett Boudinot, Cavalry.
Capt. Raymond Frank Edwards, Infantry.
Capt. Maurice Eugene Barker, Chemical Warfare Service.
Capt. Oren Anelen Mulkey, Infantry.
Capt. Stephen Boon, Jr., Cavalry.
Capt. Harold Glaucus Holt, Cavalry.
Capt. Robert Alexis McClure, Infantry.
Capt. Graham Roscoe Schweickert, Infantry.
Capt. Charles Gordon Hutchinson, Cavalry.
Capt. George Davis Wiltshire, Cavalry.
Capt. Arthur John Wehr, Signal Corps.
Capt. Wannie Lee Bartley, Quartermaster Corps.
Capt. Norman John McMahon, Field Artillery.
Capt. Donald Morris Bartow, Infantry.
Capt. Paul Louis Singer, Infantry.
Capt. Joseph Louis Ready, Infantry.
Capt. Earl Coulson Flegel, Infantry.
Capt. Herbert Blish Wheeler, Infantry.
Capt. Wilbur Stern Elliott, Quartermaster Corps.
xCapt. Kirke Brooks Lawton, Signal Corps.
Capt. Neil Smith Edmond, Infantry.
Capt. Harold Haney, Infantry.
Capt. Martin DeWitt McAllister, Infantry.
Capt. William Henry Colbern, Field Artillery.
Capt. Marcel Alfred Gillis, Infantry.
Capt. John William Carroll, Cavalry.
Capt. Charles Lewis, Finance Department.
Capt. Floyd Merritt Hyndman, Cavalry.
Capt. Ira Claude Nicholas, Infantry.
Capt. Clarence Walter Richmond, Quartermaster Corps.
Capt. George Edward Kraul, Infantry.
Capt. Arthur Wilson Waldron, Coast Artillery Corps.
Capt. George Foster Hobson, Quartermaster Corps.
Capt. John Bryce Casseday, Quartermaster Corps.
Capt. John Francis Hanley, Infantry.
Capt. William Herbert Murphy, Signal Corps.
Capt. Ben Stafford, Infantry.
Capt. Dover Bell, Quartermaster Corps.
Capt. Harold Lester Egan, Infantry.
Capt. Charles Adolph Kraus, Quartermaster Corps.
Capt. John Kasper, Quartermaster Corps.
Capt. George Ernest Kelsch, Infantry.
Capt. John Lynch, Infantry.
Capt. Arthur Randolph Whitner, Infantry.
Capt. Edward Joseph Maloy, Quartermaster Corps.
Capt. Carmi Luzerne Williams, Infantry.
Capt. Elmer John Armstrong, Infantry.
Capt. Sumner Morris Smith, Field Artillery.
Capt. Herbert Baldwin, Finance Department.
Capt. William Fisk, Infantry.
Capt. Albert Barnett Jones, Corps of Engineers.
Capt. Hamilton Thorn, Infantry.
Capt. John Wade McCormick, Infantry.
Capt. Charles Edwin Knickerbocker, Infantry.
Capt. James Roger Kennedy, Infantry.
Capt. Robert Edward Jones, Infantry.
Capt. Clarence Howard Kells, Infantry.
Capt. Harold Ragan Priest, Infantry.
Capt. David Cleveland Kelly, Ordnance Department.
Capt. Frank Henry Hollingsworth, Field Artillery.
Capt. Randolph Russell, Cavalry.
Capt. Brock Putnam, Cavalry.
Capt. James Aloysius Hasson, Infantry.
Capt. Edwin Miles Sumner, Cavalry.
Capt. Thomas Henry Green, Judge Advocate General's Department.
Capt. Harold de Beaumont Bruck, Cavalry.
Capt. Donald Anderson Young, Cavalry.
Capt. Hans Charles Minuth, Cavalry.
Capt. Christian Allen Schwarzwaelder, Quartermaster Corps.
Capt. Edwin Clarence Gere, Quartermaster Corps.
Capt. Howard Nichols Merrill, Infantry.
Capt. Harold Putnam Detwiler, Coast Artillery Corps.
Capt. Clarence Francis Hofstetter, Ordnance Department.
Capt. Charles Lawrence Bolté, Infantry.
Capt. Theodore Francis Wessels, Infantry.
Capt. Arthur John McChrystal, Adjutant General's Department.
Capt. Malcolm Fraser Lindsey, Infantry.
Capt. Horace Oscar Cushman, Infantry.
Capt. Harley Latson, Corps of Engineers.
Capt. William Maine Hutson, Infantry.
Capt. David Henry Finley, Infantry.
Capt. Clifford Arthur Eastwood, Cavalry.
Capt. Vinton Lee James, Jr., Infantry.
Capt. William Franklin Campbell, Quartermaster Corps.
Capt. Stuart Cutler, Infantry.
Capt. John Reuben Boatwright, Infantry.
xCapt. Lester Nelson Allyn, Infantry.
Capt. Henry Lester Barrett, Infantry.
Capt. Archibald Donald Fisken, Coast Artillery Corps.
Capt. Fenton Stratton Jacobs, Cavalry.
xCapt. Raymond Rolland Tourtillott, Infantry.
Capt. George Albert Hadd, Infantry.
Capt. Joseph Purnell Cromwell, Adjutant General's Department.
Capt. Lawrence Locke Clayton, Signal Corps.
Capt. Catesby ap Catesby Jones, Cavalry.
Capt. William Mayer, Chemical Warfare Service.
Capt. James Laird Craig, Coast Artillery Corps.
Capt. Ray Maxey Hare, Quartermaster Corps.
Capt. Walter Francis Zullins, Infantry.
Capt. Henry Lord Page King, Signal Corps.
Capt. Charles Ernest Loucks, Chemical Warfare Service.
Capt. Herbert Vaughan Scanlan, Cavalry.
Capt. George Philip Seneff, Field Artillery.
Capt. Russell Gordon Ayers, Infantry.
Capt. William Allen Wappenstein, Infantry.
xCapt. Charles Hayden Owens, Infantry.
Capt. Joseph William Loef, Field Artillery.
Capt. Carter Collins, Infantry.
Capt. Hugh McCauley Cochran, 3d, Coast Artillery Corps.
Capt. George Edwin Abrams, Infantry.
Capt. Albert Dickinson Foster, Infantry.
Capt. Donald Parker Spalding, Infantry.
xCapt. Ercil Dale Porter, Infantry.
Capt. Harold Jack Adams, Signal Corps.
Capt. Claude Alfred White, Field Artillery.
Capt. John Franklin Farnsworth, Infantry.
xCapt. William Booth Van Auken, Cavalry.
Capt. Archer Lynn Lerch, Infantry.
Capt. Wendell Lapsley Clemenson, Infantry.

Capt. Moses William Pettigrew, Field Artillery.
Capt. Walter Francis Kraus, Air Corps.
Capt. Charles James Deahl, Jr., Infantry.
Capt. Arcadi Gluckman, Infantry.
Capt. Dale Milton Hoagland, Field Artillery.
xCapt. Roy Thomas Rouse, Infantry.
Capt. Lester Martin Kilgarif, Field Artillery.
Capt. James Wilson Rice, Chemical Warfare Service.
Capt. James Polk Gammon, Infantry.
Capt. James Irving Gibbon, Cavalry.
Capt. Burton Curtis Andrus, Cavalry.
Capt. Arthur Lafayette Warren, Field Artillery.
Capt. Irwin Lytle Lummis, Infantry.
Capt. David Lewis Ruffner, Field Artillery.
Capt. Mark Milton Serrem, Ordnance Department.
Capt. Arthur William Gower, Coast Artillery Corps.
Capt. John Taylor Lewis, Coast Artillery Corps.
Capt. Ross Breckon Warren, Field Artillery.
Capt. Walter David Luplow, Corps of Engineers.
Capt. Samuel Lusker McCroskey, Coast Artillery Corps.
Capt. Arvid Paul Croonquist, Infantry.
Capt. Oliver Boone Bucher, Coast Artillery Corps.
Capt. Clarence Ames Martin, Infantry.
Capt. Francis Stuart Swett, Coast Artillery Corps.
Capt. Henning Linden, Infantry.
Capt. George Read, Jr., Infantry.
Capt. Harold Taylor Brotherton, Field Artillery.
Capt. Miles Whitney Kresge, Ordnance Department.
Capt. Ralph de Poix Terrell, Field Artillery.
Capt. Walter Alexander Dumas, Infantry.
Capt. Edwin Emerson Keatley, Infantry.
Capt. George Worcester Ricker, Coast Artillery Corps.
Capt. George Comfort Parkhurst, Infantry.
Capt. Don Magruder Scott, Infantry.
Capt. Robert Edward Wysor, Jr., Infantry.
Capt. James Edward Wharton, Infantry.
Capt. Edgar Allen O'Hair, Field Artillery.
Capt. Martin Dunlap Barndollar, Jr., Infantry.
Capt. Lewis Simons, Infantry.
Capt. James Harold Day, Infantry.
Capt. George William Outland, Ordnance Department.
Capt. John Mead Silkmar, Corps of Engineers.
Capt. Loren Archibald Wetherby, Infantry.
Capt. James Joseph Coghlan, Infantry.
Capt. Bernard Butler McMahon, Infantry.
Capt. George Edwin Fingarson, Infantry.
Capt. Stanley Raymond Mickelsen, Coast Artillery Corps.
Capt. Ernest Albert Rudelius, Infantry.
Capt. William Lee Blanton, Infantry.
Capt. Carl Beecher Byrd, Cavalry.
Capt. Thomas Brady, Jr., Quartermaster Corps.
Capt. Porter Pise Wiggins, Infantry.
Capt. Gilbert Xavier Cheves, Cavalry.
Capt. William Edward Corkill, Field Artillery.
Capt. John Thomas Zellars, Infantry.
xCapt. Richard Alfred McClure, Infantry.
Capt. Carroll Gowen Riggs, Coast Artillery Corps.
Capt. John Adams Ballard, Signal Corps.
Capt. Emons Bert Whisner, Infantry.
Capt. George Wesley Griner, Jr., Infantry.
Capt. Douglas Lee Crane, Field Artillery.
Capt. Hugh Tullock Mayberry, Infantry.
Capt. Wade Carpenter Gatchell, Cavalry.
Capt. Frederic Harris Timmerman, Field Artillery.
xCapt. Harry Staples Robertson, Infantry.
Capt. Philip Edward Brown, Infantry.
Capt. Andrew Jackson Wynne, Cavalry.
Capt. Olaf Phillips Winningstad, Ordnance Department.
Capt. Winfred Charles Green, Field Artillery.
Capt. Marion Irwin Voorhes, Cavalry.
Capt. George Arthur Davis, Infantry.
Capt. George VanWyck Pope, Infantry.
Capt. George Ellsworth Butler, Infantry.
Capt. Edgar Lewis Clewell, Signal Corps.
xCapt. Herbert Fritz Ernst Bultman, Coast Artillery Corps
Capt. Joel Rankin Burney, Infantry.
Capt. Wilton Burton Persons, Signal Corps.
Capt. Campbell Nelson Jackson, Infantry.
xCapt. Homer Case, Coast Artillery Corps.
Capt. John Henry Gardner, Jr., Signal Corps.
Capt. Earl Cranston Ewert, Field Artillery.
xCapt. Bird Little, Infantry.
Capt. Lucian King Truscott, Jr., Cavalry.
Capt. Guy Cummins McKinley, Jr., Infantry.
Capt. Gordon Prescott Savage, Infantry.
xCapt. Harold Hugh McClune, Infantry.
Capt. Lester Earl MacGregor, Infantry.
Capt. Harold Pearson Gibson, Infantry.
Capt. Lloyd Ross Besse, Infantry.
Capt. Charles Fearn Sutherland, Infantry.
Capt. Gilbert Everhard Parker, Infantry.
Capt. Francis Beeston Laurenson Myer, Quartermaster Corps.
Capt. Arthur Seymour Nevins, Infantry.
Capt. John George Murphy, Coast Artillery Corps.
Capt. Gustave Villaret, Jr., Infantry.
Capt. Edwin Sanders Van Deusen, Quartermaster Corps.
Capt. Joe Jens Miller, Signal Corps.
Capt. George Alfred Hunt, Infantry.
Capt. Frank Johnson McSherry, Coast Artillery Corps.
Capt. John Ernest Dahlquist, Infantry.
Capt. William Eugene Farthing, Air Corps.
Capt. Tom Sherman Brand, Infantry.
Capt. Charles Morris Ankcorn, Infantry.
Capt. James Robinson Urquhart, Infantry.
Capt. Morrill Watson Marston, Infantry.
Capt. William Edward Bergin, Adjutant General's Department.
Capt. John Calvin Butner, Jr., Field Artillery.
Capt. Benjamin Wilson Venable, Infantry.
Capt. John Lawrence Murphy, Infantry.
Capt. Edward Stanley Ott, Field Artillery.
Capt. Melvin Leslie McCreary, Field Artillery.
Capt. Herman Hollie Felix Gossett, Field Artillery.
Capt. Murray Matthews Montgomery, Field Artillery.
Capt. Lester Johnson Whitlock, Field Artillery.
Capt. A. Pledger Sullivan, Adjutant General's Department.
Capt. Harry Lee Campbell, Ordnance Department.
Capt. John Kay Christmas, Ordnance Department.
Capt. Harvey Edward, Quartermaster Corps.
Capt. Leo James McCarthy, Infantry.
Capt. Earl Franklyn Paynter, Infantry.
xCapt. Ernest Arthur Williams, Cavalry.
Capt. George Price Hays, Field Artillery.
Capt. George Harrison Millholland, Cavalry.
Capt. Herbert Daskum Gibson, Infantry.
Capt. Harry Squire Wilbur, Infantry.
Capt. Ralph Julian Canine, Field Artillery.
Capt. Paul Blassengame Robinson, Infantry.
Capt. William Lamont Coulter, Infantry.
Capt. Joseph Henry Hinwood, Infantry.
Capt. Russell Fleming Walthour, Jr., Infantry.
Capt. Timothy Asbury Pedley, Jr., Infantry.
Capt. Donald Ross Dunkle, Cavalry.
Capt. Chester Earl Davis, Cavalry.
Capt. Edwin Turner Bowden, Infantry.
Capt. Holmes Gill Paullin, Cavalry.
Capt. Ray Edison Porter, Infantry.
Capt. Frank Exley Barber, Infantry.
Capt. John Earl Brannan, Infantry.
Capt. John Hamilton Irving, Cavalry.
Capt. Oliver Ferguson Marston, Field Artillery.
Capt. Evan Dhu Cameron, Jr., Signal Corps.
Capt. Clarence Clemons Park, Field Artillery.
Capt. Glenn Smith Finley, Cavalry.
Capt. William Volney Rattan, Infantry.
Capt. Rosswell Eric Hardy, Ordnance Department.
Capt. Manly Foster Meador, Cavalry.
Capt. Zim E. Lawhon, Field Artillery.
Capt. Lloyd Zuppann, Infantry.
Capt. John Kirkland Rice, Infantry.
Capt. Hammond Davies Birks, Infantry.
Capt. James Holden Hagan, Infantry.
Capt. Lester Smith Ostrander, Infantry.

Capt. Charles Spurgeon Johnson, Infantry.
xCapt. Manly Broadus Gibson, Coast Artillery Corps.
Capt. Charles Hayes Henry, Infantry.
Capt. John Harold Keatinge, Field Artillery.
Capt. Hugh Andrew Wear, Infantry.
Capt. George Allan Miller, Infantry.
Capt. Stockbridge Carleton Hilton, Field Artillery.
Capt. William Russell Philp, Field Artillery.
Capt. George Anthony Horkan, Quartermaster Corps.
Capt. Charles Herman Unger, Cavalry.
Capt. Walter Harold Soderholm, Ordnance Department.
Capt. Samuel Cranmer Thompson, Infantry.
Capt. Harry Winant Caygill, Infantry.
Capt. James Elson Jeffres, Infantry.
Capt. Vennard Wilson, Ordnance Department.
Capt. Orlo Harry Quinn, Air Corps.
Capt. Lewis Anderson Page, Infantry.
Capt. Alexander Oscar Gorder, Infantry.
Capt. Geoffrey Marshall, Chemical Warfare Service.
Capt. Percy Custer Fleming, Field Artillery.
Capt. Edward Maynard Fickett, Cavalry.
Capt. John Francis Roehm, Field Artillery.
Capt. Milo Victor Buchanan, Infantry.
Capt. Kearie Lee Berry, Infantry.
xCapt. William Elbridge Chickering, Adjutant General's Department.
Capt. Wilbur Reece McReynolds, Infantry.
Capt. Howell Redd Hanson, Field Artillery.
Capt. George Robert Hayman, Field Artillery.
Capt. Howard Everett Camp, Field Artillery.
Capt. James Couzens Van Ingen, Signal Corps.
Capt. Fred Currie Milner, Infantry.
Capt. Charles Frost Craig, Infantry.
Capt. Lloyd Smith Partridge, Field Artillery.
Capt. Callie Hammond Palmer, Cavalry.
Capt. Karl Eugene Henion, Infantry.
Capt. Harold Whittle Blakeley, Field Artillery.
Capt. George Orial Clark, Infantry.
Capt. Lewis Allison Hudgins, Coast Artillery Corps.
Capt. Russell J. Potts, Infantry.
Capt. William Hoover Craig, Infantry.
Capt. Ollie William Reed, Infantry.
Capt. William Lawrence Phillips, Infantry.
Capt. Levi Monroe Bricker, Ordnance Department.
Capt. Louis Wilson Maddox, Infantry.
Capt. James Gaulding Watkins, Field Artillery.
Capt. Christopher Columbus Strawn, Cavalry.
Capt. William Fulton Magill, Jr., Infantry.
Capt. Robert John Wagoner, Quartermaster Corps.
Capt. Sam Williams Anderson, Coast Artillery Corps.
Capt. Alfred Joseph de Lorimier, Cavalry.
Capt. Everett Busch, Field Artillery.
Capt. James Taylor, Infantry.
Capt. Stewart Darden Hervey, Infantry.
Capt. Frank Joyce Pearson, Infantry.
Capt. Lester Thomas Miller, Air Corps.
Capt. Leo Donovan, Infantry.
Capt. Arthur Bee McDaniel, Air Corps.
Capt. Percy McCay Vernon, Infantry.
xCapt. Richard Earl Tallant, Cavalry.
Capt. Peter J. Lloyd, Infantry.
Capt. Henry Hale Cheshire, Cavalry.
Capt. Theodore Morton Cornell, Infantry.
Capt. Paul Vincent Kellogg, Infantry.
Capt. Herbert Ludwell Earnest, Cavalry.
Capt. Charles Spurgeon Harris, Coast Artillery Corps.
Capt. John Reed Hodge, Infantry.
Capt. Arthur Richard Walk, Infantry.
Capt. Leslie Egner Toole, Infantry.
Capt. Francis Murray Brady, Air Corps.
Capt. Paul Wolcott Rutledge, Coast Artillery Corps.
Capt. Eubert Harrison Malone, Infantry.
Capt. Ray Tyson Maddocks, Cavalry.
Capt. James Footville Butler, Infantry.
Capt. Richard Nelson Atwell, Cavalry.
Capt. Truman Morris Martin, Infantry.
Capt. Morris Simpson Daniels, Jr., Cavalry.
Capt. Cecil Leland Rutledge, Infantry.
Capt. Theodore Christian Gerber, Ordnance Department.
Capt. Lawrence Leonard William Meinzen, Infantry.
Capt. John Orland Lawrence, Cavalry.
Capt. George LeConte Ramsey, Infantry.
Capt. John Johnson Albright, Infantry.
Capt. Charles Williamson Glover, Field Artillery.
Capt. Alexander Adair, Infantry.
Capt. Grant Alexander Schlieker, Infantry.
Capt. William Grant Hilliard, Jr., Infantry.
Capt. Leslie Marshall Skerry, Field Artillery.
Capt. Walter Carper Phillips, Infantry.
Capt. Anthony Joseph Touart, Infantry.
Capt. Arthur Edmund Easterbrook, Air Corps.
Capt. Harry John Collins, Infantry.
Capt. James Van Valkenburgh Shufelt, Cavalry.
Capt. Henry Paul Hallowell, Infantry.
Capt. Hobart Raymond Gay, Quartermaster Corps.
Capt. Oscar Dubois McNeely, Coast Artillery Corps.
Capt. Parker Gillespie Tenney, Field Artillery.
Capt. Thomas Jeffries Betts, Coast Artillery Corps.
Capt. Buhl Moore, Field Artillery.
Capt. Mordaunt Verne Turner, Cavalry.
Capt. Norman E. Waldron, Quartermaster Corps.
Capt. Adrian Robert Brian, Infantry.
Capt. Burton Loren Lucas, Infantry.
Capt. Morris Clinton Handwerk, Coast Artillery Corps.
Capt. George Stephen Wear, Infantry.
Capt. Leo Lawrence Gocker, Cavalry.
Capt. Benjamin Franklin Harmon, Coast Artillery Corps.
Capt. Walter Throckmorton Scott, Infantry.
Capt. Edwin Wilds Godbold, Cavalry.
Capt. John Wilson O'Daniel, Infantry.
Capt. John Gilbert White, Field Artillery.
Capt. Harry Frank Thompson, Infantry.
Capt. Raymond Carmichael Gibbs, Cavalry.
Capt. Carl McKee Innis, Infantry.
Capt. Stanley Joseph Grogan, Infantry.
Capt. Rohland Andrew Isker, Cavalry.
Capt. Leonard Roscoe Crews, Coast Artillery Corps.
Capt. Charles Arthur Horger, Cavalry.
xCapt. Stonewall Jackson, Infantry.
Capt. Warner Beardsley Gates, Air Corps.
Capt. Oscar Joseph Neundorfer, Jr., Infantry.
Capt. Webster Hamlin Warren, Coast Artillery Corps.
Capt. Ross Berry Smith, Infantry.
Capt. Thomas Bennett Woodburn, Infantry.
Capt. Charles William Higgins, Coast Artillery Corps.
xCapt. Hugh Nathan Herrick, Coast Artillery Corps.
Capt. Stanley French Griswold, Infantry.
Capt. John Thomas Dibrell, Infantry.
Capt. Edmund Jones Lilly, Jr., Infantry.
Capt. Charles Edward Dissinger, Cavalry.
Capt. Cornelius Edward Ryan, Infantry.
Capt. John Edwin Hull, Infantry.
Capt. Thomas Francis Bresnahan, Infantry.
Capt. Koger Marion Still, Infantry.
xCapt. Samuel White, Field Artillery.
Capt. Gilman Kimball Crockett, Infantry.
Capt. William Warren Wertz, Coast Artillery Corps.
Capt. Thomas Edison Roderick, Infantry.
Capt. Wallace Alan Mead, Infantry.
Capt. Ray Winfield Harris, Infantry.
Capt. Evans Read Crowell, Coast Artillery Corps.
Capt. Robinson Earl Duff, Infantry.
Capt. Raymond Godfrey Lehman, Infantry.
Capt. Irvine Callander Scudder, Infantry.
Capt. James Chester Bates, Coast Artillery Corps.
Capt. Harry Edmund Pendleton, Coast Artillery Corps.
xCapt. Paul Samuel Beard, Finance Department.
Capt. Edwin Allan Smith, Infantry.
Capt. Gyles Merrill, Cavalry.
Capt. Floyd C. Harding, Infantry.
Capt. James Montague Adamson, Jr., Cavalry.
Capt. Percy Lee Sadler, Infantry.
Capt. George Luther Morrow, Infantry.
Capt. Frederick Wilhelm Hoorn, Signal Corps.

xCapt. Joe Carroll Rogers, Cavalry.
Capt. Frank Albert Allen, Jr., Cavalry.
Capt. Joseph Carson Stephens, Coast Artillery Corps.
Capt. Bernard Franklin Hurless, Infantry.
Capt. Guy Orth Kurtz, Field Artillery.
Capt. Louis Joseph Compton, Field Artillery.
Capt. John Henry Hilldring, Infantry.
Capt. Arthur Breckinridge Wade, Field Artillery.
Capt. John Hurst Rodman, Infantry.
xCapt. William Dan Powell, Infantry.
Capt. Ceylon Otto Griffin, Cavalry.
Capt. William Charles Louisell, Infantry.
Capt. Thomas Wade Herren, Cavalry.
Capt. Alden Humphrey Seabury, Cavalry.
Capt. William Emanuel Goe, Quartermaster Corps.
Capt. Donald Brooks Hilton, Infantry.
Capt. Alexander Bull MacNabb, Cavalry.
Capt. William Leonard Ritter, Infantry.
Capt. Ralph Edwin Hill, Coast Artillery Corps.
Capt. Francis Lancaster Christian, Coast Artillery Corps.
Capt. Walton Whittingham Cox, Cavalry.
Capt. Druid Emmet Wheeler, Infantry.
Capt. Maitland Bottoms, Coast Artillery Corps.
Capt. Ross Ernest Larson, Cavalry.
Capt. Stewart Elvin Reimel, Ordnance Department.
Capt. Kendall Jordan Fielder, Infantry.
Capt. William Curtis DeWare, Infantry.
Capt. Hugh Donald Adair, Infantry.
Capt. Joseph Robbins Bibb, Field Artillery.
Capt. Reginald Reuben Bacon, Infantry.
Capt. Russell Conwell Snyder, Field Artillery.
Capt. George Eddy Cook, Field Artillery.
xCapt. James Tolmie Watson, Jr., Signal Corps.
Capt. Eugene Hill Mitchell, Infantry.
Capt. John Wesley Russey, Field Artillery.
Capt. James Dennett McIntyre, Ordnance Department.
Capt. Allan James Kennedy, Infantry.
Capt. Bryan Lee Milburn, Coast Artillery Corps.
Capt. Nyal L. Adams, Coast Artillery Corps.
Capt. Virgil Norberto Cordero, Infantry.
xCapt. Leo Joseph Farrell, Infantry.
Capt. Walter Shea Wood, Infantry.
Capt. William Henry Quarterman, Jr., Field Artillery.
Capt. Benjamin Brandon Bain, Infantry.
Capt. Ira Clarence Eaker, Air Corps.
Capt. Stanton Louis Bertschey, Field Artillery.
Capt. Romeyn Beck Hough, Jr., Air Corps.
Capt. Cheney Litton Bertholf, Adjutant General's Department.
Capt. Ellsworth Young, Coast Artillery Corps.
Capt. Edward Reese Roberts, Field Artillery.
Capt. Walter Ernst Lauer, Infantry.
Capt. Frank Hitch Pritchard, Air Corps.
Capt. Albert Hugh Dumas, Infantry.
Capt. Paul Shober Jones, Judge Advocate General's Department.
Capt. Paul Thompson Baker, Infantry.
Capt. Robert Porter Bell, Infantry.
Capt. Edwin William Piburn, Infantry.
Capt. Kenneth Stoddard Whittemore, Infantry.
Capt. Jerry Vrchlicky Matejka, Signal Corps.
xCapt. Frank Huber Partridge, Adjutant General's Department.
Capt. Derril de Saussure Trenholm, Field Artillery.
Capt. Michael Edmond Halloran, Infantry.
Capt. Idwal Hubert Edwards, Air Corps.
Capt. Paul James Vevia, Infantry.
Capt. Carl Julian Dockler, Cavalry.
Capt. Milton Heilfron, Coast Artillery Corps.
Capt. Olin Coke Newell, Cavalry.
Capt. Paul Steele, Infantry.
Capt. Robert Emmett Cummings, Infantry.
Capt. Harry Fayette Schoonover, Field Artillery.
Capt. Louis Simmons Stickney, Signal Corps.
xCapt. William Hesketh, Coast Artillery Corps.
Capt. Ben Curtis McComas, Quartermaster Corps.
Capt. Maurice Garver Stubbs, Infantry.
Capt. Archibald Andrew Fall, Infantry.
Capt. Frank Romaine Schucker, Infantry.
Capt. George Stewart Warren, Air Corps.
Capt. Mario Cordero, Coast Artillery Corps.
Capt. Henry Oscar Swindler, Infantry.
Capt. Haskell Allison, Signal Corps.
Capt. Davis Jones, Infantry.
Capt. Russell Skinner, Infantry.
Capt. George Warren Dunn, Jr., Coast Artillery Corps.
Capt. John Alexander Klein, Adjutant General's Department.
Capt. Arthur Harold Luse, Ordnance Department.
Capt. William Arthur Swift, Infantry.
Capt. John Edwin Grose, Infantry.
Capt. Robert Creighton Wright, Infantry.
Capt. Lawrence Archie Kurtz, Field Artillery.
Capt. Daniel Webster Hickey, Jr., Coast Artillery Corps.
Capt. Martin Stevenson Chester, Infantry.
Capt. Harry Reichelderfer, Signal Corps.
Capt. Alexander Russell Bolling, Infantry.
Capt. Duncan Thomas Boisseau, Field Artillery.
Capt. James Leonard Garza, Infantry.
xCapt. John Dunbar Chambliss, Infantry.
Capt. Elvin Leon Barr, Coast Artillery Corps.
Capt. Douglas Eaton Morrison, Coast Artillery Corps.
Capt. Thomas Eugene Jeffords, Coast Artillery Corps.
Capt. Frank Hendricks Hastings, Coast Artillery Corps.
xCapt. Joseph Hiram Gilbreth, Coast Artillery Corps.
Capt. Harold Gilbert Archibald, Coast Artillery Corps.
Capt. Daniel Howe Hoge, Coast Artillery Corps.
Capt. Reamer Walker Argo, Coast Artillery Corps.
Capt. Eugene Thomas Conway, Coast Artillery Corps.
Capt. Ralph Hirsch, Field Artillery.
Capt. William Joseph Egan, Field Artillery.
xCapt. Talley Dozier Joiner, Infantry.
Capt. Robert Victor Maraist, Field Artillery.
Capt. Lawrence Patterson, Cavalry.
Capt. Lester Hardee Barnhill, Infantry.
Capt. Sterner St. Paul Meek, Ordnance Department.
Capt. Melvin Lewis Craig, Field Artillery.
Capt. Elbert Arcularius Nostrand, Infantry.
Capt. Hervey Aldrich Tribolet, Infantry.
Capt. Robert Brooks Ennis, Infantry.
Capt. Levie Wilson Foy, Infantry.
Capt. John Cord Blizzard, Jr., Infantry.
Capt. Warren Henry McNaught, Field Artillery.
Capt. Howard Clark, 2d, Infantry.
Capt. Roy Edson Craig, Cavalry.
Capt. Robert Ignatius Stack, Infantry.
xCapt. John Huling, Jr., Ordnance Department.
Capt. Early Edward Walters Duncan, Air Corps.
Capt. Edward Marple Daniels, Quartermaster Corps.
Capt. Philip Richard Upton, Cavalry.
Capt. Horace Kelita Heath, Infantry.
Capt. Harry Russell Evans, Field Artillery.
Capt. Bartholomew Robins DeGraff, Infantry.
xCapt. Harold Napoleon Gilbert, Adjutant General's Department.
Capt. William Albert Collier, Infantry.
Capt. Leonard Harrison Frasier, Field Artillery.
Capt. Archibald Miles Mixson, Infantry.
Capt. Clifford Bert Cole, Field Artillery.
Capt. Albert Gresham Wing, Infantry.
Capt. William Fred Rehm, Infantry.
Capt. Edward Nicholson Fay, Infantry.
Capt. Donald Thomas Nelson, Finance Department.
Capt. Richardson Lester Greene, Field Artillery.
Capt. George Clarence Nielsen, Infantry.
Capt. Earl Campbell Horan, Infantry.
Capt. William John Henry Ryan, Infantry.
Capt. Wallace William Millard, Infantry.
Capt. Arthur Grady Hutchinson, Infantry.
Capt. Norman Marcus Nelsen, Infantry.
Capt. Roy Nathan Hagerty, Infantry.
Capt. Ronald Lowe Ring, Infantry.

Capt. Alfred Timothy Wright, Infantry.
Capt. John Ainsworth Andrews, Infantry.
Capt. George Andrew Lockhart, Infantry.
xCapt. James Julian Pirtle, Infantry.
Capt. Alfred Edward Dedicke, Infantry.
Capt. George Frederick Macdonald, Infantry.
Capt. Wilbur Ellsworth Bashore, Infantry.
Capt. Harold Head, Infantry.
Capt. Walter William Boon, Cavalry.
Capt. Hugh McCord Evans, Infantry.
Capt. Michael Joseph Mulcahy, Infantry.
Capt. Harold Stokely Wright, Quartermaster Corps.
Capt. Lois Chester Dill, Infantry.
Capt. Edward James Maloney, Infantry.
Capt. Richard Abram Jones, Infantry.
Capt. Nelson Macy Walker, Infantry.
Capt. Milton Brandt Goodyear, Infantry.
Capt. William Ewart Gladstone Graham, Infantry.
Capt. Jesse Ralston Lippincott, Infantry.
Capt. Francis Russel Lyons, Corps of Engineers.
Capt. William Norman Thomas, Jr., Corps of Engineers.
Capt. Lee Sommerville Dillon, Corps of Engineers.
Capt. Ralph Millis, Corps of Engineers.
Capt. Peter Edward Bermel, Corps of Engineers.
Capt. Carl Raymond Shaw, Corps of Engineers.
Capt. Theron DeWitt Weaver, Corps of Engineers.
Capt. Frederic Franklyn Frech, Corps of Engineers.
xCapt. John Elliott Wood, Corps of Engineers.
Capt. Charles Isidor Bazire, Quartermaster Corps.
Capt. James Stewart Clarke, Quartermaster Corps.
Capt. Ira J. Wharton, Quartermaster Corps.
Capt. Eugene Hiram Sleeper, Quartermaster Corps.
Capt. Joseph M. Cole, Coast Artillery Corps.
Capt. Thomas Caffin Beck, Infantry.
Capt. Edward Augustus Mechling, Quartermaster Corps.
xCapt. Michael Joseph Gilmore, Quartermaster Corps.
Capt. Selim Woodworth Myers, Infantry.
Capt. Edward North Chisolm, Jr., Corps of Engineers.
Capt. Charles Gilpin Dobbins, Finance Department.
Capt. James Sproule, Quartermaster Corps.
Capt. Harry Ray Springer, Quartermaster Corps.
Capt. James Madison DeWeese, Field Artillery.
Capt. Joseph John Schmidt, Infantry.
Capt. Arthur Bothwell Proctor, Quartermaster Corps.
Capt. John Harris Elson, Infantry.
Capt. George Augustine Frazer, Judge Advocate General's Department.
Capt. Royden Williamson, Cavalry.
Capt. Charles Clement Quigley, Adjutant General's Department.
Capt. Reginald Johnston Imperatori, Coast Artillery Corps.
Capt. Raymond Greenleaf Sherman, Infantry.
Capt. Sherman Potter Walker, Infantry.
Capt. William Cone Mahoney, Quartermaster Corps.
Capt. Alpha Brumage, Field Artillery.
Capt. Sherman I. Strong, Quartermaster Corps.
Capt. Lee W. Card, Quartermaster Corps.
Capt. Leighton E. Worthley, Infantry.
Capt. Gilbert Sylvester Woolworth, Judge Advocate General's Department.
xCapt. Henry Mahoney Denning, Finance Department.
Capt. John Albert Shaw, Infantry.
Capt. Wesley Wright Price, Quartermaster Corps.
Capt. James Paul Lloyd, Infantry.
Capt. Thomas Asbuary Harris, Infantry.
Capt. Charles Clarke Loughlin, Infantry.
Capt. Lawrence Peter Worrall, Finance Department.
Capt. Milton Humes Patton, Cavalry.
Capt. Brom Ridley Whitthorne, Quartermaster Corps.
Capt. Gilbert Rieman, Cavalry.
Capt. Wallace Edwin Durst, Quartermaster Corps.
Capt. Hiram Edwin Tuttle, Quartermaster Corps.
Capt. John Walter Campbell, Infantry.
Capt. Samuel Alexander Greenwell, Adjutant General's Department.
Capt. Howard Kirkbride Dilts, Infantry.
Capt. John William Thompson, Quartermaster Corps.
Capt. George Cook Hollingsworth, Infantry.
Capt. Thomas Tidball Trapnell, Judge Advocate General's Department.
Capt. Charles Otis Ashton, Infantry.
Capt. Joel Franklin Watson, Judge Advocate General's Department.
Capt. Reyburn Engles, Quartermaster Corps.
Capt. John Conrad Hutcheson, Quartermaster Corps.
Capt. Austin Triplett, Infantry.
Capt. William Downing Wheeler, Air Corps.
Capt. David Ransom Wolverton, Quartermaster Corps.
Capt. William Eldon Harris, Corps of Engineers.
Capt. Gregory Sumner Lavin, Ordnance Department.
Capt. Arthur Freeman Bowen, Infantry.
Capt. Herbert Horton Lewis, Infantry.
Capt. George Ray Ford, Quartermaster Corps.
Capt. Newton Harrell Strickland, Ordnance Department.
Capt. John Vincent Rowan, Quartermaster Corps.
Capt. William Henry Beers, Infantry.
Capt. Francis James Fitzpatrick, Corps of Engineers.
Capt. Willis Dodge Cronkhite, Infantry.
Capt. Raymond Parker Cook, Infantry.
Capt. John Alexander Russell, Quartermaster Corps.
xCapt. Theodore Tyler Barnett, Quartermaster Corps.
Capt. William Addison Ray, Field Artillery.
Capt. Lloyd Spencer Spooner, Infantry.
Capt. Leon Ewart Savage, Field Artillery.
Capt. Henry Mills Shoemaker, Cavalry.
Capt. Philip William Hardie, Coast Artillery Corps.
Capt. Eugene Erwin Morrow, Infantry.
Capt. Kinsley Wilcox Slauson, Quartermaster Corps.
Capt. Fred Tenderholm Neville, Quartermaster Corps.
Capt. Louis Duzzett Farnsworth, Coast Artillery Corps.
Capt. Harry Martel Gwynn, Infantry.
Capt. Lemuel Paul Crim, Ordnance Department.
xCapt. John Fulton Reynolds Scott, Judge Advocate General's Department.
Capt. Newton Withington Speece, Infantry.
Capt. Frank Glenn Potts, Infantry.
Capt. Norbert Cecil Manley, Field Artillery.
Capt. John Henry Baxter, Infantry.
Capt. Ridgway Pancoast Smith, Infantry.
Capt. Wallace Earle Hackett, Infantry.
Capt. William Lane Tydings, Infantry.
Capt. Ernest Klein White, Quartermaster Corps.
Capt. Thomas Dorrington Wadelton, Cavalry.
Capt. B. Conn Anderson, Field Artillery.
Capt. William James Henry, Ordnance Department.
Capt. Clyde Deans Parmelee, Field Artillery.
Capt. Walter Gregory, Infantry.
Capt. Stanley George Backman, Infantry.
Capt. Ray Calhoun Montgomery, Field Artillery.
Capt. Grattan Herbert McCafferty, Infantry.
Capt. William Henry Crosson, Corps of Engineers.
Capt. George William West, Quartermaster Corps.
Capt. James Edward Morrisette, Judge Advocate General's Department.
Capt. Augustus Spencer Harrison, Quartermaster Corps.
Capt. William Francis Dalton, Infantry.
xCapt. Harry Coleman Snyder, Quartermaster Corps.
Capt. Franklin B. Lees, Quartermaster Corps.
Capt. William Robert Buckley, Quartermaster Corps.
Capt. Archie Ellsworth Phinney, Infantry.
Capt. Paul Daniel Connor, Infantry.
Capt. George Byron Norris, Infantry.
Capt. Frederic Von Mohl Dyer, Infantry.
Capt. John Nettleton Johnson, Jr., Infantry.
Capt. Ralph Reynolds Seger, Quartermaster Corps.
Capt. Malcolm Robert Cox, Field Artillery.
Capt. Arthur James Perry, Finance Department.
Capt. Arthur Floyd, Infantry.
Capt. Ingomar Marcus Oseth, Infantry.
Capt. Taylor Worcester Foreman, Infantry.
Capt. William Alexander Cunningham, Infantry.
Capt. George Leroy King, Infantry.
Capt. Rumsey Campbell, Field Artillery.

Capt. Arthur Pierson McGee, Infantry.
Capt. Frank Bishop Lammons, Infantry.
Capt. Floyd William Ferree, Infantry.
Capt. John Rice Eden, Infantry.
Capt. Henry Harmeling, Judge Advocate General's Department.
Capt. Paul DuPont Strong, Infantry.
Capt. Chester Price Haycock, Infantry.
Capt. Charles Orval Thrasher, Quartermaster Corps.
Capt. Orryl Samuel Robles, Infantry.
xCapt. Frank M. Moore, Infantry.
Capt. Earl Alva Hyde, Field Artillery.
Capt. James David Andrews, Jr., Corps of Engineers.
Capt. Thomas Arthur Reiner, Infantry.
Capt. John Nash, Field Artillery.
Capt. Horatio Gano Fairbanks, Corps of Engineers.
Capt. Bernard Joseph Finan, Quartermaster Corps.
Capt. Caesar Rodney Roberts, Coast Artillery Corps.
Capt. William Aloysius Rounds, Judge Advocate General's Department.
Capt. William B. Weston, Field Artillery.
Capt. Claire Elwood Hutchin, Infantry.
Capt. Delbert Ausmus, Coast Artillery Corps.
Capt. Frank Eugene Shaw, Judge Advocate General's Department.
Capt. Frank Elijah Linnell, Infantry.
Capt. John Summerfield Vincent, Quartermaster Corps.
Capt. George Nicholl Randolph, Infantry.
Capt. Benjamin Bussey Lattimore, Field Artillery.
Capt. Charles Simonton Brice, Judge Advocate General's Department.
Capt. Herbert William Schmid, Infantry.
Capt. Elliott Vandevanter, Corps of Engineers.
Capt. Lloyd Leslie Hamilton, Infantry.
xCapt. Eustace Maduro Peixotto, Infantry.
Capt. Watson Longan McMorris, Coast Artillery Corps.
Capt. Arthur Walter Penrose, Infantry.
Capt. Julian Hurlburt Gist, Infantry.
Capt. Armin Ferdinand Herold, Air Corps.
Capt. Joseph Church, Infantry.
Capt. Lewis Coleman Gordon, Corps of Engineers.
Capt. French Cameron Simpson, Quartermaster Corps.
Capt. Clinton Enos Fenters, Infantry.
xCapt. Robert Trisch Willkie, Quartermaster Corps.
Capt. Hubert Don Hoover, Judge Advocate General's Department.
Capt. Theodore Wyman, Jr., Corps of Engineers.
Capt. John Russel Fountain, Infantry.
Capt. Elmer Royal Block, Field Artillery.
Capt. William John Niederpruem, Infantry.
xCapt. Nels Gustaf Sandelin, Quartermaster Corps.
Capt. Elmer Sharpe Van Benschoten, Field Artillery.
Capt. Charles Waldemar Seifert, Infantry.
Capt. Ralph Pollock, Jr., Quartermaster Corps.
Capt. Otto Harwood, Quartermaster Corps.
Capt. Eugene Vincent Behan, Infantry.
Capt. Carl Christian Andersen, Infantry.
Capt. Hubbard Errette Dooley, Infantry.
Capt. Herbert Francis Teate, Infantry.
Capt. Robert Charles Hunter, Corps of Engineers.
Capt. Roye Pannebecker Gerfen, Cavalry.
Capt. Thomas Everett May, Infantry.
Capt. James Jarlath Kelly, Infantry.
Capt. George Harrison Stuts, Field Artillery.
Capt. Gordon Cushing Day, Corps of Engineers.
Capt. Robert Scott Miller, Infantry.
Capt. Harry Briggs Vaughan, Jr., Corps of Engineers.
Capt. Frederick William Adams, Infantry.
Capt. Ernest August Guillemet, Quartermaster Corps.
Capt. John Frank Zajicek, Corps of Engineers.
Capt. John Albion Chase, Field Artillery.
Capt. Henry Edward Tisdale, Field Artillery.
Capt. Walter Gilbert Layman, Infantry.
Capt. Paul Gerhardt Rutten, Quartermaster Corps.
Capt. Herman Goodwin Halverson, Quartermaster Corps.
Capt. William Carrick Braly, Coast Artillery Corps.
Capt. James Washington Curtis, Infantry.
xCapt. Forrest Edward Ambrose, Infantry.
Capt. John Hopkins, Infantry.
Capt. Thomas Morris Jervey, Ordnance Department.
Capt. Howard Farlowe Kent Cahill, Infantry.
Capt. Frank Packard Coffin, Infantry.
Capt. John Russell Young, Field Artillery.
Capt. Earl Newell Hackney, Infantry.
Capt. Morris Easton Conable, Coast Artillery Corps.
Capt. Jack Wesley Howard, Infantry.
Capt. Alston Pringle Rhett, Field Artillery.
Capt. John Halpin Burns, Infantry.
Capt. Samuel Francis Howard, Infantry.
Capt. Asa Herman Skinner, Ordnance Department.
Capt. David McDougald Shearer, Corps of Engineers.
Capt. Edward Avery Austin, Infantry.
Capt. Charles Dayton Carle, Infantry.
Capt. Fred Anthony McMahon, Ordnance Department.
Capt. Hartwell Newton Williams, Quartermaster Corps.
Capt. James Leslie McIlhenny, Field Artillery.
Capt. Leslie Rudisill Forney, Infantry.
Capt. Thornton Chase, Infantry.
Capt. Harry Wright Hill, Corps of Engineers.
Capt. Joseph Leo Connolly, Infantry.
Capt. Robert Wilkin McBride, Coast Artillery Corps.
Capt. Charles Addison Pursley, Air Corps.
Capt. Bert S. Wampler, Infantry.
Capt. Henry Tureman Allen, Cavalry.
Capt. Marvel Harold Parsons, Coast Artillery Corps.
Capt. Charles Franklin Johnson, Infantry.
Capt. Carl Herbert Odeen, Quartermaster Corps.
Capt. Tryon Mason Shepherd, Infantry.
Capt. Adam Richmond, Judge Advocate General's Department.
Capt. Winfield Orval Shrum, Infantry.
Capt. Paul Roy Guthrie, Quartermaster Corps.
xCapt. Arthur Musser Sheets, Field Artillery.
Capt. Ernest Franklin Dukes, Cavalry.
Capt. Thomas Willis Jones, Quartermaster Corps.
Capt. Senius John Raymond, Quartermaster Corps.
Capt. Ira Edgar Ryder, Infantry.
Capt. Herbert Randolph Roberts, Infantry.
Capt. Neal Willard Richmond, Infantry.
Capt. Charles Francis Frost Cooper, Infantry.
Capt. Frank Ward, Infantry.
Capt. Charles Conrad Brown, Field Artillery.
Capt. Harold Edward Potter, Infantry.
Capt. Rufus Boylan, Infantry.
Capt. Warren Crouse Hurst, Quartermaster Corps.
Capt. Charles Clinton Griffin, Infantry.
Capt. Willard Lapham Smith, Infantry.
Capt. Clarence Charles Fenn, Judge Advocate General's Department.
Capt. George Luke Usher, Air Corps.
Capt. George H. Cushman, Jr., Field Artillery.
xCapt. Andrew Thomas Knight, Infantry.
Capt. William Lackey Mays, Infantry.
Capt. John Patrick Welch, Quartermaster Corps.
Capt. Stanley Gifford Blanton, Infantry.
Capt. Robert Morris Copeland, Corps of Engineers.
Capt. Harold Sidney Johnson, Coast Artillery Corps.
Capt. Daniel Bernard Cullinane, Cavalry.
Capt. Llewellyn deWaele Tharp, Infantry.
Capt. Owen Summers, Infantry.
Capt. John Robin Davis Cleland, Adjutant General's Department.
Capt. Edward Chambers Betts, Judge Advocate General's Department.
Capt. George Randall Wells, Infantry.
Capt. Thomas Ernest Campbell, Infantry.
Capt. William George Walker, Infantry.
Capt. Peyton Winlock, Field Artillery.
Capt. George Mortimer Couper, Infantry.
Capt. Abraham Max Lawrence, Coast Artillery Corps.
Capt. Frank Thornton Addington, Infantry.
Capt. Paul Ernest Leiber, Infantry.
xCapt. William Bernard Lowery, Infantry.
Capt. James Francis Strain, Infantry.

Capt. Francis Norton Neville, Quartermaster Corps.
Capt. Harry Lynn Henkle, Infantry.
Capt. Merrifield Graham Martling, Corps of Engineers.
xCapt. Ralph Brundidge Lovett, Infantry.
Capt. Fred Stevens Byerly, Infantry.
Capt. Austin Webb Lee, Quartermaster Corps.
Capt. Robert Emory Swab, Infantry.
Capt. Lewis Andrew Pick, Corps of Engineers.
Capt. Oscar Stanley Smith, Infantry.
Capt. Joseph Henry Davidson, Air Corps.
xCapt. John McDowall, Field Artillery.
Capt. Walter Cox Rathbone, Infantry.
Capt. Harry Watson Bolan, Infantry.
Capt. George Bagby Campbell, Judge Advocate General's Department.
Capt. Harry Martin Andrews, Quartermaster Corps.
Capt. Chauncey McCullough Lyons, Infantry.
Capt. Edward Phillip Wadden, Infantry.
Capt. Paul Miller Ellman, Corps of Engineers.
xCapt. John Edward Doyle, Infantry.
Capt. Paul Jones Mathis, Air Corps.
Capt. George Edward Jacobs, Infantry.
Capt. Frank Ellsworth Brokaw, Infantry.
Capt. Beverly Allison Shipp, Infantry.
Capt. Walter Kendall Wheeler, Jr., Infantry.
Capt. Charles Sherwood Gilbert, Infantry.
Capt. Eugene Nelson Frakes, Infantry.
Capt. Robert Oliver Shoe, Infantry.
Capt. Charles Crisp Morgan, Infantry.
Capt. Ellis Edward Haring, Corps of Engineers.
Capt. Malcolm Everett Craig, Infantry.
Capt. Roland Thorpe Fenton, Quartermaster Corps.
Capt. Albert Brengle Heisley, Infantry.
Capt. Milton Orme Boone, Quartermaster Corps.
Capt. Perry Edward Taylor, Cavalry.
Capt. Walter Daugherty McCord, Infantry.
Capt. Matthew Hall Jones, Quartermaster Corps.
Capt. James Esmond Matthews, Infantry.
Capt. William Richard Bent, Infantry.
xCapt. Harry Jefferson Farner, Infantry.
Capt. Lawrence Slade, Quartermaster Corps.
Capt. Samuel Lynn Dunlop, Infantry.
Capt. Joseph Wheeler Starkey, Infantry.
Capt. Harrington Willson Cochran, Coast Artillery Corps.
Capt. Leo Joseph Dillon, Ordnance Department.
Capt. Alberto Eugene Merrill, Cavalry.
Capt. John Merle Weir, Judge Advocate General's Department.
Capt. Samuel Clifton Cratch, Quartermaster Corps.
Capt. Hubert Ward Beyette, Quartermaster Corps.
Capt. James Monroe Morris, Infantry.
xCapt. Elbridge Colby, Infantry.
Capt. Herbert Hatchett Blackwell, Coast Artillery Corps.
Capt. Richard Adams Knight, Field Artillery.
Capt. Roy Victor Rickard, Infantry.
Capt. Alfred Volckman Ednie, Infantry.
Capt. Lee Vernado Hunnicutt, Infantry.
Capt. Charles Jackson Sullivan, Infantry.
Capt. Otto Gresham Trunk, Air Corps.
Capt. William Russell Frost, Field Artillery.
Capt. Earl Le Verne Lyons, Infantry.
Capt. Franklin Prague Shaw, Judge Advocate General's Department.
Capt. Lawrence Lee Simpson, Quartermaster Corps.
Capt. Howard Haines Cloud, Quartermaster Corps.
Capt. Louis William Eggers, Infantry.
Capt. Charlie Anthony Valverde, Infantry.
Capt. Francis Egan, Quartermaster Corps.
Capt. Fred Ivan Gilbert, Ordnance Department.
Capt. Charles William Mays, Field Artillery.
Capt. William Pinckney Bledsoe, Field Artillery.
Capt. James Carlisle Patterson, Field Artillery.
Capt. John Joseph Nealon, Infantry.
Capt. Maurice Vernon Patton, Field Artillery.
Capt. Walter Thomas Gorton, Ordnance Department.
Capt. Arthur Vanderpool Winton, Coast Artillery Corps.
Capt. Alexander Hill Cummings, Infantry.
Capt. Blaisdell Cain Kennon, Infantry.
Capt. Walter Carroll Ellis, Signal Corps.
Capt. Leslie Johnathan Cartwright, Infantry.
Capt. Harland Fisher Seeley, Infantry.
Capt. Wallace Chace Steiger, Cavalry.
xCapt. John Huston Church, Infantry.
Capt. John Robert Dinsmore, Judge Advocate General's Department.
Capt. Frank Leslie Thompson, Field Artillery.
Capt. Harold Baxter Crowell, Infantry.
Capt. Harold Eugene Eastwood, Cavalry.
Capt. Gilbert Taylor Collar, Air Corps.
Capt. Chester Carlton Westfall, Infantry.
Capt. William Langley Wharton, Infantry.
Capt. Henry Herbert Cameron, Cavalry.
Capt. William Otis Poindexter, Infantry.
Capt. Anthony Power Lagorio, Infantry.
Capt. Lamar Weaver, Infantry.
Capt. Benjamin Franklin Giles, Air Corps.
Capt. Ernest Clifton Adkins, Infantry.
Capt. Lee Huber, Infantry.
Capt. Alexander Leggitt Morris, Infantry.
Capt. Arthur Hurd Lee, Field Artillery.
Capt. Keith Kenneth Jones, Field Artillery.
Capt. Thomas Green Poland, Infantry.
Capt. Caspar Ray Crim, Infantry.
Capt. Robert Henry Crosby, Field Artillery.
Capt. Thomas Deweese Davis, Infantry.
Capt. John Liggat Tunstall, Finance Department.
Capt. George Lyman Prindle, Infantry.
Capt. Leslie Walter Brown, Infantry.
Capt. Tobin Cornelius Rote, Infantry.
Capt. Owen Meredith Marshburn, Field Artillery.
Capt. Reading Wilkinson, Corps of Engineers.
Capt. Nicholas Hamner Cobbs, Finance Department.
Capt. William Allen Hale, Infantry.
Capt. Pierre Mallett, Field Artillery.
Capt. David Eugene Barnett, Infantry.
Capt. Earle Albie Johnson, Infantry.
Capt. Edgar Harland Keltner, Infantry.
Capt. Jesse Andrew Rogers, Jr., Ordnance Department.
Capt. Furman Walker Hardee, Infantry.
Capt. Ben Haw Lowry, Quartermaster Corps.
Capt. Charles Peter Lynch, Infantry.
Capt. Edward Crews Black, Air Corps.
Capt. William Burbridge Yancey, Infantry.
Capt. Raymond Leroy Shoemaker, Infantry.
Capt. Shirley Wiggins McIlwain, Quartermaster Corps.
xCapt. John Phillip Scott, Cavalry.
Capt. Charles August Ross, Quartermaster Corps.
Capt. Andrew Christian Tychsen, Infantry.
Capt. George James Burns Fisher, Chemical Warfare Service.
Capt. Laurence Mickel, Infantry.
Capt. Robert John Wallace, Infantry.
Capt. John Swan Moore, Infantry.
Capt. Henry Earl Minton, Ordnance Department.
Capt. Lovic Pierce Hodnette, Infantry.
Capt. Arthur S. Champeny, Infantry.
Capt. John Hamilton Cochran, Infantry.
xCapt. Lloyd William Goeppert, Coast Artillery Corps.
Capt. William Michener, Field Artillery.
xCapt. Don Norris Holmes, Infantry.
Capt. Letcher Ogle Grice, Quartermaster Corps.
Capt. Alexander Jesse MacNab, Infantry.
Capt. Walter Hibbard, Infantry.
Capt. Ralph Leroy Ware, Infantry.
Capt. Chauncey Aubrey Bennett, Field Artillery.
Capt. Brisbane Hanks Brown, Infantry.
Capt. Charles Andrew Robinson, Infantry.
Capt. John Peter Neu, Quartermaster Corps.
Capt. Joe Shurlock Underwood, Quartermaster Corps.
Capt. Henry William Robinson, Infantry.
Capt. Clarence John Blake, Quartermaster Corps.
Capt. Harry Dennis Furey, Infantry.
Capt. Charles Henry Wilson, Infantry.
Capt. Richard Mathews Sandusky, Infantry.

Capt. Ernest Francis Boruski, Infantry.
Capt. Harold Mays Tague, Infantry.
Capt. John Walker Henson, Infantry.
Capt. Eugene Arthur Regnier, Cavalry.
Capt. William Grove Murphy, Infantry.
Capt. Joseph James Canella, Infantry.
Capt. Walter Alexander Wood, Jr., Corps of Engineers.
Capt. Charles McKinley Kemp, Infantry.
Capt. Raymond Cecil Hamilton, Infantry.
Capt. Charles Herbert Karlstad, Infantry.
Capt. Jasper Morris Groves, Infantry.
Capt. Norris Adron Wimberley, Infantry.
Capt. Orlen Nelson Thompson, Infantry.
Capt. Curtis Loyd Stafford, Cavalry.
Capt. Joseph Aloysius St. Louis, Infantry.
Capt. Joseph Saddler Dougherty, Infantry.
Capt. Clarence Ronald Peck, Infantry.
Capt. Clarence Harvey Bragg, Infantry.
Capt. Paul Rutherford Knight, Infantry.
Capt. DeWitt Clinton Smith, Jr., Infantry.

To be captains

First Lt. Augustine Francis Shea, Air Corps.
First Lt. Carlisle Visscher Allen, Infantry.
First Lt. Marion Patton Echols, Field Artillery.
First Lt. Francis Otis Wood, Field Artillery.
First Lt. Hobart Hewett, Coast Artillery Corps.
First Lt. Waldemar Sven Broberg, Ordnance Department.
First Lt. James Holden Phillips, Cavalry.
First Lt. Frederick Weed Drury, Cavalry.
First Lt. Leander Dunbar Syme, Infantry.
First Lt. Ellis Vern Williamson, Field Artillery.
First Lt. Leroy Clark Wilson, Infantry.
First Lt. Nathaniel Alanson Burnell, 2d, Coast Artillery Corps.
First Lt. John Bartlett Murphy, Field Artillery.
First Lt. James Lowe Harbaugh, Jr., Coast Artillery Corps.
First Lt. Virgil Farrar Shaw, Cavalry.
First Lt. Michael Gibson Smith, Field Artillery.
First Lt. Syril Emerson Faine, Infantry.
First Lt. Arthur Maxon Parsons, Infantry.
First Lt. Harry Welling Barrick, Infantry.
First Lt. Howard Rand Perry, Jr., Infantry.
First Lt. Edward Hamilton Young, Infantry.
First Lt. Nathan Arthur Smith, Infantry.
First Lt. Gerald St. Claire Nickle, Infantry.
First Lt. Benjamin Randolph Farrar, Infantry.
First Lt. Henry Ellis Sanderson, Field Artillery.
First Lt. Hugh French Thomason Hoffman, Cavalry.
First Lt. Walter Scott Winn, Jr., Infantry.
First Lt. Willard Gordon Wyman, Cavalry.
First Lt. John Leonard Whitelaw, Infantry.
First Lt. Edward Henry Bowes, Infantry.
First Lt. Edwin Malcolm Sutherland, Infantry.
First Lt. Joseph Andrew Holly, Infantry.
First Lt. William Douglas McNair, Field Artillery.
First Lt. Charles Forrest Wilson, Coast Artillery Corps.
First Lt. Robert Francis Carter, Quartermaster Corps.
First Lt. Hugh Garnett Elliott, Field Artillery.
First Lt. Nathan Farragut Twining, Air Corps.
First Lt. William John Crowe, Ordnance Department.
First Lt. L. Hoyt Rockafellow, Infantry.
First Lt. Percy Emery Hunt, Infantry.
First Lt. Roland William McNamee, Infantry.
First Lt. John Carpenter Raaen, Ordnance Department.
First Lt. Winfred George Skelton, Infantry.
First Lt. Lambert Benel Cain, Infantry.
First Lt. Edmund Bower Sebree, Infantry.
First Lt. Merritt Brandon Booth, Infantry.
First Lt. Raymond Clegg Barlow, Infantry.
First Lt. Frank Greene Davis, Infantry.
First Lt. Emmett James Bean, Infantry.
First Lt. Donald Allen Fay, Infantry.
First Lt. Charles Henry Noble, Cavalry.
First Lt. Walter Towle O'Reilly, Field Artillery.
First Lt. Kenneth Pierce, Infantry.
First Lt. Charles Henry Bryan, Cavalry.
First Lt. John Howell Collier, Cavalry.
First Lt. Dean Luce, Coast Artillery Corps.
First Lt. George Gordon Elms, Cavalry.
First Lt. John Dimmick Armstrong, Infantry.
First Lt. Ralph Francis Stearley, Air Corps.
First Lt. Donald Handley Nelson, Cavalry.
First Lt. Edward Ora Hopkins, Field Artillery.
First Lt. James Verne Cole, Infantry.
First Lt. Clarence Archibald Frank, Finance Department.
First Lt. Frederick Bradstreet Dodge, Jr., Coast Artillery Corps.
First Lt. Clarkson Deweese McNary, Infantry.
First Lt. Bernard Abert Byrne, Jr., Infantry.
First Lt. Warren Wilson Christian, Infantry.
First Lt. Robert Barrett Hutchins, Infantry.
First Lt. Joseph William Kullman, Infantry.
First Lt. George Dewey Rogers, Ordnance Department.
First Lt. Robert Jones Merrick, Cavalry.
First Lt. William Henry John Dunham, Coast Artillery Corps.
First Lt. Irvin Alexander, Infantry.
First Lt. John Harvey Madison, Coast Artillery Corps.
First Lt. George Edward Bruner, Infantry.
First Lt. Thomas Llewellyn Waters, Coast Artillery Corps.
First Lt. Urban Niblo, Ordnance Department.
First Lt. Kenneth Sharp Olson, Infantry.
First Lt. William Leighton McEnery, Signal Corps.
First Lt. Robert Montgomery Springer, Infantry.
First Lt. Russell John Nelson, Infantry.
First Lt. Charles Maine Wolff, Coast Artillery Corps.
First Lt. Simon Foss, Infantry.
First Lt. Edward Melvin Starr, Infantry.
First Lt. Joseph Sladen Bradley, Infantry.
First Lt. Arthur Launcelot Moore, Infantry.
First Lt. Robert William Crichlow, Jr., Coast Artillery Corps.
First Lt. Martin Anthony Fennell, Cavalry.
First Lt. Ralph Harris Bassett, Ordnance Department.
First Lt. Harold Allen Brown, Infantry.
First Lt. Albert Sidney Johnston Stovall, Jr., Cavalry.
First Lt. Donald Carson Hardin, Infantry.
First Lt. Wayne Cliffton Zimmerman, Infantry.
First Lt. John Thomas Keeley, Infantry.
First Lt. Joseph Conrad Odell, Infantry.
First Lt. Josiah Toney Dalbey, Infantry.
First Lt. Logan Osburn Shutt, Coast Artillery Corps.
First Lt. Hilton Edward Heineke, Infantry.
First Lt. Galen Magnus Taylor, Ordnance Department.
First Lt. Daniel Philip Buckland, Cavalry.
First Lt. Philip McIlvaine Whitney, Infantry.
First Lt. John Morris Works, Field Artillery.
First Lt. Christian Hildebrand, Infantry.
First Lt. Joseph Holleman Warren, Infantry.
First Lt. Edgar Mortimer Gregory, Coast Artillery Corps.
First Lt. John David Frederick, Infantry.
First Lt. Richard Ray Coursey, Infantry.
First Lt. Thomas Gordon Cranford, Jr., Coast Artillery Corps.
First Lt. William Robert McMaster, Infantry.
First Lt. Joseph Alfred Cranston, Jr., Infantry.
First Lt. Horace Speed, Jr., Coast Artillery Corps.
First Lt. Fred William Makinney, Cavalry.
First Lt. William Benjamin Kean, Jr., Infantry.
First Lt. Harold Robert Emery, Infantry.
First Lt. David Sanderson McLean, Infantry.
First Lt. William Joseph Moroney, Infantry.
First Lt. Russell Lowell Williamson, Air Corps.
First Lt. Howard Dohla Johnston, Infantry.
First Lt. Franklin Leroy Rash, Infantry.
First Lt. Edgar Harvey Snodgrass, Infantry.
First Lt. Claude Birkett Ferenbaugh, Infantry.
First Lt. Adna Chaffee Hamilton, Infantry.
First Lt. Harold Stuart Ruth, Infantry.
First Lt. Sterling Eugene Whitesides, Jr., Chemical Warfare Service.
First Lt. Lewis Stone Sorley, Jr., Infantry.

First Lt. Albert Coady Wedemeyer, Infantry.
First Lt. David Best Latimer, Coast Artillery Corps.
First Lt. Roswell Boyle Hart, Field Artillery.
First Lt. Halvor Hegland Myrah, Coast Artillery Corps.
First Lt. Frederick Brenton Porter, Field Artillery.
First Lt. Bryan Sewall Halter, Infantry.
First Lt. Charles Hardy Hart, Jr., Infantry.
First Lt. Adolphus Rankin McConnell, Air Corps.
First Lt. George DeVere Barnes, Quartermaster Corps.
First Lt. Paul Robert Menzies Miller, Field Artillery.
First Lt. Albert Smith Rice, Ordnance Department.
First Lt. Charles Leslie Keerans, Jr., Infantry.
First Lt. Kenneth Newton Walker, Air Corps.
First Lt. Stanley Hunsicker Hunsicker, Quartermaster Corps.
First Lt. Neal Henry McKay, Quartermaster Corps.
First Lt. Oscar Leslie Rogers, Air Corps.
First Lt. Roger Frederic O'Leary, Quartermaster Corps.
First Lt. Samuel Perham Mills, Air Corps.
First Lt. Edgar Theodore Selzer, Air Corps.
First Lt. Albert Joseph Lubbe, Signal Corps.
First Lt. John Bicknell Luscombe, Quartermaster Corps.
First Lt. Charles Harold Howard, Air Corps.
First Lt. Edward Alton Hillery, Air Corps.
First Lt. Hugh Sydney Harpole, Quartermaster Corps.
First Lt. Homer William Jones, Quartermaster Corps.
First Lt. Everett Sanford Davis, Air Corps.
First Lt. Frank Egerton Powell, Quartermaster Corps.
First Lt. Donald Reuben Goodrich, Air Corps.
First Lt. Francis Hill Kuhn, Quartermaster Corps.
First Lt. John Daniel O'Connell, Quartermaster Corps.
First Lt. Harold Brand, Air Corps.
First Lt. Edward Watson Kelley, Infantry.
First Lt. Claud Thomas Gunn, Finance Department.
First Lt. Herbert Benjamin Wilcox, Infantry.
First Lt. Robert Milton Eichelsdoerfer, Cavalry.
First Lt. Otto Max Jank, Ordnance Department.
First Lt. Paul Americus Harris, Coast Artillery Corps.
First Lt. Jefferson Cleveland Campbell, Field Artillery.
First Lt. Hugh Franklin Conrey, Field Artillery.
First Lt. Edwin Clark Maling, Chemical Warfare Service.
First Lt. Richard Head Trippe, Finance Department.
First Lt. O. D. Wells, Infantry.
First Lt. Frank Celestine Meade, Signal Corps.
First Lt. Paul Wallace Cole, Coast Artillery Corps.
First Lt. Charles Speir Lawrence, Quartermaster Corps.
First Lt. John Corwin Shaw, Infantry.
First Lt. Clarence Matthew Tomlinson, Infantry.
First Lt. Eugene Reedy Guild, Coast Artillery Corps.
First Lt. Julian Buckner Haddon, Air Corps.
First Lt. Claude Delorum Collins, Infantry.
First Lt. William Eldridge Moore, Quartermaster Corps.
First Lt. Clem Oliver Gunn, Coast Artillery Corps.
First Lt. Wilber Russell Ellis, Coast Artillery Corps.
First Lt. Donald Weldon Brann, Infantry.
First Lt. George Bernhard Anderson, Coast Artillery Corps.
First Lt. Walter John Wolfe, Coast Artillery Corps.
First Lt. Roswell Emory Round, Infantry.
First Lt. Lester Frank Watson, Quartermaster Corps.
First Lt. William Edwin Vecqueray, Quartermaster Corps.
First Lt. Haynie McCormick, Air Corps.
First Lt. Albert Theodore Wilson, Infantry.
First Lt. Cornelius Emmett O'Connor, Air Corps.
First Lt. Hartwell Matthew Elder, Quartermaster Corps.
First Lt. Park Holland, Air Corps.
First Lt. John Gross, Field Artillery.
First Lt. Thomas Russell Howard, Infantry.
First Lt. Samuel James Adams, Finance Department.
First Lt. Albert Gillian Kelly, Infantry.
First Lt. Wayne McVeigh Pickels, Quartermaster Corps.
First Lt. Owen Russell Marriott, Field Artillery.
First Lt. Frank Joseph Vida, Infantry.
First Lt. Harold Patrick Henry, Infantry.
First Lt. Fred Pierce Van Duzee, Infantry.
First Lt. Burns Beall, Infantry.
First Lt. John Bartlett Hess, Infantry.
First Lt. Allen Francis Haynes, Infantry.
First Lt. Harold Gaslin Sydenham, Infantry.
First Lt. George Windle Read, Jr., Cavalry.
First Lt. Francis Hudson Oxx, Corps of Engineers.
First Lt. Thomas Henry Stanley, Corps of Engineers.
First Lt. Donald Greeley White, Corps of Engineers.
First Lt. William Weston Bessell, Jr., Corps of Engineers.
First Lt. Charles George Holle, Corps of Engineers.
First Lt. Arthur Martin Andrews, Corps of Engineers.
First Lt. Edward Crosby Harwood, Corps of Engineers.
First Lt. John Wylie Moreland, Corps of Engineers.
First Lt. Wayne Stewart Moore, Corps of Engineers.
First Lt. Henry Franklin Hannis, Corps of Engineers.
First Lt. Edward Albert Routheau, Field Artillery.
First Lt. Godfrey Douglas Adamson, Field Artillery.
First Lt. Wilson Burnett Higgins, Corps of Engineers.
First Lt. Frederic Lord Hayden, Coast Artillery Corps.
First Lt. Warren Cressman Rutter, Coast Artillery Corps.
First Lt. Harold Frank Handy, Field Artillery.
First Lt. Richard Clare Partridge, Field Artillery.
First Lt. Edward John McGaw, Field Artillery.
First Lt. Harold Thomas Miller, Corps of Engineers.
First Lt. Tyree Rivers Horn, Signal Corps.
First Lt. Joseph Leo Langevin, Field Artillery.
xFirst Lt. William Hardy Hill, Field Artillery.
First Lt. Louis Jacob Claterbos, Corps of Engineers.
First Lt. Auguste Rhu Taylor, Field Artillery.
First Lt. James Kenneth Mitchell, Cavalry.
First Lt. Frank Andrew Henning, Field Artillery.
First Lt. Ewart Gladstone Plank, Corps of Engineers.
First Lt. James Malcolm Lewis, Field Artillery.
First Lt. Bernard Linn Robinson, Corps of Engineers.
First Lt. John Robert Culleton, Field Artillery.
First Lt. James Goodrich Renno, Coast Artillery Corps.
First Lt. Charles Steinhart Whitmore, Field Artillery.
First Lt. James Hobson Stratton, Corps of Engineers.
First Lt. Lee Armstead Denson, Jr., Coast Artillery Corps.
First Lt. Lawrence Granger Smith, Cavalry.
First Lt. Edward Haviland Lastayo, Field Artillery.
First Lt. George DeGraaf, Field Artillery.
First Lt. Lathrop Ray Bullene, Coast Artillery Corps.
First Lt. James Alexander Samouce, Field Artillery.
First Lt. William Wallace Ford, Field Artillery.
First Lt. George Dewey Vanture, Field Artillery.
First Lt. Harry Earl Fisher, Corps of Engineers.
First Lt. Donald Sylvester Burns, Corps of Engineers.
First Lt. Donald James Leehey, Corps of Engineers.
First Lt. Carl Edwin Berg, Field Artillery.
First Lt. Joseph Eugene Harriman, Coast Artillery Corps.
First Lt. George Joseph Loupret, Coast Artillery Corps.
First Lt. Thomas Arnett Roberts, Jr., Field Artillery.
First Lt. Verne Donald Mudge, Cavalry.
First Lt. John Loren Goff, Coast Artillery Corps.
First Lt. Francis Henry Morse, Field Artillery.
First Lt. Edward Macon Edmonson, Field Artillery.
First Lt. William Gordon Holder, Coast Artillery Corps.
First Lt. Halstead Clotworthy Fowler, Field Artillery.
First Lt. Lyman Louis Lemnitzer, Coast Artillery Corps.
First Lt. Leslie Burgess Downing, Field Artillery.
First Lt. William Ignatius Brady, Coast Artillery Corps.
First Lt. Eugene Martin Link, Field Artillery.
First Lt. John States Seybold, Corps of Engineers.
First Lt. William Harry Bartlett, Field Artillery.
First Lt. Donald Breen Herron, Coast Artillery Corps.
First Lt. Edward Clinton Gillette, Jr., Field Artillery.
First Lt. Russell Owen Smith, Field Artillery.
First Lt. Rex Van Den Corput, Jr., Signal Corps.
First Lt. Homer Watson Kiefer, Field Artillery.
First Lt. James Myron McMillin, Chemical Warfare Service.
First Lt. Joseph Harris, Finance Department.
First Lt. John George Howard, Field Artillery.
xFirst Lt. Robert Hugh Kreuter, Coast Artillery Corps.
First Lt. Laurence Wood Bartlett, Coast Artillery Corps.
First Lt. Donald Frank Stace, Air Corps.
First Lt. Reynolds Johnston Burt, Jr., Corps of Engineers.

First Lt. John Dickerson Mitchell, Coast Artillery Corps.
First Lt. Clarence Henry Schabacker, Coast Artillery Corps.
First Lt. Fred Lebbeus Hamilton, Quartermaster Corps.
First Lt. John Francis Cassidy, Coast Artillery Corps.
First Lt. John Foxhall Sturman, Jr., Field Artillery.
First Lt. Joseph Jacob Billo, Infantry.
First Lt. Clarence Clemens Clendenen, Cavalry.
First Lt. William Carleton McFadden, Coast Artillery Corps.
First Lt. Eugene Collum Johnston, Cavalry.
First Lt. James Hess Walker, Cavalry.
First Lt. Claude Eugene Haswell, Infantry.
First Lt. Lyman Lincoln Judge, Cavalry.
xFirst Lt. Frank Needham Roberts, Infantry.
First Lt. Francis Henry Lanahan, Jr., Signal Corps.
First Lt. Lawrence Edward Schick, Cavalry.
First Lt. Courtney Parker Young, Coast Artillery Corps.
First Lt. Henry Chester Hine, Jr., Cavalry.
First Lt. John Donald Robertson, Coast Artillery Corps.
xFirst Lt. William Price Withers, Cavalry.
xFirst Lt. Frederick Robert Pitts, Cavalry.
First Lt. Sherman Vitus Hasbrouck, Field Artillery.
First Lt. Arthur Kenley Hammond, Cavalry.
First Lt. Crump Garvin, Infantry.
First Lt. Hamilton Peyton Ellis, Coast Artillery Corps.
First Lt. Thomas Dresser White, Air Corps.
First Lt. Frederick Mixon Harris, Infantry.
First Lt. Dwight Acker Rosebaum, Infantry.
First Lt. Kenneth Gilpin Hoge, Cavalry.
First Lt. Richard Candler Singer, Field Artillery.
First Lt. Aladin James Hart, Cavalry.
First Lt. Robert Edwards, Cavalry.
First Lt. William Richter Tomey, Infantry.
First Lt. Joseph Honore Rousseau, Jr., Coast Artillery Corps.
First Lt. Lawrence Joseph Carr, Air Corps.
First Lt. Maurice Wiley Daniel, Field Artillery.
First Lt. Alexander Hamilton Perwein, Infantry.
First Lt. Clovis Ethelbert Byers, Cavalry.
First Lt. Oscar Raymond Johnston, Infantry.
First Lt. George Andrew Rehm, Cavalry.
First Lt. Edward Carl Englehart, Coast Artillery Corps.
First Lt. Charles Whitney West, Coast Artillery Corps.
First Lt. Park Brown Herrick, Field Artillery.
First Lt. Herbert Carl Reuter, Coast Artillery Corps.
First Lt. Helmer William Lystad, Infantry.
x First Lt. Harold Edward Smyser, Infantry.
First Lt. Esher Claflin Burkart, Field Artillery.
First Lt. Thomas Eginton Whitehead, Quartermaster Corps.
First Lt. Alexander George, Cavalry.
First Lt. Charles Kenon Gailey, Jr., Infantry.
First Lt. Francis William Farrell, Field Artillery.
First Lt. Wilmer Brinton Merritt, Coast Artillery Corps.
First Lt. Harry Clark Wisehart, Air Corps.
First Lt. Charles Merton Adams, Jr., Infantry.
First Lt. John Ferral McBlain, Air Corps.
First Lt. Richard Meade Costigan, Field Artillery.
First Lt. Gustave Harold Vogel, Quartermaster Corps.
First Lt. Basil Girard Thayer, Cavalry.
First Lt. Edward Joseph Sullivan, Chemical Warfare Service.
First Lt. James Perrine Barney, Jr., Field Artillery.
First Lt. Wilbur Sturtevant Nye, Field Artillery.
First Lt. Charles Harlan Swartz, Field Artillery.
First Lt. Leland Stuart Smith, Coast Artillery Corps.
First Lt. Carl Frederick Duffner, Infantry.
First Lt. Millard Pierson, Field Artillery.
First Lt. Harlan Thurston McCormick, Air Corps.
First Lt. Ray Olander Welch, Infantry.
First Lt. John Lamont Davidson, Air Corps.
xFirst Lt. Julian Erskine Raymond, Infantry.
First Lt. George Honnen, Infantry.
First Lt. Charles Porter Amazeen, Cavalry.
First Lt. Edward Thomas Williams, Field Artillery.
First Lt. Frank Thweatt Searcy, Infantry.
First Lt. George William Bailey, Jr., Cavalry.
First Lt. Alan Lockhart Fulton, Cavalry.
First Lt. Terence John Tully, Signal Corps.
xFirst Lt. William Earl Crist, Infantry.
First Lt. Claude Monroe McQuarrie, Infantry.
First Lt. William Lemuel Mitchell, Infantry.
First Lt. Escalus Emmert Elliott, Coast Artillery Corps.
First Lt. Milton Cogswell Shattuck, Infantry.
First Lt. Joseph Vincent de Paul Dillon, Coast Artillery Corps.
First Lt. Hayden Adriance Sears, Cavalry.
First Lt. John Thomas Lynch, Quartermaster Corps.
First Lt. John Black Reybold, Cavalry.
First Lt. William Dickey Long, Infantry.
xFirst Lt. Henry Irving Hodes, Cavalry.
First Lt. William Joel Tudor Yancey, Infantry.
First Lt. Leon Eugene Lichtenwalter, Infantry.
First Lt. Sidney Rae Hinds, Infantry.
First Lt. Halley Grey Maddox, Cavalry.
First Lt. John English Nelson, Infantry.
First Lt. Harold Todd Turnbull, Coast Artillery Corps.
First Lt. Hugo Peoples Rush, Air Corps.
First Lt. John William Wofford, Cavalry.
First Lt. Wray Bertrand Avera, Field Artillery.
First Lt. Charles Fox Ivins, Infantry.
First Lt. Walter Daniel Buie, Infantry.
First Lt. John Taylor Ward, Cavalry.
First Lt. John Elmer Reierson, Coast Artillery Corps.
First Lt. Henry Jackson Hunt, Jr., Infantry.
First Lt. George Huston Bare, Infantry.
First Lt. Morris Haslett Marcus, Cavalry.
First Lt. Frank Zea Pirkey, Corps of Engineers.
First Lt. Karl William Hisgen, Field Artillery.
First Lt. James Harry Marsh, Infantry.
First Lt. Francis Warren Crary, Field Artillery.
First Lt. John Baylis Cooley, Cavalry.
First Lt. Selby Francis Little, Field Artillery.
First Lt. Milo Glen Cary, Coast Artillery Corps.
First Lt. Harold Joseph Conway, Ordnance Department.
First Lt. Gustin MacAllister Nelson, Infantry.
First Lt. Frank Joseph Spettel, Infantry.
xFirst Lt. Burwell Baylor Wilkes, Jr., Infantry.
First Lt. John Barry Peirce, Infantry.
First Lt. James Raymond Goodall, Coast Artillery Corps.
First Lt. John Kenneth Sells, Cavalry.
First Lt. Douglas Cameron, Cavalry.
First Lt. Arthur Jennings Grimes, Infantry.
First Lt. Walter Duval Webb, Jr., Field Artillery.
First Lt. Ernest Starkey Moon, Air Corps.
First Lt. Harry Craven Dayton, Field Artillery.
First Lt. Chester Arthur Carlsen, Infantry.
First Lt. Joseph Myles Williams, Cavalry.
First Lt. Harold Arthur Doherty, Field Artillery.
First Lt. Lewis Eugene Snell, Field Artillery.
First Lt. Arnold Hoyer Rich, Air Corps.
First Lt. Charles Dawson McAllister, Air Corps.
First Lt. Vincent Joseph Tanzola, Infantry.
First Lt. Edward Albert Banning, Field Artillery.
First Lt. Frederic de Lannoy Comfort, Cavalry.
First Lt. Henry Laurance Ingham, Field Artillery.
First Lt. Percy Earle LeStourgeon, Infantry.
First Lt. Caryl Rawson Hazeltine, Infantry.
First Lt. Irvin Albert Robinson, Infantry.
First Lt. Michael Henry Zwicker, Coast Artillery Corps.
First Lt. James Thorburn Cumberpatch, Air Corps.
First Lt. Leon Valentine Chaplin, Field Artillery.
First Lt. Daniel Webster Kent, Infantry.
First Lt. Harry Lynch, Signal Corps.
First Lt. George Marion Davis, Infantry.
First Lt. Fay Warren Lee, Field Artillery.
First Lt. Charles Emmett Cheever, Quartermaster Corps.
First Lt. Harry Meyer, Corps of Engineers.
First Lt. Peter Anthony Feringa, Corps of Engineers.
First Lt. Edward Barber, Coast Artillery Corps.
First Lt. Edward Hall Walter, Corps of Engineers.
First Lt. David Albert Morris, Corps of Engineers.
First Lt. Richardson Selee, Corps of Engineers.

First Lt. Don Waters Mayhue, Air Corps.
First Lt. Charles Harold Crim, Coast Artillery Corps.
First Lt. John Harry, Coast Artillery Corps.
First Lt. Harold Oakes Bixby, Signal Corps.
First Lt. George Randall Scithers, Field Artillery.
First Lt. John Henry Featherston, Coast Artillery Corps.
First Lt. Charles Andrews Jones, Jr., Quartermaster Corps.
First Lt. Hubert Stauffer Miller, Corps of Engineers.
First Lt. Edward Harold Coe, Corps of Engineers.
First Lt. Allan Eugene Smith, Field Artillery.
First Lt. Daniel Burnett Knight, Infantry.
First Lt. Paul MacKeen Martin, Cavalry.
First Lt. Creswell Garrettson Blakeney, Field Artillery.
First Lt. Louis Jeter Tatom, Signal Corps.
First Lt. Louis Watkins Prentiss, Corps of Engineers.
First Lt. William Edmund Waters, Field Artillery.
First Lt. Joseph Kennard Bush, Infantry.
First Lt. Orlando Clarendon Mood, Infantry.
First Lt. Bert Nathan Bryan, Infantry.
First Lt. Harvie Rogers Matthews, Infantry.
First Lt. Louis Beman Rapp, Cavalry.
First Lt. Edwards Matthews Quigley, Field Artillery.
First Lt. James Breakenridge Clearwater, Field Artillery.
First Lt. Joseph Warren Huntress, Jr., Quartermaster Corps.
First Lt. Luther Daniel Wallis, Infantry.
First Lt. Wesley Tate Guest, Signal Corps.
First Lt. Duncan Philip Frissell, Infantry.
First Lt. Henry Hammond Duval, Coast Artillery Corps.
First Lt. John William Dwyer, Coast Artillery Corps.
First Lt. Alfred Vepsala, Field Artillery.
First Lt. Edmund Clarence Langmead, Air Corps.
First Lt. Carroll Heiney Deitrick, Ordnance Department.
First Lt. Burton Larrabee Pearce, Field Artillery.
First Lt. Lee W. Haney, Infantry.
First Lt. David William Goodrich, Air Corps.
First Lt. Franklin Mitchell, Ordnance Department.
First Lt. Wallace Ellsworth Niles, Ordnance Department.
First Lt. Lewis Edward Weston Lepper, Quartermaster Corps.
First Lt. Edward Harris Barr, Field Artillery.
First Lt. James Roscoe Hamilton, Infantry.
First Lt. Joe Robert Sherr, Signal Corps.
xFirst Lt. Henry Chester Jones, Infantry.
First Lt. Louis Leopold Lesser, Field Artillery.
First Lt. Walter Francis Jennings, Cavalry.
First Lt. Edward Cuyler Applegate, Infantry.
First Lt. Henry Louis Love, Field Artillery.
First Lt. Cranford Coleman Bryan Warden, Infantry.
First Lt. William Dawes Williams, Field Artillery.
First Lt. William Thomas Semmes Roberts, Infantry.
First Lt. McDonald Donegan Weinert, Corps of Engineers.
First Lt. John Walker Childs, Infantry.
First Lt. Wilbert Engdahl Shallene, Field Artillery.
First Lt. Wilmar Weston Dewitt, Infantry.
First Lt. James Milliken Bevans, Air Corps.
First Lt. Floyd Raymond Brisack, Field Artillery.
First Lt. Clarence Everett Jackson, Infantry.
First Lt. Edward Joseph Walsh, Infantry.
First Lt. Haydn Purcell Roberts, Signal Corps.
First Lt. Alan Sydney Rush, Infantry.
First Lt. Clifford Cleophas Duell, Field Artillery.
First Lt. William Orville Collins, Infantry.
First Lt. William Larwill Carr, Field Artillery.
First Lt. Russell George Duff, Field Artillery.
First Lt. Ross Clyde Brackney, Infantry.
First Lt. Roy Prewett Huff, Field Artillery.
First Lt. Lawrence August Dietz, Infantry.
First Lt. Paul Hanes Kemmer, Air Corps.
First Lt. Richard Sears, Field Artillery.
First Lt. John James Baker, Infantry.
xFirst Lt. George Louis Boyle, Infantry.
First Lt. Robert Brice Johnston, Quartermaster Corps.
First Lt. Paul Ainsworth Berkey, Field Artillery.
First Lt. Robert Clyde Padley, Quartermaster Corps.
First Lt. Dana Gray McBride, Cavalry.
First Lt. Donald Boyer Phillips, Air Corps.
First Lt. William Wallace Robertson, Infantry.
First Lt. William Peyton Campbell, Finance Department.
First Lt. Harry Starkey Aldrich, Coast Artillery Corps.
First Lt. Hugh Perry Adams, Field Artillery.
First Lt. Cecil Elmore Archer, Air Corps.
First Lt. Thomas Edward Moore, Field Artillery.
First Lt. Robert DuVal Waring, Field Artillery.
First Lt. Stephen Yates McGiffert, Field Artillery.
First Lt. John Otis Hyatt, Infantry.
First Lt. Louis Meline Merrick, Air Corps.
First Lt. Lee Roy Woods, Jr., Field Artillery.
First Lt. Rox Hunter Donaldson, Field Artillery.
First Lt. Dudley Warren Watkins, Air Corps.
First Lt. Arthur Nathaniel Willis, Cavalry.
First Lt. Lyman Perley Whitten, Air Corps.
First Lt. Ray Henry Clark, Air Corps.
First Lt. Homer Wilbur Ferguson, Air Corps.
First Lt. James Richmond Simpson, Infantry.
First Lt. Philip Schwartz, Ordnance Department.
xFirst Lt. Richard Brown Thornton, Quartermaster Corps.
First Lt. Charles Nicholas Senn Ballou, Infantry.
xFirst Lt. Samuel Rubin, Coast Artillery Corps.
First Lt. Donald Wallace Norwood, Air Corps.
First Lt. Walden Sharp Lewis, Infantry.
First Lt. Andrew Julius Evans, Infantry.
First Lt. Paul Corson Howe, Coast Artillery Corps.
First Lt. Donald McKechnie Ashton, Infantry.
First Lt. Edward Alfred Mueller, Infantry.
First Lt. Robert William Calvert Wimsatt, Air Corps.
First Lt. Clayton Huddle Studebaker, Field Artillery.
First Lt. Albert James Wick, Coast Artillery Corps.
First Lt. Raymond Taylor Tompkins, Field Artillery.
xFirst Lt. George Aifred Arnold Jones, Field Artillery.
First Lt. George Evans Burritt, Field Artillery.
First Lt. William Madison Mack, Signal Corps.
First Lt. Robert Crane Hendley, Field Artillery.
First Lt. Walter Jesse Klepinger, Field Artillery.
First Lt. Grady David Epps, Infantry.
First Lt. Frank Charles McConnell, Coast Artillery Corps.
First Lt. Dale Phillip Mason, Signal Corps.
First Lt. Donald Fowler Fritch, Air Corps.
First Lt. James Madison Callicutt, Field Artillery.
First Lt. Reginald Pond Lyman, Signal Corps.
First Lt. John Sharpe Griffith, Air Corps.
First Lt. George Work Marvin, Corps of Engineers.
First Lt. Charles Joseph Barrett, Jr., Field Artillery.
First Lt. Maxwell Davenport Taylor, Field Artillery.
First Lt. Henry James Woodbury, Corps of Engineers.
First Lt. Louis Jacob Rumaggi, Corps of Engineers.
First Lt. Edmund Clayton Lynch, Air Corps.
First Lt. Francis Jennings Wilson, Corps of Engineers.
First Lt. Alfred August Kessler, Jr., Air Corps.
First Lt. Paschal Neilson Strong, Jr., Corps of Engineers.
First Lt. Cortlandt Van Rensselaer Schuyler, Coast Artillery Corps.
First Lt. Lawrence Coy Leonard, Ordnance Department.
First Lt. Mervin Eugene Gross, Air Corps.
First Lt. Robert Wayne Raynsford, Signal Corps.
First Lt. LeRoy Judson Stewart, Field Artillery.
First Lt. Edward Shelley Gibson, Infantry.
First Lt. John Francis Uncles, Field Artillery.
First Lt. Giles Richard Carpenter, Field Artillery.
First Lt. David James Crawford, Ordnance Department.
First Lt. William Field Sadtler, Ordnance Department.
First Lt. Earl Foster Thomson, Cavalry.
First Lt. Charles Newsom Branham, Coast Artillery Corps.
First Lt. Francis Borgia Kane, Coast Artillery Corps.
First Lt. William Stevens Lawton, Coast Artillery Corps.
First Lt. Albert Svihra, Field Artillery.
First Lt. Granger Anderson, Coast Artillery Corps.
First Lt. Alfred Eugene Kastner, Field Artillery.
First Lt. Edwin Paul Crandell, Cavalry.
First Lt. Mark McClure, Field Artillery.
First Lt. Benjamin Wiley Chidlaw, Air Corps.
First Lt. Myron Leedy, Ordnance Department.
First Lt. Alba Carlton Spalding, Coast Artillery Corps.

First Lt. Robert Landon Taylor, Field Artillery.
First Lt. Stephen Cecil Lombard, Field Artillery.
First Lt. Fred James Woods, Coast Artillery Corps.
First Lt. Kenneth Francis Pughe, Infantry.
First Lt. Robert Smith McClenaghan, Field Artillery.
First Lt. Francis Xavier Mulvihill, Infantry.
First Lt. Charles Hancock Reed, Cavalry.
First Lt. Walter Russell Hensey, Jr., Field Artillery.
First Lt. Orval Ray Cook, Air Corps.
First Lt. Perry McCoy Smith, Coast Artillery Corps.
First Lt. James Wrathall Spry, Air Corps.
First Lt. Gordon Sherman Armes, Cavalry.
First Lt. Frederick William Hein, Infantry.
First Lt. Charles Rufus Smith, Infantry.
First Lt. Harold Alfred Meyer, Infantry.
First Lt. Robert Earle Blair, Infantry.
First Lt. Harold Thomas Molloy, Field Artillery.
First Lt. James Dunne O'Connell, Signal Corps.
First Lt. Gilman Clifford Mudgett, Cavalry.
First Lt. Numa Augustin Watson, Infantry.
First Lt. Wesley Woodworth Yale, Cavalry.
First Lt. Robert Wilkins Douglass, Jr., Air Corps.
First Lt. Oscar Louis Beal, Air Corps.
First Lt. Oliver Wendell Hughes, Infantry.
First Lt. Robert Vincent Murphy, Infantry.
First Lt. Melville Fuller Grant, Infantry.
First Lt. James Edward Rees, Infantry.
First Lt. James Robinson Pierce, Infantry.
First Lt. Lemuel Mathewson, Field Artillery.
First Lt. George Harold Carmouche, Infantry.
First Lt. Thomas Varon Webb, Infantry.
First Lt. George Edward Mitchell, Jr., Field Artillery.
First Lt. William Henry Schildroth, Infantry.
First Lt. George Arthur Taylor, Infantry.
First Lt. Alfred Lawrence Price, Field Artillery.
First Lt. Frank Llewellyn Beadle, Corps of Engineers.
First Lt. Gilbert Hayden, Signal Corps.
First Lt. Francis Eugene Cothran, Corps of Engineers.
First Lt. Thomas Herbert Maddocks, Signal Corps.
First Lt. David Marion Fowler, Infantry.
First Lt. Edward Arthur Kleinman, Coast Artillery Corps.
First Lt. Blackshear Morrison Bryan, Jr., Field Artillery.
First Lt. John Lawson Ballantyne, Cavalry.
First Lt. Hilbert Milton Wittkop, Air Corps.
First Lt. Donald Quitman Harris, Field Artillery.
First Lt. John Percy Kennedy, Jr., Field Artillery.
First Lt. Townsend Griffiss, Air Corps.
First Lt. William Andrew Wedemeyer, Field Artillery.
First Lt. Edwin Carlo Greiner, Cavalry.
First Lt. Oliver Perry Newman, Infantry.
First Lt. Ronald Gorrie MacDonald, Infantry.
First Lt. John Hughes Stodter, Cavalry.
First Lt. Thomas Edward Lewis, Field Artillery.
First Lt. Stewart Tiffany Vincent, Infantry.
First Lt. Paul Henry Mahoney, Infantry.
First Lt. James Clyde Fry, Infantry.
First Lt. Austin Folger Gilmartin, Infantry.
First Lt. Elbert Kelly, Quartermaster Corps.
xFirst Lt. James Harrison Dickie, Finance Department.
First Lt. Charles Llewellyn Gorman, Quartermaster Corps.
First Lt. Joseph Perry Catte, Infantry.
First Lt. Albert Carroll Morgan, Infantry.
First Lt. John LaValle Graves, Field Artillery.
First Lt. Herbert William Kruger, Field Artillery.
First Lt. William Earl Watters, Field Artillery.
First Lt. Leo Henry Dawson, Air Corps.
First Lt. Milton John Smith, Air Corps.
First Lt. Carl Budd Wahle, Coast Artillery Corps.
First Lt. Leonard Loyd Hilliard, Infantry.
First Lt. Lester Vocke, Field Artillery.
First Lt. James Fish, 3d, Infantry.
First Lt. John Leon Dicks, Infantry.
First Lt. Lester Mavity Rouch, Field Artillery.
First Lt. Herman William Fairbrother, Infantry.
First Lt. Thomas Edward Meyer, Field Artillery.
First Lt. Thomas Jefferson Randolph, Cavalry.
First Lt. Harry Edwin Magnuson, Coast Artillery Corps.
First Lt. LaRoy Sanders Graham, Infantry.
First Lt. Francis Lavelle Ready, Cavalry.
First Lt. David Hottenstein, Coast Artillery Corps.
First Lt. Ray Brooks Floyd, Infantry.
First Lt. Ray Eugene Marshall, Infantry.
First Lt. Harland Fremont Burgess, Infantry.
First Lt. Karl Clifford Frank, Coast Artillery Corps.
First Lt. Clyde Anderson Burcham, Cavalry.
First Lt. Randall James Hogan, Ordnance Department.
First Lt. Robert Nicholas Young, Infantry.
First Lt. James Frederick Phillips, Air Corps.
First Lt. Douglas Valentine Johnson, Field Artillery.
First Lt. Frederick Williams Watrous, Field Artillery.
First Lt. Charles Elford Smith, Infantry.
First Lt. Raymond Edward Culbertson, Air Corps.
First Lt. Maynard Harper Carter, Infantry.
First Lt. LeGrande Albert Diller, Infantry.
First Lt. Robert Parker Hollis, Field Artillery.
First Lt. Isaac Davis White, Cavalry.
First Lt. Louis Edward Roemer, Infantry.
xFirst Lt. Max Hosmer Gooler, Infantry.
First Lt. Joseph Howard Harper, Infantry.
First Lt. Newton Farragut McCurdey, Cavalry.
First Lt. John Julius Dubbelde, Jr., Infantry.
First Lt. Joe Ford Simmons, Coast Artillery Corps.
First Lt. Clarence Turner Hulett, Infantry.
First Lt. Daniel Powell Poteet, Field Artillery.
First Lt. Ord Gariche Chrisman, Infantry.
First Lt. Gerson Kirkland Heiss, Ordnance Department.
First Lt. Ransom George Amlong, Quartermaster Corps.
First Lt. Paul Lawrence Martin, Field Artillery.
First Lt. Walter Howard DeLange, Field Artillery.
First Lt. Robert Kelsey Haskell, Field Artillery.
First Lt. Ralph Adel Snavely, Air Corps.
First Lt. Claude Armenius Thorp, Cavalry.
xFirst Lt. Rowland Reid Street, Infantry.
First Lt. John Marquiss Whistler, Field Artillery.
First Lt. James Howard Leusley, Field Artillery.
First Lt. Aloysius Eugene O'Flaherty, Jr., Infantry.
First Lt. Robert Boyd Williams, Air Corps.
First Lt. Glenn Hunter Palmer, Signal Corps.
First Lt. Royal Bertrand Lord, Corps of Engineers.
First Lt. Kenner Fisher Hertford, Corps of Engineers.
First Lt. Steven Livesay Conner, Ordnance Department.
First Lt. Miles Reber, Corps of Engineers.
First Lt. Charles West Stewart, Jr., Corps of Engineers.
First Lt. William Francis Merwin Longwell, Corps of Engineers.
First Lt. John Rutherford Noyes, Corps of Engineers.
First Lt. Lyle Rosenberg, Corps of Engineers.
First Lt. William Randolph Winslow, Corps of Engineers.
First Lt. William Newton Leaf, Corps of Engineers.
First Lt. David Morris Dunne, Jr., Corps of Engineers.
First Lt. Frank McAdams Albrecht, Corps of Engineers.
First Lt. Theodore Morrison Osborne, Corps of Engineers.
First Lt. Robert Farnsworth Hallock, Field Artillery.
First Lt. Stuart Alfred Beckley, Field Artillery.
First Lt. Harold David Kehm, Field Artillery.
First Lt. John Wesley Warren, Air Corps.
First Lt. Einar Bernard Gjelsteen, Field Artillery.
xFirst Lt. William Elgie Carraway, Infantry.
First Lt. John Mark Pesek, Infantry.
First Lt. Herbert Bronson Enderton, Field Artillery.
First Lt. John Battle Horton, Field Artillery.
First Lt. Joseph Leander Hardin, Field Artillery.
First Lt. Carter Bowie Magruder, Field Artillery.
First Lt. William Joseph D'Espinosa, Ordnance Department.
First Lt. Wilbur Ray Pierce, Field Artillery.
First Lt. Donald Henry Galloway, Cavalry.
First Lt. Howard William Serig, Signal Corps.
First Lt. Daniel DeBardeleben, Cavalry.
First Lt. Patrick Weston Timberlake, Air Corps.
First Lt. Clyde Kenneth Rich, Air Corps.
First Lt. Paul Wakefield Wolf, Air Corps.

First Lt. David Larr, Field Artillery.
First Lt. Laurence Carbee Craigie, Air Corps.
First Lt. Philip Roy Dwyer, Infantry.
First Lt. Sylvester John Keane, Signal Corps.
First Lt. Allen Lloyd Keyes, Field Artillery.
First Lt. Damon Mott Gunn, Infantry.
xFirst Lt. Charles Metz Seebach, Infantry.
xFirst Lt. Harry McKenzie Roper, Field Artillery.
xFirst Lt. James Henry Workman, Field Artillery.
First Lt. Charles Wesley Gettys, Coast Artillery Corps.
First Lt. Henry James Pitt Harding, Infantry.
First Lt. William Shepard Biddle 3d, Cavalry.
First Lt. George Francis Heaney, Jr., Coast Artillery Corps.
First Lt. John Humphrey Evans, Infantry.
First Lt. William Remsburgh Grove, Jr., Field Artillery.
First Lt. George Lewis Dewey, Infantry.
First Lt. James Frederick Torrence, Jr., Infantry.
First Lt. Douglass Gordon Pamplin, Coast Artillery Corps.
First Lt. Charles White Lawrence, Air Corps.
First Lt. Michael Buckley, Jr., Field Artillery.
First Lt. Benjamin Stern, Signal Corps.
First Lt. Wallace Evan Whitson, Air Corps.
First Lt. Lloyd Shepard, Coast Artillery Corps.
First Lt. Rex Eugene Chandler, Field Artillery.
First Lt. Russel J. Minty, Air Corps.
First Lt. Sheffield Edwards, Field Artillery.
First Lt. John Roper Burnett, Coast Artillery Corps.
xFirst Lt. Raymond Stone, Jr., Coast Artillery Corps.
First Lt. John Joseph Binns, Field Artillery.
First Lt. Walter Burnside, Cavalry.
First Lt. James Francis Joseph Early, Air Corps.
First Lt. Howard John Vandersluis, Coast Artillery Corps.
First Lt. Ulysses John Lincoln Peoples, Jr., Ordnance Department.
First Lt. Richard Briggs Evans, Cavalry.
First Lt. Alden Rudyard Crawford, Air Corps.
First Lt. Rochester Flower McEldowney, Field Artillery.
First Lt. Thomas Merritt Lowe, Air Corps.
First Lt. Kevin O'Shea, Cavalry.
First Lt. Carl Douglas Silverthorne, Cavalry.
First Lt. Louis William Haskell, Field Artillery.
First Lt. David Myron Schlatter, Air Corps.
First Lt. Charles Trovilla Myers, Air Corps.
First Lt. Eugene Ware Ridings, Infantry.
First Lt. Charles Woodford Cowles, Field Artillery.
First Lt. Kenneth Eugene Webber, Finance Department.
First Lt. Alexander Davidson Reid, Infantry.
First Lt. Leslie Page Holcomb, Air Corps.
First Lt. Charles Vinson Bromley, Jr., Cavalry.
First Lt. John William Harmony, Infantry.
First Lt. Philip Harrison Enslow, Field Artillery.
First Lt. Ernest Byron Thompson, Coast Artillery Corps.
First Lt. Elwyn Donald Post, Infantry.
First Lt. Franklin Kress Gurley, Coast Artillery Corps.
First Lt. Wilfrid Henry Hardy, Air Corps.
First Lt. Leslie Martin Grener, Cavalry.
First Lt. Joseph Smith, Air Corps.
First Lt. Kenneth Shearer Sweany, Field Artillery.
First Lt. Joseph Harold Hicks, Air Corps.
First Lt. Guy Haines Stubbs, Coast Artillery Corps.
First Lt. Ralph Christian Bing, Infantry.
First Lt. Clinton John Harrold, Cavalry.
xFirst Lt. Russell Emerson Bates, Coast Artillery Corps.
First Lt. Earl Shuman Gruver, Ordnance Department.
First Lt. Warren Cole Stout, Field Artillery.
First Lt. David Barbour Barton, Signal Corps.
First Lt. William Augustus Davis Thomas, Field Artillery.
First Lt. Eugene Lynch Harrison, Cavalry.
xFirst Lt. Bernard Aye Tormey, Field Artillery.
First Lt. Joseph Ingham Greene, Infantry.
First Lt. Abner Judson McGehee, Jr., Infantry.
First Lt. Valentine Roy Smith, Field Artillery.
First Lt. Joseph Anthony Cella, Field Artillery.
First Lt. James Boyce Carroll, Coast Artillery Corps.
First Lt. John Ellsworth Adkins, Jr., Field Artillery.
First Lt. Cecil Ward Nist, Infantry.
First Lt. Robert Chaffee Oliver, Air Corps.
First Lt. James Eugene Bernard McInerney, Ordnance Department.
First Lt. Francis Arthur Garrecht, Jr., Field Artillery.
xFirst Lt. Frank Dorn, Field Artillery.
First Lt. Charles Edward Woodruff, Jr., Infantry.
First Lt. Donald McLean, Coast Artillery Corps.
First Lt. Paschal Hoover Ringsdorf, Field Artillery.
First Lt. Stuart Lee Cowles, Field Artillery.
First Lt. John Maurice Weikert, Air Corps.
xFirst Lt. George Pierce Howell, Infantry.
First Lt. Warren Alfred Robinson, Infantry.
First Lt. John Hensel Pitzer, Coast Artillery Corps.
First Lt. William Lawrence Scott, Jr., Air Corps.
First Lt. Dean Stanley Ellerthorpe, Coast Artillery Corps.
First Lt. George Conrad Mergens, Infantry.
First Lt. Horton Vail White, Infantry.
First Lt. James Edward Bowen, Jr., Infantry.
First Lt. Austin Curtis Cunkle, Infantry.
First Lt. Francis Townsend Dodd, Field Artillery.
First Lt. Charles Carlton Cavender, Infantry.
xFirst Lt. George Stanley Smith, Field Artillery.
First Lt. William Campbell Lucas, Field Artillery.
First Lt. Harvey Keene Palmer, Jr., Field Artillery.
First Lt. Wendell Gunner Johnson, Infantry.
First Lt. Howard Edward Crane Breitung, Coast Artillery Corps.
First Lt. Paul Kenneth Porch, Infantry.
First Lt. John George Salsman, Air Corps.
First Lt. Lyman O'Dell Williams, Infantry.
First Lt. Temple Graves Holland, Infantry.
First Lt. Lew Myers Morton, Coast Artillery Corps.
First Lt. Paul Cyril Serff, Infantry.
First Lt. Lawrence Leroy Skinner, Infantry.
First Lt. Edward Forstall Adams, Infantry.
First Lt. Thomas Sherman Timberman, Infantry.
First Lt. Cyril Quentin Marron, Infantry.
First Lt. Robert Herman Krueger, Coast Artillery Corps.
First Lt. Louis John Storck, Infantry.
First Lt. Donald Cameron Tredennick, Coast Artillery Corps.
First Lt. David Sherman Babcock, Field Artillery.
First Lt. James Jewett Carnes, Infantry.
First Lt. Joseph Winfield Boone, Infantry.
First Lt. Hugh Chauncey Johnson, Infantry.
First Lt. James Michael Fitzmaurice, Air Corps.
First Lt. John Owen Colonna, Corps of Engineers.
First Lt. Charles Calvin Higgins, Infantry.
First Lt. George Craig Stewart, Infantry.
First Lt. Louis Peter Leone, Infantry.
First Lt. Robert Leroy Dulaney, Infantry.
First Lt. James Clarke Carter, Infantry.
First Lt. Robert McKee Smith, Ordnance Department.
First Lt. Hoyt Sanford Vandenberg, Air Corps.
First Lt. Lawrence Varsi Castner, Infantry.
First Lt. Henry Granville Fisher, Infantry.
xFirst Lt. Hal Clark Granberry, Infantry.
First Lt. Ralph Mundon Neal, Cavalry.
First Lt. Stewart Warren Towle, Jr., Air Corps.
First Lt. Edwin Britain Howard, Infantry.
First Lt. John Paul Evans, Infantry.
First Lt. William Harold Schaffer, Infantry.
First Lt. Sidney Lee Douthit, Infantry.
First Lt. Allen Dwight Raymond, Jr., Infantry.
First Lt. Walter Cornelius White, Air Corps.
First Lt. Lynn Edwin Brady, Infantry.
First Lt. Glen Clifford Jamison, Air Corps.
First Lt. James Robert Lindsay, Jr., Field Artillery.
First Lt. Roy Madison Foster, Quartermaster Corps.
First Lt. Wayne Latta Barker, Coast Artillery Corps.
First Lt. Carl Brown McDaniel, Air Corps.
First Lt. Carlisle Brown Irwin, Infantry.
First Lt. Lee Carl Vance, Cavalry.
First Lt. Russell Vivian Perry, Quartermaster Corps.
First Lt. Thomas Davison Drake, Infantry.
First Lt. Granville Victor Morse, Cavalry.

First Lt. Herbert Spencer Jordan, Infantry.
First Lt. Dresden James Cragun, Infantry.
First Lt. Edward Harvey Clouser, Infantry.
First Lt. Herbert Kenneth Baisley, Air Corps.
First Lt. Carl Eugene Anderson, Infantry.
First Lt. Thomas Robinson, Cavalry.
First Lt. John Kraybill Nissley, Air Corps.
First Lt. William Rush Blakely, Infantry.
First Lt. William Douglass Paschall, Field Artillery.
First Lt. Frederick Mott Thompson, Infantry.
First Lt. Charles Goodwin Pearcy, Air Corps.
First Lt. Alonzo Valede Thorpe, Finance Department.
First Lt. Voris Hamilton Connor, Field Artillery.
First Lt. Arthur Bordeaux Nicholson, Coast Artillery Corps.
First Lt. Girvelle Leighton Field, Coast Artillery Corps.
First Lt. Staten Eugene Rall, Infantry.
First Lt. Don Emerson Carleton, Cavalry.
First Lt. Kenneth Lafayette Johnson, Field Artillery.
First Lt. Eugene Haworth Vernon, Infantry.
First Lt. Paul Green Kendall, Cavalry.
First Lt. Ralph Waldo Russell, Coast Artillery Corps.
First Lt. Archibald Yarborough Smith, Air Corps.
First Lt. Herbert William Anderson, Air Corps.
First Lt. DeWitt Ballard, Infantry.
First Lt. James Lendsey McKinnon, Field Artillery.
First Lt. Willis Glenn Cronk, Infantry.
First Lt. Richard Tyler Willson, Cavalry.
First Lt. Leslie Lee Hittle, Field Artillery.
First Lt. Leslie Furness Young, Field Artillery.
First Lt. Emmett Hill Emanuel, Infantry.
First Lt. Eugene Desire Regad, Ordnance Department.
First Lt. Donald Taylor Beeler, Infantry.
First Lt. Charles Creswell Blakeney, Field Artillery.
First Lt. William Mason Hoke, Infantry.
First Lt. Willard Fromm Millice, Field Artillery.
First Lt. Elvin Hamilton Burger, Infantry.
First Lt. James Freeland McGraw, Infantry.
First Lt. Richard Searl Marr, Field Artillery.
First Lt. Leonard James Greeley, Field Artillery.
First Lt. Kingsley Sherman Andersson, Corps of Engineers.
First Lt. William Frishe Dean, Infantry.
First Lt. Ben Early Cordell, Coast Artillery Corps.
First Lt. Dalies Joshua Oyster, Field Artillery.
First Lt. George Phillips Privett, Field Artillery.
First Lt. William Lindsay McPherson, Coast Artillery Corps.
First Lt. William Vincent Gray, Infantry.
First Lt. Daniel Peter Norman, Infantry.
First Lt. John Mitchell England, Coast Artillery Corps.
First Lt. Floyd Cornelius Devenbeck, Ordnance Department.
First Lt. William Black Forse, Infantry.
First Lt. William Brown Short, Coast Artillery Corps.
First Lt. John Wallace Homewood, Infantry.
First Lt. James Vestie Collier, Field Artillery.
First Lt. Edwin Kennedy Wright, Infantry.
First Lt. Clint Leroy Taylor, Field Artillery.
First Lt. Richard Herbert Torovsky, Quartermaster Corps.
First Lt. Philip Mapes Shockley, Quartermaster Corps.
First Lt. Ernest Tuttle Owen, Field Artillery.
First Lt. Martin Hamlin Burckes, Field Artillery.
First Lt. Arthur Cecil Ramsey, Infantry.
First Lt. Wallace Howard Hastings, Corps of Engineers.
First Lt. Albert Fox Glenn, Air Corps.
First Lt. Emerson Leroy Cummings, Corps of Engineers.
First Lt. Earle Everard Partridge, Air Corps.
First Lt. Fisher Shinholt Blinn, Corps of Engineers.
First Lt. Donald Charles Hill, Corps of Engineers.
First Lt. Benjamin Schultz Mesick, Jr., Ordnance Department.
First Lt. Reginald Langworthy Dean, Corps of Engineers.
First Lt. Merrow Egerton Sorley, Corps of Engineers.
First Lt. Philip Robison Garges, Corps of Engineers.
First Lt. George Dakin Crosby, Field Artillery.
First Lt. Arthur Gilbert Trudeau, Corps of Engineers.
First Lt. John Held Riepe, Cavalry.
First Lt. Emerson Charles Itschner, Corps of Engineers.
First Lt. Ernest Orrin Lee, Field Artillery.
First Lt. Howard Ker, Corps of Engineers.
xFirst Lt. Charles Day Palmer, Field Artillery.
First Lt. Herbert Davis Vogel, Corps of Engineers.
First Lt. Fremont Swift Tandy, Corps of Engineers.
First Lt. Emil John Peterson, Corps of Engineers.
First Lt. Gordon Edmund Textor, Corps of Engineers.
First Lt. Everett Chalmers Wallace, Coast Artillery Corps.
First Lt. Vernum Charles Stevens, Coast Artillery Corps.
First Lt. Otis McCormick, Infantry.
First Lt. Wendell Blanchard, Cavalry.
First Lt. Thomas Du Val Roberts, Cavalry.
First Lt. Clinton Frederick Robinson, Corps of Engineers.
First Lt. Frederic Allison Henney, Corps of Engineers.
First Lt. David Jerome Ellinger, Air Corps.
First Lt. Leonard Lawrence Bingham, Corps of Engineers.
First Lt. Floyd Allen Mitchell, Coast Artillery Corps.
First Lt. Samuel Vance Krouthoff, Field Artillery.
First Lt. Joseph Peter Shumate, Coast Artillery Corps.
First Lt. John Ismert Hincke, Coast Artillery Corps.
First Lt. Fred Arley Ingalls, Air Corps.
First Lt. Raymond Thomas Beurket, Field Artillery.
First Lt. Heyward Bradford Roberts, Infantry.
First Lt. Charles George Meehan, Cavalry.
First Lt. Victor Allen Conrad, Signal Corps.
First Lt. Robin Bernard Pape, Coast Artillery Corps.
First Lt. John Franklin Williams, Field Artillery.
First Lt. Harry Jordan Theis, Cavalry.
First Lt. Amel Thomas Leonard, Field Artillery.
xFirst Lt. Clyde Massey, Cavalry.
First Lt. Bruce Woodward Bidwell, Infantry.
First Lt. Elmer Ernest Count, Jr., Coast Artillery Corps.
First Lt. Robert Ward Berry, Coast Artillery Corps.
First Lt. Harry Van Wyk, Field Artillery.
First Lt. Glenn Bruce McConnell, Field Artillery.
First Lt. Harold Peabody Tasker, Coast Artillery Corps.
First Lt. William Howard Arnold, Infantry.
First Lt. Raymond Hendley Coombs, Field Artillery.
First Lt. Wellington Alexander Samouce, Field Artillery.
First Lt. Francis Elmer Kidwell, Signal Corps.
First Lt. William Hubbard Barksdale, Jr., Field Artillery.
First Lt. Eugene Barber Ely, Field Artillery.
First Lt. Grayson Schmidt, Coast Artillery Corps.
First Lt. Leslie Earl Simon, Ordnance Department.
First Lt. Frank Finley Taylor, Jr., Quartermaster Corps.
First Lt. Charles Trueman Lanham, Infantry.
xFirst Lt. Richard Warburton Stephens, Infantry.
First Lt. Robert Clement Lawes, Field Artillery.
First Lt. Richard Longworth Baughman, Infantry.
First Lt. Edwin Henry Harrison, Ordnance Department.
First Lt. Cary Judson King, Jr., Signal Corps.
First Lt. Lawrence Russell Dewey, Cavalry.
First Lt. Ralph Irvin Glasgow, Coast Artillery Corps.
First Lt. William Armstrong Bugher, Cavalry.
First Lt. Wilbur Kincaid Noel, Cavalry.
First Lt. Jesse Bernard Wells, Cavalry.
First Lt. Cecil Ernest Henry, Air Corps.
First Lt. George Anthony Bicher, Signal Corps.
First Lt. James Thomas Loome, Field Artillery.
First Lt. Harold Phineas Gard, Coast Artillery Corps.
First Lt. William Lloyd Richardson, Coast Artillery Corps.
First Lt. Andrew Allison Frierson, Cavalry.
First Lt. Craig Alderman, Infantry.
First Lt. Ovid Thomason Forman, Coast Artillery Corps.
First Lt. Leslie Seekell Fletcher, Ordnance Department.
First Lt. Charles Raeburne London, Infantry.
First Lt. George Wesley Palmer, Coast Artillery Corps.
First Lt. Thomas Edwin Binford, Field Artillery.
First Lt. Ernest August Merkle, Coast Artillery Corps.
First Lt. Carl William Albert Raguse, Cavalry.
xFirst Lt. Leo Douglas Vichules, Coast Artillery Corps.
First Lt. George Arthur Hadsell, Infantry.
First Lt. Earl Mattice, Infantry.
First Lt. Herbert Theodore Benz, Coast Artillery Corps.
First Lt. Uzal Girard Ent, Air Corps.
xFirst Lt. Henry Sterling Jemigan, Cavalry.

First Lt. James Stewart Willis, Signal Corps.
xFirst Lt. Frank Jay Thompson, Cavalry.
First Lt. Augustine Davis Dugan, Cavalry.
First Lt. Clarence Everett Rothgeb, Coast Artillery Corps.
First Lt. Marcus Butler Stokes, Jr., Field Artillery.
First Lt. Francis Marion Day, Field Artillery.
First Lt. William Herbert Schaefer, Infantry.
First Lt. Clarence William Bennett, Cavalry.
First Lt. Gordon Byrom Rogers, Cavalry.
First Lt. Bernard Francis Luebbermann, Field Artillery.
First Lt. Peter Wesley Shunk, Coast Artillery Corps.
First Lt. George Curnow Claussen, Cavalry.
xFirst Lt. James Frederick Howell, Jr., Coast Artillery Corps.
First Lt. Russell Layton Mabie, Field Artillery.
First Lt. Ewing Hill France, Quartermaster Corps.
First Lt. William John Eyerly, Field Artillery.
First Lt. George Dunbar Pence, Field Artillery.
First Lt. Murray Bradshaw Crandall, Cavalry.
First Lt. William Joseph Reardon, Cavalry.
xFirst Lt. John Henry Brewer, Signal Corps.
First Lt. Lester Joseph Tacy, Field Artillery.
First Lt. Charles Lanier Dasher, Jr., Field Artillery.
First Lt. Sanford Joseph Goodman, Coast Artillery Corps.
First Lt. Gerald Goodwin Gibbs, Coast Artillery Corps.
First Lt. George William Busbey, Cavalry.
First Lt. Haydon Lemaire Boatner, Infantry.
xFirst Lt. Cary Brown Hutchinson, Cavalry.
First Lt. Clarence Keith Darling, Cavalry.
First Lt. Joe L. Loutzenheiser, Air Corps.
First Lt. Zachery Winfield Moores, Cavalry.
xFirst Lt. Perry William Brown, Field Artillery.
First Lt. James Edward Moore, Infantry.
First Lt. Silas Woodson Hosea, Infantry.
First Lt. Harold James Keeley, Infantry.
First Lt. Stephen Stanley Koszewski, Field Artillery.
First Lt. John Clair Smith, Coast Artillery Corps.
First Lt. Peter Conover Hains, 3d, Cavalry.
First Lt. George Edmund Young, Coast Artillery Corps.
First Lt. Richard Emmel Nugent, Air Corps.
First Lt. Walter Allen Buck, Infantry.
First Lt. John Phillips Kirkendall, Air Corps.
First Lt. Vonna Fernleigh Burger, Field Artillery.
First Lt. Charles Dwelle Daniel, Field Artillery.
First Lt. Joseph Aloysius Kielty, Infantry.
First Lt. Albert Delmar Miller, Coast Artillery Corps.
First Lt. Cleland Charles Sibley, Infantry.
First Lt. James Edward McGraw, Coast Artillery Corps.
First Lt. Robert Roy Selway, Junior, Air Corps.
First Lt. John Gilbert Moore, Air Corps.
First Lt. Edward Lynn Andrews, Field Artillery.
First Lt. James Grafton Anding, Field Artillery.
xFirst Lt. Darwin Denison Martin, Coast Artillery Corps.
First Lt. George Avery Tucker, Coast Artillery Corps.
First Lt. Joseph Rogers Burrill, Field Artillery.
First Lt. Leslie Alfred Skinner, Ordnance Department.
First Lt. Nathaniel Clay Cureton, Junior, Field Artillery.
First Lt. John Alfred McComsey, Coast Artillery Corps.
First Lt. George Morgan Kernan, Infantry.
First Lt. James Edwards Poore, Jr., Infantry.
First Lt. Maxwell Wood Tracy, Coast Artillery Corps.
First Lt. Howard Everett Kessinger, Field Artillery.
First Lt. Francis Edwin Gillette, Infantry.
First Lt. Albert Kellogg Stebbins, Jr., Infantry.
First Lt. Washington Mackey Ives, Jr., Infantry.
First Lt. William Lewis Johnson, Coast Artillery Corps.
First Lt. Richard Givens Prather, Infantry.
First Lt. Douglas Byron Smith, Infantry.
xFirst Lt. Robert Edward Cullen, Infantry.
First Lt. Merton Goodfellow Wallington, Signal Corps.
First Lt. Eleazar Parmly, 3d, Field Artillery.
First Lt. Luther Stevens Smith, Air Corps.
First Lt. Samuel Glenn Conley, Infantry.
First Lt. Stephen Wilson Ackerman, Infantry.
First Lt. Lewis Spencer Kirkpatrick, Coast Artillery Corps.
First Lt. Charles Hunter Coates, Infantry.
First Lt. Frank Glover Trew, Cavalry.
First Lt. Otto Lauren Nelson, Jr., Infantry.
First Lt. William Henry Kendall, Coast Artillery Corps.
First Lt. John Curtis LaFayette Adams, Infantry.
First Lt. Robert Wells Harper, Air Corps.
First Lt. Augustus Jerome Regnier, Infantry.
First Lt. Howard McMath Turner, Air Corps.
First Lt. Willard Koehler Liebel, Infantry.
First Lt. Oliver Malcolm Barton, Field Artillery.
First Lt. Bjarne Furuholmen, Field Artillery.
First Lt. Charles Pelot Summerall, Jr., Field Artillery.
First Lt. Thomas George McCulloch, Finance Department.
First Lt. Leonard Henry Rodieck, Air Corps.
First Lt. John Harry Stadler, Jr., Cavalry.
First Lt. Louis Chadwick Friedersdorff, Field Artillery.
First Lt. Lewis Curtis Barkes, Infantry.
First Lt. John Lyman Hitchings, Cavalry.
First Lt. Kenneth Crawford Strother, Infantry.
First Lt. George Alvin Millener, Infantry.
First Lt. Daniel Francis Healy, Jr., Field Artillery.
First Lt. George Hinkle Steel, Air Corps.
First Lt. Russell Andrew Baker, Infantry.
First Lt. Frank Smith Kirkpatrick, Field Artillery.
First Lt. George Walter Vaughn, Field Artillery.
First Lt. Paul Cooper, Infantry.
First Lt. Laurence Knight Ladue, Cavalry.
First Lt. Ralph Pulsifer, Infantry.
First Lt. Logan Carroll Berry, Cavalry.
First Lt. Onto Price Bragan, Infantry.
First Lt. Robert Joseph McBride, Infantry.
First Lt. Charles Ward Van Way, Jr., Infantry.
xFirst Lt. Harry Dillon McHugh, Infantry.
First Lt. William Harry Bertsch, Jr., Field Artillery.
First Lt. Gerald Jay Reid, Field Artillery.
First Lt. Edward Higgins White, Air Corps.
First Lt. James William Clyburn, Field Artillery.
First Lt. David Griffith Erskine, Field Artillery.
First Lt. Armistead Davis Mead, Jr., Infantry.
First Lt. Albert Newton Stubblebine, Jr., Field Artillery.
First Lt. Charles Harold Royce, Infantry.
First Lt. Paul Albert Pickhardt, Infantry.
First Lt. Oswaldo de la Rosa, Infantry.
First Lt. William Olmstead Eareckson, Air Corps.
First Lt. William Leo Coughlin, Field Artillery.
First Lt. William Thaddeus Sexton, Field Artillery.
xFirst Lt. Henry Coates Burgess, Infantry.
First Lt. Francis Robert Stevens, Infantry.
First Lt. Robert Augustus Ellsworth, Field Artillery.
First Lt. George Edmund Wrockloff, Jr., Field Artillery.
First Lt. James Edgar Macklin, Quartermaster Corps.
First Lt. Richard Weigand Gibson, Air Corps.
First Lt. Frederick Raymond Keeler, Coast Artillery Corps.
First Lt. Charles Edward Hart, Field Artillery.
First Lt. Kenneth Negley Decker, Field Artillery.
First Lt. George Almond Ford, Coast Artillery Corps.
First Lt. Edward Amedee Chazal, Infantry.
First Lt. Thomas Allen Jennings, Field Artillery.
First Lt. Rupert Davidson Graves, Infantry.
First Lt. Reed Graves, Infantry.
First Lt. Mark Edward Smith, Jr., Infantry.
First Lt. John Gillespie Hill, Infantry.
First Lt. Joseph Massaro, Field Artillery.
First Lt. Wolcott Kent Dudley, Infantry.
First Lt. James Barry Kraft, Field Artillery.
First Lt. Andrew Suter Gamble, Infantry.
First Lt. Howard Jehu John, Field Artillery.
First Lt. John Reynolds Hawkins, Air Corps.
First Lt. Earl Lynwood Scott, Infantry.
First Lt. Charles Loomis Booth, Field Artillery.
First Lt. Andrew Paul Foster, Jr., Infantry.
First Lt. Melvin Eugene Meister, Infantry.
First Lt. Emil Lenzner, Signal Corps.
First Lt. Hobart Amory Murphy, Infantry.
First Lt. William Henry Maglin, Infantry.
First Lt. Ralph Emanuel Fisher, Air Corps.
First Lt. William Samuel Triplet, Infantry.

First Lt. George Winfered Smythe, Infantry.
First Lt. John Harold Claybrook, Jr., Cavalry.
First Lt. Jesse Thomas Traywick, Jr., Infantry.
First Lt. Philip McCaffrey Kernan, Infantry.
First Lt. Howard Alexander Malin, Infantry.
First Lt. James Earl Purcell, Infantry.
First Lt. John Archer Elmore, Jr., Infantry.
First Lt. John Wesley Ramsey, Jr., Infantry.
First Lt. Francis John Graling, Infantry.
First Lt. Nye Kirwan Elward, Infantry.
First Lt. James Pierce Hulley, Infantry.
First Lt. Samuel Waynne Smithers, Infantry.
First Lt. Ralph Arthur Koch, Infantry.
First Lt. Kenneth Rector Bailey, Infantry.
First Lt. Lucien Francis Wells, Jr., Infantry.
First Lt. George Patrick O'Neill, Infantry.
First Lt, Richard Tonkin Mitchell, Infantry.
First Lt. George Edward Lightcap, Infantry.
First Lt. John Archer Stewart, Infantry.
First Lt. Samuel Henry Fisher, Field Artillery.
First Lt. Dennis Milton Moore, Infantry.
First Lt. Clark Norace Bailey, Infantry.
First Lt. Victor Emmanuel Phasey, Infantry.
First Lt. Clyde Davis Eddleman, Infantry.
First Lt. Russell Leonard Moses, Infantry.
First Lt. John O'Day Murtaugh, Cavalry.
First Lt. Sarratt Thaddeus Hames, Infantry.
First Lt. Virgil Rasmuss Miller, Infantry.
First Lt. James Somers Stowell, Air Corps.
First Lt. Arthur LeRoy Bump, Jr., Air Corps.
First Lt. Reeve Douglas Keiler, Infantry.
First Lt. George Emmert Elliott, Infantry.
First Lt. William Wallace Cornog, Jr., Infantry.
First Lt. Demas Thurlow Craw, Air Corps.
First Lt. Henry Isaac Kiel, Infantry.
First Lt. Daniel Harrison Hundley, Infantry.
First Lt. William Walrath Lloyd, Infantry.
First Lt. Jacob Robert Moon, Infantry.
First Lt. Thomas Harrison Allen, Infantry.
First Lt. Raymond Rodney Robins, Infantry.
First Lt. Peter Sather, Jr., Field Artillery.
First Lt. Richard Garner Thomas, Jr., Infantry.
First Lt. Frank Faron Carpenter, Jr., Field Artillery.
First Lt. Ralph Parker Eaton, Infantry.
First Lt. Henry Dahnke, Infantry.
First Lt. Robert Carlyle Andrews, Infantry.
First Lt. Herbert Frank McGuire Matthews, Infantry.
First Lt. Noah Mathew Brinson, Infantry.
First Lt. Albert John Dombrowsky, Infantry.
First Lt. Jean Dorbant Scott, Infantry.
First Lt. Robert Walter Stika, Infantry.
First Lt. Ovid Oscar Wilson, Infantry.
First Lt. Martin Frank Hass, Infantry.
First Lt. Cornelius Walter Cousland, Air Corps.
First Lt. William Frederick Kellotat, Quartermaster Corps.
First Lt. Raleigh Raymond Hendrix, Coast Artillery Corps.
First Lt. Howard Donald Criswell, Infantry.
First Lt. Robert Douglas McLeod, Jr., Chemical Warfare Service.
First Lt. Glenn Newman, Coast Artillery Corps.
First Lt. William George Devens, Coast Artillery Corps.
First Lt. Charles Edward Shepherd, Coast Artillery Corps.
First Lt. Walker Wesley Holler, Ordnance Department.
First Lt. Daniel Jerome Martin, Ordnance Department.
First Lt. Malin Craig, Jr., Field Artillery.
First Lt. Forrest James French, Coast Artillery Corps.
First Lt. Samuel Howard Morrow, Coast Artillery Corps.
First Lt. Norman Blakesley Simmonds, Coast Artillery Corps.
First Lt. Vern Walbridge, Coast Artillery Corps.
First Lt. Winfield Wayne Scott, Field Artillery.
First Lt. Sylvan Berliner, Coast Artillery Corps.
First Lt. Joris Bliss Rasbach, Field Artillery.
First Lt. Leonard Marion Johnson, Field Artillery.
First Lt. Chester Archibald Rowland, Corps of Engineers.
First Lt. John Sterling Taylor, Infantry.
First Lt. Louis Bernard Rutts, Infantry.
First Lt. Nunez Christian Pilet, Infantry.
First Lt. Arthur Willink, Ordnance Department.
First Lt. Stephen Smith Hamilton, Infantry.
First Lt. Farris Newton Latimer, Infantry.
First Lt. Carl Joseph Crane, Air Corps.
First Lt. John Douglas Salmon, Field Artillery.
xFirst Lt. James Peurifoy Hill, Infantry.
First Lt. William Arthur Cole, Infantry.
First Lt. Raymond Dishmann Palmer, Cavalry.
First Lt. Murray Eberhart McGowan, Infantry.
First Lt. Thomas Clagett Wood, Jr., Field Artillery.
First Lt. George Henry Decker, Infantry.
First Lt. Conrad Lewis Boyle, Field Artillery.
First Lt. Edward Joseph O'Neill, Infantry.
xFirst Lt. Robert Reinhold Martin, Infantry.
First Lt. John Perry Willey, Cavalry.
First Lt. John Vogler Tower, Signal Corps.
First Lt. Harry Donald Eckert, Cavalry.
First Lt. George Edward Isaacs, Infantry.
First Lt. Harold Francis Chrisman, Finance Department.
First Lt. George Cooper Reinhardt, Corps of Engineers.
First Lt. William Crowell Saffarrans, Infantry.
First Lt. William Joseph Bradley, Cavalry.
First Lt. Clark Louis Ruffner, Cavalry.
xFirst Lt. Ridgely Gaither, Jr., Infantry.
First Lt. Earl William Aldrup, Quartermaster Corps.
First Lt. Conrad Gordon Follansbee, Field Artillery.
First Lt. John Henry Sampson, Jr., Field Artillery.
First Lt. George August Zeller, Ordnance Department.
First Lt. August Edward Schanze, Infantry.
First Lt. Howard Eugene Engler, Air Corps.
First Lt. Thomas Adams Doxey, Jr., Field Artillery.
First Lt. William Donald Old, Air Corps.
First Lt. Grovener Cecil Charles, Infantry.
First Lt. Andral Bratton, Field Artillery.
First Lt. Harold Mills Manderbach, Quartermaster Corps.
First Lt. James Regan, Jr., Infantry.
First Lt. George Laurence Holsinger, Field Artillery.
First Lt. Harold Witte Uhrbrock, Infantry.
First Lt. Elmer Theodore Rundquist, Air Corps.
First Lt. Raymond Charles Lane, Infantry.
First Lt. David Marshall Ramsay, Air Corps.
First Lt. Sheldon Perkins McNickle, Infantry.
First Lt. Will Knox Stennis, Coast Artillery Corps.
First Lt. Harold George Peterson, Air Corps.
First Lt. George Francis Schulgen, Air Corps.
First Lt. Otto Paul Weyland, Air Corps.
First Lt. Reginald Roan Gillespie, Air Corps.
First Lt. Kirtley Jameson Gregg, Air Corps.
First Lt. George Aldridge Whatley, Air Corps.
First Lt. Frank Riley Loyd, Infantry.
First Lt. Harry William Miller, Ordnance Department.
First Lt. Sheldon Brightwell Edwards, Air Corps.
First Lt. Clarence Steven Thorpe, Air Corps.
First Lt. Howard Hunt Couch, Air Corps.
First Lt. Wilfred Joseph Paul, Air Corps.
First Lt. Glenn L. Davasher, Air Corps.
First Lt. Charles Stowe Stodter, Signal Corps.
First Lt. Charles Henry Barth, Jr., Corps of Engineers.
First Lt. Standish Weston, Corps of Engineers.
First Lt. Raymond Burkholder Oxrieder, Corps of Engineers.
First Lt. Gerald Edward Galloway, Corps of Engineers.
First Lt. Harrod George Miller, Signal Corps.
First Lt. Charles Hare Mason, Corps of Engineers.
First Lt. Carl Rueben Dutton, Ordnance Department.
First Lt. George Kenyon Withers, Corps of Engineers.
First Lt. Arleigh Todd Bell, Corps of Engineers.
First Lt. Thomas Leonard Harrold, Cavalry.
First Lt. Kenneth William Treacy, Field Artillery.
First Lt. Vincent Joseph Esposito, Corps of Engineers.
First Lt. Robert Lee Howze, Jr., Cavalry.
First Lt. Leland Berrel Kuhre, Corps of Engineers.
First Lt. Colby Maxwell Myers, Corps of Engineers.
First Lt. Ralph Tibbs Garver, Cavalry.
First Lt. William Ludlow Ritchie, Air Corps.

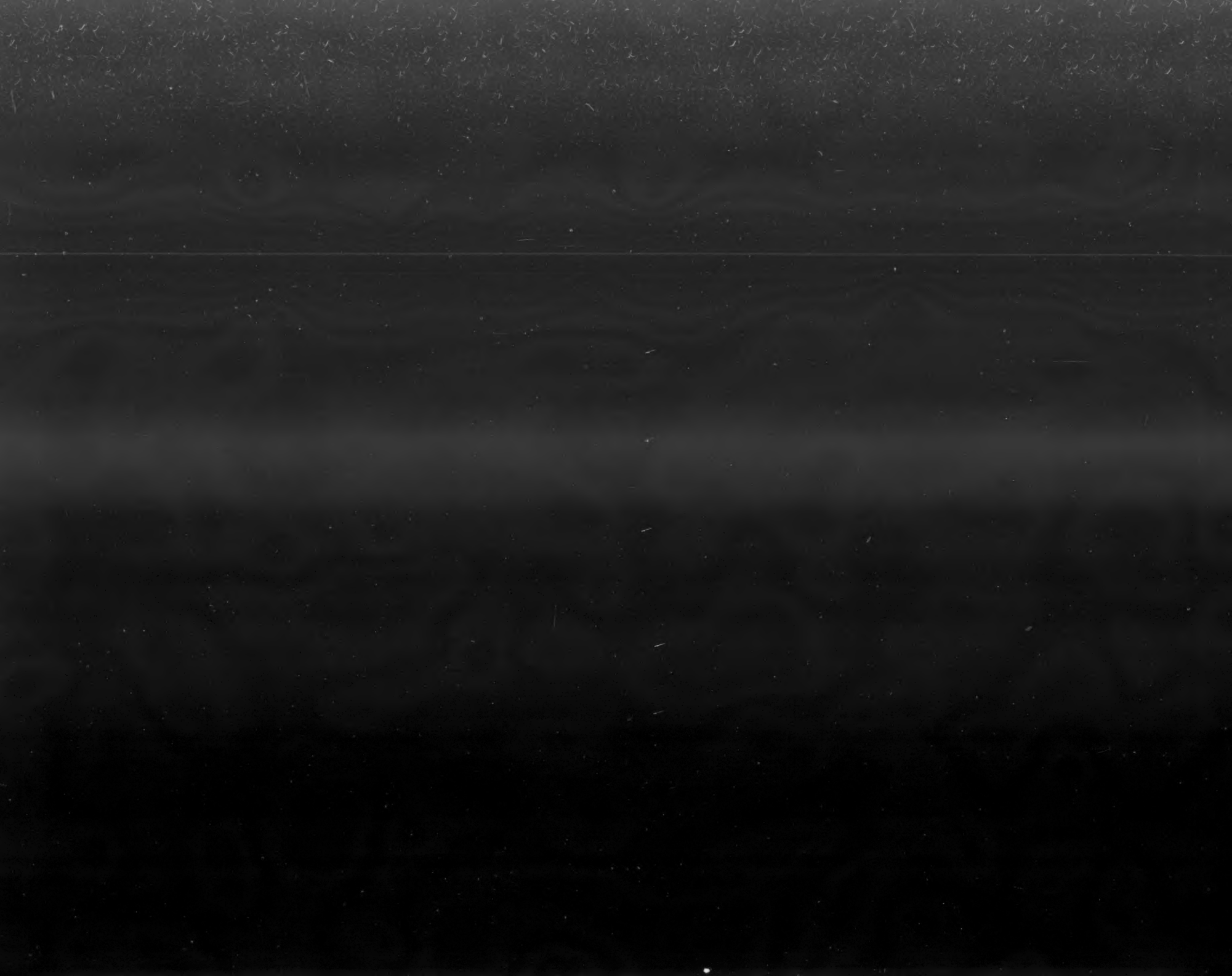
First Lt. Amos Tappan Akerman, Corps of Engineers.
First Lt. Rogers Alan Gardner, Cavalry.
First Lt. Albert Harvey Burton, Corps of Engineers.
First Lt. Bruce Cooper Clarke, Corps of Engineers.
First Lt. Carl William Meyer, Corps of Engineers.
First Lt. John Henry Dulligan, Air Corps.
First Lt. David Henry Tulley, Corps of Engineers.
First Lt. Walter Grant Bryte, Jr., Air Corps.
First Lt. Kyrl Leighton Faxford deGravelines, Coast Artillery Corps.
First Lt. Warren Nourse Underwood, Corps of Engineers.
First Lt. Miles Merrill Dawson, Corps of Engineers.
First Lt. Charles Parsons Nicholas, Field Artillery.
First Lt. Russell Edward Randall, Air Corps.
First Lt. Carl Warren Holcomb, Coast Artillery Corps.
First Lt. Armand Hopkins, Coast Artillery Corps.
First Lt. Timothy Lawrence Mulligan, Corps of Engineers.
First Lt. Finis Ewing Dunaway, Jr., Corps of Engineers.
First Lt. Benjamin Cobb Fowlkes, Jr., Corps of Engineers.
First Lt. John Wilson Huyssoon, Coast Artillery Corps.
First Lt. Frank Gilbert Fraser, Cavalry.
First Lt. Stanley James Horn, Corps of Engineers.
First Lt. Frank Andrew Pettit, Corps of Engineers.
First Lt. William O'Connor Heacock, Cavalry.
First Lt. Walter William Hodge, Corps of Engineers.
First Lt. William Henry Nutter, Cavalry.
First Lt. Oscar Carl Maier, Signal Corps.
First Lt. Ralph Augustus Lincoln, Corps of Engineers.
First Lt. Gilbert Edward Linkswiler, Corps of Engineers.
First Lt. Aubrey Strode Newman, Infantry.
First Lt. Ernest Victor Holmes, Field Artillery.
First Lt. William Frank Steer, Infantry.
First Lt. Wiley Thomas Moore, Ordnance Department.
First Lt. Donald Montgomery Shaw, Cavalry.
First Lt. Conrad Stanton Babcock, Cavalry.
First Lt. Alvin Truett Bowers, Coast Artillery Corps.
First Lt. William Henry Bigelow, Infantry.
First Lt. Lewis Ackley Riggins, Infantry.
xFirst Lt. Willard Lamborn Wright, Coast Artillery Corps.
First Lt. John Frederick Gamber, Coast Artillery Corps.
First Lt. Ernest Andrew Barlow, Infantry.
First Lt. John Loomis Chamberlain, Jr., Field Artillery.
First Lt. Frank John Hierholzer, Field Artillery.
First Lt. Carl Frederick Tischbein, Coast Artillery Corps.
First Lt. John Salisbury Fisher, Infantry.
First Lt. Charles Pearre Cabell, Air Corps.
First Lt. James Joseph Deery, Field Artillery.
First Lt. Archer Frank Freund, Field Artillery.
First Lt. Roland Ainslee Browne, Cavalry.
First Lt. Milo Howard Matteson, Cavalry.
First Lt. William John Carne, Infantry.
First Lt. John Stephan Henn, Coast Artillery Corps.
First Lt. Henry Randolph Westphalinger, Cavalry.
First Lt. Raymond Cecil Conder, Field Artillery.
First Lt. Ralph Frederick Bartz, Infantry.
First Lt. James Wentworth Clinton, Infantry.
First Lt. Arthur Bliss, Field Artillery.
First Lt. William Holmes Wood, Cavalry.
First Lt. John William Black, Field Artillery.
First Lt. Lucien Eugene Bolduc, Infantry.
First Lt. Alfred Boyce Devereaux, Field Artillery.
First Lt. Paul Maurice Seleen, Ordnance Department.
First Lt. Henry Ewell Strickland, Coast Artillery Corps.
First Lt. Wilmer George Bennett, Field Artillery.
First Lt. Arthur Charles Boll, Signal Corps.
First Lt. Clifford Palmer Bradley, Air Corps.
First Lt. Hubert Merrill Cole, Field Artillery.
First Lt. Gustavus Wilcox West, Cavalry.
xFirst Lt. George Peter Berilla, Jr., Cavalry.
First Lt. Branner Pace Purdue, Infantry.
First Lt. George Joseph Deutermann, Field Artillery.
First Lt. George Arthur Grayeb, Field Artillery.
First Lt. Haydon Young Grubbs, Field Artillery.
First Lt. William Albert Fuller, Cavalry.
First Lt. Ralph Edmund Tibbetts, Infantry.
First Lt. Edwin Lynds Johnson, Field Artillery.
First Lt. Clyde Eugene Steele, Infantry.
First Lt. Ernest Holmes Wilson, Infantry.
First Lt. Norman Holmes Smith, Field Artillery.
First Lt. John Wingo Dansby, Infantry.
First Lt. Robert Milchrist Cannon, Field Artillery.
First Lt. Charles Cavelli, Jr., Field Artillery.
First Lt. Thomas Byrd Whitted, Jr., Field Artillery.
First Lt. James Wilbur Mosteller, Jr., Coast Artillery Corps.
First Lt. Meredith Cornwell Noble, Infantry.
First Lt. George Henry McManus, Jr., Field Artillery.
xFirst Lt. Leo Francis Kengla, Jr., Infantry.
xFirst Lt. Robert Emmett Burns, Signal Corps.
First Lt. John Amos Hall, Infantry.
First Lt. Donald Janser Bailey, Coast Artillery Corps.
First Lt. Nicholas Joseph Robinson, Infantry.
First Lt. John Murphy Willems, Field Artillery.
First Lt. Joseph Cyril Augustin Denniston, Air Corps.
First Lt. John Franklin Bird, Field Artillery.
First Lt. Henry Beane Margeson, Infantry.
First Lt. Claude Franklin Burbach, Field Artillery.
First Lt. Raymond Miller Barton, Cavalry.
First Lt. William Lloyd Burbank, Infantry.
First Lt. Wallace Hallock Honnold, Infantry.
First Lt. Emmor Graham Martin, Coast Artillery Corps.
First Lt. Walter Scott Strange, Infantry.
First Lt. Welborn Barton Griffith, Jr., Infantry.
First Lt. John Halliday McCormick, Air Corps.
First Lt. William Nelson Gillmore, Field Artillery.
First Lt. Hubert Whitney Ketchum, Jr., Cavalry.
First Lt. Marcel Gustave Crombez, Infantry.
First Lt. Milton Taylor Hankins, Signal Corps.
First Lt. John William Gaddis, Infantry.
First Lt. Raymond Kimball Quekemeyer, Field Artillery.
First Lt. William Everton Pheris, Jr., Infantry.
First Lt. Alexander Andrew Dobak, Infantry.
First Lt. John Howard Bennett, Infantry.
First Lt. Harry Clifton Larter, Jr., Field Artillery.
First Lt. Wayne Carleton Smith, Infantry.
First Lt. Godwin Ordway, Jr., Infantry.
First Lt. Harry Jean Harper, Field Artillery.
First Lt. Robert Pepper Clay, Field Artillery.
First Lt. Edward Clement Mack, Infantry.
First Lt. Ira Kenneth Evans, Quartermaster Corps.
First Lt. Earl Walter Barnes, Air Corps.
First Lt. Samuel Adrian Dickson, Field Artillery.
First Lt. Dwight Harvey, Infantry.
First Lt. William Eldred Long, Infantry.
First Lt. John Llewellyn Lewis, Field Artillery.
First Lt. John William Davis, Coast Artillery Corps.
First Lt. Edwin Bascum Kearns, Jr., Infantry.
xFirst Lt. Rinaldo Van Brunt, Infantry.
First Lt. George Patrick Lynch, Infantry.
First Lt. John Francis Holland, Infantry.
First Lt. John Porter Kidwell, Infantry.
First Lt. Clarence Harwood Smith, Infantry.
First Lt. Thaddeus Elmer Smyth, Infantry.
First Lt. Waldemar Noya Damas, Infantry.
First Lt. James Durward Barnett, Infantry.
First Lt. Claude Aubrey Black, Infantry.
First Lt. Russell Thomas Finn, Field Artillery.
First Lt. Harry Wells Crandall, Infantry.
First Lt. Joseph Pringle Cleland, Infantry.
First Lt. Enoch Joseph Skalandzunos, Infantry.
First Lt. John Laing De Pew, Cavalry.
First Lt. John Robert McGinness, Infantry.
First Lt. William Griffith Stephenson, Infantry.
First Lt. George Bateman Peploe, Infantry.
First Lt. Samuel Selden Lamb, Signal Corps.
First Lt. Curtis D. Renfro, Infantry.
First Lt. Charles Henry Caldwell, Air Corps.
First Lt. Joseph Blair Daugherty, Infantry.
First Lt. Haskell Hadley Cleaves, Signal Corps.
First Lt. Albert Aaron Horner, Infantry.
First Lt. Louis Quarles McComas, Infantry.
First Lt. Mitchell Alonzo Giddens, Cavalry.
xFirst Lt. Leif Neprud, Coast Artillery Corps.

First Lt. Theodore Lamar Dunn, Infantry.
First Lt. Elliott Bickley Gose, Infantry.
First Lt. Floyd Ellsworth Dunn, Infantry.
First Lt. Michael John Geraghty, Infantry.
First Lt. Donald Dunford, Field Artillery.
First Lt. Arthur Superior Peterson, Infantry.
First Lt. Ralph Randolph Sears, Infantry.
First Lt. Edgar Turner Noyes, Air Corps.
First Lt. David Evans Bradford, Cavalry.
First Lt. James Keller De Armond, Air Corps.
First Lt. Ernest Avner Suttles, Infantry.
First Lt. August William Farwick, Cavalry.
First Lt. Samuel Mason Lansing, Infantry.
First Lt. Pierre Bacot Denson, Coast Artillery Corps.
First Lt. Carl William Westlund, Infantry.
First Lt. Walter Llewellyn Wheeler, Air Corps.
First Lt. Norme D. Frost, Air Corps.
First Lt. Linus Dodge Frederick, Air Corps.
First Lt. James Gordon Pratt, Air Corps.
First Lt. Milton Miles Murphy, Air Corps.
First Lt. Lee Quintus Wasser, Air Corps.
First Lt. Howard Knowles Vail, Infantry.
First Lt. Benjamin Thomas Storkey, Air Corps.
First Lt. Percy Walter Thompson, Field Artillery.
First Lt. Clarence McCurdy Virtue, Infantry.
First Lt. Ralph Finch, Infantry.
First Lt. Charles Howard Valentine, Cavalry.
First Lt. Julian Henry Baumann, Field Artillery.
First Lt. Joseph Kerr Gibson, Field Artillery.
First Lt. Judson MacIvor Smith, Infantry.
First Lt. Frank Gilmore Irvin, Air Corps.
First Lt. George Vernon Holloman, Air Corps.
First Lt. George Henry Dietz, Infantry.
xFirst Lt. Donald Hubbell Smith, Coast Artillery Corps.
First Lt. Luther Gordon Causey, Infantry.
First Lt. John Meade, Field Artillery.
First Lt. Glenn Oscar Barcus, Air Corps.
First Lt. William Andrew Weddell, Coast Artillery Corps.
First Lt. John Randolph Jeter, Infantry.
First Lt. John Mulford Evans, Infantry.
First Lt. Theodore Anderson Seely, Infantry.
First Lt. George Avery Chester, Coast Artillery Corps.
First Lt. James Thomas Dawson, Field Artillery.
First Lt. Burgo Doyle Gill, Coast Artillery Corps.
xFirst Lt. William Wheeler O'Connor, Infantry.
First Lt. Walter Hoyt Kennett, Field Artillery.
First Lt. George Paul Harrison, Field Artillery.
First Lt. Edward Campbell Franklin, Ordnance Department.
First Lt. Franklin Leslie Lichtenfels, Infantry.
First Lt. William Frederick Niethamer, Coast Artillery Corps.
First Lt. Harold Victor Roberts, Infantry.

To be first lieutenants

Second Lt. Anthony Quintus Mustoe, Air Corps.
Second Lt. Douglas Thompson Mitchell, Air Corps.
Second Lt. Robert Kinnaird Giovannoli, Air Corps.
Second Lt. Edwin William Rawlings, Air Corps.
Second Lt. Julius Kahn Lacey, Air Corps.
Second Lt. Theodore Bernard Anderson, Air Corps.
Second Lt. George Frank McGuire, Air Corps.
Second Lt. Oliver Stanton Picher, Air Corps.
Second Lt. Dyke Francis Meyer, Air Corps.
Second Lt. Hugh Francis McCaffery, Air Corps.
Second Lt. Minthorne Woolsey Reed, Air Corps.
Second Lt. Morley Frederick Slaght, Air Corps.
Second Lt. Roy Dale Butler, Air Corps.
Second Lt. Berkeley Everett Nelson, Air Corps.
Second Lt. Archibald Johnston Hanna, Air Corps.
Second Lt. Richard August Grussendorf, Air Corps.
Second Lt. John Hiett Ives, Air Corps.
Second Lt. Frederick Earl Calhoun, Air Corps.
Second Lt. Carl Ralph Feldmann, Air Corps.
Second Lt. Paul Frailey Yount, Corps of Engineers.
Second Lt. William Arnold Carter, Jr., Corps of Engineers.
Second Lt. William Whipple, Jr., Corps of Engineers.
Second Lt. Charles Keller, Jr., Corps of Engineers.
Second Lt. Ralph Powell Swofford, Jr., Air Corps.
Second Lt. James Keller Herbert, Corps of Engineers.
Second Lt. Paul Ernest Ruestow, Corps of Engineers.
Second Lt. Philip Frederick Kromer, Jr., Corps of Engineers.
Second Lt. Clement Van Beuren Sawin, Corps of Engineers.
Second Lt. LeRoy Bartlett, Jr., Corps of Engineers.
Second Lt. Robert Blake Lothrop, Corps of Engineers.
Second Lt. Emil Fred Klinke, Corps of Engineers.
Second Lt. George Fletcher Schlatter, Air Corps.
Second Lt. Edward Fenlon Kumpe, Corps of Engineers.
Second Lt. Robert Lynn Lancefield, Corps of Engineers.
Second Lt. Lawrence Arthur Bosworth, Coast Artillery Corps.
Second Lt. Cyrus Lawrence Peterson, Coast Artillery Corps.
Second Lt. Clarence Harvey Gunderson, Field Artillery.
Second Lt. Donald Ralph Neil, Quartermaster Corps.
Second Lt. Frederick Garside Terry, Field Artillery.
Second Lt. Oscar Benjamin Beasley, Coast Artillery Corps.
Second Lt. Irvin Rudolph Schimmelpfennig, Field Artillery.
Second Lt. James Judson Heriot, Field Artillery.
Second Lt. Robert William Porter, Jr., Cavalry.
Second Lt. John Henderson Dudley, Cavalry.
Second Lt. Andrew Mark Wright, Jr., Signal Corps.
Second Lt. Albert Eugene Dennis, Quartermaster Corps.
Second Lt. William Herschel Allen, Jr., Field Artillery.
Second Lt. Howard Monroe McCoy, Air Corps.
Second Lt. Carl Henry Fernstrom, Coast Artillery Corps.
Second Lt. Charles William Haas, Air Corps.
Second Lt. Hubert duBois Lewis, Coast Artillery Corps.
Second Lt. Charles Lee Heitman, Jr., Field Artillery.
Second Lt. Louis Theilmann Heath, Field Artillery.
Second Lt. Albert Joseph Mandelbaum, Signal Corps.
Second Lt. Andrew Pick O'Meara, Field Artillery.
Second Lt. Clark Neil Piper, Air Corps.
Second Lt. Robert Jefferson Wood, Coast Artillery Corps.
Second Lt. Aubrey Kenneth Dodson, Air Corps.
Second Lt. Mark Edward Bradley, Jr., Air Corps.
Second Lt. Philip Campbell Wehle, Field Artillery.
Second Lt. Douglas Mitchell Kilpatrick, Jr., Air Corps.
Second Lt. Wiley Duncan Ganey, Air Corps.
Second Lt. George Clifford Duehring, Field Artillery.
Second Lt. Francis Frederick Uhrhane, Signal Corps.
Second Lt. Charles Granville Dodge, Cavalry.
xSecond Lt. Herbert Voivenelle Mitchell, Infantry.
Second Lt. James Nugent Vaughn, Signal Corps.
Second Lt. Thetus Cayce Odom, Air Corps.
Second Lt. Alexander Graham Stone, Field Artillery.
Second Lt. Jacquard Hirshorn Rothschild, Field Artillery.
Second Lt. Stuart Francis Crawford, Field Artillery.
Second Lt. Truman William Carrithers, Field Artillery.
Second Lt. Walter Campbell Sweeney, Jr., Infantry.
Second Lt. Henry Bing Kunzig, Infantry.
Second Lt. Keith Hartman Ewbank, Field Artillery.
Second Lt. Thomas Irwin Edgar, Field Artillery.
Second Lt. Robert Foster Haggerty, Coast Artillery Corps.
Second Lt. Frank Kowalski, Jr., Infantry.
Second Lt. Hamilton Hawkins Howze, Cavalry.
Second Lt. Harry Hollingsworth Geoffrey, Air Corps.
xSecond Lt. John Xavier Walsh, Infantry.
Second Lt. Harry Brown Packard, Field Artillery.
Second Lt. Robert James Watson, Infantry.
Second Lt. Robert Highman Booth, Field Artillery.
Second Lt. Arthur Leonard Fuller, Jr., Coast Artillery Corps.
Second Lt. Mahlon Smith Davis, Field Artillery.
Second Lt. Winfield Wilber Sisson, Field Artillery.
Second Lt. Anthony Eugene Curcio, Air Corps.
Second Lt. Morris John Lee, Air Corps.
Second Lt. John Joseph MacFarland, Field Artillery.
Second Lt. Wendell Holmes Langdon, Infantry.
Second Lt. Harry Raymond Boyd, Coast Artillery Corps.
Second Lt. Samuel Lynn Morrow, Jr., Field Artillery.
Second Lt. Albert Watson, 2d, Field Artillery.
Second Lt. Marvin Lewis Harding, Air Corps.

Second Lt. Franklin Fearing Wing, Jr., Cavalry.
Second Lt. James Owen Curtis, Jr., Cavalry.
Second Lt. Birrell Walsh, Air Corps.
Second Lt. Henry Bittinger Croswell, Cavalry.
Second Lt. Phillips Waller Smith, Cavalry.
Second Lt. Alva Revista Fitch, Field Artillery.
Second Lt. Dana Stuart Alexander, Coast Artillery Corps.
Second Lt. Joseph Henry Twyman, Jr., Coast Artillery Corps.
Second Lt. Percy Howard Brown, Jr., Field Artillery.
Second Lt. Paul Clark, Jr., Field Artillery.
Second Lt. Edward Sedgwick Berry, Field Artillery.
Second Lt. David Hodge Baker, Air Corps.
Second Lt. Albert Everett Harris, Cavalry.
Second Lt. James Sylvester Sutton, Air Corps.
Second Lt. Richard Churchill Hutchinson, Air Corps.
Second Lt. James Theopold Darrah, Coast Artillery Corps.
Second Lt. Roy Ernest Lindquist, Infantry.
Second Lt. Sidney Clay Wooten, Infantry.
Second Lt. Robert Edwin Cron, Jr., Quartermaster Corps.
Second Lt. Ross Thatcher Sampson, Infantry.
Second Lt. William Henry Sterling Wright, Cavalry.
xSecond Lt. Archibald William Stuart, Infantry.
Second Lt. Willis Almeron Perry, Coast Artillery Corps.
Second Lt. Grant Eugene Hill, Coast Artillery Corps.
Second Lt. John Frank Greco, Field Artillery.
Second Lt. Alden Pugh Taber, Coast Artillery Corps.
Second Lt. Charles Joseph Odenweller, Jr., Coast Artillery Corps.
Second Lt. Edwin Sanders Perrin, Air Corps.
Second Lt. Neal Edwin Ausman, Air Corps.
Second Lt. George Goodrell Garton, Field Artillery.
Second Lt. Robert Louis Brunzell, Field Artillery.
Second Lt. Raymond Davis Millener, Infantry.
Second Lt. Robert William Timothy, Field Artillery.
Second Lt. Aubrey Dewitt Smith, Infantry.
Second Lt. Barksdale Hamlett, Field Artillery.
Second Lt. Brainard Spencer Cook, Cavalry.
Second Lt. Troup Miller, Jr., Air Corps.
Second Lt. William Ewing Grubbs, Field Artillery.
Second Lt. William Dole Eckert, Air Corps.
Second Lt. Frederick Reginia Weber, Infantry.
Second Lt. Charles Clinton Cloud, Jr., Coast Artillery Corps.
Second Lt. O'Neill Keren Kane, Cavalry.
Second Lt. Arthur Carey Peterson, Coast Artillery Corps.
Second Lt. Harold Eugene Brooks, Field Artillery.
Second Lt. Paul Arthur Roy, Coast Artillery Corps.
Second Lt. Bream Cooley Patrick, Field Artillery.
Second Lt. William Henry Harris, Coast Artillery Corps.
xSecond Lt. Tom Robert Stoughton, Jr., Infantry.
Second Lt. Thomas Weldon Dunn, Field Artillery.
Second Lt. Lauris Norstad, Air Corps.
Second Lt. Adam Andrew Koscielniak, Coast Artillery Corps.
Second Lt. Marvin Candler Johnson, Cavalry.
Second Lt. John Brazelton Fillmore Dice, Coast Artillery Corps.
Second Lt. Millard Lewis, Air Corps.
Second Lt. Othel Rochelle Deering, Air Corps.
Second Lt. James Frederick Ammerman, Field Artillery.
Second Lt. Leon Clarence Scott, Infantry.
Second Lt. John Chesley Kilborn, Air Corps.
Second Lt. William Naille Taylor, Infantry.
Second Lt. Frederick Dwight Atkinson, Field Artillery.
Second Lt. William Warner Harris, Infantry.
xSecond Lt. Carl Amandus Brandt, Air Corps.
Second Lt. Frederick Gardner Crabb, Jr., Infantry.
Second Lt. Buford Russell Nyquist, Infantry.
Second Lt. John Charles Hayden, Field Artillery.
Second Lt. Robert Allen Ports, Field Artillery.
Second Lt. Roderick Leland Carmichael, Jr., Field Artillery.
Second Lt. Carl Irven Hutton, Field Artillery.
Second Lt. George Wareham Gibbs, Field Artillery.
Second Lt. Arthur Cleveland Goodwin, Jr., Field Artillery.
Second Lt. Roy Whitman Muth, Infantry.
Second Lt. Richard Shafle Freeman, Air Corps.
Second Lt. Harold Lester Smith, Air Corps.
Second Lt. Jaromir Jan Pospisil, Infantry.
Second Lt. Richards Montgomery Bristol, Infantry.
Second Lt. Edward Irving Sachs, Infantry.
Second Lt. Marshall Hill Hurt, Jr., Infantry.
xSecond Lt. Samuel Philbrick Kelley, Infantry.
Second Lt. George William Lermond, Infantry.
Second Lt. Norman Ray Burnett, Air Corps.
Second Lt. Charles Lind Olin, Infantry.
Second Lt. Samuel Roth, Infantry.
Second Lt. Joe Clifton East, Coast Artillery Corps.
Second Lt. Eugene Anthony Kenny, Infantry.
xSecond Lt. John Livingood Pauley, Jr., Infantry.
Second Lt. Frank Theodore Folk, Coast Artillery Corps.
xSecond Lt. Joseph Farrell Haskell, Cavalry.
Second Lt. Richard Joseph O'Keefe, Air Corps.
Second Lt. Carleton Merritt Clifford, Infantry.
Second Lt. Noel Adrian Neal, Infantry.
Second Lt. Howard Walter Quinn, Infantry.
xSecond Lt. Raymond Charles Brisach, Infantry.
xSecond Lt. Charley Paul Eastburn, Infantry.
Second Lt. George William Rumsey Perry, Infantry.
Second Lt. Clifton Donald Blackford, Infantry.
Second Lt. Ephraim Melmoth Hampton, Chemical Warfare Service.
xSecond Lt. Thomas Ferguson Wall, Infantry.
Second Lt. Jack Griffin Pitcher, Infantry.
Second Lt. James Sawyer Luckett, Infantry.
Second Lt. Myron Albert Quinto, Infantry.
Second Lt. Joseph Arthur Miller, Air Corps.
xSecond Lt. Ned Dalton Moore, Infantry.
Second Lt. Christian Hudgins Clarke, Jr., Infantry.
Second Lt. Claude Emerson Jurney, Infantry.
Second Lt. Thomas Mifflin, Infantry.
xSecond Lt. Daniel Russell Taylor, Infantry.
Second Lt. James Knox Wilson, Jr., Field Artillery.
xSecond Lt. Francis Joseph Corr, Infantry.
Second Lt. Kurt Martin Landon, Air Corps.
Second Lt. Gerry Leonard Mason, Air Corps.
xSecond Lt. Hubern Paul Dellinger, Air Corps.
Second Lt. Winston Rose Maxwell, Infantry.
Second Lt. Aubrey Ellis Strode, Jr., Infantry.
Second Lt. Daniel Anderson Cooper, Air Corps.
Second Lt. Theodore Roberts Kimpton, Infantry.
Second Lt. Earl Hugh Heimerdinger, Infantry.
Second Lt. John Simpson Guthrie, Infantry.
xSecond Lt. Allan Duard MacLean, Infantry.
Second Lt. Richard Cloyd Parker, Infantry.
Second Lt. Howard Russell Moore, Infantry.
Second Lt. James Lowell Richardson, Jr., Infantry.
Second Lt. Francis Hill Dohs, Infantry.
xSecond Lt. Eli Stevens, Infantry.
Second Lt. Jacob Samuel Sauer, Infantry.
Second Lt. Joseph Eakens James, Jr., Infantry.
Second Lt. Charles Edward Beauchamp, Infantry.
Second Lt. Paul Aloysius Chalmers, Infantry.
Second Lt. Thomas Kent, Infantry.
Second Lt. Sory Smith, Air Corps.
Second Lt. Henry Estil Royall, Infantry.
Second Lt. Paul William Blanchard, Jr., Air Corps.
Second Lt. Jasper Joseph Riley, Jr., Infantry.
Second Lt. Theodore Francis Bogart, Infantry.
xSecond Lt. Thad Adolphus Broom, Infantry.
Second Lt. Russell Guy Emery, Infantry.
Second Lt. Walter Edwin Ahearn, Infantry.
xSecond Lt. Herman Wilhelm Ohme, Infantry.
Second Lt. Paul Russell Weyrauch, Field Artillery.
Second Lt. Orin Doughty Haugen, Infantry.
Second Lt. Morton Elmer Townes, Infantry.
Second Lt. Frederick James Simpson, Infantry.
Second Lt. Charles Lewis, Infantry.
Second Lt. Elvin Freestone Maughan, Air Corps.
Second Lt. Kenneth Adelbert McCrimmon, Corps of Engineers.
Second Lt. Walter Henry Esdorn, Corps of Engineers.
Second Lt. Chester William Ott, Corps of Engineers.



Second Lt. Richard Lee Jewett, Corps of Engineers.
Second Lt. Frederick Gilman Saint, Corps of Engineers.
Second Lt. Charles Hartwell Bonesteel, 3d, Corps of Engineers.
Second Lt. Louis Russell Wirak, Corps of Engineers.
Second Lt. William White Ragland, Corps of Engineers.
Second Lt. Marvin Lyle Thomas, Corps of Engineers.
Second Lt. Edward John Cotter, Corps of Engineers.
Second Lt. Gunnard William Carlson, Corps of Engineers.
Second Lt. Stephen Read Hanmer, Corps of Engineers.
Second Lt. Edward Minter Parker, Corps of Engineers.
Second Lt. Walter Krueger, Jr., Corps of Engineers.
Second Lt. Champlin Fletcher Buck, Jr., Field Artillery.
Second Lt. Chester Lavaughn Landaker, Corps of Engineers.
Second Lt. William Frederick Cassidy, Corps of Engineers.
Second Lt. Edward Aloysius Brown, Jr., Corps of Engineers.
Second Lt. Walker Wilson Milner, Corps of Engineers.
Second Lt. George M. Wertz, Jr., Field Artillery.
Second Lt. John Phillips Daley, Field Artillery.
Second Lt. Marshall Sylvester Carter, Coast Artillery Corps.
Second Lt. Clarence Jonathan Hauck, Jr., Coast Artillery Corps.
Second Lt. Angelo Ralph Del Campo, Jr., Cavalry.
Second Lt. Jergen Bernhardt Olson, Cavalry.
Second Lt. John Barclay Sullivan, Infantry.
Second Lt. Elwin Herklas Eddy, Field Artillery.
Second Lt. Glenn Frederick Rogers, Cavalry.
Second Lt. Clifton Lee MacLachlan, Coast Artillery Corps.
Second Lt. Daniel Francis Callahan, Jr., Air Corps.
Second Lt. Theodore William Parker, Field Artillery.
Second Lt. Roger Willard Moore, Coast Artillery Corps.
Second Lt. Cornelius Ardalion Lichirie, Cavalry.
Second Lt. Marcellus Duffy, Air Corps.
Second Lt. Jesse Huckett Veal, Quartermaster Corps.
Second Lt. James Francis Stroker, Field Artillery.
Second Lt. John William Hansborough, Field Artillery.
xSecond Lt. Alfred Christian Gay, Coast Artillery Corps.
Second Lt. Walter Ferris Ellis, Coast Artillery Corps.
Second Lt. Robert Alan Stunkard, Air Corps.
Second Lt. Robert Hrckett, Field Artillery.
Second Lt. James Donald Sams, Infantry.
Second Lt. Grosvenor Francis Powell, Coast Artillery Corps.
Second Lt. Charles Frederick McNair, Field Artillery.
Second Lt. William White Dick, Jr., Field Artillery.
Second Lt. Merwin Scott Dickson, Quartermaster Corps.
Second Lt. Donald Cubbison Little, Field Artillery.
Second Lt. Howard William Hunter, Coast Artillery Corps.
Second Lt. John William Cave, Field Artillery.
Second Lt. Gordon Aylesworth Blake, Air Corps.
Second Lt. Joseph Francis Carroll, Air Corps.
Second Lt. William Charles Hall, Infantry.
Second Lt. Donald Bowie Webber, Coast Artillery Corps.
Second Lt. Sidney Glenn Brown, Jr., Infantry.
Second Lt. Peter Schmick, Coast Artillery Corps.
Second Lt. John Larimer Inskeep, Cavalry.
xSecond Lt. Milton Hughes Pressley, Jr., Infantry.
Second Lt. Philip Bessom Stiness, Coast Artillery Corps.
Second Lt. Anthony Sherwood Howe, Infantry.
Second Lt. Alphonse Alfred Greene, Field Artillery.
Second Lt. A. J. McVea, Air Corps.
Second Lt. Frank Pickering Corbin, Jr., Coast Artillery Corps.
Second Lt. Charles Walker Raymond, Field Artillery.
Second Lt. Michael Martin Irvine, Coast Artillery Corps.
Second Lt. Gaspare Frank Blunda, Coast Artillery Corps.
Second Lt. George Sebastian Speidel, Jr., Field Artillery.
Second Lt. Julian Merritt Chappell, Air Corps.
xSecond Lt. Norman Ernest Tipton, Infantry.
Second Lt. Richard Holmes Harrison, Field Artillery.
Second Lt. James William Park, Field Artillery.
Second Lt. Lucius Nash Cron, Coast Artillery Corps.
Second Lt. Frederick Theodore Berg, Coast Artillery Corps.
Second Lt. Arthur Deane Gough, Coast Artillery Corps.
Second Lt. Gordon King Cusack, Field Artillery.
Second Lt. William Frew Train, Infantry.
Second Lt. Loren Fletcher Cole, Cavalry.
Second Lt. Tom Victor Stayton, Coast Artillery Corps.
Second Lt. Warren Harlan Hoover, Field Artillery.
Second Lt. Donald Norton Yates, Air Corps.
Second Lt. John Archibald Barclay, Jr., Field Artillery.
Second Lt. Merillat Moses, Field Artillery.
Second Lt. August Schomburg, Infantry.
Second Lt. James Bertram Corbett, Cavalry.
Second Lt. Clyde Robinson McBride, Field Artillery.
Second Lt. Elmo Clark Mitchell, Coast Artillery Corps.
Second Lt. Hoyt Daniel Williams, Air Corps.
Second Lt. Miller Osborne Perry, Field Artillery.
Second Lt. Scott Mock Sanford, Cavalry.
Second Lt. Herbert Walter Mansfield, Coast Artillery Corps.
Second Lt. Fielder Price Greer, Infantry.
Second Lt. William Eaton Chandler, Cavalry.
Second Lt. Frank Arthur Bogart, Coast Artillery Corps.
Second Lt. Harold Lucas Bays, Infantry.
Second Lt. Charles Coburn Smith, Jr., Field Artillery.
Second Lt. Charles Robert Bard, Coast Artillery Corps.
Second Lt. Paul Gordon Miller, Air Corps.
Second Lt. Camden William McConnell, Field Artillery.
Second Lt. Charles Breckinridge Duff, Coast Artillery Corps.
Second Lt. Samuel Smellow, Field Artillery.
Second Lt. Wilbur Manly Skidmore, Coast Artillery Corps.
Second Lt. William John Bell, Air Corps.
Second Lt. James Chester Blanning, Cavalry.
Second Lt. Harry James Fleeger, Cavalry.
xSecond Lt. Milan George Weber, Coast Artillery Corps.
Second Lt. Ernest Moore, Air Corps.
Second Lt. William Arthur Davis, Jr., Quartermaster Corps.
Second Lt. Royden Eugene Beebe, Jr., Air Corps.
Second Lt. Chester Joseph Diestel, Coast Artillery Corps.
Second Lt. Philip Higley Bethune, Cavalry.
Second Lt. Earle Fremont Cook, Coast Artillery Corps.
Second Lt. Johnson Hagood, Jr., Field Artillery.
Second Lt. John Maurice Brown, Infantry.
Second Lt. Earle William Hockenberry, Air Corps.
Second Lt. Frederick Richard Redden, Field Artillery.
Second Lt. Albert Frederick Cassevant, Coast Artillery Corps.
Second Lt. Richard Sylvester Spangler, Coast Artillery Corps.
Second Lt. Percy Hotspur Lash, Jr., Field Artillery.
Second Lt. John Edwin Barr, Air Corps.
Second Lt. Carl Edward Green, Coast Artillery Corps.
Second Lt. Hamilton Murray Peyton, Field Artillery.
Second Lt. Louis Augustine Guenther, Air Corps.
xSecond Lt. Augustus William Dannemiller, Infantry.
Second Lt. Milton Wylie Arnold, Air Corps.
Second Lt. Forrest Caraway, Infantry.
Second Lt. David Northrup Motherwell, Air Corps.
Second Lt. Harry Bryant Cooper, Jr., Coast Artillery Corps.
Second Lt. Jermain Ferdinand Rodenhauser, Coast Artillery Corps.
Second Lt. Addison Vincent Dishman, Field Artillery.
Second Lt. Millard Chester Young, Air Corps.
Second Lt. John Anderson Berry, Jr., Field Artillery.
Second Lt. William Harris Isbell, Jr., Field Artillery.
Second Lt. Norton Bailey Wilson, Coast Artillery Corps.
Second Lt. Mervyn MacKay Magee, Field Artillery.
Second Lt. Henry Keppler Mooney, Air Corps.
Second Lt. Eugene William Hiddleston, Coast Artillery Corps.
Second Lt. John Knight Waters, Cavalry.
xSecond Lt. William Ayres Hampton, Coast Artillery Corps.
Second Lt. Robert Merrill Lee, Air Corps.
Second Lt. Robert Freeman Fulton, Air Corps.
Second Lt. Pasquale Francis Passarella, Coast Artillery Corps.
Second Lt. Donald Donaldson, Infantry.

Second Lt. Orlando Collette Troxel, Jr., Field Artillery.
Second Lt. Francis Thomas Pachler, Infantry.
Second Lt. Charles Roger Urban, Infantry.
Second Lt. Donald Rosser Patterson, Infantry.
Second Lt. John Thomas Westermeier, Infantry.
Second Lt. Glenn Aloysius Farris, Infantry.
Second Lt. Dean Coldwell Strother, Air Corps.
Second Lt. Clifford Christopher Wagner, Infantry.
Second Lt. Richard Byington Carhart, Infantry.
Second Lt. Robert Daniel Johnston, Infantry.
Second Lt. George Edwin Dietz, Field Artillery.
Second Lt. George Frederick Hartman, Air Corps.
Second Lt. Louis Victor Hightower, Field Artillery.
Second Lt. Edwin John Messinger, Infantry.
Second Lt. Carl Wilbert Carlmark, Air Corps.
Second Lt. Robert Leander Cardell, Field Artillery.
Second Lt. Charles North Howze, Infantry.
Second Lt. Richard Hungerford Wise, Air Corps.
Second Lt. Charles Francis Densford, Air Corps.
Second Lt. John Robert Skeldon, Air Corps.
xSecond Lt. Leo Wilbur Cather, Field Artillery.
Second Lt. Orville Zelotes Tyler, Jr., Infantry.
Second Lt. Raymond Silas Pratt, Jr., Field Artillery.
Second Lt. Walter Foster Gallup, Field Artillery.
Second Lt. Maynard Norwood Levenick, Infantry.
Second Lt. Gunnar Carl Carlson, Infantry.
Second Lt. Jacob Edward Smart, Air Corps.
Second Lt. George Edward Fletcher, Infantry.
Second Lt. Hugh Pate Harris, Infantry.
Second Lt. Irving William Jackson, Field Artillery.
Second Lt. Robert Quinney Brown, Field Artillery.
Second Lt. Charles Edward Nason Howard, Jr., Field Artillery.
Second Lt. Gordon Singles, Infantry.
Second Lt. John Robert Beishline, Field Artillery.
Second Lt. Field Hunter Tapping, Field Artillery.
xSecond Lt. Russell Bowman Semple, Infantry.
Second Lt. Richard Hunter Lawson, Infantry.
Second Lt. John William Mackay Read, Field Artillery.
Second Lt. Lester LeRoy Hilman Kunish, Air Corps.
Second Lt. Robert Edward Lee Eaton, Air Corps.
Second Lt. John Joseph Davis, Field Artillery.
Second Lt. Carl Fillmore Damberg, Air Corps.
Second Lt. Wendell Washington Bowman, Air Corps.
Second Lt. Charles Pence Westpheling, Field Artillery.
Second Lt. James Irvine King, Infantry.
xSecond Lt. Thomas Joseph Marnane, Infantry.
Second Lt. Joseph Buford Zimmerman, Air Corps.
Second Lt. Ernest Fred Easterbrook, Infantry.
xSecond Lt. Curtis James Herrick, Infantry.
Second Lt. Edward Kenly Purnell, Infantry.
xSecond Lt. Howard Max Pahl, Infantry.
Second Lt. Howard Harrison Dudley, Infantry.
Second Lt. Richard Spencer Carter, Field Artillery.
Second Lt. Hilbert Fred Muenter, Air Corps.
Second Lt. Elmer Lee Thompson, Field Artillery.
Second Lt. Ashton Miller Haynes, Field Artillery.
Second Lt. John Autrey Feagin, Air Corps.
Second Lt. Blair Arthur Ford, Infantry.
xSecond Lt. Richard Klemm Boyd, Infantry.
Second Lt. Charles Lowman Decker, Infantry.
Second Lt. Merle Lucius Fisher, Field Artillery.
Second Lt. Arthur Hamilton Hogan, Field Artillery.
Second Lt. Edwin Anderson Walker, Field Artillery.
Second Lt. Orrin Charles Krueger, Infantry.
Second Lt. William Potter Turpin, 3d, Infantry.
Second Lt. Raymond Taylor Lester, Air Corps.
xSecond Lt. Charles Edward Hoy, Infantry.
Second Lt. Richard Francis Reidy, Infantry.
Second Lt. William Leonard Hardick, Infantry.
Second Lt. Richard Steinbach, Infantry.
Second Lt. Loren Albert Ayers, Infantry.
Second Lt. Harry Winston Candler, Cavalry.
Second Lt. Dean Ambrose Herman, Field Artillery.
Second Lt. William David Davis, Infantry.
Second Lt. William Taylor, Jr., Field Artillery.
Second Lt. Arthur Raster Hercz, Field Artillery.
Second Lt. Terrence Robert Joseph Hickey, Quartermaster Corps.
Second Lt. Earle Bradford Leeper, Infantry.
Second Lt. Seiss Ertel Wagner, Infantry.
Second Lt. Joseph Barlow Coolidge, Infantry.
Second Lt. John Clarence Gordon, Air Corps.
Second Lt. John Hugh McAleer, Jr., Infantry.
Second Lt. Peter Otey Ward, Infantry.
xSecond Lt. Carl William Kohls, Infantry.
Second Lt. John Thomas Malloy, Infantry.
Second Lt. Harold Robert Uhlman, Infantry.
Second Lt. Donald Knox Armstrong, Infantry.
Second Lt. Andrew Joseph Adams, Infantry.
Second Lt. Victor James MacLaughlin, Infantry.
Second Lt. Charles Bowman Dougher, Air Corps.
Second Lt. William Rogers Woodward, Infantry.
Second Lt. James Willard Pumpelly, Infantry.
Second Lt. Charles Ingram Humber, Jr., Infantry.
Second Lt. David William Hutchison, Air Corps.
Second Lt. Irving Lehrfeld, Infantry.
Second Lt. Paul Christian Heim Walz, Infantry.
Second Lt. Roy Luttrell Leinster, Infantry.
Second Lt. Robert Everett Quackenbush, Infantry.
Second Lt. Charles Elder Frederick, Infantry.
xSecond Lt. Samuel Edward Jones, Infantry.
Second Lt. Howard Hart Reed, Infantry.
Second Lt. Gustave Marinius Heiss, Infantry.
Second Lt. Joseph Kingsley Dickey, Infantry.
xSecond Lt. John Frank Ruggles, Infantry.
Second Lt. Harry George Roller, Infantry.
xSecond Lt. Roy Kay Kauffman, Coast Artilery Corps.
Second Lt. Donald Frank Buchwald, Infantry.
Second Lt. John Hugh McGee, Infantry.
xSecond Lt. Van Hugo Bond, Infantry.
Second Lt. Marvin James Coyle, Infantry.
Second Lt. Ernest Clyde Peters, Infantry.
Second Lt. Gerald Evan Williams, Air Corps.
Second Lt. Clarence David McGowen, Infantry.
Second Lt. Eugene Lewis Brown, Infantry.
Second Lt. John Edward Leary, Infantry.
Second Lt. Daniel Turner Workizer, Infantry.
Second Lt. Alexander Johnston Sutherland, Infantry.
Second Lt. James Edward Maloney, Jr., Infantry.
xSecond Lt. Alfred Cookman Marshall, Jr., Infantry.
Second Lt. James Thomas McClellan, Infantry.
Second Lt. Robert Moorman Cheal, Infantry.
Second Lt. Merrick Hector Truly, Infantry.
Second Lt. Houston Parks Houser, Jr., Infantry.
Second Lt. William James Mahoney, Infantry.
Second Lt. Richard Robert Danek, Infantry.
xSecond Lt. James Henry Carlisle, Infantry.
Second Lt. Edward Julius Timberlake, Jr., Air Corps.
Second Lt. Dexter Marvin Lowry, Jr., Infantry.
Second Lt. John Tazewell Helms, Air Corps.
Second Lt. Paul Arthur Mayo, Infantry.
Second Lt. Theodor Jacob Beck, Infantry.
Second Lt. William Addison Magee Morin, Infantry.
Second Lt. Charles Pugh Baldwin, Infantry.
Second Lt. Augustus George Elegar, Infantry.
Second Lt. John Hubert Mathews, Infantry.
Second Lt. John Walter Brady, Infantry.
xSecond Lt. Oral Grant Willis, Infantry.
Second Lt. Russell Hunter Griffith, Air Corps.
Second Lt. Rush Blodget Lincoln, Jr., Corps of Engineers.
Second Lt. Stanley Tanner Wray, Corps of Engineers.
Second Lt. Ellsworth Ingalls Davis, Corps of Engineers.
Second Lt. Andrew Hero, 3d, Field Artillery.
Second Lt. George Kumpe, Corps of Engineers.
Second Lt. William Ruthven Smith, Jr., Corps of Engineers.
Second Lt. Frank Schaffer Besson, Jr., Corps of Engineers.
Second Lt. Richard Roberts Arnold, Corps of Engineers.
Second Lt. Herrol James Skidmore, Corps of Engineers.
Second Lt. Francis Ray Hoehl, Corps of Engineers.
Second Lt. Julian David Abell, Corps of Engineers.
Second Lt. Frederick Raleigh Young, Coast Artillery Corps.

Second Lt. John Chandler Steele, Coast Artillery Corps.
Second Lt. Allen Fraser Clark, Jr., Corps of Engineers.
Second Lt. Thore Fritjof Bengtson, Corps of Engineers.
Second Lt. Christian Frederick Dreyer, Quartermaster Corps.
Second Lt. William Francis Powers, Corps of Engineers.
Second Lt. James McCormack, Jr., Corps of Engineers.
Second Lt. Russell Manly Nelson, Coast Artillery Corps.
Second Lt. Stanley Ronald Stewart, Air Corps.
xSecond Lt. Arnold Sommer, Coast Artillery Corps.
Second Lt. Charles Kissam Allen, Coast Artillery Corps.
xSecond Lt. Sam Carroll Russell, Coast Artillery Corps.
Second Lt. James Hutchings Cunningham, Jr., Air Corps.
Second Lt. John Henry Weber, Field Artillery.
Second Lt. Roger Derby Black, Jr., Field Artillery.
Second Lt. Archibald William Lyon, Quartermaster Corps.
Second Lt. Edward Ellis Farnsworth, Jr., Coast Artillery Corps.
xSecond Lt. Daniel Stickley Spengler, Coast Artillery Corps.
Second Lt. Milton Leonard Ogden, Coast Artillery Corps.
Second Lt. Alexander Graham, Field Artillery.
Second Lt. Ralph Hemmings Davey, Jr., Quartermaster Corps.
xSecond Lt. William Menoher, Field Artillery.
Second Lt. George Wilson Power, Field Artillery.
Second Lt. William Burns Fraser, Cavalry.
Second Lt. James Aloysius Cain, Jr., Field Artillery.
xSecond Lt. Kenneth Frederick Zitzman, Signal Corps.
Second Lt. John Earl Metzler, Coast Artillery Corps.
Second Lt. George Robinson Mather, Cavalry.
Second Lt. Harrison Alan Gerhardt, Coast Artillery Corps.
Second Lt. Stanley Sawicki, Field Artillery.
Second Lt. Leo Peter Dahl, Air Corps.
Second Lt. Edgar Northrop Chace, Coast Artillery Corps.
Second Lt. Frank Hamilton Britton, Cavalry.
Second Lt. Byron Leslie Paige, Coast Artillery Corps.
Second Lt. Torgils Grimkel Wold, Air Corps.
Second Lt. John Bevier Ackerman, Air Corps.
Second Lt. Charles Ray Longanecker, Coast Artillery Corps.
xSecond Lt. Irving Donald Roth, Coast Artillery Corps.
Second Lt. James Karrick Woolnough, Infantry.
Second Lt. Lauri Jacob Hillberg, Coast Artillery Corps.
Second Lt. Samuel Watson Horner, 2d, Field Artillery.
x Second Lt. Philip Vibert Doyle, Coast Artillery Corps.
Second Lt. Robert Augur Hewitt, Field Artillery.
Second Lt. Benjamin Jepson Webster, Air Corps.
Second Lt. Earl Gilmore Wheeler, Infantry.
Second Lt. Edwin Simpson Hartshorn, Jr., Field Artillery.
Second Lt. James Forsyth Thompson, Jr., Air Corps.
Second Lt. Charles Michael Baer, Signal Corps.
Second Lt. William Alden Call, Coast Artillery Corps.
Second Lt. Roland Capel Bower, Jr., Field Artillery.
xSecond Lt. Dwight Benjamin Johnson, Coast Artillery Corps.
Second Lt. Joseph Edward Gill, Field Artillery.
Second Lt. Everett Wayne Barlow, Infantry.
Second Lt. Frederick William Ellery, Field Artillery.
Second Lt. Loren Boyd Hillsinger, Air Corps.
Second Lt. Horace King Whalen, Field Artillery.
Second Lt. John Paul McConnell, Air Corps.
xSecond Lt. Preston Steele, Coast Artillery Corps.
Second Lt. Robert Douglass Glassburn, Coast Artillery Corps.
Second Lt. Joe William Kelly, Air Corps.
Second Lt. Walter Allen Rude, Coast Artillery Corps.
Second Lt. Walter Parks Goodwin, Field Artillery.
Second Lt. Erven Charles Somerville, Coast Artillery Corps.
Second Lt. John Abner Meeks, Field Artillery.
Second Lt. Clifford McCoy Snyder, Coast Artillery Corps.
Second Lt. Gilbert Nevius Adams, Coast Artillery Corps.
Second Lt. Aaron Meyer Lazar, Coast Artillery Corps.
Second Lt. John Clifford McCawley, Field Artillery.
Second Lt. John Morgan Price, Air Corps.
xSecond Lt. Edward Gibbons Shinkle, Field Artillery.
xSecond Lt. Robert Lockwood Williams, Jr., Coast Artillery Corps.
Second Lt. John Joseph Hutchison, Air Corps.
Second Lt. Robert Earl Schukraft, Coast Artillery Corps.
Second Lt. Carl Morton Sciple, Quartermaster Corps.
Second Lt. Harry Cecil Porter, Field Artillery.
Second Lt. Dwight Edward Beach, Field Artillery.
Second Lt. William Little, Infantry.
xSecond Lt. William Massello, Jr., Coast Artillery Corps.
Second Lt. Arthur Walter Blair, Field Artillery.
Second Lt. Daniel Stone Campbell, Air Corps.
Second Lt. Richard Johnson Hunt, Infantry.
Second Lt. Stephen Michael Meilnik, Coast Artillery Corps.
Second Lt. Louis Watson Truman, Infantry.
Second Lt. Dale Eugene Means, Field Artillery.
Second Lt. Hugh Willard Riley, Field Artillery.
Second Lt. William Sammis Coit, Coast Artillery Corps.
Second Lt. Curtis Alan Schrader, Field Artillery.
Second Lt. William Fletcher Spurgin, Coast Artillery Corps.
Second Lt. Kenneth Burton Hobson, Air Corps.
Second Lt. John Reynolds Sutherland, Air Corps.
Second Lt. Donald Linwood Hardy, Air Corps.
Second Lt. Richard Tide Coiner, Jr., Cavalry.
Second Lt. Floyd Allan Hansen, Field Artillery.
Second Lt. James Edward Godwin, Field Artillery.
Second Lt. Harold Walmsley, Infantry.
Second Lt. Gerald George Epley, Infantry.
Second Lt. Bernard William McQuade, Infantry.
Second Lt. Ashton Herbert Manhart, Infantry.
Second Lt. Harald Simpson Sundt, Field Artillery.
Second Lt. Horace Freeman Bigelow, Field Artillery.
xSecond Lt. Charles Albert Clark, Jr., Air Corps.
Second Lt. Francis Arkadjusz Liwski, Coast Artillery Corps.
Second Lt. James Bates Rankin, Field Artillery.
Second Lt. David Emory Jones, Field Artillery.
Second Lt. Harvey Porter Huglin, Air Corps.
Second Lt. Robert Folkes Moore, Coast Artillery Corps.
Second Lt. Bernard Thielen, Field Artillery.
Second Lt. George Dowery Campbell, Jr., Air Corps.
Second Lt. Karl Laurance Scherer, Cavalry.
Second Lt. Charles Hardin Anderson, Air Corps.
Second Lt. Dwight Drenth Edison, Coast Artillery Corps.
Second Lt. Jefferson Davis Childs, Infantry.
Second Lt. John Aloysius Gavin, Infantry.
Second Lt. Todd Humbert Slade, Field Artillery.
Second Lt. John Ramsey Pugh, Cavalry.
Second Lt. Joseph Edward Stearns, Infantry.
Second Lt. Charles Ratcliffe Murray, Field Artillery.
Second Lt. Wallace Hawn Brucker, Coast Artillery Corps.
Second Lt. Francis Garrison Hall, Field Artillery.
Second Lt. Charles Louis Williams, Jr., Field Artillery.
Second Lt. William Barnes Moore, Infantry.
Second Lt. William Russell Huber, Field Artillery.
Second Lt. Bogardus Snowden Cairns, Cavalry.
Second Lt. Delbert Abraham Pryor, Infantry.
Second Lt. Charles Edward Wheatley, Jr., Cavalry.
Second Lt. Meyer Abraham Braude, Infantry.
Second Lt. Chester Hammond, Infantry.
Second Lt. John George Ondrick, Infantry.
Second Lt. Byram Arnold Bunch, Air Corps.
Second Lt. Isaac Sewell Morris, Infantry.
Second Lt. Gerard Charles Cowan, Cavalry.
Second Lt. Hunter Harris, Jr., Air Corps.
Second Lt. Gordon Whitney Seaward, Field Artillery.
Second Lt. Henry Graham McFeely, Coast Artillery Corps.
Second Lt. Walter Marquis Tisdale, Field Artillery.
Second Lt. Charles Albert Piddock, Field Artillery.
Second Lt. Nelson Landon Head, Field Artillery.
Second Lt. Walker Raitt Goodrich, Field Artillery.
Second Lt. William Harvie Freeland, Infantry.
Second Lt. Thomas Henry Harvey, Coast Artillery Corps.
Second Lt. William Halford Maguire, Infantry.
Second Lt. David Hamilton Kennedy, Air Corps.
Second Lt. Merle Robbins Williams, Infantry.
Second Lt. William Whitfield Culp, Cavalry.
Second Lt. Kenneth Edward Tiffany, Infantry.

Second Lt. Nicholas Earnest Powel, Air Corps.
Second Lt. Norman Herbert Lankenau, Infantry.
Second Lt. William Bing Kunzig, Infantry.
Second Lt. Andrew Meulenberg, Air Corps.
Second Lt. Charles Marvin Iseley, Cavalry.
Second Lt. Edwin Guldlin Simenson, Air Corps.
Second Lt. Sam Houston Wiseman, Air Corps.
Second Lt. William Gordon Beard, Air Corps.
Second Lt. Harvey Herman Fischer, Infantry.
Second Lt. Robert Haynes Terrill, Air Corps.
Second Lt. Avery Madison Cochran, Infantry.
Second Lt. Samuel Arthur Daniel, Infantry.
Second Lt. Franklin Vines Johnston, Jr., Infantry.
Second Lt. Albert Edward Reif Howarth, Infantry.
Second Lt. James Lee Massey, Infantry.
Second Lt. Albert Edward Stoltz, Infantry.
Second Lt. Thomas Connell Darcy, Air Corps.
Second Lt. Edmond Michael Rowan, Infantry.
Second Lt. Edward Green Winston, Infantry.
Second Lt. Milton Skerrett Glatterer, Infantry.
Second Lt. William Henry Mikkelsen, Infantry.
Second Lt. Hugh Thomas Cary, Infantry.
Second Lt. Sewell Marion Brumby, Infantry.
Second Lt. Clifford Harcourt Rees, Air Corps.
Second Lt. Arnold Leon Schroeder, Air Corps.
Second Lt. Graves Collins Teller, Infantry.
Second Lt. Richard Henry Smith, Infantry.
Second Lt. Roscoe Constantine Huggins, Infantry.
Second Lt. Francis Deisher, Infantry.
Second Lt. Eugene Porter Mussett, Air Corps.
Second Lt. Lon Harley Smith, Infantry.
Second Lt. Edward Willis Suarez, Air Corps.
Second Lt. Paul Delmont Bunker, Jr., Air Corps.
Second Lt. Edward Joseph Burke, Infantry.
Second Lt. Walden Bernald Coffey, Infantry.
Second Lt. George Reynolds Grunert, Cavalry.
Second Lt. James Ellison Glattly, Infantry.
Second Lt. David Peter Schorr, Jr., Infantry.
Second Lt. William George Davidson, Jr., Infantry.
Second Lt. John Clinton Welborn, Infantry.
Second Lt. Edwin Charles Momm, Infantry.
Second Lt. Herbert Bishop Thatcher, Infantry.
Second Lt. Charles Salvatore D'Orsa, Infantry
Second Lt. Frederick Milton Hinshaw, Infantry.
Second Lt. Robert Broussard Landry, Air Corps.
Second Lt. William Hyatt Bache, Infantry.
Second Lt. William Anderson McNulty, Infantry.
Second Lt. Joe Edwin Golden, Infantry.
Second Lt. Eldon Frederick Ziegler, Infantry.
Second Lt. Frank Greenleaf Jamison, Air Corps.
Second Lt. James Winfield Coutts, Infantry.
Second Lt. Dan Gilmer, Infantry.
Second Lt. Wilfred Joseph Lavigne, Infantry.
Second Lt. George Thigpen Duncan, Infantry.
Second Lt. Harry Celistine Quartier, Infantry.
Second Lt. Roy Edwin Moore, Infantry.
Second Lt. Harley Niles Trice, Infantry.
Second Lt. James Ernest Beery, Field Artillery.
Second Lt. Arville Ward Gillette, Infantry.
Second Lt. Harold Edward Shaw, Infantry.
Second Lt. Charles Gates Herman, Quartermaster Corps.
Second Lt. Charles Alexander Carrell, Infantry.
Second Lt. Lawrence Bartlett Babcock, Infantry.
Second Lt. William Roy Thomas, Field Artillery.
Second Lt. Loris Ray Cochran, Infantry.
Second Lt. Robert Lynn Carver, Air Corps.
Second Lt. Henry Chesnutt Britt, Infantry.
Second Lt. Thomas Randall McDonald, Infantry.
Second Lt. Orville Wright Mullikin, Infantry.
Second Lt. Romulus Wright Puryear, Air Corps.
Second Lt. David Harrison Armstrong, Infantry.
Second Lt. Earl Sipple Eckhart, Coast Artillery Corps.
Second Lt. John William Keating, Infantry.
Second Lt. John Garnett Coughlin, Infantry.
Second Lt. Thomas Robertson Hannah, Infantry.
Second Lt. William Madison Garland, Air Corps.
Second Lt. William Elwood Means, Infantry.
Second Lt. George Louis Descheneaux, Jr., Infantry.
Second Lt. Thomas Charles Morgan, Air Corps.
Second Lt. John William Bowen, Infantry.
xSecond Lt. Frank Ward Ebey, Coast Artillery Corps.
Second Lt. James Walter Gurr, Air Corps.
Second Lt. James Madison Churchill, Jr., Infantry.
Second Lt. Robert Lee Scott, Jr., Air Corps.
Second Lt. Harold Randall Everman, Infantry.
Second Lt. Thomas Benjamin Spratt, Jr., Infantry.
Second Lt. Erskine Clark, Coast Artillery Corps.

VETERINARY CORPS

To be captains

First Lt. Arvo Theodore Thompson, Veterinary Corps.
First Lt. Harvie Russell Ellis, Veterinary Corps.
First Lt. Ralph William Mohri, Veterinary Corps.
First Lt. Austin Taylor Getz, Veterinary Corps.
First Lt. Wesley Watson Bertz, Veterinary Corps.
First Lt. Edgerton Lynn Watson, Veterinary Corps.
First Lt. George Townley Price, Veterinary Corps.

To be first lieutenants

xSecond Lt. Richard George Yule, Veterinary Corps.
Second Lt. Wayne Otho Kester, Veterinary Corps.
Second Lt. Robert Arthur Boyce, Jr., Veterinary Corps.
Second Lt. Clarence Leonard Taylor, Veterinary Corps.
Second Lt. William Edwin Jennings, Veterinary Corps.
Second Lt. Curtis William Betzold, Veterinary Corps.
Second Lt. James Bernhard Nichols, Veterinary Corps.
Second Lt. Albert Arthur Roby, Jr., Veterinary Corps.
Second Lt. Andrew Jesse Sirilo, Veterinary Corps.
Second Lt. Daniel Stevens Stevenson, Veterinary Corps.
Second Lt. Ray Swartley Hunsberger, Veterinary Corps.
Second Lt. William Francis Collins, Veterinary Corps.

CHAPLAINS

To be colonels

Chaplain (Lt. Col.) Julian Emmet Yates, United States Army.

To be captains

Chaplain (First Lt.) Peter Christian Schroder, United States Army.

Chaplain (First Lt.) John Henry August Borleis, United States Army.

Chaplain (First Lt.) Hudson Bissell Phillips, United States Army.

PHILIPPINE SCOUTS

The following-named officers for promotion in the Philippine Scouts, to rank from August 1, 1935. Those officers whose names are preceded by a symbol (x) have been examined and found qualified for promotion; all others are subject to the examination required by law.

To be lieutenant colonels

Maj. Frank Brezina, Philippine Scouts.
xMaj. Seth Harold Frear, Philippine Scouts.
xMaj. Abraham Garfinkel, Philippine Scouts.
xMaj. John Frederick Daye, Philippine Scouts.
xMaj. Esteban Boadilla Dalao, Philippine Scouts.
Maj. Thomas Kenneth Collins, Philippine Scouts.
xMaj. Conrad Skladal, Philippine Scouts.

To be majors

xCapt. John Daniel Cook, Philippine Scouts.
Capt. Karol Bronislaw Kozlowski, Philippine Scouts.
xCapt. Mateo Mananjaya Capinpin, Philippine Scouts.
xCapt. Robert A. Barth, Philippine Scouts.
xCapt. Frederick Adelmar Ward, Philippine Scouts.

To be captains

xFirst Lt. James Wilson Smith, Philippine Scouts.
xFirst Lt. Pastor Martelino, Philippine Scouts.
xFirst Lt. Mariano Santos Sulit, Philippine Scouts.
xFirst Lt. Eleuterio Susi Yanga, Philippine Scouts.
xFirst Lt. Melecio Manuel Santos, Philippine Scouts.
First Lt. Narciso Lopez Manzano, Philippine Scouts.
xFirst Lt. Juan Segundo Moran, Philippine Scouts.
xFirst Lt. Pacifico Castor Sevilla, Philippine Scouts.
xFirst Lt. Amado Martelino, Philippine Scouts.

First Lt. Victor Zalamea Gomez, Philippine Scouts.
xFirst Lt. Nemesio Catalan, Philippine Scouts.
xFirst Lt. Pio Quevedo Caluva, Philippine Scouts.
xFirst Lt. Alejandro D. Garcia, Philippine Scouts.
xFirst Lt. Santiago Garcia Guevara, Philippine Scouts.
xFirst Lt. Jose Emilio Olivares, Philippine Scouts.
xFirst Lt. Ricardo Poblete, Philippine Scouts.

To be first lieutenants

Second Lt. Maximiano Saqui Janairo, Philippine Scouts.
Second Lt. Rufo Caingat Romero, Philippine Scouts.

PROMOTIONS IN THE NAVY

MARINE CORPS

The following-named lieutenant colonels to be colonels in the Marine Corps from the 27th day of July 1935:

Harold L. Parsons
Julian C. Smith

Maj. Louis W. Whaley to be a lieutenant colonel in the Marine Corps from the 30th day of June 1935.

The following-named majors to be lieutenant colonels in the Marine Corps from the 27th day of July 1935:

Frank Whitehead
Roswell Winans

Maj. Alfred H. Noble to be a lieutenant colonel in the Marine Corps from the 1st day of August 1935.

The following-named captains to be majors in the Marine Corps from the 1st day of July 1935:

Richard O. Sanderson
Edwin J. Mund

The following-named captains to be majors in the Marine Corps from the 27th day of July 1935:

Harold C. Major
Herman R. Anderson
Clarence M. Ruffner

Capt. Julian P. Brown to be a major in the Marine Corps from the 1st day of August 1935.

First Lt. James E. Jones to be a captain in the Marine Corps from the 27th day of July 1936.

The following-named first lieutenants to be captains in the Marine Corps from the 1st day of August 1935:

James H. N. Hudnall
Thomas C. Perrin

CONFIRMATIONS

Executive nominations confirmed by the Senate August 14 (legislative day of July 29), 1935

RESETTLEMENT ADMINISTRATION REGIONAL DIRECTOR

J. H. Jenkins, of Colorado, to be regional director, Resettlement Administration.

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL ADMINISTRATION CORPS

To be second lieutenants

William Cyrille Lizotte
Frank Stepczyk
Jacob Bruce Martin
Harry John Nelson
James Thomas Johnson

PROMOTIONS IN THE REGULAR ARMY

Howard Newton Burgin to be captain, Dental Corps.
Robert Earl Hammersberg to be captain, Dental Corps.
Russell McNellis to be first lieutenant, Veterinary Corps.

To be colonels

Gordon Rives Catts, Infantry.
Henry Conger Pratt, Air Corps.
Donald Cameron Cubbison, Field Artillery.
Edwin Butcher, Infantry.
Russell Vernon Venable, Infantry.
Kinzie Bates Edmunds, Cavalry.
Andrew Jackson White, Adjutant General's Department.
Walter Scott Drysdale, Infantry.
Matthew Henry Thomlinson, Infantry.
Joseph Alexander Atkins, Infantry.
Charles Fullington Thompson, Infantry.
Thomas Leslie Crystal, Infantry.
Ralph Rigby Glass, Infantry.
Erle Martin Wilson, Infantry.
Merrill Ellicott Spalding, Infantry.
Joseph James Grace, Signal Corps.
Joseph Alexander McAndrew, Infantry.
Richard Rembert Pickering, Adjutant General's Department.
Gerald Clark Brant, Air Corps.
Clement Hale Wright, Infantry.
William Ross Scott, Infantry.
Napoleon William Riley, Quartermaster Corps.
xOtto Louis Brunzell, Field Artillery.
George Carson Lawrason, Infantry.
xJames Barton Woolnough, Infantry.
Innis Palmer Swift, Cavalry.
Arthur Harrison Wilson, Cavalry.
Walter Scott Fulton, Infantry.
Sherburne Whipple, Adjutant General's Department.
Harry Hawley, Infantry.
Thomas Norton Gimperling, Infantry.
xHugh Lawson Walthall, Adjutant General's Department.
xJohn Buchanan Richardson, Adjutant General's Department.
Anton Caesar Cron, Infantry.
xJohn Clark Moore, Signal Corps.
William Frederick Pearson, Adjutant General's Department.
James Alexander Ulio, Adjutant General's Department.
Charles Bernadou Elliott, Infantry.
John Bunyan Corbly, Infantry.
Charles Lewis Sampson, Infantry.
John Walter Downer, Field Artillery.
James Hatch Van Horn, Signal Corps.
Cassius McClellan Dowell, Infantry.
Albert Benjamin Kaempfer, Infantry.
Forrest Elmer Overholser, Infantry.
Charles Winder Mason, Infantry.
Edmund Louis Gruber, Field Artillery.
William Thomas Carpenter, Coast Artillery Corps.
Benjamin Mart Bailey, Field Artillery.
Ambrose Robert Emery, Infantry.
Edmund Clivious Waddill, Infantry.
DeWitt Clinton Jones, Corps of Engineers.
Francis Bowditch Wilby, Corps of Engineers.
Clarence Self Ridley, Corps of Engineers.
Jarvis Johnson Bain, Corps of Engineers.
Robert Spencer Thomas, Corps of Engineers.
Roger Garfield Powell, Corps of Engineers.
John Neal Hodges, Corps of Engineers.
Thomas Marshall Spaulding, Adjutant General's Department.
Rolland Webster Case, Ordnance Department.
Norman Foster Ramsey, Ordnance Department.
Benjamin Henderson Lorne Williams, Coast Artillery Corps.
Thomas Dewey Osborne, Field Artillery.
William Henry Dodds, Jr., Field Artillery.
George Dillman, Cavalry.
Philip John Radcliffe Kiehl, Ordnance Department.
Adelno Gibson, Chemical Warfare Service.
John Lee Holcombe, Coast Artillery Corps.
Charles Lewis Scott, Cavalry.
James Saye Dusenbury, Coast Artillery Corps.
Lloyd Burns Magruder, Coast Artillery Corps.
Robert Henry Lewis, Field Artillery.
Ralph Talbot, Jr., Field Artillery.
Arthur Willis Lane, Infantry.
Walter Evans Prosser, Signal Corps.
Henry Tacitus Burgin, Coast Artillery Corps.
Bernard Lentz, Infantry.
Clifford Lee Corbin, Quartermaster Corps.
Frederick Coleman Test, Infantry.
Owen Stedman Albright, Signal Corps.
Hugh Hunt Broadhurst, Cavalry.
Clifford Cabell Early, Infantry.
Arthur William Holderness, Cavalry.
Allan Rutherford, Infantry.

Joseph Ray Davis, Field Artillery.
Sherman Miles, Field Artillery.
Charles Smith Caffery, Infantry.
Allen Wyant Gullion, Judge Advocate General's Department.
Louis Albert Kunzig, Infantry.
John Pearson Bubb, Infantry.
Clarence Andrew Mitchell, Adjutant General's Department.
John Roy Starkey, Field Artillery.
Joseph Edward Barzynski, Quartermaster Corps.
Thomas Hixon Lowe, Adjutant General's Department.
Torrey Borden Maghee, Infantry.
William Whitehead West, Cavalry.
Frederick Willis Manley, Infantry.
Edward Joseph Cullen, Coast Artillery Corps.
Henry Roland Smalley, Quartermaster Corps.
Ira Longanecker, Air Corps.
Robert Blaine, Cavalry.
William James Connolly, Infantry.
Felix Emmanuelli, Infantry.
William Albert Johnson, Corps of Engineers.
James Josephus Loving, Corps of Engineers.
Edmund Leo Daley, Corps of Engineers.
Henry Abercrombie Finch, Corps of Engineers.
Edward Dahl Ardery, Corps of Engineers.
Richard Coke Burleson, Field Artillery.
Lloyd Patzlaff Horsfall, Coast Artillery Corps.
Charles Gearhart Mettler, Ordnance Department.
Forrest Estey Williford, Coast Artillery Corps.
Earl McFarland, Ordnance Department.
Joseph Andrew Green, Coast Artillery Corps.
Jonathan Mayhew Wainwright, Cavalry.
Walter Stephen Sturgill, Field Artillery.
Charles Alexander Lewis, Infantry.
Harold Wood Huntley, Field Artillery.
Adna Romanza Chaffee, Cavalry.
Edward White Wildrick, Field Artillery.
Alexander Garfield Gillespie, Ordnance Department.
Dawson Olmstead, Signal Corps.
George Williamson DeArmond, Field Artillery.
Frank Maxwell Andrews, Air Corps.
Oscar Westover, Air Corps (Brigadier General, Assistant to the Chief of the Air Corps).
Cortlandt Parker, Field Artillery.
John Sedgwick Pratt, Coast Artillery Corps.
Joseph Choate King, Cavalry.
Martyn Hall Shute, Infantry.
Ralph McTyeire Pennell, Field Artillery.
Henry Black Clagett, Air Corps.
Clyde Rush Abraham, Infantry.
Pierre Victor Kieffer, Field Artillery.
George Harris Paine, Field Artillery.
Donald Allister Robinson, Cavalry.
Rene Edward DeRussy Hoyle, Field Artillery.
Ralph Allen Jones, Infantry.
Horace Fletcher Spurgin, Coast Artillery Corps.
Hugo Daniel Selton, Infantry.
Max Akin Elser, Quartermaster Corps.
William Torbert MacMillan, Adjutant General's Department.
Jacob Earl Fickel, Air Corps.
Bruce LaMar Burch, Cavalry.
Rush Blodgett Lincoln, Air Corps.
William Fletcher Sharp, Field Artillery.
Bruce Magruder, Infantry.
George Herman Huddleston, Quartermaster Corps.
Henry Welles Baird, Cavalry.

To be lieutenant colonels

Joseph Benjamin Pate, Infantry.
Louis Clarence Wilson, Quartermaster Corps.
Charles Edwards Perry, Corps of Engineers.
Henry Roy Bitzing, Judge Advocate General's Department.
Harry Anton Auer, Judge Advocate General's Department.
John Donaldson Easton, Infantry.
Charles Emmet McCarthy, Infantry.
Charles Henry Traeger, Ordnance Department.
William Mellard Connor, Judge Advocate General's Department.
Sam Inman McCents, Infantry.
John William Foos, Infantry.
Charles William Dyer, Infantry.
Laurence Stephen O'Toole, Infantry.
Roger Taylor, Ordnance Department.
Henry Lincoln Green, Quartermaster Corps.
George Blair, Infantry.
Elbert Johnston Lyman, Infantry.
Tom Kennan Price Stilwell, Infantry.
Robert Kerr Alcott, Infantry.
Lucius Meriwether Smith, Judge Advocate General's Department.
Mark Emmet Guerin, Judge Advocate General's Departmnet.
Fred Warde Llewellyn, Judge Advocate General's Department.
Laurence Woodville Young, Infantry.
Ralph Waldo Wilson, Coast Artillery Corps.
Fred Mortimer Green, Coast Artillery Corps.
Delmar Samuel Lenzner, Coast Artillery Corps.
Roland Wilbur Pinger, Ordnance Department.
Donald Armstrong, Ordnance Department.
Franklin Babcock, Coast Artillery Corps.
Hermann Heinrich Cornig, Ordnance Department.
Gladeon Marcus Barnes, Ordnance Department.
Harvey Clark Allen, Coast Artillery Corps.
Edward Bennett Dennis, Coast Artillery Corps.
Leon Moffat Logan, Quartermaster Corps.
Roger Baldwin Colton, Signal Corps.
Enrique Urrutia, Jr., Infantry.
Arturo Moreno, Infantry.
Oliver Loving Spiller, Coast Artillery Corps.
James Madison White, Infantry.
Henry Bailey Barry, Quartermaster Corps.
James Warren Bagley, Corps of Engineers.
John Kay Clement, Ordnance Department.
Lawrence Hyskell Hedrick, Judge Advocate General's Department.
Robert John Halpin, Infantry.
Allen Fletcher, Infantry.
Bowyer Brockenbrough Browne, Corps of Engineers.
Arthur Milton Heritage, Chemical Warfare Service.
Malcolm Elliott, Corps of Engineers.
Millard Fillmore Waltz, Jr., Infantry.
Woodell Abner Pickering, Infantry.
Lee Sumner, Infantry.
Myron Cady Cramer, Judge Advocate General's Department.
John Abdiel Smith, Judge Advocate General's Department.
George Wellington Graham, Ordnance Department.
John Henry Mellom, Quartermaster Corps.
Herbert Edward Pace, Finance Department.
John Emmitt Sloan, Field Artillery.
Alexander Wilson, Chemical Warfare Service.
Xavier Francis Blauvelt, Infantry.
Frank Dorwin Lackland, Air Corps.
Joseph Andrews, Field Artillery.
Albert Samuel Peake, Infantry.
Floyd D. Carlock, Infantry.
Arthur Boettcher, Infantry.
Horace Thurber Aplington, Cavalry.
Fred Livingood Walker, Infantry.
Alvan Cullom Gillem, Jr., Infantry.
Rapp Brush, Infantry.
Edward George McCormick, Infantry.
Philip Bracken Fleming, Corps of Engineers.
Joseph Cowles Mehaffey, Corps of Engineers.
Paul Sorg Reinecke, Corps of Engineers.
Raymond Albert Wheeler, Corps of Engineers.
William Benjamin Hardigg, Ordnance Department.
Harry Russell Kutz, Ordnance Department.

Thompson Lawrence, Infantry.
Freeman Wate Bowley, Field Artillery.
Charles Reuben Baxter, Ordnance Department.
Gustav Henry Franke, Field Artillery.
John Everard Hatch, Field Artillery.
Charles Anderson Walker, Jr., Ordnance Department.
Bethel Wood Simpson, Ordnance Department.
Harold Floyd Nichols, Coast Artillery Corps.
Harry James Keeley, Infantry.
Charles Philip Hall, Infantry.
Alexander Day Surles, Cavalry.
William Edmund Larned, Ordnance Department.
Franklin Kemble, Coast Artillery Corps.
Alfred John Betcher, Field Artillery.
Karl Slaughter Bradford, Cavalry.
Herbert Arthur Dargue, Air Corps.
John Griffeth Booton, Ordnance Department.
Frederick Gilbreath, Cavalry.
George Richmond Hicks, Infantry.
James Blanchard Crawford, Coast Artillery Corps.
Haig Shekerjian, Chemical Warfare Service.
Benjamin Curtis Lockwood, Jr., Infantry.
Harrison Henry Cocke Richards, Air Corps.
Carroll Armstrong Bagby, Infantry.
Arthur Bayard Conard, Cavalry.
Gregory Hoisington, Infantry.
Ziba Lloyd Drollinger, Infantry.
Jesse Amos Ladd, Infantry.
Paul William Baade, Infantry.
James Roy Newman Weaver, Infantry.
John Porter Lucas, Field Artillery.
William Henry Harrison Morris, Jr., Infantry.
Carl Fish McKinney, Infantry.
Roscoe Conkling Batson, Field Artillery.
Allen Russell Kimball, Quartermaster Corps.
Wilfrid Mason Blunt, Cavalry.
Ira Adelbert Rader, Air Corps.
Alvan Crosby Sandeford, Field Artillery.
William Jay Calvert, Quartermaster Corps.
David Hamilton Cowles, Infantry.
Ira Thomas Wyche, Field Artillery.
James Craig Riddle Schwenck, Cavalry.
John Louis Homer, Coast Artillery Corps.
Thomas Jonathan Jackson Christian, Field Artillery.
Howell Marion Estes, Cavalry.
John Furman Wall, Cavalry.
Edwin Noel Hardy, Cavalry.
Thomas Gibbes Morgan Oliphant, Field Artillery.
Douglas Blakeshaw Netherwood, Air Corps.
Mert Proctor, Field Artillery.
Joseph Dorst Patch, Infantry.
Archibald Delos Cowley, Infantry.
Felix Englebert Gross, Coast Artillery Corps.
George Ralph Meyer, Coast Artillery Corps.
Lewis Hyde Brereton, Air Corps.
Cherubusco Newton, Jr., Finance Department.
Edward Lincoln Hoffman, Air Corps.
Casper Ball Rucker, Infantry.
Robert Currier Brady, Quartermaster Corps.
Hugh Johnston Knerr, Air Corps.
George Frederick Humbert, Coast Artillery Corps.
Arthur Woodfin Ford, Ordnance Department.
Reuben Noel Perley, Coast Artillery Corps.
Vincent Meyer, Field Artillery.
Herbert Elliott Taylor, Cavalry.
Lindsay McDonald Silvester, Infantry.
William Middleton Grimes, Cavalry.
Herbert Marshall Pool, Infantry.
Leonard Townsend Gerow, Infantry.
Henry Joseph Moody Smith, Cavalry.
George Derry Murphey, Quartermaster Corps.
William Clayton Rose, Adjutant General's Department.
Wesley Frost Ayer, Infantry.
Norman Potter Morrow, Field Artillery.
Lloyd Edmonstone Jones, Field Artillery.
George Abel Sanford, Infantry.
Alexander LeRoy Padwinetz Johnson, Infantry.
Walter Ferrell Winton, Field Artillery.
Maxon Spafford Lough, Infantry.
Newton Napoleon Polk, Field Artillery.
Ford Richardson, Infantry.
Henry Lawrence Cullen Jones, Field Artillery.
Lester Maple Wheeler, Infantry.
Edwin O'Connor, Cavalry.
Eugene Alexander Lohman, Air Corps.
Kenneth Prince Lord, Field Artillery.
Eugene Warren Fales, Infantry.
John Taylor Rhett, Infantry.
Livingston Watrous, Adjutant General's Department.
Herbert Alonzo Wadsworth, Infantry.
John Moore Thompson, Cavalry.
George Matthew Halloran, Infantry.
William Edward Brougher, Infantry.
Medorem Crawford, Jr., Infantry.
Sumner Waite, Infantry.
Albert Monmouth Jones, Infantry.
John Edward Creed, Infantry.
Harrison McAlpine, Infantry.
James Raymond Alfonte, Quartermaster Corps.
Andrew Goolsby Gardner, Infantry.
Albert Simon Kuegle, Infantry.
Claude Killian Rhinehart, Field Artillery.
Levin Hicks Campbell, Jr., Ordnance Department.
Follett Bradley, Air Corps.
Jonathan Waverly Anderson, Field Artillery.
Serafin Manuel Montesinos, Infantry.
John Absalom Baird, Chemical Warfare Service.
Philip Guillou Blackmore, Ordnance Department.
Henry Clarence Davis, Jr., Coast Artillery Corps.
Benjamin Noble Booth, Coast Artillery Corps.
Octave DeCarré, Coast Artillery Corps.
Claude Martin Thiele, Coast Artillery Corps.
Cedric Malcolm Stanley Skene, Coast Artillery Corps.
Avery Johnson French, Coast Artillery Corps.
Edward Montgomery, Chemical Warfare Service.
Shepler Ward FitzGerald, Air Corps.
Leigh Francis Joseph Zerbee, Chemical Warfare Service.
Randolph Tucker Pendleton, Coast Artillery Corps.
Stewart Woods Stanley, Signal Corps.
Kenneth Thompson Blood, Coast Artillery Corps.
Roy Silas Atwood, Coast Artillery Corps.
Samuel Franklin Hawkins, Coast Artillery Corps.
Jesse Lowry Sinclair, Coast Artillery Corps.
Oscar Krupp, Ordnance Department.
Charles Thomas-Stahle, Coast Artillery Corps.
Edwin Joseph O'Hara, Finance Department.
Alden George Strong, Coast Artillery Corps.
Rudolf William Riefkohl, Quartermaster Corps.
Alexander Camman Sullivan, Field Artillery.
Joseph Peter Vachon, Infantry.
Lloyd Baxter Bennett, Infantry.
Edward James Oliver, Infantry.
Albert Tucker, Infantry.
Frederic Waldo Whitney, Cavalry.
Clifford Mitchell Tuteur, Field Artillery.
Arthur Eugene Rowland, Coast Artillery Corps.
Leon R. Cole, Field Artillery.
Lee Roland Watrous, Jr., Finance Department.
Joseph Dowd Brown, Coast Artillery Corps.
Leslie MacDill, Air Corps.
Charles Augustus French, Coast Artillery Corps.
John Albert Hoag, Field Artillery.
Oscar Andrew Eastwold, Chemical Warfare Service.
Earl Herbert Metzger, Coast Artillery Corps.
Max Stanley Murray, Infantry.
Matthew John Gunner, Infantry.
Julian Francis Barnes, Field Artillery.
Robert Scott Lytle, Infantry.
Harold Cornelius Vanderveer, Field Artillery.
Kenna Granville Eastham, Cavalry.
Henry Terrell, Jr., Infantry.
Clift Andrus, Field Artillery.
Frank Cadle Mahin, Infantry.
Lawrence Sprague Churchill, Air Corps.

George Elmer Arneman, Field Artillery.
Dale Francis McDonald, Infantry.
Raymond Eugene McQuillin, Cavalry.
Edward Hiltner Bertram, Infantry.
Hayes Adlai Kroner, Infantry.
Allan Stuart Boyd, Jr., Infantry.
Francis Clinton Vincent Crowley, Cavalry.
Harry Lewis Twaddle, Infantry.
Clarence Leonard Tinker, Air Corps.
William Robert White, Quartermaster Corps.
Donald Bridgman Sanger, Signal Corps.
Martin Francis Scanlon, Air Corps.
William Hanson Gill, Infantry.
Edward Cornelius Hanford, Field Artillery.
Merrill Dole Wheeler, Quartermaster Corps.
Henry Hubert Stickney, Corps of Engineers.
Lester Seneca Hill, Jr., Judge Advocate General's Department.
Archibald King, Judge Advocate General's Department.
Frederic Granville Munson, Judge Advocate General's Department.
Carl Herndon Seals, Adjutant General's Department.
James Arthur Watson, Infantry.
Gordon Handy McCoy, Field Artillery.
Robert Boyd Cole, Infantry.
Milton Hager Taulbee, Field Artillery.
William Henry Lanagan, Corps of Engineers.
Sidney Glenn Brown, Infantry.
George Clinton Donaldson, Infantry.
Joseph Hamilton Davidson, Infantry.
Russell Henry Brennan, Judge Advocate General's Department.
Benjamin Almond Brackenbury, Chemical Warfare Service.
John Putman Dinsmore, Judge Advocate General's Department.
Charles Wilbur Thomas, Jr., Infantry.
Roscoe Campbell Crawford, Corps of Engineers.
Milo Pitcher Fox, Corps of Engineers.
Lewis Andrews Nickerson, Ordnance Department.
Philip Ries Faymonville, Ordnance Department.
Russell Lamonte Maxwell, Ordnance Department.
John Shirley Wood, Field Artillery.
Robert Henry Lee, Ordnance Department.
William Henry Walmsley Youngs, Cavalry.
David McLean Crawford, Signal Corps.
Oscar James Gatchell, Ordnance Department.
John Nathaniel Hauser, Field Artillery.
Karl Chris Greenwald, Field Artillery.
Thomas Jay Hayes, Ordnance Department.
Raymond Vincent Cramer, Coast Artillery Corps.
William Hale Wilbur, Infantry.
Sidney Parker Spalding, Ordnance Department.
Byron Quinby Jones, Air Corps.
Stephen Harrison MacGregor, Ordnance Department.
James Albert Gillespie, Field Artillery.
Basil Duke Edwards, Infantry.
Davenport Johnson, Air Corps.
James Kirk, Ordnance Department.
Robert McGowan Littlejohn, Quartermaster Corps.
Wade Hampton Haislip, Infantry.
Robert Nall Bodine, Ordnance Department.
James Harve Johnson, Quartermaster Corps.
Harry Albert Flint, Cavalry.
Walter Melville Robertson, Infantry.
John Henry Lindt, Coast Artillery Corps.
Pearl Lee Thomas, Cavalry.
Sidney Vincent Bingham, Cavalry.
Bird Spencer DuBois, Coast Artillery Corps.
Isaac Spalding, Field Artillery.
Harry James Malony, Field Artillery.
John Hartwell Hinemon, Jr., Signal Corps.
Henry Lytton Flynn, Cavalry.
Robert Fee Hyatt, Field Artillery.
Harold Marvin Rayner, Cavalry.
Charles Nathaniel Sawyer, Signal Corps.
Gilbert Richard Cook, Infantry.
Max Weston Sullivan, Infantry.
Franklin Cummings Sibert, Infantry.
Archibald Vincent Arnold, Field Artillery.
Stephen J. Chamberlin, Infantry.
John Traylor McLane, Cavalry.
William Horace Hobson, Infantry.
Walter Glenn Kilner, Air Corps.
Raymond Oscar Barton, Infantry.
Henry William Harms, Air Corps.
John Earl Lewis, Field Artillery.
Walton Harris Walker, Infantry.
Millard Fillmore Harmon, Jr., Air Corps.
John Duncan Kelly, Cavalry.
Edward Chamberlin Rose, Infantry.
Albert Eger Brown, Infantry.
William Nalle, Cavalry.
Ralph Cadot Holliday, Infantry.
Charles Chisholm Drake, Quartermaster Corps.
William Joseph Morrissey, Infantry.
Robert Theodore Snow, Infantry.
Henry Charles McLean, Infantry.
Frank Victor Schneider, Infantry.
Frank Joseph Riley, Quartermaster Corps.
Benjamin Franklin Delamater, Jr., Infantry.
Ralph Samuel Kimball, Adjutant General's Department.
Francis Bernard Mallon, Infantry.
Lathrop Boyd Clapham, Adjutant General's Department.
John Dilworth von Holtzendorff, Field Artillery.
Carl James Adler, Infantry.
Otto Godfrey Pitz, Coast Artillery Corps.
Burton Young Read, Adjutant General's Department.
Harry William Stark, Coast Artillery Corps.
Duncan Grant Richart, Cavalry.
Fred Hughes Coleman, Air Corps.
Archie Stanton Buyers, Ordnance Department.
William Ayres Borden, Ordnance Department.
Francis Tuttle Armstrong, Field Artillery.
Cecil George Young, Ordnance Department.
Carl Andrew Waldmann, Ordnance Department.
Paul Wesley Evans, Signal Corps.
Henry Armstrong Wingate, Quartermaster Corps.
William Claude Washington, Coast Artillery Corps.
Alfred Bixby Quinton, Jr., Ordnance Department.
Hamilton Templeton, Field Artillery.
Bertram Frankenberger, Field Artillery.
John Keith Boles, Field Artillery.
Edward Fuller Witsell, Adjutant General's Department.
Alfred Loveday Rockwood, Chemical Warfare Service.
Edwin Pearson Parker, Jr., Field Artillery.
John Macaulay Eager, Field Artillery.
Carl Adolphus Hardigg, Quartermaster Corps.
Terry de la Mesa Allen, Cavalry.
John Chilton McDonnell, Air Corps.
Carl Lewis Caphton, Infantry.
William Rudolph Gruber, Field Artillery.
Otto Wagner, Cavalry.
Russell Brown Patterson, Cavalry.
Herbert Joseph Lawes, Quartermaster Corps.
Robert Crayton Williams, Corps of Engineers.
Clyde Vincent Simpson, Signal Corps.
Paul Xavier English, Chemical Warfare Service.
Estil Virgil Smith, Infantry.
Joseph Frank Richmond, Cavalry.
Troy Houston Middleton, Infantry.
Roland Francis Walsh, Quartermaster Corps.
Paul Murray, Infantry.
Roy Messick Jones, Air Corps.
Percy Edgar VanNostrand, Air Corps.
Frederic Vinton Hemenway, Adjutant General's Department.
John Bernard Brooks, Air Corps.
James Merriam Moore, Infantry.
John Breitling Coulter, Cavalry.
Welton Mathew Modisette, Cavalry.
John Parsons Wheeler, Cavalry.
Harold Aron Strauss, Air Corps.
Cyril Arthur Winton Dawson, Coast Artillery Corps.

Sherman Leo Kiser, Field Artillery.
Bradford G. Chynoweth, Infantry.
Howard Eager, Field Artillery.
John Charles Palmer Bartholf, Infantry.
Harold Thompson, Cavalry.
Robert Harwood Barrett, Infantry.
Ernest Joseph Carr, Infantry.
Patrick James Hurley, Infantry.
Hugh Broadus Keen, Infantry.
Walter Owen Rawls, Adjutant General's Department.
Francis Kosier Newcomer, Corps of Engineers.
William Gaulbert Weaver, Infantry.
Charles Francis Williams, Corps of Engineers.
Gordon Russell Young, Corps of Engineers.
Richard Ulysses Nicholas, Corps of Engineers.
Lewis King Underhill, Judge Advocate General's Department.
James Archer Dorst, Corps of Engineers.
Lunsford Errett Oliver, Corps of Engineers.
William Chalmers Young, Ordnance Department.
William Carey Crane, Field Artillery.
Carlos Brewer, Field Artillery.
David Edward Cain, Field Artillery.
John Eugene McMahon, Jr., Field Artillery.
Francis Augustus Englehart, Ordnance Department.
William Ashley Copthorne, Chemical Warfare Service.
George Wessely Sliney, Field Artillery.
Selby Harney Frank, Ordnance Department.
Eugene Tritle Spencer, Field Artillery.
Willis Dale Crittenberger, Cavalry.
Robert Heber Van Volkenburgh, Coast Artillery Corps.
Alfred Bainbridge Johnson, Ordnance Department.
Falkner Heard, Field Artillery.
Roland Louis Gaugler, Ordnance Department.
Samuel John Heidner, Infantry.
Junius Wallace Jones, Air Corps.
Thoburn Kaye Brown, Cavalry.
Manning Marius Kimmel, Jr., Coast Artillery Corps.
John Huff Van Vliet, Infantry.
Leland Swarts Devore, Infantry.
Geoffrey Keyes, Cavalry.
Douglass Taft Greene, Infantry.
Robert Meredith Perkins, Coast Artillery Corps.
Lawrence Babbitt Weeks, Coast Artillery Corps.
Clarence Hagbart Danielson, Adjutant General's Department.
James Nixon Peale, Infantry.
John Arthur Considine, Cavalry.
David Beauregard Falk, Jr., Infantry.
William Cooper Foote, Coast Artillery Corps.
Francis Reuel Fuller, Infantry.
Clinton Warden Russell, Air Corps.
William Richard Schmidt, Infantry.
Louis Aleck Craig, Field Artillery.
George Edward Lovell, Jr., Air Corps.
Otis Keilholtz Sadtler, Signal Corps.
William Henry Jones, Jr., Infantry.
John Erskine Ardrey, Infantry.
Carlyle Hilton Nash, Air Corps.
Henry Pratt Perrine, Jr., Infantry.
Dennis Edward McCunniff, Infantry.
Henry Balding Lewis, Adjutant General's Department.
Henry Barlow Cheadle, Infantry.
Stewart Shepherd Giffin, Coast Artillery Corps.
Samuel Alexander Gibson, Infantry.
Paul Woolever Newgarden, Infantry.
Charles Andrew King, Jr., Infantry.
Alexander McCarrell Patch, Jr., Infantry.
Charles Bishop Lyman, Infantry.
Robert Lily Sprogins, Infantry.
Ward Elverson Duvall, Coast Artillery Corps.
James Brown Gillespie, Ordnance Department.
Hans Robert Wheat Herwig, Quartermaster Corps.
Howard Calhoun Davidson, Air Corps.
William Lynn Roberts, Infantry.
William Alexander McCulloch, Infantry.
Lathe Burton Row, Infantry.
George Washington Price, Infantry.
Herbert Slayden Clarkson, Field Artillery.
Charles Gardiner Helmick, Field Artillery.
Madison Pearson, Adjutant General's Department.
Robert Duncan Brown, Coast Artillery Corps.
Ray Wehnes Barker, Field Artillery.
Mack Garr, Cavalry.
Edward Oliver Halbert, Coast Artillery Corps.
Frank Bonne Jordan, Field Artillery.
Alfred Eugene Sawkins, Infantry.
Robert Emmet Carmody, Cavalry.
Harry Lee King, Coast Artillery Corps.
Thomas James Camp, Infantry.
Robert Ogden Annin, Cavalry.
Augustin Mitchell Prentiss, Chemical Warfare Service.
Ralph Hospital, Field Artillery.
Theodore Barnes, Chemical Warfare Service.
Casey Hewitt Hayes, Field Artillery.
Harvey Steele Burwell, Air Corps.
Charles Bellows Hazeltine, Cavalry.
Russell Alger Osmun, Quartermaster Corps.
Joseph Olden Daly, Field Artillery.
Sidney Erickson, Infantry.
Ener Yeager, Field Artillery.
Keith Frazee Adamson, Ordnance Department.
Frank Earl Bonney, Infantry.
Harry Fouts Hazlett, Infantry.
George Lamberton Smith, Infantry.
Mahlen Augustus Joyce, Infantry.
Paul R. Davison, Cavalry.
William Henry Holcombe, Corps of Engineers.
Charles Philip Gross, Corps of Engineers.
Peter Cleary Bullard, Corps of Engineers.
Brehon Burke Somervell, Corps of Engineers.
Xenophon Herbert Price, Corps of Engineers.
Robert Walter Crawford, Corps of Engineers.
Dabney Otey Elliott, Corps of Engineers.
Frederick William Herman, Corps of Engineers.
John Hill Carruth, Corps of Engineers.
Philip Loomis Thurber, Field Artillery.
John Churchill Wyseth, Field Artillery.
Arthur Ringland Harris, Field Artillery.
LaRhett Livingston Stuart, Coast Artillery Corps.
John Adams Brooks, Jr., Ordnance Department.
Cleveland Hill Bandholtz, Ordnance Department.
John Green Burr, Field Artillery.
Frank Lawrence Haskins, Coast Artillery Corps.
John Benjamin Anderson, Field Artillery.
Cedric Watterson Lewis, Signal Corps.
Joseph DeMoss McCain, Coast Artillery Corps.
Harry Clyde Ingles, Signal Corps.
James Lester Bradley, Infantry.

To be majors

Harry Winchester Benson, Cavalry.
John Hume Lucas, Infantry.
James William Howder, Quartermaster Corps.
Charles Cramer, Cavalry.
George Prentice Cummings, Cavalry.
John McBride, Infantry.
Charles Winston Burkett, Cavalry.
George Munteanu, Infantry.
Louis Bronson Gerow, Quartermaster Corps.
Clyde Eugene Austin, Quartermaster Corps.
Raymond Oscar Miller, Infantry.
Herman Christopher Kliber, Quartermaster Corps.
Victor Geoffrey Huskea, Infantry.
Fred Blackburn Rogers, Infantry.
Sexton Berg, Cavalry.
Cornelius Francis O'Keefe, Cavalry.
Samuel Israel Zeidner, Quartermaster Corps.
Raymond Dresden Willis, Infantry.
Elliot Duncan Cooke, Infantry.
James Philip Lyons, Infantry.
Lloyd Leon Harvey, Air Corps.
Ernest Samusson, Infantry.
Alfred Steere Knight, Infantry.

Thomas Watson Hastey, Air Corps.
Alexander Calhoun Doyle, Quartermaster Corps.
Floyd Hubert Bain, Infantry.
Louis de Jussewicz, Quartermaster Corps.
Chester John Hirschfelder, Infantry.
Morris Berman, Air Corps.
Richard Fayette Fairchild, Infantry.
Donald John Myers, Infantry.
Charles Allen Easterbrook, Adjutant General's Department.
Herbert Allyn Myers, Cavalry.
Harold Witter Churchill, Ordnance Department.
Herbert Foster Wilkinson, Quartermaster Corps.
Marion Fred Shepherd, Infantry.
Rhey Thoburn Hollett, Cavalry.
George Fridjhof Bloomquist, Infantry.
Frank Emil Stoner, Signal Corps.
Roy Francis Lynd, Infantry.
Ernest Clifford Ayer, Infantry.
James Lester Ballard, Infantry.
John Patrick Ferriter, Signal Corps.
Harold William Webbe, Signal Corps.
Edward Henry Taliaferro, Jr., Coast Artillery Corps.
Walter Hitzfeldt, Field Artillery.
Walter Bender, Air Corps.
Aubrey Haines Baldwin, Quartermaster Corps.
Fred George Miller, Signal Corps.
Price Walter Beebe, Infantry.
James Jacob Firestone, Quartermaster Corps.
George Corbett Pilkington, Infantry.
James Kirker Campbell, Infantry.
Robert Lee Wright, Infantry.
Joseph Louis Bachus, Infantry.
Clyde Clarkson Way, Infantry.
Valentine Pearsall Foster, Coast Artillery Corps.
Richard Ernest Dupuy, Field Artillery.
Robert Neville Mackin, Jr., Coast Artillery Corps.
Harold Dean Woolley, Infantry.
John Henry Ball, Field Artillery.
Alfred Goodrich Braden, Jr., Judge Advocate General's Department.
Russell Baker, Infantry.
Everett Ernest Brown, Infantry.
Fay Ross, Infantry.
Harry LeRoy Branson, Cavalry.
Nels Louis Soderholm, Infantry.
Cyril Branston Spicer, Infantry.
Frank Gilson Chaddock, Field Artillery.
Carl Marcus Ulsaker, Infantry.
Arthur Henry Rogers, Infantry.
Clinton William Ball, Corps of Engineers.
Harry Allen Austin, Infantry.
Kenneth George Althaus, Infantry.
Malcolm Byrne, Cavalry.
William Alexander Ellis, Infantry.
Sydney Clyde Fergason, Infantry.
Severne Spence MacLaughlin, Infantry.
Burton Francis Hood, Infantry.
Josiah Ara Wallace, Field Artillery.
Patrick Eugene Shea, Field Artillery.
William Daniel Candler, Quartermaster Corps.
Robert Baxter Field, Quartermaster Corps.
Charles Perfect, Quartermaster Corps.
James Truman Menzie, Cavalry.
Eugene Martin Foster, Finance Department.
Glenn Alonzo Ross, Quartermaster Corps.
Albert Michael Guidera, Air Corps.
Mark Vinton Brunson, Quartermaster Corps.
Elbridge Gerry Chapman, Jr., Infantry.
John James Harvey, Infantry.
Norman Doud Finley, Infantry.
Lincoln Martin, Quartermaster Corps.
Philip Theodore Fry, Infantry.
Edwin Owen Baker, Signal Corps.
Fred Guy Borden, Signal Corps.
Calvin Halcombe Burkhead, Signal Corps.
James Francis Doherty, Air Corps.
Wilmer Micajah Flinn, Quartermaster Corps.
Fred Page Andrews, Signal Corps.
Samuel Robert Kimble, Ordnance Department.
George Walter Whybark, Coast Artillery Corps.
John Gardiner Drinkwater, Corps of Engineers.
Bernard Smith, Corps of Engineers.
Donald Buckingham Greenwood, Coast Artillery Corps.
Lewis Charles Beebe, Infantry.
Alexander Seymour Ackerman, Corps of Engineers.
Howard McClymonds Yost, Corps of Engineers.
William Van Dyke Ochs, Cavalry.
Coburn Lee Berry, Coast Artillery Corps.
Edward Henry Besse, Quartermaster Corps.
Rufo McAmis Fitzpatrick, Infantry.
Lynwood Benjamin Jacobs, Air Corps.
George Roscoe Hedge, Infantry.
Ernest Russ Barrows, Coast Artillery Corps.
Vernon Webster Hall, Coast Artillery Corps.
Burritt Havilah Hinman, Judge Advocate General's Department.
William Moore Carter, Infantry.
Rolla Valentine Ladd, Coast Artillery Corps.
Walter James Gilbert, Coast Artillery Corps.
Frederic Webster Cook, Coast Artillery Corps.
Harold Street Wilkins, Ordnance Department.
Albert Leon Tuttle, Infantry.
Franklin Eugene Edgecomb, Coast Artillery Corps.
Harry Lee Hagan, Infantry.
Patrick Joseph Dodd, Infantry.
Louis James Bowler, Coast Artillery Corps.
Dan Maynard Ellis, Infantry.
Frank Wilbur Wright, Air Corps.
George Blaney, Coast Artillery Corps.
Elmer Theodore Foss, Quartermaster Corps.
George David Condren, Infantry.
Douglass Newman McMillin, Infantry.
Thomas Raymond Parker, Coast Artillery Corps.
Elmer G. Lindroth, Infantry.
Gersum Cronander, Cavalry.
Harry Burgie Smith, Quartermaster Corps.
Jewett DeWitt Matthews, Field Artillery.
Harold Borden Bliss, Coast Artillery Corps.
Andrew Jackson Powell, Infantry.
Don Richman Norris, Coast Artillery Corps.
Stuart McLeod, Field Artillery.
Nathaniel Ernest Callen, Infantry.
Ernest Collidge Goding, Infantry.
Lawrence Stanley Woods, Quartermaster Corps.
Edward Joseph Glynn, Quartermaster Corps.
George Irvin Smith, Cavalry.
Joseph Vincent Coughlin, Infantry.
Macey Lillard Dill, Infantry.
Edgar Peter Sorensen, Air Corps.
Edward Julius Renth, Infantry.
James Richard Townsend, Coast Artillery Corps.
George Head Duff, Field Artillery.
John Henry Harrington, Coast Artillery Corps.
Francis Firmin Fainter, Infantry.
Peter Girardeau Marshall, Jr., Infantry.
Robert Olds, Air Corps.
Eugene John Heller, Quartermaster Corps.
Thomas Harry Chambers, Finance Department.
Daniel O'Connell, Quartermaster Corps.
Arthur Louis Koch, Quartermaster Corps.
Floyd Duren Jones, Quartermaster Corps.
Raymond Charles Blatt, Cavalry.
Franklin Miller Cochran, Infantry.
Fred William Fallin, Quartermaster Corps.
Elmer Conrad Goebert, Ordnance Department.
Edward Brigham McKinley, Quartermaster Corps.
Gilbert Livingston Thompson, Signal Corps.
William Arthur Worley, Quartermaster Corps.
Joseph Pemberton Glandon, Quartermaster Corps.
Claude Mitchell Adams, Infantry.
Walter Patrick O'Brien, Infantry.

Byron Tully Ipock, Coast Artillery Corps.
Carl Hugo Jabelonsky, Quartermaster Corps.
Lester Levi Boggs, Field Artillery.
Calvin Sutton Richards, Field Artillery.
Alexander Mitchell Owens, Quartermaster Corps.
Clifford Debray Cuny, Signal Corps.
Ira Harry Treest, Signal Corps.
Philip Boswell Taliaferro, Coast Artillery Corps.
Frank Brevard Hayne, Infantry.
Thomas Reed Bartlett, Coast Artillery Corps.
Lloyd Chandler Parsons, Signal Corps.
Theodore Edward Thomas Haley, Field Artillery.
Frederick Van Antwerp Berger, Quartermaster Corps.
Ralph Richard Guthrie, Signal Corps.
Archie Keefer Rupert, Infantry.
Thomas Castleman Harry, Field Artillery.
Harry Bernard Allen, Field Artillery.
Arthur Pickens, Infantry.
Martin Clinton Walton, Jr., Field Artillery.
Samuel Charles Harrison, Infantry.
Charles Robert Hall, Field Artillery.
Daniel Floyd Jones, Field Artillery.
Walter Mulford Mann, Infantry.
Lewis Evans Reigner, Field Artillery.
Oscar Nelson Schjerven, Field Artillery.
William Leslie Brown, Infantry.
William Archibald Campbell, Field Artillery.
James Clark Hughes, Field Artillery.
Fred Ordway Wickham, Infantry.
William Gregory Brey, Coast Artillery Corps.
William Henry Sadler, Quartermaster Corps.
Ben Butler Blair, Coast Artillery Corps.
Frederick Sidney Doll, Infantry.
Lawrence Gibson Forsythe, Cavalry.
Humphrey Swygart Evans, Quartermaster Corps.
Robert Edwards Hannay, Jr., Judge Advocate General's Department.
Lewis Frederick Kosch, Field Artillery.
Allender Swift, Infantry.
William Richard Maris, Coast Artillery Corps.
Marion Lyman Young, Field Artillery.
Earle Howard Malone, Infantry.
Roy Samuel Gibson, Infantry.
John Gerak Cook, Field Artillery.
Everard Franklin Olsen, Coast Artillery Corps.
Irving Devance Offer, Field Artillery.
Arthur Francis Doran, Field Artillery.
Melvin Earl Gillette, Signal Corps.
Tom Christopher Rives, Signal Corps.
Andrew Raymond Reeves, Field Artillery.
Lewis Blaine Hershey, Field Artillery.
William Frederic Marquat, Coast Artillery Corps.
Willis Aubrey Hedden, Infantry.
Allison Ware Jones, Coast Artillery Corps.
Howard Herndon Davis, Infantry.
George Eitle Hartman, Quartermaster Corps.
Philip Frederick Biehl, Coast Artillery Corps.
James Gasper Devine, Coast Artillery Corps.
Richard Bocock Willis, Field Artillery.
Howard Nathaniel Frissell, Infantry.
Henry Vaughn Dexter, Infantry.
Hans Ernest Kloepfer, Cavalry.
Edward Allen Everitt, Jr., Cavalry
Ted Harold Cawthorne, Infantry.
Henry Barton Dawson, Field Artillery.
Robert Hughes Lord, Infantry.
Archibald Ross MacKechnie, Infantry.
John Paul Ratay, Field Artillery.
Mose Kent Pigman, Infantry.
Harry William Maas, Cavalry.
Fenton Gay Epling, Coast Artillery Corps.
Herbert Gray Esden, Infantry.
Francis Henry Boucher, Field Artillery.
William Henry Sweet, Coast Artillery Corps.
Louis Cansler, Signal Corps.
Ross Gordon Hoyt, Air Corps.
William Bentley Mayer, Air Corps.
Harold Kernan, Field Artillery.
Hubert Augustine McMorrow, Coast Artillery Corps.
George Albert Jackson, Infantry.
Dwight Hughes, Jr., Cavalry.
William Robert Stickman, Cavalry.
Maximilian Clay, Infantry.
Calvert Hinton Arnold, Signal Corps.
Lloyd William Biggs, Cavalry.
Wilkie Collins Burt, Cavalry.
Ralph Emerson Bower, Infantry.
George Leland Eberle, Infantry.
Rufus Stanley Ramey, Cavalry.
Marcus Brenneman Bell, Infantry.
Louis Joseph Fortier, Field Artillery.
James Bentley Taylor, Cavalry.
Remington Orsinger, Infantry.
William Stewart Morris, Infantry.
Richard Henry Ballard, Air Corps.
Leon Chapman Dennis, Coast Artillery Corps.
Charles William Chalker, Infantry.
James Clay Short, Cavalry.
Roy Crawford Moore, Quartermaster Corps.
William Fred Lafrenz, Coast Artillery Corps.
John Deane Forsythe, Infantry.
John Franklin Hepner, Field Artillery.
Lawrence Byron Wyant, Cavalry.
Leslie T. Lathrop, Infantry.
James Black Muir, Jr., Coast Artillery Corps.
Edmund Hathaway Stillman, Coast Artillery Corps.
Robert Chapman Snidow, Coast Artillery Corps.
Ralph Hudson Wooten, Air Corps.
Kenneth Burman Bush, Adjutant General's Department.
Charles Henry Keck, Ordnance Department.
James Thomas Duke, Cavalry.
Thomas Watkins Ligon, Cavalry.
Edward Hale Brooks, Field Artillery.
James David Brown, Coast Artillery Corps.
Weyland Bixby Augur, Cavalry.
Harold Mark McClelland, Air Corps.
William Brooks Bradford, Cavalry.
Edmund Waring McLarren, Finance Department.
Arnold Wilkinson Shutter, Field Artillery.
Abram Franklin Kibler, Field Artillery.
Cecil Ray Moore, Corps of Engineers.
Francis Sylvester Conaty, Field Artillery.
Norman Lee Baldwin, Signal Corps.
Grafton Sherwood Kennedy, Ordnance Department.
William Caldwell Dunckel, Field Artillery.
Harold Clarkson Mabbott, Coast Artillery Corps.
John Waller Faulconer, Jr., Field Artillery.
Gennad Alban Greaves, Field Artillery.
Francis Murry Crist, Field Artillery.
Lucas Elmendorf Schoonmaker, Coast Artillery Corps.
William Fergus Kernan, Field Artillery.
Gordon Marshall Wells, Ordnance Department.
Don Carlos Faith, Infantry.
Raymond Orr, Infantry.
Hermon French Safford, Ordnance Department.
Clifford Dean Hindle, Coast Artillery Corps.
Thomas Adam Austin, Jr., Infantry.
Morrill Ross, Field Artillery.
Vernon McTyeire Shell, Cavalry.
John Averill Steere, Field Artillery.
Leslie Edwards Babcock, Field Artillery.
Francis Howard Wilson, Infantry.
James Charles Longino, Quartermaster Corps.
Maxton Hale Flint, Finance Department.
Eugene Peter Henry Gampel, Chemical Warfare Service.
Charles Swett Pettee, Infantry.
John Melville Sanderson, Field Artillery.
Sidney Hamlet Negrotto, Infantry.
Gustav Joseph Braun, Infantry.
William Henry Egle Holmes, Field Artillery.
John Lindley Gammell, Field Artillery.
Charles William Walton, Chemical Warfare Service.
Douglas Meriwether Griggs, Coast Artillery Corps.

Ward Hale Maris, Field Artillery.
Hugh John FitzGerald, Cavalry.
Everett Langdon Upson, Infantry.
James Paul Jacobs, Coast Artillery Corps.
Paul Joseph Matte, Cavalry.
Don Forrester Pratt, Infantry.
Ernest Ransome Percy, Coast Artillery Corps.
Murray Henry Ellis, Cavalry.
Walcott Paige Hayes, Air Corps.
Ernest Cleveland Bomar, Ordnance Department.
Donovan Paul Yeuell, Infantry.
Charles Edward Atkinson, Coast Artillery Corps.
Gustav Bismark Guenther, Cavalry.
Edward Benedict McCarthy, Coast Artillery Corps.
Leslie Frederick Lawrence, Cavalry.
Horace Waldo Forster, Cavalry.
Edwin Hubert Randle, Infantry.
Simpson Ridley Stribling, Ordnance Department.
Francis Marion Rich, Infantry.
Waldemar Adolph Falck, Cavalry.
Carl John Rohsenberger, Cavalry.
James Veto McDowell, Cavalry.
James Thomas Campbell, Coast Artillery Corps.
Howard Spencer MacKirdy, Coast Artillery Corps.
Harry Lee Hart, Quartermaster Corps.
John Henry Gibson, Infantry.
James Henry Beals Bogman, Signal Corps.
Percy Stuart Hayden, Cavalry.
Edwin Ernest Aldridge, Infantry.
Edwin Blake Crabill, Infantry.
Edmund Walton Hill, Air Corps.
Albert Edward McIntosh, Cavalry.
Alfred Marston Shearer, Signal Corps.
Halbert Hale Neilson, Cavalry.
James Obadiah Tarbox, Infantry.
Truman Everett Boudinot, Cavalry.
Raymond Frank Edwards, Infantry.
Maurice Eugene Barker, Chemical Warfare Service.
Oren Anelen Mulkey, Infantry.
Stephen Boon, Jr., Cavalry.
Harold Glaucus Holt, Cavalry.
Robert Alexis McClure, Infantry.
Graham Roscoe Schweickert, Infantry.
Charles Gordon Hutchinson, Cavalry.
George Davis Wiltshire, Cavalry.
Arthur John Wehr, Signal Corps.
Wannie Lee Bartley, Quartermaster Corps.
Norman John McMahon, Field Artillery.
Donald Morris Bartow, Infantry.
Paul Louis Singer, Infantry.
Joseph Louis Ready, Infantry.
Earl Coulson Flegel, Infantry.
Herbert Blish Wheeler, Infantry.
Wilbur Stern Elliott, Quartermaster Corps.
Kirke Brooks Lawton, Signal Corps.
Neil Smith Edmond, Infantry.
Harold Haney, Infantry.
Martin DeWitt McAllister, Infantry.
William Henry Colbern, Field Artillery.
Marcel Alfred Gillis, Infantry.
John William Carroll, Cavalry.
Charles Lewis, Finance Department.
Floyd Merritt Hyndman, Cavalry.
Ira Claude Nicholas, Infantry.
Clarence Walter Richmond, Quartermaster Corps.
George Edward Kraul, Infantry.
Arthur Wilson Waldron, Coast Artillery Corps.
George Foster Hobson, Quartermaster Corps.
John Bryce Casseday, Quartermaster Corps.
John Francis Hanley, Infantry.
William Herbert Murphy, Signal Corps.
Ben Stafford, Infantry.
Dover Bell, Quartermaster Corps.
Harold Lester Egan, Infantry.
Charles Adolph Kraus, Quartermaster Corps.
John Kasper, Quartermaster Corps.
George Ernest Kelsch, Infantry.
John Lynch, Infantry.
Arthur Randolph Whitner, Infantry.
Edward Joseph Maloy, Quartermaster Corps.
Carmi Luzerne Williams, Infantry.
Elmer John Armstrong, Infantry.
Sumner Morris Smith, Field Artillery.
Herbert Baldwin, Finance Department.
William Fisk, Infantry.
Albert Barnett Jones, Corps of Engineers.
Hamilton Thorn, Infantry.
John Wade McCormick, Infantry.
Charles Edwin Knickerbocker, Infantry.
James Roger Kennedy, Infantry.
Robert Edward Jones, Infantry.
Clarence Howard Kells, Infantry.
Harold Ragan Priest, Infantry.
David Cleveland Kelly, Ordnance Department.
Frank Henry Hollingsworth, Field Artillery.
Randolph Russell, Cavalry.
Brock Putnam, Cavalry.
James Aloysius Hasson, Infantry.
Edwin Miles Sumner, Cavalry.
Thomas Henry Green, Judge Advocate General's Department.
Harold de Beaumont Bruck, Cavalry.
Donald Anderson Young, Cavalry.
Hans Charles Minuth, Cavalry.
Christian Allen Schwarzwaelder, Quartermaster Corps.
Edwin Clarence Gere, Quartermaster Corps.
Howard Nichols Merrill, Infantry.
Harold Putnam Detwiler, Coast Artillery Corps.
Clarence Francis Hofstetter, Ordnance Department.
Charles Lawrence Bolte, Infantry.
Theodore Francis Wessels, Infantry.
Arthur John McChrystal, Adjutant General's Department.
Malcolm Fraser Lindsey, Infantry.
Horace Oscar Cushman, Infantry.
Harley Latson, Corps of Engineers.
William Maine Hutson, Infantry.
David Henry Finley, Infantry.
Clifford Arthur Eastwood, Cavalry.
Vinton Lee James, Jr., Infantry.
William Franklin Campbell, Quartermaster Corps.
Stuart Cutler, Infantry.
John Reuben Boatwright, Infantry.
Lester Nelson Allyn, Infantry.
Henry Lester Barrett, Infantry.
Archibald Donald Fisken, Coast Artillery Corps.
Fenton Stratton Jacobs, Cavalry.
Raymond Rolland Tourtillott, Infantry.
George Albert Hadd, Infantry.
Joseph Purnell Cromwell, Adjutant General's Department.
Lawrence Locke Clayton, Signal Corps.
Catesby ap Catesby Jones, Cavalry.
William Mayer, Chemical Warfare Service.
James Laird Craig, Coast Artillery Corps.
Ray Maxey Hare, Quartermaster Corps.
Walter Francis Mullins, Infantry.
Henry Lord Page King, Signal Corps.
Charles Ernest Loucks, Chemical Warfare Service.
Herbert Vaughan Scanlan, Cavalry.
George Philip Seneff, Field Artillery.
Russell Gordon Ayers, Infantry.
William Allen Wappenstein, Infantry.
Charles Hayden Owens, Infantry.
Joseph William Loef, Field Artillery.
Carter Collins, Infantry.
Hugh McCauley Cochran, 3d, Coast Artillery Corps.
George Edwin Abrams, Infantry.
Albert Dickinson Foster, Infantry.
Donald Parker Spalding, Infantry.
Ercil Dale Porter, Infantry.
Harold Jack Adams, Signal Corps.
Claude Alfred White, Field Artillery.
John Franklin Farnsworth, Infantry.
William Booth Van Auken, Cavalry.
Archer Lynn Lerch, Infantry.

Wendell Lapsley Clemenson, Infantry.
Moses William Pettigrew, Field Artillery.
Walter Francis Kraus, Air Corps.
Charles James Deahl, Jr., Infantry.
Arcadi Gluckman, Infantry.
Dale Milton Hoagland, Field Artillery.
Roy Thomas Rouse, Infantry.
Lester Martin Kilgarif, Field Artillery.
James Wilson Rice, Chemical Warfare Service.
James Polk Gammon, Infantry.
James Irving Gibbon, Cavalry.
Burton Curtis Andrus, Cavalry.
Arthur Lafayette Warren, Field Artillery.
Irwin Lytle Lummis, Infantry.
David Lewis Ruffner, Field Artillery.
Mark Milton Serrem, Ordnance Department.
Arthur William Gower, Coast Artillery Corps.
John Taylor Lewis, Coast Artillery Corps.
Ross Breckon Warren, Field Artillery.
Walter David Luplow, Corps of Engineers.
Samuel Lusker McCroskey, Coast Artillery Corps.
Arvid Paul Croonquist, Infantry.
Oliver Boone Bucher, Coast Artillery Corps.
Clarence Ames Martin, Infantry.
Francis Stuart Swett, Coast Artillery Corps.
Henning Linden, Infantry.
George Read, Jr., Infantry.
Harold Taylor Brotherton, Field Artillery.
Miles Whitney Kresge, Ordnance Department.
Ralph de Poix Terrell, Field Artillery.
Walter Alexander Dumas, Infantry.
Edwin Emerson Keatley, Infantry.
George Worcester Ricker, Coast Artillery Corps.
George Comfort Parkhurst, Infantry.
Don Magruder Scott, Infantry.
Robert Edward Wysor, Jr., Infantry.
James Edward Wharton, Infantry.
Edgar Allen O'Hair, Field Artillery.
Martin Dunlap Barndollar, Jr., Infantry.
Lewis Simons, Infantry.
James Harold Day, Infantry.
George William Outland, Ordnance Department.
John Mead Silkman, Corps of Engineers.
Loren Archibald Wetherby, Infantry.
James Joseph Coghlan, Infantry.
Bernard Butler McMahon, Infantry.
George Edwin Fingarson, Infantry.
Stanley Raymond Mickelsen, Coast Artillery Corps.
Ernest Albert Rudellus, Infantry.
William Lee Blanton, Infantry.
Carl Beecher Byrd, Cavalry.
Thomas Brady, Jr., Quartermaster Corps.
Porter Pise Wiggins, Infantry.
Gilbert Xavier Cheves, Cavalry.
William Edward Corkill, Field Artillery.
John Thomas Zellars, Infantry.
Richard Alfred McClure, Infantry.
Carroll Gowen Riggs, Coast Artillery Corps.
John Adams Ballard, Signal Corps.
Emons Bert Whisner, Infantry.
George Wesley Griner, Jr., Infantry.
Douglas Lee Crane, Field Artillery.
Hugh Tullock Mayberry, Infantry.
Wade Carpenter Gatchell, Cavalry.
Frederic Harris Timmerman, Field Artillery.
Harry Staples Robertson, Infantry.
Philip Edward Brown, Infantry.
Andrew Jackson Wynne, Cavalry.
Olaf Phillips Winningstad, Ordnance Department.
Winfred Charles Green, Field Artillery.
Marion Irwin Voorhes, Cavalry.
George Arthur Davis, Infantry.
George VanWyck Pope, Infantry.
George Ellsworth Butler, Infantry.
Edgar Lewis Clewell, Signal Corps.
Herbert Fritz Ernst Bultman, Coast Artillery Corps.
Joel Rankin Burney, Infantry.
Wilton Burton Persons, Signal Corps.
Campbell Nelson Jackson, Infantry.
Homer Case, Coast Artillery Corps.
John Henry Gardner, Jr., Signal Corps.
Earl Cranston Ewert, Field Artillery.
Bird Little, Infantry.
Lucian King Truscott, Jr., Cavalry.
Guy Cummins McKinley, Jr., Infantry.
Gordon Prescott Savage, Infantry.
Harold Hugh McClune, Infantry.
Lester Earl MacGregor, Infantry.
Harold Pearson Gibson, Infantry.
Lloyd Ross Besse, Infantry.
Charles Fearn Sutherland, Infantry.
Gilbert Everhard Parker, Infantry.
Francis Beeston Laurenson Myer, Quartermaster Corps.
Arthur Seymour Nevins, Infantry.
John George Murphy, Coast Artillery Corps.
Gustave Villaret, Jr., Infantry.
Edwin Sanders Van Deusen, Quartermaster Corps.
Joe Jens Miller, Signal Corps.
George Alfred Hunt, Infantry.
Frank Johnson McSherry, Coast Artillery Corps.
John Ernest Dahlquist, Infantry.
William Eugene Farthing, Air Corps.
Tom Sherman Brand, Infantry.
Charles Morris Ankcorn, Infantry.
James Robinson Urquhart, Infantry.
Morrill Watson Marston, Infantry.
William Edward Bergin, Adjutant General's Department.
John Calvin Butner, Jr., Field Artillery.
Benjamin Wilson Venable, Infantry.
John Lawrence Murphy, Infantry.
Edward Stanley Ott, Field Artillery.
Melvin Leslie McCreary, Field Artillery.
Herman Hollie Felix Gossett, Field Artillery.
Murray Matthews Montgomery, Field Artillery.
Lester Johnson Whitlock, Field Artillery.
A. Pledger Sullivan, Adjutant General's Department.
Harry Lee Campbell, Ordnance Department.
John Kay Christmas, Ordnance Department.
Harvey Edward, Quartermaster Corps.
Leo James McCarthy, Infantry.
Earl Franklyn Paynter, Infantry.
Ernest Arthur Williams, Cavalry.
George Price Hays, Field Artillery.
George Harrison Millholland, Cavalry.
Herbert Daskum Gibson, Infantry.
Harry Squire Wilbur, Infantry.
Ralph Julian Canine, Field Artillery.
Paul Blassengame Robinson, Infantry.
William Lamont Coulter, Infantry.
Joseph Henry Hinwood, Infantry.
Russell Fleming Walthour, Jr., Infantry.
Timothy Asbury Pedley, Jr., Infantry.
Donald Ross Dunkle, Cavalry.
Chester Earl Davis, Cavalry.
Edwin Turner Bowden, Infantry.
Holmes Gill Paullin, Cavalry.
Ray Edison Porter, Infantry.
Frank Exley Barber, Infantry.
John Earl Brannan, Infantry.
John Hamilton Irving, Cavalry.
Oliver Ferguson Marston, Field Artillery.
Evan Dhu Cameron, Jr., Signal Corps.
Clarence Clemons Park, Field Artillery.
Glenn Smith Finley, Cavalry.
William Volney Rattan, Infantry.
Rosswell Eric Hardy, Ordnance Department.
Manly Foster Meador, Cavalry.
Zim E. Lawhon, Field Artillery.
Lloyd Zuppann, Infantry.
John Kirkland Rice, Infantry.
Hammond Davies Birks, Infantry.
James Holden Hagan, Infantry.
Lester Smith Ostrander, Infantry.
Charles Spurgeon Johnson, Infantry.

Manly Broadus Gibson, Coast Artillery Corps.
Charles Hayes Henry, Infantry.
John Harold Keatinge, Field Artillery.
Hugh Andrew Wear, Infantry.
George Allan Miller, Infantry.
Stockbridge Carleton Hilton, Field Artillery.
William Russell Philp, Field Artillery.
George Anthony Horkan, Quartermaster Corps.
Charles Herman Unger, Cavalry.
Walter Harold Soderholm, Ordnance Department.
Samuel Cranmer Thompson, Infantry.
Harry Winant Caygill, Infantry.
James Elson Jeffres, Infantry.
Vennard Wilson, Ordnance Department.
Orlo Harry Quinn, Air Corps.
Lewis Anderson Page, Infantry.
Alexander Oscar Gorder, Infantry.
Geoffrey Marshall, Chemical Warfare Service.
Percy Custer Fleming, Field Artillery.
Edward Maynard Fickett, Cavalry.
John Francis Roehm, Field Artillery.
Milo Victor Buchanan, Infantry.
Kearie Lee Berry, Infantry.
William Elbridge Chickering, Adjutant General's Department.
Wilbur Reece McReynolds, Infantry.
Howell Redd Hanson, Field Artillery.
George Robert Hayman, Field Artillery.
Howard Everett Camp, Field Artillery.
James Couzens Van Ingen, Signal Corps.
Fred Currie Milner, Infantry.
Charles Frost Craig, Infantry.
Lloyd Smith Partridge, Field Artillery.
Callie Hammond Palmer, Cavalry.
Karl Eugene Henion, Infantry.
Harold Whittle Blakeley, Field Artillery.
George Orial Clark, Infantry.
Lewis Allison Hudgins, Coast Artillery Corps.
Russell J. Potts, Infantry.
William Hoover Craig, Infantry.
Ollie William Reed, Infantry.
William Lawrence Phillips, Infantry.
Levi Monroe Bricker, Ordnance Department.
Louis Wilson Maddox, Infantry.
James Gaulding Watkins, Field Artillery.
Christopher Columbus Strawn, Cavalry.
William Fulton Magill, Jr., Infantry.
Robert John Wagoner, Quartermaster Corps.
Sam Williams Anderson, Coast Artillery Corps.
Alfred Joseph deLorimier, Cavalry.
Everett Busch, Field Artillery.
James Taylor, Infantry.
Stewart Darden Hervey, Infantry.
Frank Joyce Pearson, Infantry.
Lester Thomas Miller, Air Corps.
Leo Donovan, Infantry.
Arthur Bee McDaniel, Air Corps.
Percy McCay Vernon, Infantry.
xRichard Earl Tallant, Cavalry.
Peter J. Lloyd, Infantry.
Henry Hale Cheshire, Cavalry.
Theodore Morton Cornell, Infantry.
Paul Vincent Kellogg, Infantry.
Herbert Ludwell Earnest, Cavalry.
Charles Spurgeon Harris, Coast Artillery Corps.
John Reed Hodge, Infantry.
Arthur Richard Walk, Infantry.
Leslie Egner Toole, Infantry.
Francis Murray Brady, Air Corps.
Paul Wolcott Rutledge, Coast Artillery Corps.
Eubert Harrison Malone, Infantry.
Ray Tyson Maddocks, Cavalry.
James Footville Butler, Infantry.
Richard Nelson Atwell, Cavalry.
Truman Morris Martin, Infantry.
Morris Simpson Daniels, Jr., Cavalry.
Cecil Leland Rutledge, Infantry.
Theodore Christian Gerber, Ordnance Department.
Lawrence Leonard William Meinzen, Infantry.
John Orland Lawrence, Cavalry.
George LeConte Ramsey, Infantry.
John Johnson Albright, Infantry.
Charles Williamson Glover, Field Artillery.
Alexander Adair, Infantry.
Grant Alexander Schlieker, Infantry.
William Grant Hilliard, Jr., Infantry.
Leslie Marshall Skerry, Field Artillery.
Walter Carper Phillips, Infantry.
Anthony Joseph Touart, Infantry.
Arthur Edmund Easterbrook, Air Corps.
Harry John Collins, Infantry.
James Van Valkenburgh Shufelt, Cavalry.
Henry Paul Hallowell, Infantry.
Hobart Raymond Gay, Quartermaster Corps.
Oscar Dubois McNeely, Coast Artillery Corps.
Parker Gillespie Tenney, Field Artillery.
Thomas Jeffries Betts, Coast Artillery Corps.
Buhl Moore, Field Artillery.
Mordaunt Verne Turner, Cavalry.
Norman E. Waldron, Quartermaster Corps.
Adrian Robert Brian, Infantry.
Burton Loren Lucas, Infantry.
Morris Clinton Handwerk, Coast Artillery Corps.
George Stephen Wear, Infantry.
Leo Lawrence Gocker, Cavalry.
Benjamin Franklin Harmon, Coast Artillery Corps.
Walter Throckmorton Scott, Infantry.
Edwin Wilds Godbold, Cavalry.
John Wilson O'Daniel, Infantry.
John Gilbert White, Field Artillery.
Harry Frank Thompson, Infantry.
Raymond Carmichael Gibbs, Cavalry.
Carl McKee Innis, Infantry.
Stanley Joseph Grogan, Infantry.
Rohland Andrew Isker, Cavalry.
Leonard Roscoe Crews, Coast Artillery Corps.
Charles Arthur Horger, Cavalry.
Stonewall Jackson, Infantry.
Warner Beardsley Gates, Air Corps.
Oscar Joseph Neundorfer, Jr., Infantry.
Webster Hamlin Warren, Coast Artillery Corps.
Ross Berry Smith, Infantry.
Thomas Bennett Woodburn, Infantry.
Charles William Higgins, Coast Artillery Corps.
Hugh Nathan Herrick, Coast Artillery Corps.
Stanley French Griswold, Infantry.
John Thomas Dibrell, Infantry.
Edmund Jones Lilly, Jr., Infantry.
Charles Edward Dissinger, Cavalry.
Cornelius Edward Ryan, Infantry.
John Edwin Hull, Infantry.
Thomas Francis Bresnahan, Infantry.
Koger Marion Still, Infantry.
Samuel White, Field Artillery.
Gilman Kimball Crockett, Infantry.
William Warren Wertz, Coast Artillery Corps.
Thomas Edison Roderick, Infantry.
Wallace Alan Mead, Infantry.
Ray Winfield Harris, Infantry.
Evans Read Crowell, Coast Artillery Corps.
Robinson Earl Duff, Infantry.
Raymond Godfrey Lehman, Infantry.
Irvine Callander Scudder, Infantry.
James Chester Bates, Coast Artillery Corps.
Harry Edmund Pendleton, Coast Artillery Corps.
Paul Samuel Beard, Finance Department.
Edwin Allan Smith, Infantry.
Gyles Merrill, Cavalry.
Floyd C. Harding, Infantry.
James Montague Adamson, Jr., Cavalry.
Percy Lee Sadler, Infantry.
George Luther Morrow, Infantry.

Frederick Wilhelm Hoorn, Signal Corps.
Joe Carroll Rogers, Cavalry.
Frank Albert Allen, Jr., Cavalry.
Joseph Carson Stephens, Coast Artillery Corps.
Bernard Franklin Hurless, Infantry.
Guy Orth Kurtz, Field Artillery.
Louis Joseph Compton, Field Artillery.
John Henry Hilldring, Infantry.
Arthur Breckenridge Wade, Field Artillery.
John Hurst Rodman, Infantry.
William Dan Powell, Infantry.
Ceylon Otto Griffin, Cavalry.
William Charles Louisell, Infantry.
Thomas Wade Herren, Cavalry.
Alden Humphrey Seabury, Cavalry.
William Emanuel Goe, Quartermaster Corps.
Donald Brooks Hilton, Infantry.
Alexander Bull MacNabb, Cavalry.
William Leonard Ritter, Infantry.
Ralph Edwin Hill, Coast Artillery Corps.
Francis Lancaster Christian, Coast Artillery Corps.
Walton Whittingham Cox, Cavalry.
Druid Emmet Wheeler, Infantry.
Maitland Bottoms, Coast Artillery Corps.
Ross Ernest Larson, Cavalry.
Stewart Elvin Reimel, Ordnance Department.
Kendall Jordan Fielder, Infantry.
William Curtis DeWare, Infantry.
Hugh Donald Adair, Infantry.
Joseph Robbins Bibb, Field Artillery.
Reginald Reuben Bacon, Infantry.
Russell Conwell Snyder, Field Artillery.
George Eddy Cook, Field Artillery.
James Tolmie Watson, Jr., Signal Corps.
Eugene Hill Mitchell, Infantry.
John Wesley Russey, Field Artillery.
James Dennett McIntyre, Ordnance Department.
Allan James Kennedy, Infantry.
Bryan Lee Milburn, Coast Artillery Corps.
Nyal L. Adams, Coast Artillery Corps.
Virgil Norberto Cordero, Infantry.
Leo Joseph Farrell, Infantry.
Walter Shea Wood, Infantry.
William Henry Quarterman, Jr., Field Artillery.
Benjamin Brandon Bain, Infantry.
Ira Clarence Eaker, Air Corps.
Stanton Louis Bertschey, Field Artillery.
Romeyn Beck Hough, Jr., Air Corps.
Cheney Litton Bertholf, Adjutant General's Department.
Ellsworth Young, Coast Artillery Corps.
Edward Reese Roberts, Field Artillery.
Walter Ernst Lauer, Infantry.
Frank Hitch Pritchard, Air Corps.
Albert Hugh Dumas, Infantry.
Paul Shober Jones, Judge Advocate General's Department.
Paul Thompson Baker, Infantry.
Robert Porter Bell, Infantry.
Edwin William Piburn, Infantry.
Kenneth Stoddard Whittemore, Infantry.
Jerry Vrchlicky Matejka, Signal Corps.
Frank Huber Partridge, Adjutant General's Department.
Derril deSaussure Trenholm, Field Artillery.
Michael Edmond Halloran, Infantry.
Idwal Hubert Edwards, Air Corps.
Paul James Vevia, Infantry.
Carl Julian Dockler, Cavalry.
Milton Heilfron, Coast Artillery Corps.
Olin Coke Newell, Cavalry.
Paul Steele, Infantry.
Robert Emmett Cummings, Infantry.
Harry Fayette Schoonover, Field Artillery.
Louis Simmons Stickney, Signal Corps.
William Hesketh, Coast Artillery Corps.
Ben Curtis McComas, Quartermaster Corps.
Maurice Garver Stubbs, Infantry.
Archibald Andrew Fall, Infantry.
Frank Romaine Schucker, Infantry.
George Stewart Warren, Air Corps.
Mario Cordero, Coast Artillery Corps.
Henry Oscar Swindler, Infantry.
Haskell Allison, Signal Corps.
Davis Jones, Infantry.
Russell Skinner, Infantry.
George Warren Dunn, Jr., Coast Artillery Corps.
John Alexander Klein, Adjutant General's Department.
Arthur Harold Luse, Ordnance Department.
William Arthur Swift, Infantry.
John Edwin Grose, Infantry.
Robert Creighton Wright, Infantry.
Lawrence Archie Kurtz, Field Artillery.
Daniel Webster Hickey, Jr., Coast Artillery Corps.
Martin Stevenson Chester, Infantry.
Harry Reichelderfer, Signal Corps.
Alexander Russell Bolling, Infantry.
Duncan Thomas Boisseau, Field Artillery.
James Leonard Garza, Infantry.
John Dunbar Chambliss, Infantry.
Elvin Leon Barr, Coast Artillery Corps.
Douglas Eaton Morrison, Coast Artillery Corps.
Thomas Eugene Jeffords, Coast Artillery Corps.
Frank Hendricks Hastings, Coast Artillery Corps.
Joseph Hiram Gilbreth, Coast Artillery Corps.
Harold Gilbert Archibald, Coast Artillery Corps.
Daniel Howe Hoge, Coast Artillery Corps.
Reamer Walker Argo, Coast Artillery Corps.
Eugene Thomas Conway, Coast Artillery Corps.
Ralph Hirsch, Field Artillery.
William Joseph Egan, Field Artillery.
Talley Dozier Joiner, Infantry.
Robert Victor Maraist, Field Artillery.
Lawrence Patterson, Cavalry.
Lester Hardee Barnhill, Infantry.
Sterner St. Paul Meek, Ordnance Department.
Melvin Lewis Craig, Field Artillery.
Elbert Arcularius Nostrand, Infantry.
Hervey Aldrich Tribolet, Infantry.
Robert Brooks Ennis, Infantry.
Levie Wilson Foy, Infantry.
John Cord Blizzard, Jr., Infantry.
Warren Henry McNaught, Field Artillery.
Howard Clark, 2d, Infantry.
Roy Edson Craig, Cavalry.
Robert Ignatius Stack, Infantry.
John Huling, Jr., Ordnance Department.
Early Edward Walters Duncan, Air Corps.
Edward Marple Daniels, Quartermaster Corps.
Philip Richard Upton, Cavalry.
Horace Kelita Heath, Infantry.
Harry Russell Evans, Field Artillery.
Bartholomew Robins DeGraff, Infantry.
Harold Napoleon Gilbert, Adjutant General's Department.
William Albert Collier, Infantry.
Leonard Harrison Frasier, Field Artillery.
Archibald Miles Mixson, Infantry.
Clifford Bert Cole, Field Artillery.
Albert Gresham Wing, Infantry.
William Fred Rehm, Infantry.
Edward Nicholson Fay, Infantry.
Donald Thomas Nelson, Finance Department.
Richardson Lester Greene, Field Artillery.
George Clarence Nielsen, Infantry.
Earl Campbell Horan, Infantry.
William John Henry Ryan, Infantry.
Wallace William Millard, Infantry.
Arthur Grady Hutchinson, Infantry.
Norman Marcus Nelsen, Infantry.
Roy Nathan Hagerty, Infantry.
Ronald Lowe Ring, Infantry.
Alfred Timothy Wright, Infantry.
John Ainsworth Andrews, Infantry.
George Andrew Lockhart, Infantry.
James Julian Pirtle, Infantry.
Alfred Edward Dedicke, Infantry.

George Frederick Macdonald, Infantry.
Wilbur Ellsworth Bashore, Infantry.
Harold Head, Infantry.
Walter William Boon, Cavalry.
Hugh McCord Evans, Infantry.
Michael Joseph Mulcahy, Infantry.
Harold Stokely Wright, Quartermaster Corps.
Lois Chester Dill, Infantry.
Edward James Maloney, Infantry.
Richard Abram Jones, Infantry.
Nelson Macy Walker, Infantry.
Milton Brandt Goodyear, Infantry.
William Ewart Gladstone Graham, Infantry.
Jesse Ralston Lippincott, Infantry.
Francis Russel Lyons, Corps of Engineers.
William Norman Thomas, Jr., Corps of Engineers.
Lee Sommerville Dillon, Corps of Engineers.
Ralph Millis, Corps of Engineers.
Peter Edward Bermel, Corps of Engineers.
Carl Raymond Shaw, Corps of Engineers.
Theron DeWitt Weaver, Corps of Engineers.
Frederic Franklyn Frech, Corps of Engineers.
John Elliott Wood, Corps of Engineers.
Charles Isidor Bazire, Quartermaster Corps.
James Stewart Clarke, Quartermaster Corps.
Ira J. Wharton, Quartermaster Corps.
Eugene Hiram Sleeper, Quartermaster Corps.
Joseph M. Cole, Coast Artillery Corps.
Thomas Caffin Beck, Infantry.
Edward Augustus Mechling, Quartermaster Corps.
Michael Joseph Gilmore, Quartermaster Corps.
Selim Woodworth Myers, Infantry.
Edward North Chisolm, Jr., Corps of Engineers.
Charles Gilpin Dobbins, Finance Department.
James Sproule, Quartermaster Corps.
Harry Ray Springer, Quartermaster Corps.
James Madison DeWeese, Field Artillery.
Joseph John Schmidt, Infantry.
Arthur Bothwell Proctor, Quartermaster Corps.
John Harris Elson, Infantry.
George Augustine Frazer, Judge Advocate General's Department.
Royden Williamson, Cavalry.
Charles Clement Quigley, Adjutant General's Department.
Reginald Johnston Imperator, Coast Artillery Corps.
Raymond Greenleaf Sherman, Infantry.
Sherman Potter Walker, Infantry.
William Cone Mahoney, Quartermaster Corps.
Alpha Brumage, Field Artillery.
Sherman I. Strong, Quartermaster Corps.
Lee W. Card, Quartermaster Corps.
Leighton E. Worthley, Infantry.
Gilbert Sylvester Woolworth, Judge Advocate General's Department.
Henry Mahoney Denning, Finance Department.
John Albert Shaw, Infantry.
Wesley Wright Price, Quartermaster Corps.
James Paul Lloyd, Infantry.
Thomas Asbuary Harris, Infantry.
Charles Clarke Loughlin, Infantry.
Lawrence Peter Worrall, Finance Department.
Milton Humes Patton, Cavalry.
Brom Ridley Whitthorne, Quartermaster Corps.
Gilbert Rieman, Cavalry.
Wallace Edwin Durst, Quartermaster Corps.
Hiram Edwin Tuttle, Quartermaster Corps.
John Walter Campbell, Infantry.
Samuel Alexander Greenwell, Adjutant General's Department.
Howard Kirkbride Dilts, Infantry.
John William Thompson, Quartermaster Corps.
George Cook Hollingsworth, Infantry.
Thomas Tidball Trapnell, Judge Advocate General's Department.
Charles Otis Ashton, Infantry.
Joel Franklin Watson, Judge Advocate General's Department.
Reyburn Engles, Quartermaster Corps.
John Conrad Hutcheson, Quartermaster Corps.
Austin Triplett, Infantry.
William Downing Wheeler, Air Corps.
David Ransom Wolverton, Quartermaster Corps.
William Eldon Harris, Corps of Engineers.
Gregory Sumner Lavin, Ordnance Department.
Arthur Freeman Bowen, Infantry.
Herbert Horton Lewis, Infantry.
George Ray Ford, Quartermaster Corps.
Newton Harrell Strickland, Ordnance Department.
John Vincent Rowan, Quartermaster Corps.
William Henry Beers, Infantry.
Francis James Fitzpatrick, Corps of Engineers.
Willis Dodge Cronkhite, Infantry.
Raymond Parker Cook, Infantry.
John Alexander Russell, Quartermaster Corps.
Theodore Tyler Barnett, Quartermaster Corps.
William Addison Ray, Field Artillery.
Lloyd Spencer Spooner, Infantry.
Leon Ewart Savage, Field Artillery.
Henry Mills Shoemaker, Cavalry.
Philip William Hardie, Coast Artillery Corps.
Eugene Erwin Morrow, Infantry.
Kinsley Wilcox Slauson, Quartermaster Corps.
Fred Tenderholm Neville, Quartermaster Corps.
Louis Duzzett Farnsworth, Coast Artillery Corps.
Harry Martel Gwynn, Infantry.
Lemuel Paul Crim, Ordnance Department.
John Fulton Reynolds Scott, Judge Advocate General's Department.
Newton Withington Speece, Infantry.
Frank Glenn Potts, Infantry.
Norbert Cecil Manley, Field Artillery.
John Henry Baxter, Infantry.
Ridgway Pancoast Smith, Infantry.
Wallace Earle Hackett, Infantry.
William Lane Tydings, Infantry.
Ernest Klein White, Quartermaster Corps.
Thomas Dorrington Wadelton, Cavalry.
B. Conn Anderson, Field Artillery.
William James Henry, Ordnance Department.
Clyde Deans Parmelee, Field Artillery.
Walter Gregory, Infantry.
Stanley George Backman, Infantry.
Ray Calhoun Montgomery, Field Artillery.
Grattan Herbert McCafferty, Infantry.
William Henry Crosson, Corps of Engineers.
George William West, Quartermaster Corps.
James Edward Morrisette, Judge Advocate General's Department.
Augustus Spencer Harrison, Quartermaster Corps.
William Francis Dalton, Infantry.
Harry Coleman Snyder, Quartermaster Corps.
Franklin B. Less, Quartermaster Corps.
William Robert Buckley, Quartermaster Corps.
Archie Ellsworth Phinney, Infantry.
Paul Daniel Connor, Infantry.
George Byron Norris, Infantry.
Frederic Von Mohl Dyer, Infantry.
John Nettleton Johnson, Jr., Infantry.
Ralph Reynolds Seger, Quartermaster Corps.
Malcolm Robert Cox, Field Artillery.
Arthur James Perry, Finance Department.
Arthur Floyd, Infantry.
Ingomar Marcus Oseth, Infantry.
Taylor Worcester Foreman, Infantry.
William Alexander Cunningham, Infantry.
George Leroy King, Infantry.
Rumsey Campbell, Field Artillery.
Arthur Pierson McGee, Infantry.
Frank Bishop Lammons, Infantry.
Floyd William Ferree, Infantry.
John Rice Eden, Infantry.
Henry Harmeling, Judge Advocate General's Department.
Paul DuPont Strong, Infantry.
Chester Price Haycock, Infantry.

Charles Orval Thrasher, Quartermaster Corps.
Orryl Samuel Robles, Infantry.
Frank M. Moore, Infantry.
Earl Alva Hyde, Field Artillery.
James David Andrews, Jr., Corps of Engineers.
Thomas Arthur Reiner, Infantry.
John Nash, Field Artillery.
Horatio Gano Fairbanks, Corps of Engineers.
Bernard Joseph Finan, Quartermaster Corps.
Caesar Rodney Roberts, Coast Artillery Corps.
William Aloysius Rounds, Judge Advocate General's Department.
William B. Weston, Field Artillery.
Clarie Elwood Hutchin, Infantry.
Delbert Ausmus, Coast Artillery Corps.
Frank Eugene Shaw, Judge Advocate General's Department.
Frank Elijah Linnell, Infantry.
John Summerfield Vincent, Quartermaster Corps.
George Nicholl Randolph, Infantry.
Benjamin Bussey Lattimore, Field Artillery.
Charles Simonton Brice, Judge Advocate General's Department.
Herbert William Schmid, Infantry.
Elliott Vandevanter, Corps of Engineers.
Lloyd Leslie Hamilton, Infantry.
Eustace Maduro Peixotto, Infantry.
Watson Longan McMorris, Coast Artillery Corps.
Arthur Walter Penrose, Infantry.
Julian Hurlburt Gist, Infantry.
Armin Ferdinand Herold, Air Corps.
Joseph Church, Infantry.
Lewis Coleman Gordon, Corps of Engineers.
French Cameron Simpson, Quartermaster Corps.
Clinton Enos Fenters, Infantry.
Robert Trisch Wilkie, Quartermaster Corps.
Hubert Don Hoover, Judge Advocate General's Department.
Theodore Wyman, Jr., Corps of Engineers.
John Russell Fountain, Infantry.
Elmer Royal Block, Field Artillery.
William John Niederpruem, Infantry.
Nels Gustaf Sandelin, Quartermaster Corps.
Elmer Sharpe Van Benschoten, Field Artillery.
Charles Waldemar Seifert, Infantry.
Ralph Pollock, Jr., Quartermaster Corps.
Otto Harwood, Quartermaster Corps.
Eugene Vincent Behan, Infantry.
Carl Christian Andersen, Infantry.
Hubbard Errette Dooley, Infantry.
Herbert Francis Teate, Infantry.
Robert Charles Hunter, Corps of Engineers.
Roye Pannebecker Gerfen, Cavalry.
Thomas Everett May, Infantry.
James Jarlath Kelly, Infantry.
George Harrison Stuts, Field Artillery.
Gordon Cushing Day, Corps of Engineers.
Robert Scott Miller, Infantry.
Harry Briggs Vaughan, Jr., Corps of Engineers.
Frederick William Adams, Infantry.
Ernest August Guillemet, Quartermaster Corps.
John Frank Zajicek, Corps of Engineers.
John Albion Chase, Field Artillery.
Henry Edward Tisdale, Field Artillery.
Walter Gilbert Layman, Infantry.
Paul Gerhardt Rutten, Quartermaster Corps.
Herman Goodwin Halverson, Quartermaster Corps.
William Carrick Braly, Coast Artillery Corps.
James Washington Curtis, Infantry.
Forrest Edward Ambrose, Infantry.
John Hopkins, Infantry.
Thomas Morris Jervey, Ordnance Department.
Howard Farlowe Kent Cahill, Infantry.
Frank Packard Coffin, Infantry.
John Russell Young, Field Artillery.
Earl Newell Hackney, Infantry.
Morris Easton Conable, Coast Artillery Corps.

Jack Wesley Howard, Infantry.
Alston Pringle Rhett, Field Artillery.
John Halpin Burns, Infantry.
Samuel Francis Howard, Infantry.
Asa Herman Skinner, Ordnance Department.
David Mc Dougald Shearer, Corps of Engineers.
Edward Avery Austin, Infantry.
Charles Dayton Carle, Infantry.
Fred Anthony McMahon, Ordnance Department.
Hartwell Newton Williams, Quartermaster Corps.
James Leslie McIlhenny, Field Artillery.
Leslie Rudisill Forney, Infantry.
Thornton Chase, Infantry.
Harry Wright Hill, Corps of Engineers.
Joseph Leo Connolly, Infantry.
Robert Wilkin McBride, Coast Artillery Corps.
Charles Addison Pursley, Air Corps.
Bert S. Wampler, Infantry.
Henry Tureman Allen, Cavalry.
Marvel Harold Parsons, Coast Artillery Corps.
Charles Franklin Johnson, Infantry.
Carl Herbert Odeen, Quartermaster Corps.
Tryon Mason Shepherd, Infantry.
Adam Richmond, Judge Advocate General's Department.
Winfield Orval Shrum, Infantry.
Paul Roy Guthrie, Quartermaster Corps.
Arthur Musser Sheets, Field Artillery.
Ernest Franklin Dukes, Cavalry.
Thomas Willis Jones, Quartermaster Corps.
Senius John Raymond, Quartermaster Corps.
Ira Edgar Ryder, Infantry.
Herbert Randolph Roberts, Infantry.
Neal Willard Richmond, Infantry.
Charles Francis Frost Cooper, Infantry.
Frank Ward, Infantry.
Charles Conrad Brown, Field Artillery.
Harold Edward Potter, Infantry.
Rufus Boylan, Infantry.
Warren Crouse Hurst, Quartermaster Corps.
Charles Clinton Griffin, Infantry.
Willard Lapham Smith, Infantry.
Clarence Charles Fenn, Judge Advocate General's Department.
George Luke Usher, Air Corps.
George H. Cushman, Jr., Field Artillery.
Andrew Thomas Knight, Infantry.
William Lackey Mays, Infantry.
John Patrick Welch, Quartermaster Corps.
Stanley Gifford Blanton, Infantry.
Robert Morris Copeland, Corps of Engineers.
Harold Sidney Johnson, Coast Artillery Corps.
Daniel Bernard Cullinane, Cavalry.
Llewellyn deWaele Tharp, Infantry.
Owen Summers, Infantry.
John Robin Davis Cleland, Adjutant General's Department.
Edward Chambers Betts, Judge Advocate General's Department.
George Randall Wells, Infantry.
Thomas Ernest Campbell, Infantry.
William George Walker, Infantry.
Peyton Winlock, Field Artillery.
George Mortimer Couper, Infantry.
Abraham Max Lawrence, Coast Artillery Corps.
Frank Thornton Addington, Infantry.
Paul Ernest Leiber, Infantry.
William Bernard Lowery, Infantry.
James Francis Strain, Infantry.
Francis Norton Neville, Quartermaster Corps.
Harry Lynn Henkle, Infantry.
Merrifield Graham Martling, Corps of Engineers.
Ralph Brundidge Lovett, Infantry.
Fred Stevens Byerly, Infantry.
Austin Webb Lee, Quartermaster Corps.
Robert Emory Swab, Infantry.
Lewis Andrew Pick, Corps of Engineers.
Oscar Stanley Smith, Infantry.

Joseph Henry Davidson, Air Corps.
John McDowall, Field Artillery.
Walter Cox Rathbone, Infantry.
Harry Watson Bolan, Infantry.
George Bagby Campbell, Judge Advocate General's Department.
Harry Martin Andrews, Quartermaster Corps.
Chauncey McCullough Lyons, Infantry.
Edward Phillip Wadden, Infantry.
Paul Miller Ellman, Corps of Engineers.
John Edward Doyle, Infantry.
Paul Jones Mathis, Air Corps.
George Edward Jacobs, Infantry.
Frank Ellsworth Brokaw, Infantry.
Beverly Allison Shipp, Infantry.
Walter Kendall Wheeler, Jr., Infantry.
Charles Sherwood Gilbert, Infantry.
Eugene Nelson Frakes, Infantry.
Robert Oliver Shoe, Infantry.
Charles Crisp Morgan, Infantry.
Ellis Edward Haring, Corps of Engineers.
Malcolm Everett Craig, Infantry.
Roland Thorpe Fenton, Quartermaster Corps.
Albert Brengle Heisley, Infantry.
Milton Orme Boone, Quartermaster Corps.
Perry Edward Taylor, Cavalry.
Walter Daugherty McCord, Infantry.
Matthew Hall Jones, Quartermaster Corps.
James Esmond Matthews, Infantry.
William Richard Bent, Infantry.
Harry Jefferson Farner, Infantry.
Lawrence Slade, Quartermaster Corps.
Samuel Lynn Dunlop, Infantry.
Joseph Wheeler Starkey, Infantry.
Harrington Willson Cochran, Coast Artillery Corps.
Leo Joseph Dillon, Ordnance Department.
Alberto Eugene Merrill, Cavalry.
John Merle Weir, Judge Advocate General's Department.
Samuel Clifton Cratch, Quartermaster Corps.
Hubert Ward Beyette, Quartermaster Corps.
James Monroe Morris, Infantry.
Elbridge Colby, Infantry.
Herbert Hatchett Blackwell, Coast Artillery Corps.
Richard Adams Knight, Field Artillery.
Roy Victor Rickard, Infantry.
Alfred Volckman Ednie, Infantry.
Lee Vernado Hunnicutt, Infantry.
Charles Jackson Sullivan, Infantry.
Otto Gresham Trunk, Air Corps.
William Russell Frost, Field Artillery.
Earl Le Verne Lyons, Infantry.
Franklin Prague Shaw, Judge Advocate General's Department.
Lawrence Lee Simpson, Quartermaster Corps.
Howard Haines Cloud, Quartermaster Corps.
Louis William Eggers, Infantry.
Charlie Anthony Valverde, Infantry.
Francis Egan, Quartermaster Corps.
Fred Ivan Gilbert, Ordnance Department.
Charles William Mays, Field Artillery.
William Pinckney Bledsoe, Field Artillery.
James Carlisle Patterson, Field Artillery.
John Joseph Nealon, Infantry.
Maurice Vernon Patton, Field Artillery.
Walter Thomas Gorton, Ordnance Department.
Arthur Vanderpool Winton, Coast Artillery Corps.
Alexander Hill Cummings, Infantry.
Blaisdell Cain Kennon, Infantry.
Walter Carroll Ellis, Signal Corps.
Leslie Johnathan Cartwright, Infantry.
Harland Fisher Seeley, Infantry.
Wallace Chace Steiger, Cavalry.
John Huston Church, Infantry.
John Robert Dinsmore, Judge Advocate General's Department.
Frank Leslie Thompson, Field Artillery.
Harold Baxter Crowell, Infantry.
Harold Eugene Eastwood, Cavalry.
Gilbert Taylor Collar, Air Corps.
Chester Carlton Westfall, Infantry.
William Langley Wharton, Infantry.
Henry Herbert Cameron, Cavalry.
William Otis Poindexter, Infantry.
Anthony Power Lagorio, Infantry.
Lamar Weaver, Infantry.
Benjamin Franklin Giles, Air Corps.
Ernest Clifton Adkins, Infantry.
Lee Huber, Infantry.
Alexander Leggitt Morris, Infantry.
Arthur Hurd Lee, Field Artillery.
Keith Kenneth Jones, Field Artillery.
Thomas Green Poland, Infantry.
Gaspar Ray Crim, Infantry.
Robert Henry Crosby, Field Artillery.
Thomas Deweese Davis, Infantry.
John Liggat Tunstall, Finance Department.
George Lyman Prindle, Infantry.
Leslie Walter Brown, Infantry.
Tobin Cornelius Rote, Infantry.
Owen Meredith Marshburn, Field Artillery.
Reading Wilkinson, Corps of Engineers.
Nicholas Hamner Cobbs, Finance Department.
William Allen Hale, Infantry.
Pierre Mallett, Field Artillery.
David Eugene Barnett, Infantry.
Earle Albie Johnson, Infantry.
Edgar Harland Keltner, Infantry.
Jesse Andrew Rogers, Jr., Ordnance Department.
Furman Walker Hardee, Infantry.
Ben Haw Lowry, Quartermaster Corps.
Charles Peter Lynch, Infantry.
Edward Crews Black, Air Corps.
William Burbridge Yancey, Infantry.
Raymond Leroy Shoemaker, Infantry.
Shirley Wiggins McIlwain, Quartermaster Corps.
John Phillip Scott, Cavalry.
Charles August Hoss, Quartermaster Corps.
Andrew Christian Tychsen, Infantry.
George James Burns Fisher, Chemical Warfare Service.
Laurence Mickel, Infantry.
Robert John Wallace, Infantry.
John Swan Moore, Infantry.
Henry Earl Minton, Ordnance Department.
Lovic Pierce Hodnette, Infantry.
Arthur S. Champeny, Infantry.
John Hamilton Cochran, Infantry.
Lloyd William Goeppert, Coast Artillery Corps.
William Michener, Field Artillery.
Don Norris Holmes, Infantry.
Letcher Ogle Grice, Quartermaster Corps.
Alexander Jesse MacNab, Infantry.
Walter Hibbard, Infantry.
Ralph Leroy Ware, Infantry.
Chauncey Aubrey Bennett, Field Artillery.
Brisbane Hanks Brown, Infantry.
Charles Andrew Robinson, Infantry.
John Peter Neu, Quartermaster Corps.
Joe Shurlock Underwood, Quartermaster Corps.
Henry William Robinson, Infantry.
Clarence John Blake, Quartermaster Corps.
Harry Dennis Furey, Infantry.
Charles Henry Wilson, Infantry.
Richard Mathews Sandusky, Infantry.
Ernest Francis Boruski, Infantry.
Harold Mays Tague, Infantry.
John Walker Henson, Infantry.
Eugene Arthur Regnier, Cavalry.
William Grove Murphy, Infantry.
Joseph James Canella, Infantry.
Walter Alexander Wood, Jr., Corps of Engineers.
Charles McKinley Kemp, Infantry.
Raymond Cecil Hamilton, Infantry.
Charles Herbert Karlstad, Infantry.
Jasper Morris Groves, Infantry.

Norris Adron Wimberley, Infantry.
Orlen Nelson Thompson, Infantry.
Curtis Loyd Stafford, Cavalry.
Joseph Aloysius St. Louis, Infantry.
Joseph Saddler Dougherty, Infantry.
Clarence Ronald Peck, Infantry.
Clarence Harvey Bragg, Infantry.
Paul Rutherford Knight, Infantry.
DeWitt Clinton Smith, Jr., Infantry.

To be captains

Augustine Francis Shea, Air Corps.
Carlisle Visscher Allan, Infantry.
Marion Patton Echols, Field Artillery.
Francis Otis Wood, Field Artillery.
Hobart Hewett, Coast Artillery Corps.
Waldemar Sven Broberg, Ordnance Department.
James Holden Phillips, Cavalry.
Frederick Weed Drury, Cavalry.
Leander Dunbar Syme, Infantry.
Ellis Vern Williamson, Field Artillery.
Leroy Clark Wilson, Infantry.
Nathaniel Alanson Burnell, 2d, Coast Artillery.
John Bartlett Murphy, Field Artillery.
James Lowe Harbaugh, Jr., Coast Artillery Corps.
Virgil Farrar Shaw, Cavalry.
Michael Gibson Smith, Field Artillery.
Syril Emerson Faine, Infantry.
Arthur Maxon Parsons, Infantry.
Harry Welling Barrick, Infantry.
Howard Rand Perry, Jr., Infantry.
Edward Hamilton Young, Infantry.
Nathan Arthur Smith, Infantry.
Gerald St. Claire Mickle, Infantry.
Benjamin Randolph Farrar, Infantry.
Henry Ellis Sanderson, Field Artillery.
Hugh French Thomason Hoffman, Cavalry.
Walter Scott Winn, Jr., Infantry.
Willard Gordon Wyman, Cavalry.
John Leonard Whitelaw, Infantry.
Edward Henry Bowes, Infantry.
Edwin Malcolm Sutherland, Infantry.
Joseph Andrew Holly, Infantry.
William Douglas McNair, Field Artillery.
Charles Forrest Wilson, Coast Artillery Corps.
Robert Francis Carter, Quartermaster Corps.
Hugh Garnett Elliott, Field Artillery.
Nathan Farragut Twining, Air Corps.
William John Crowe, Ordnance Department.
L. Hoyt Rockafellow, Infantry.
Percy Emery Hunt, Infantry.
Roland William McNamee, Infantry.
John Carpenter Raaen, Ordnance Department.
Winfred George Skelton, Infantry.
Lambert Benel Cain, Infantry.
Edmund Bower Sebree, Infantry.
Merritt Brandon Booth, Infantry.
Raymond Clegg Barlow, Infantry.
Frank Greene Davis, Infantry.
Emmett James Bean, Infantry.
Donald Allen Fay, Infantry.
Charles Henry Noble, Cavalry.
Walter Towle O'Reilly, Field Artillery.
Kenneth Pierce, Infantry.
Charles Henry Bryan, Cavalry.
John Howell Collier, Cavalry.
Dean Luce, Coast Artillery Corps.
George Gordon Elms, Cavalry.
John Dimmick Armstrong, Infantry.
Ralph Francis Stearley, Air Corps.
Donald Handley Nelson, Cavalry.
Edward Ora Hopkins, Field Artillery.
James Verne Cole, Infantry.
Clarence Archibald Frank, Finance Department.
Frederick Bradstreet Dodge, Jr., Coast Artillery Corps.
Clarkson Deweese McNary, Infantry.
Bernard Abert Byrne, Jr., Infantry.
Warren Wilson Christian, Infantry.
Robert Barrett Hutchins, Infantry.
Joseph William Kullman, Infantry.
George Dewey Rogers, Ordnance Department.
Robert Jones Merrick, Cavalry.
William Henry John Dunham, Coast Artillery Corps.
Irvin Alexander, Infantry.
John Harvey Madison, Coast Artillery Corps.
George Edward Bruner, Infantry.
Thomas Llewellyn Waters, Coast Artillery Corps.
Urban Niblo, Ordnance Department.
Kenneth Sharp Olson, Infantry.
William Leighton McEnery, Signal Corps.
Robert Montgomery Springer, Infantry.
Russell John Nelson, Infantry.
Charles Maine Wolff, Coast Artillery Corps.
Simon Foss, Infantry.
Edward Melvin Starr, Infantry.
Joseph Sladen Bradley, Infantry.
Arthur Launcelot Moore, Infantry.
Robert William Crichlow, Jr., Coast Artillery Corps.
Martin Anthony Fennell, Cavalry.
Ralph Harris Bassett, Ordnance Department.
Harold Allen Brown, Infantry.
Albert Sidney Johnston Stovall, Jr., Cavalry.
Donald Carson Hardin, Infantry.
Wayne Clifton Zimmerman, Infantry.
John Thomas Keeley, Infantry.
Joseph Conrad Odell, Infantry.
Josiah Toney Dalbey, Infantry.
Logan Osburn Shutt, Coast Artillery Corps.
Hilton Edward Heineke, Infantry.
Galen Magnus Taylor, Ordnance Department.
Daniel Philip Buckland, Cavalry.
Philip McIlvaine Whitney, Infantry.
John Morris Works, Field Artillery.
Christian Hildebrand, Infantry.
Joseph Holleman Warren, Infantry.
Edgar Mortimer Gregory, Coast Artillery Corps.
John David Frederick, Infantry.
Richard Ray Coursey, Infantry.
Thomas Gordon Cranford, Jr., Coast Artillery Corps.
William Robert McMaster, Infantry.
Joseph Alfred Cranston, Jr., Infantry.
Horace Speed, Jr., Coast Artillery Corps.
Fred William Makinney, Cavalry.
William Benjamin Kean, Jr., Infantry.
Harold Robert Emery, Infantry.
David Sanderson McLean, Infantry.
William Joseph Moroney, Infantry.
Russell Lowell Williamson, Air Corps.
Howard Dohla Johnston, Infantry.
Franklin Leroy Rash, Infantry.
Edgar Harvey Snodgrass, Infantry.
Claude Birkett Ferenbaugh, Infantry.
Adna Chaffee Hamilton, Infantry.
Harold Stuart Ruth, Infantry.
Sterling Eugene Whitesides, Jr., Chemical Warfare Service.
Lewis Stone Sorley, Jr., Infantry.
Albert Coady Wedemeyer, Infantry.
David Best Latimer, Coast Artillery Corps.
Roswell Boyle Hart, Field Artillery.
Halvor Hegland Myrah, Coast Artillery Corps.
Frederick Brenton Porter, Field Artillery.
Bryan Sewall Halter, Infantry.
Charles Hardy Hart, Jr., Infantry.
Adolphus Rankin McConnell, Air Corps.
George DeVere Barnes, Quartermaster Corps.
Paul Robert Menzies Miller, Field Artillery.
Albert Smith Rice, Ordnance Department.
Charles Leslie Keerans, Jr., Infantry.
Kenneth Newton Walker, Air Corps.
Stanley Hunsicker Hunsicker, Quartermaster Corps.
Neal Henry McKay, Quartermaster Corps.
Oscar Leslie Rogers, Air Corps.
Roger Frederic O'Leary, Quartermaster Corps.

Samuel Perham Mills, Air Corps.
Edgar Theodore Selzer, Air Corps.
Albert Joseph Lubbe, Signal Corps.
John Bicknell Luscombe, Quartermaster Corps.
Charles Harold Howard, Air Corps.
Edward Alton Hillery, Air Corps.
Hugh Sydney Harpole, Quartermaster Corps.
Homer William Jones, Quartermaster Corps.
Everett Sanford Davis, Air Corps.
Frank Egerton Powell, Quartermaster Corps.
Donald Reuben Goodrich, Air Corps.
Francis Hill Kuhn, Quartermaster Corps.
John Daniel O'Connell, Quartermaster Corps.
Harold Brand, Air Corps.
Edward Watson Kelley, Infantry.
Claud Thomas Gunn, Finance Department.
Herbert Benjamin Wilcox, Infantry.
Robert Milton Eichelsdoerfer, Cavalry.
Otto Max Jank, Ordnance Department.
Paul Americus Harris, Coast Artillery Corps.
Jefferson Cleveland Campbell, Field Artillery.
Hugh Franklin Conrey, Field Artillery.
Edwin Clark Maling, Chemical Warfare Service.
Richard Head Trippe, Finance Department.
O. D. Wells, Infantry.
Frank Celestine Meade, Signal Corps.
Paul Wallace Cole, Coast Artillery Corps.
Charles Speir Lawrence, Quartermaster Corps.
John Corwin Shaw, Infantry.
Clarence Matthew Tomlinson, Infantry.
Eugene Reedy Guild, Coast Artillery Corps.
Julian Buckner Haddon, Air Corps.
Claude Delorum Collins, Infantry.
William Eldridge Moore, Quartermaster Corps.
Clem Oliver Gunn, Coast Artillery Corps.
Wilbur Russell Ellis, Coast Artillery Corps.
Donald Weldon Brann, Infantry.
George Bernhard Anderson, Coast Artillery Corps.
Walter John Wolfe, Coast Artillery Corps.
Roswell Emory Round, Infantry.
Lester Frank Watson, Quartermaster Corps.
William Edwin Vecqueray, Quartermaster Corps.
Haynie McCormick, Air Corps.
Albert Theodore Wilson, Infantry.
Cornelius Emmett O'Connor, Air Corps.
Hartwell Matthew Elder, Quartermaster Corps.
Park Holland, Air Corps.
John Gross, Field Artillery.
Thomas Russell Howard, Infantry.
Samuel James Adams, Finance Department.
Albert Gillian Kelly, Infantry.
Wayne McVeigh Pickels, Quartermaster Corps.
Owen Russell Marriott, Field Artillery.
Frank Joseph Vida, Infantry.
Harold Patrick Henry, Infantry.
Fred Pierce Van Duzee, Infantry.
Burns Beall, Infantry.
John Bartlett Hess, Infantry.
Allen Francis Haynes, Infantry.
Harold Gaslin Sydenham, Infantry.
George Windle Read, Jr., Cavalry.
Francis Hudson Oxx, Corps of Engineers.
Thomas Henry Stanley, Corps of Engineers.
Donald Greeley White, Corps of Engineers.
William Weston Bessell, Jr., Corps of Engineers.
Charles George Holle, Corps of Engineers.
Arthur Martin Andrews, Corps of Engineers.
Edward Crosby Harwood, Corps of Engineers.
John Wylie Moreland, Corps of Engineers.
Wayne Stewart Moore, Corps of Engineers.
Henry Franklin Hannis, Corps of Engineers.
Edward Albert Routheau, Field Artillery.
Godfrey Douglas Adamson, Field Artillery.
Wilson Burnett Higgins, Corps of Engineers.
Frederic Lord Hayden, Coast Artillery Corps.
Warren Cressman Rutter, Coast Artillery Corps.
Harold Frank Handy, Field Artillery.
Richard Clare Partridge, Field Artillery.
Edward John McGaw, Field Artillery.
Harold Thomas Miller, Corps of Engineers.
Tyree Rivers Horn, Signal Corps.
Joseph Leo Langevin, Field Artillery.
William Hardy Hill, Field Artillery.
Louis Jacob Claterbos, Corps of Engineers.
Auguste Rhu Taylor, Field Artillery.
James Kenneth Mitchell, Cavalry.
Frank Andrew Henning, Field Artillery.
Ewart Gladstone Plank, Corps of Engineers.
James Malcolm Lewis, Field Artillery.
Bernard Linn Robinson, Corps of Engineers.
John Robert Culleton, Field Artillery.
James Goodrich Renno, Coast Artillery Corps.
Charles Steinhart Whitmore, Field Artillery.
James Hobson Stratton, Corps of Engineers.
Lee Armstead Denson, Jr., Coast Artillery Corps.
Lawrence Granger Smith, Cavalry.
Edward Haviland Lastayo, Field Artillery.
George DeGraaf, Field Artillery.
Lathrop Ray Bullene, Coast Artillery Corps.
James Alexander Samouce, Field Artillery.
William Wallace Ford, Field Artillery.
George Dewey Vanture, Field Artillery.
Harry Earl Fisher, Corps of Engineers.
Donald Sylvester Burns, Corps of Engineers.
Donald James Leehey, Corps of Engineers.
Carl Edwin Berg, Field Artillery.
Joseph Eugene Harriman, Coast Artillery Corps.
George Joseph Loupret, Coast Artillery Corps.
Thomas Arnett Roberts, Jr., Field Artillery.
Verne Donald Mudge, Cavalry.
John Loren Goff, Coast Artillery Corps.
Francis Henry Morse, Field Artillery.
Edward Macon Edmonson, Field Artillery.
William Gordon Holder, Coast Artillery Corps.
Halstead Clotworthy Fowler, Field Artillery.
Lyman Louis Lemnitzer, Coast Artillery Corps.
Leslie Burgess Downing, Field Artillery.
William Ignatius Brady, Coast Artillery Corps.
Eugene Martin Link, Field Artillery.
John States Seybold, Corps of Engineers.
William Harry Bartlett, Field Artillery.
Donald Breen Herron, Coast Artillery Corps.
Edward Clinton Gillette, Jr., Field Artillery.
Russell Owen Smith, Field Artillery.
Rex Van Den Corput, Jr., Signal Corps.
Homer Watson Kiefer, Field Artillery.
James Myron McMillin, Chemical Warfare Service.
Joseph Harris, Finance Department.
John George Howard, Field Artillery.
Robert Hugh Kreuter, Coast Artillery Corps.
Laurence Wood Bartlett, Coast Artillery Corps.
Donald Frank Stace, Air Corps.
Reynolds Johnston Burt, Jr., Corps of Engineers.
John Dickerson Mitchell, Coast Artillery Corps.
Clarence Henry Schabacker, Coast Artillery Corps.
Fred Lebbeus Hamilton, Quartermaster Corps.
John Francis Cassidy, Coast Artillery Corps.
John Foxhall Sturman, Jr., Field Artillery.
Joseph Jacob Billo, Infantry.
Clarence Clemens Clendenen, Cavalry.
William Carleton McFadden, Coast Artillery Corps.
Eugene Collum Johnston, Cavalry.
James Hess Walker, Cavalry.
Claude Eugene Haswell, Infantry.
Lyman Lincoln Judge, Cavalry.
Frank Needham Roberts, Infantry.
Francis Henry Lanahan, Jr., Signal Corps.
Lawrence Edward Schick, Cavalry.
Courtney Parker Young, Coast Artillery Corps.
Henry Chester Hine, Jr., Cavalry.
John Donald Robertson, Coast Artillery Corps.
William Price Withers, Cavalry.
Frederick Robert Pitts, Cavalry.
Sherman Vitus Hasbrouck, Field Artillery.

Arthur Kenley Hammond, Cavalry.
Crump Garvin, Infantry.
Hamilton Peyton Ellis, Coast Artillery Corps.
Thomas Dresser White, Air Corps.
Frederick Mixon Harris, Infantry.
Dwight Acker Rosebaum, Infantry.
Kenneth Gilpin Hoge, Cavalry.
Richard Candler Singer, Field Artillery.
Aladin James Hart, Cavalry.
Robert Edwards, Cavalry.
William Richter Tomey, Infantry.
Joseph Honore Rousseau, Jr., Coast Artillery Corps.
Lawrence Joseph Carr, Air Corps.
Maurice Wiley Daniel, Field Artillery.
Alexander Hamilton Perwein, Infantry.
Clovis Ethelbert Byers, Cavalry.
Oscar Raymond Johnston, Infantry.
George Andrew Rehm, Cavalry.
Edward Carl Engelhart, Coast Artillery Corps.
Charles Whitney West, Coast Artillery Corps.
Park Brown Herrick, Field Artillery.
Herbert Carl Reuter, Coast Artillery Corps.
Helmer William Lystad, Infantry.
Harold Edward Smyser, Infantry.
Esher Claflin Burkart, Field Artillery.
Thomas Eginton Whitehead, Quartermaster Corps.
Alexander George, Cavalry.
Charles Kenon Gailey, Jr., Infantry.
Francis William Farrell, Field Artillery.
Wilmer Brinton Merritt, Coast Artillery Corps.
Harry Clark Wisehart, Air Corps.
Charles Merton Adams, Jr., Infantry.
John Ferral McBlain, Air Corps.
Richard Meade Costigan, Field Artillery.
Gustave Harold Vogel, Quartermaster Corps.
Basil Girard Thayer, Cavalry.
Edward Joseph Sullivan, Chemical Warfare Service.
James Perrine Barney, Jr., Field Artillery.
Wilbur Sturtevant Nye, Field Artillery.
Charles Harlan Swartz, Field Artillery.
Leland Stuart Smith, Coast Artillery Corps.
Carl Frederick Duffner, Infantry.
Millard Pierson, Field Artillery.
Harlan Thurston McCormick, Air Corps.
Ray Olander Welch, Infantry.
John Lamont Davidson, Air Corps.
Julian Erskine Raymond, Infantry.
George Honnen, Infantry.
Charles Porter Amazeen, Cavalry.
Edward Thomas Williams, Field Artillery.
Frank Thweatt Searcy, Infantry.
George William Bailey, Jr., Cavalry.
Alan Lockhart Fulton, Cavalry.
Terence John Tully, Signal Corps.
William Earl Crist, Infantry.
Claude Monroe McQuarrie, Infantry.
William Lemuel Mitchell, Infantry.
Escalus Emmert Elliott, Coast Artillery Corps.
Milton Cogswell Shattuck, Infantry.
Joseph Vincent de Paul Dillon, Coast Artillery Corps.
Hayden Adriance Sears, Cavalry.
John Thomas Lynch, Quartermaster Corps.
John Black Reybold, Cavalry.
William Dickey Long, Infantry.
Henry Irving Hodes, Cavalry.
William Joel Tudor Yancey, Infantry.
Leon Eugene Lichtenwalter, Infantry.
Sidney Rae Hinds, Infantry.
Halley Grey Maddox, Cavalry.
John English Nelson, Infantry.
Harold Todd Turnbull, Coast Artillery Corps.
Hugo Peoples Rush, Air Corps.
John William Wofford, Cavalry.
Wray Bertrand Avera, Field Artillery.
Charles Fox Ivins, Infantry.
Walter Daniel Buie, Infantry.
John Taylor Ward, Cavalry.
John Elmer Reierson, Coast Artillery Corps.
Henry Jackson Hunt, Jr., Infantry.
George Huston Bare, Infantry.
Morris Haslett Marcus, Cavalry.
Frank Zea Pirkey, Corps of Engineers.
Karl William Hisgen, Field Artillery.
James Harry Marsh, Infantry.
Francis Warren Crary, Field Artillery.
John Baylis Cooley, Cavalry.
Selby Francis Little, Field Artillery.
Milo Glen Cary, Coast Artillery Corps.
Harold Joseph Conway, Ordnance Department.
Gustin MacAllister Nelson, Infantry.
Frank Joseph Spettel, Infantry.
Burwell Baylor Wilkes, Jr., Infantry.
John Barry Peirce, Infantry.
James Raymond Goodall, Coast Artillery Corps.
John Kenneth Sells, Cavalry.
Douglas Cameron, Cavalry.
Arthur Jennings Grimes, Infantry.
Walter Duval Webb, Jr., Field Artillery.
Ernest Starkey Moon, Air Corps.
Harry Craven Dayton, Field Artillery.
Chester Arthur Carlsten, Infantry.
Joseph Myles Williams, Cavalry.
Harold Arthur Doherty, Field Artillery.
Lewis Eugene Snell, Field Artillery.
Arnold Hoyer Rich, Air Corps.
Charles Dawson McAllister, Air Corps.
Vincent Joseph Tanzola, Infantry.
Edwin Albert Banning, Field Artillery.
Frederic de Lannoy Comfort, Cavalry.
Henry Laurance Ingham, Field Artillery.
Percy Earle LeStourgeon, Infantry.
Caryl Rawson Hazeltine, Infantry.
Irvin Albert Robinson, Infantry.
Michael Henry Zwicker, Coast Artillery Corps.
James Thorburn Cumberpatch, Air Corps.
Leon Valentine Chaplin, Field Artillery.
Daniel Webster Kent, Infantry.
Harry Lynch, Signal Corps.
George Marion Davis, Infantry.
Fay Warren Lee, Field Artillery.
Charles Emmett Cheever, Quartermaster Corps.
Harry Meyer, Corps of Engineers.
Peter Anthony Feringa, Corps of Engineers.
Edward Barber, Coast Artillery Corps.
Edward Hall Walter, Corps of Engineers.
David Albert Morris, Corps of Engineers.
Richardson Selee, Corps of Engineers.
Don Waters Mayhue, Air Corps.
Charles Harold Crim, Coast Artillery Corps.
John Harry, Coast Artillery Corps.
Harold Oakes Bixby, Signal Corps.
George Randall Scithers, Field Artillery.
John Henry Featherston, Coast Artillery Corps.
Charles Andrews Jones, Jr., Quartermaster Corps.
Hubert Stauffer Miller, Corps of Engineers.
Edward Harold Coe, Corps of Engineers.
Allan Eugene Smith, Field Artillery.
Daniel Burnett Knight, Infantry.
Paul MacKeen Martin, Cavalry.
Creswell Garrettson Blakeney, Field Artillery.
Louis Jeter Tatom, Signal Corps.
Louis Watkins Prentiss, Corps of Engineers.
William Edmund Waters, Field Artillery.
Joseph Kennard Bush, Infantry.
Orlando Clarendon Mood, Infantry.
Bert Nathan Bryan, Infantry.
Harvie Rogers Matthews, Infantry.
Louis Beman Rapp, Cavalry.
Edwards Matthews Quigley, Field Artillery.
James Breakenridge Clearwater, Field Artillery.
Joseph Warren Huntress, Jr., Quartermaster Corps.
Luther Daniel Wallis, Infantry.

Wesley Tate Guest, Signal Corps.
Duncan Philip Frissell, Infantry.
Henry Hammond Duval, Coast Artillery Corps.
John William Dwyer, Coast Artillery Corps.
Alfred Vepsala, Field Artillery.
Edmund Clarence Langmead, Air Corps.
Carroll Heiney Deitrick, Ordnance Department.
Burton Larrabee Pearce, Field Artillery.
Lee W. Haney, Infantry.
David William Goodrich, Air Corps.
Franklin Mitchell, Ordnance Department.
Wallace Ellsworth Niles, Ordnance Department.
Lewis Edward Weston Lepper, Quartermaster Corps.
Edward Harris Barr, Field Artillery.
James Roscoe Hamilton, Infantry.
Joe Robert Sherr, Signal Corps.
Henry Chester Jones, Infantry.
Louis Leopold Lesser, Field Artillery.
Walter Francis Jennings, Cavalry.
Edward Cuyler Applegate, Infantry.
Henry Louis Love, Field Artillery.
Cranford Coleman Bryan Warden, Infantry.
William Dawes Williams, Field Artillery.
William Thomas Semmes Roberts, Infantry.
McDonald Donegan Weinert, Corps of Engineers.
John Walker Childs, Infantry.
Wilbert Engdahl Shallene, Field Artillery.
Wilmar Weston Dewitt, Infantry.
James Milliken Bevans, Air Corps.
Floyd Raymond Brisack, Field Artillery.
Clarence Everett Jackson, Infantry.
Edward Joseph Walsh, Infantry.
Haydn Purcell Roberts, Signal Corps.
Alan Sydney Rush, Infantry.
Clifford Cleophas Duell, Field Artillery.
William Orville Collins, Infantry.
William Larwill Carr, Field Artillery.
Russell George Duff, Field Artillery.
Ross Clyde Brackney, Infantry.
Roy Prewett Huff, Field Artillery.
Lawrence August Dietz, Infantry.
Paul Hanes Kemmer, Air Corps.
Richard Sears, Field Artillery.
John James Baker, Infantry.
George Louis Boyle, Infantry.
Robert Brice Johnston, Quartermaster Corps.
Paul Ainsworth Berkey, Field Artillery.
Robert Clyde Padley, Quartermaster Corps.
Dana Gray McBride, Cavalry.
Donald Boyer Phillips, Air Corps.
William Wallace Robertson, Infantry.
William Peyton Campbell, Finance Department.
Harry Starkey Aldrich, Coast Artillery Corps.
Hugh Perry Adams, Field Artillery.
Cecil Elmore Archer, Air Corps.
Thomas Edward Moore, Field Artillery.
Robert DuVal Waring, Field Artillery.
Stephen Yates McGiffert, Field Artillery.
John Otis Hyatt, Infantry.
Louis Meline Merrick, Air Corps.
Lee Roy Woods, Jr., Field Artillery.
Rox Hunter Donaldson, Field Artillery.
Dudley Warren Watkins, Air Corps.
Arthur Nathaniel Willis, Cavalry.
Lyman Perley Whitten, Air Corps.
Ray Henry Clark, Air Corps.
Homer Wilbur Ferguson, Air Corps.
James Richmond Simpson, Infantry.
Philip Schwartz, Ordnance Department.
Richard Brown Thornton, Quartermaster Corps.
Charles Nicholas Senn Ballou, Infantry.
Samuel Rubin, Coast Artillery Corps.
Donald Wallace Norwood, Air Corps.
Walden Sharp Lewis, Infantry.
Andrew Julius Evans, Infantry.
Paul Corson Howe, Coast Artillery Corps.
Donald McKechnie Ashton, Infantry.
Edward Alfred Mueller, Infantry.
Robert William Calvert Wimsatt, Air Corps.
Clayton Huddle Studebaker, Field Artillery.
Albert James Wick, Coast Artillery Corps.
Raymond Taylor Tompkins, Field Artillery.
George Alfred Arnold Jones, Field Artillery.
George Evans Burritt, Field Artillery.
William Madison Mack, Signal Corps.
Robert Crane Hendley, Field Artillery.
Walter Jesse Klepinger, Field Artillery.
Grady David Epps, Infantry.
Frank Charles McConnell, Coast Artillery Corps.
Dale Phillip Mason, Signal Corps.
Donald Fowler Fritch, Air Corps.
James Madison Callicutt, Field Artillery.
Reginald Pond Lyman, Signal Corps.
John Sharpe Griffith, Air Corps.
George Work Marvin, Corps of Engineers.
Charles Joseph Barrett, Jr., Field Artillery.
Maxwell Davenport Taylor, Field Artillery.
Henry James Woodbury, Corps of Engineers.
Louis Jacob Rumaggi, Corps of Engineers.
Edmund Clayton Lynch, Air Corps.
Francis Jennings Wilson, Corps of Engineers.
Alfred August Kessler, Jr., Air Corps.
Paschal Neilson Strong, Jr., Corps of Engineers.
Cortlandt Van Rensselaer Schuyler, Coast Artillery Corps.
Lawrence Coy Leonard, Ordnance Department.
Mervin Eugene Gross, Air Corps.
Robert Wayne Raynsford, Signal Corps.
LeRoy Judson Stewart, Field Artillery.
Edward Shelley Gibson, Infantry.
John Francis Uncles, Field Artillery.
Giles Richard Carpenter, Field Artillery.
David James Crawford, Ordnance Department.
William Field Sadtler, Ordnance Department.
Earl Foster Thompson, Cavalry.
Charles Newsom Branham, Coast Artillery Corps.
Francis Borgia Kane, Coast Artillery Corps.
William Stevens Lawton, Coast Artillery Corps.
Albert Svihra, Field Artillery.
Granger Anderson, Coast Artillery Corps.
Alfred Eugene Kastner, Field Artillery.
Edwin Paul Crandell, Cavalry.
Mark McClure, Field Artillery.
Benjamin Wiley Chidlaw, Air Corps.
Myron Leedy, Ordnance Department.
Alba Carlton Spalding, Coast Artillery Corps.
Robert Landon Taylor, Field Artillery.
Stephen Cecil Lombard, Field Artillery.
Fred James Woods, Coast Artillery Corps.
Kenneth Francis Pughe, Infantry.
Robert Smith McClenaghan, Field Artillery.
Francis Xavier Mulvihill, Infantry.
Charles Hancock Reed, Cavalry.
Walter Russell Hensey, Jr., Field Artillery.
Orval Ray Cook, Air Corps.
Perry McCoy Smith, Coast Artillery Corps.
James Wrathall Spry, Air Corps.
Gordon Sherman Armes, Cavalry.
Frederick William Hein, Infantry.
Charles Rufus Smith, Infantry.
Harold Alfred Meyer, Infantry.
Robert Earle Blair, Infantry.
Harold Thomas Molloy, Field Artillery.
James Dunne O'Connell, Signal Corps.
Gilman Clifford Mudgett, Cavalry.
Numa Augustin Watson, Infantry.
Wesley Woodworth Yale, Cavalry.
Robert Wilkins Douglass, Jr., Air Corps.
Oscar Louis Beal, Air Corps.
Oliver Wendell Hughes, Infantry.
Robert Vincent Murphy, Infantry.
Melville Fuller Grant, Infantry.
James Edward Rees, Infantry.
James Robinson Pierce, Infantry.
Lemuel Mathewson, Field Artillery.

George Harold Carmouche, Infantry.
Thomas Varon Webb, Infantry.
George Edward Mitchell Jr., Field Artillery.
William Henry Schildroth, Infantry.
George Arthur Taylor, Infantry.
Alfred Lawrence Price, Field Artillery.
Frank Llewellyn Beadle, Corps of Engineers.
Gilbert Hayden, Signal Corps.
Francis Eugene Cothran, Corps of Engineers.
Thomas Herbert Maddocks, Signal Corps.
David Marion Fowler, Infantry.
Edward Arthur Kleinman, Coast Artillery Corps.
Blackshear Morrison Bryan, Jr., Field Artillery.
John Lawson Ballantyne, Cavalry.
Hilbert Milton Wittkop, Air Corps.
Donald Quitman Harris, Field Artillery.
John Percy Kennedy, Jr., Field Artillery.
Townsend Griffiss, Air Corps.
William Andrew Wedemeyer, Field Artillery.
Edwin Carlo Greiner, Cavalry.
Oliver Perry Newman, Infantry.
Ronald Gorrie MacDonald, Infantry.
John Hughes Stodter, Cavalry.
Thomas Edward Lewis, Field Artillery.
Stewart Tiffany Vincent, Infantry.
Paul Henry Mahoney, Infantry.
James Clyde Fry, Infantry.
Austin Folger Gilmartin, Infantry.
Elbert Kelly, Quartermaster Corps.
James Harrison Dickie, Finance Department.
Charles Llewellyn Gorman, Quartermaster Corps.
Joseph Perry Catte, Infantry.
Albert Carroll Morgan, Infantry.
John LaValle Graves, Field Artillery.
Herbert William Kruger, Field Artillery.
William Earl Watters, Field Artillery.
Lee Henry Dawson, Air Corps.
Milton John Smith, Air Corps.
Carl Budd Wahle, Coast Artillery Corps.
Leonard Loyd Hilliard, Infantry.
Lester Vocke, Field Artillery.
James Fish, 3d, Infantry.
John Leon Dicks, Infantry.
Lester Mavity Rouch, Field Artillery.
Herman William Fairbrother, Infantry.
Thomas Edward Meyer, Field Artillery.
Thomas Jefferson Randolph, Cavalry.
Harry Edwin Magnuson, Coast Artillery Corps.
LaRoy Sanders Graham, Infantry.
Francis Lavelle Ready, Cavalry.
David Hottenstein, Coast Artillery Corps.
Ray Brooks Floyd, Infantry.
Ray Eugene Marshall, Infantry.
Harland Fremont Burgess, Infantry.
Karl Clifford Frank, Coast Artillery Corps.
Clyde Anderson, Burcham, Cavalry.
Randall James Hogan, Ordnance Department.
Robert Nicholas Young, Infantry.
James Frederick Phillips, Air Corps.
Douglas Valentine Johnson, Field Artillery.
Frederick Williams Watrous, Field Artillery.
Charles Elford Smith, Infantry.
Raymond Edward Culbertson, Air Corps.
Maynard Harper Carter, Infantry.
LeGrande Albert Diller, Infantry.
Robert Parker Hollis, Field Artillery.
Isaac Davis White, Cavalry.
Louis Edward Roemer, Infantry.
Max Hosmer Gooler, Infantry.
Joseph Howard Harper, Infantry.
Newton Farragut McCurdey, Cavalry.
John Julius Dubbelde, Jr., Infantry.
Joe Ford Simmons, Coast Artillery Corps.
Clarence Turner Hulett, Infantry.
Daniel Powell Poteet, Field Artillery.
Ord Gariche Chrisman, Infantry.
Gerson Kirkland Heiss, Ordnance Department.
Ransom George Amlong, Quartermaster Corps.
Paul Lawrence Martin, Field Artillery.
Walter Howard DeLange, Field Artillery.
Robert Kelsey Haskell, Field Artillery.
Ralph Adel Snavely, Air Corps.
Claude Armenius Thorp, Cavalry.
Rowland Reid Street, Infantry.
John Marquiss Whistler, Field Artillery.
James Howard Leusley, Field Artillery.
Aloysius Eugene O'Flaherty, Jr., Infantry.
Robert Boyd Williams, Air Corps.
Glenn Hunter Palmer, Signal Corps.
Royal Bertrand Lord, Corps of Engineers.
Kenner Fisher Hertford, Corps of Engineers.
Steven Livesay Conner, Ordnance Department.
Miles Reber, Corps of Engineers.
Charles West Stewart, Jr., Corps of Engineers.
William Francis Merwin Longwell, Corps of Engineers.
John Rutherford Noyes, Corps of Engineers.
Lyle Rosenberg, Corps of Engineers.
William Randolph Winslow, Corps of Engineers.
William Newton Leaf, Corps of Engineers.
David Morris Dunne, Jr., Corps of Engineers.
Frank McAdams Albrecht, Corps of Engineers.
Theodore Morrison Osborne, Corps of Engineers.
Robert Farnsworth Hallock, Field Artillery.
Stuart Alfred Beckley, Field Artillery.
Harold David Kehm, Field Artillery.
John Wesley Warren, Air Corps.
Einar Bernard Gjelsteen, Field Artillery.
William Elgie Carraway, Infantry.
John Mark Pesek, Infantry.
Herbert Bronson Enderton, Field Artillery.
John Battle Horton, Field Artillery.
Joseph Leander Hardin, Field Artillery.
Carter Bowie Magruder, Field Artillery.
William Joseph D'Espinosa, Ordnance Department.
Wilbur Ray Pierce, Field Artillery.
Donald Henry Galloway, Cavalry.
Howard William Serig, Signal Corps.
Daniel DeBardeleben, Cavalry.
Patrick Weston Timberlake, Air Corps.
Clyde Kenneth Rich, Air Corps.
Paul Wakefield Wolf, Air Corps.
David Larr, Field Artillery.
Laurance Carbee Craigie, Air Corps.
Philip Roy Dwyer, Infantry.
Sylvester John Keane, Signal Corps.
Allen Lloyd Keyes, Field Artillery.
Damon Mott Gunn, Infantry.
Charles Metz Seebach, Infantry.
Harry McKenzie Roper, Field Artillery.
James Henry Workman, Field Artillery.
Charles Wesley Gettys, Coast Artillery Corps.
Henry James Pitt Harding, Infantry.
William Shepard Biddle, 3d, Cavalry.
George Francis Heaney, Jr., Coast Artillery Corps.
John Humphrey Evans, Infantry.
William Remsburgh Grove, Jr., Field Artillery.
George Lewis Dewey, Infantry.
James Frederick Torrence, Jr., Infantry.
Douglass Gordon Pamplin, Coast Artillery Corps.
Charles White Lawrence, Air Corps.
Michael Buckley, Jr., Field Artillery.
Benjamin Stern, Signal Corps.
Wallace Evan Whitson, Air Corps.
Lloyd Shepard, Coast Artillery Corps.
Rex Eugene Chandler, Field Artillery.
Russel J. Minty, Air Corps.
Sheffield Edwards, Field Artillery.
John Roper Burnett, Coast Artillery Corps.
Raymond Stone, Jr., Coast Artillery Corps.
John Joseph Binns, Field Artillery.
Walter Burnside, Cavalry.
James Francis Joseph Early, Air Corps.

Howard John Vandersluis, Coast Artillery Corps.
Ulysses John Lincoln Peoples, Jr., Ordnance Department.
Richard Briggs Evans, Cavalry.
Alden Rudyard Crawford, Air Corps.
Rochester Flower McEldowney, Field Artillery.
Thomas Merritt Lowe, Air Corps.
Kevin O'Shea, Cavalry.
Carl Douglas Silverthorne, Cavalry.
Louis William Haskell, Field Artillery.
David Myron Schlatter, Air Corps.
Charles Trovilla Myers, Air Corps.
Eugene Ware Ridings, Infantry.
Charles Woodford Cowles, Field Artillery.
Kenneth Eugene Webber, Finance Department.
Alexander Davidson Reid, Infantry.
Leslie Page Holcomb, Air Corps.
Charles Vinson Bromley, Jr., Cavalry.
John William Harmony, Infantry.
Philip Harrison Enslow, Field Artillery.
Ernest Byron Thompson, Coast Artillery Corps.
Elwyn Donald Post, Infantry.
Franklin Kress Gurley, Coast Artillery Corps.
Wilfrid Henry Hardy, Air Corps.
Leslie Martin Grener, Cavalry.
Joseph Smith, Air Corps.
Kenneth Shearer Sweany, Field Artillery.
Joseph Harold Hicks, Air Corps.
Guy Haines Stubbs, Coast Artillery Corps.
Ralph Christian Bing, Infantry.
Clinton John Harrold, Cavalry.
Russell Emerson Bates, Coast Artillery Corps.
Earl Shuman Gruver, Ordnance Department.
Warren Cole Stout, Field Artillery.
David Barbour Barton, Signal Corps.
William Augustus Davis Thomas, Field Artillery.
Eugene Lynch Harrison, Cavalry.
Bernard Aye Tormey, Field Artillery.
Joseph Ingham Greene, Infantry.
Abner Judson McGehee, Jr., Infantry.
Valentine Roy Smith, Field Artillery.
Joseph Anthony Cella, Field Artillery.
James Boyce Carroll, Coast Artillery Corps.
John Ellsworth Adkins, Jr., Field Artillery.
Cecil Ward Nist, Infantry.
Robert Chaffee Oliver, Air Corps.
James Eugene Bernard McInerney, Ordnance Department.
Francis Arthur Garrecht, Jr., Field Artillery.
Frank Dorn, Field Artillery.
Charles Edward Woodruff, Jr., Infantry.
Donald McLean, Coast Artillery Corps.
Paschal Hoover Ringsdorf, Field Artillery.
Stuart Lee Cowles, Field Artillery.
John Maurice Weikert, Air Corps.
George Pierce Howell, Infantry.
Warren Alfred Robinson, Infantry.
John Hensel Pitzer, Coast Artillery Corps.
William Lawrence Scott, Jr., Air Corps.
Dean Stanley Ellerthorpe, Coast Artillery Corps.
George Conrad Nergens, Infantry.
Horton Vail White, Infantry.
James Edward Bowen, Jr., Infantry.
Austin Curtis Cunkle, Infantry.
Francis Townsend Dodd, Field Artillery.
Charles Carlton Cavender, Infantry.
George Stanley Smith, Field Artillery.
William Campbell Lucas, Field Artillery.
Harvey Keene Palmer, Jr., Field Artillery.
Wendell Gunner Johnson, Infantry
Howard Edward Crane Breitung, Coast Artillery Corps
Paul Kenneth Porch, Infantry.
John George Salsman, Air Corps.
Lyman O'Dell Williams, Infantry.
Temple Graves Holland, Infantry.
Lew Myers Morton, Coast Artillery Corps.
Paul Cyril Serff, Infantry.
Lawrence Leroy Skinner, Infantry.
Edward Forstall Adams, Infantry.
Thomas Sherman Timberman, Infantry.
Cyril Quentin Marron, Infantry.
Robert Herman Krueger, Coast Artillery Corps.
Louis John Storck, Infantry.
Donald Cameron Tredennick, Coast Artillery Corps.
David Sherman Babcock, Field Artillery.
James Jewett Carnes, Infantry.
Joseph Winfield Boone, Infantry.
Hugh Chauncey Johnson, Infantry.
James Michael Fitzmaurice, Air Corps.
John Owen Colonna, Corps of Engineers.
Charles Calvin Higgins, Infantry.
George Craig Stewart, Infantry.
Louis Peter Leone, Infantry.
Robert Leroy Dulaney, Infantry.
James Clarke Carter, Infantry.
Robert McKee Smith, Ordnance Department.
Hoyt Sanford Vandenberg, Air Corps.
Lawrence Varsi Castner, Infantry.
Henry Granville Fisher, Infantry.
Hal Clark Granberry, Infantry.
Ralph Mundon Neal, Cavalry.
Stewart Warren Towle, Jr., Air Corps.
Edwin Britain Howard, Infantry.
John Paul Evans, Infantry.
William Harold Schaffer, Infantry.
Sidney Lee Douthit, Infantry.
Allen Dwight Raymond, Jr., Infantry.
Walter Cornelius White, Air Corps.
Lynn Edwin Brady, Infantry.
Glen Clifford Jamison, Air Corps.
James Robert Lindsay, Jr., Field Artillery.
Roy Madison Foster, Quartermaster Corps.
Wayne Latta Barker, Coast Artillery Corps.
Carl Brown McDaniel, Air Corps.
Carlisle Brown Irwin, Infantry.
Lee Carl Vance, Cavalry.
Russell Vivian Perry, Quartermaster Corps.
Thomas Davison Drake, Infantry.
Granville Victor Morse, Cavalry.
Herbert Spencer Jordan, Infantry.
Dresden James Cragun, Infantry.
Edward Harvey Clouser, Infantry.
Herbert Kenneth Baisley, Air Corps.
Carl Eugene Anderson, Infantry.
Thomas Robinson, Cavalry.
John Kraybill Nissley, Air Corps.
William Rush Blakely, Infantry.
William Douglass Paschall, Field Artillery.
Frederick Mott Thompson, Infantry.
Charles Goodwin Pearcy, Air Corps.
Alonzo Valede Thorpe, Finance Department.
Voris Hamilton Connor, Field Artillery.
Arthur Bordeaux Nicholson, Coast Artillery Corps.
Girvelle Leighton Field, Coast Artillery Corps.
Staten Eugene Rall, Infantry.
Don Emerson Carleton, Cavalry.
Kenneth Lafayette Johnson, Field Artillery.
Eugene Haworth Vernon, Infantry.
Paul Green Kendall, Cavalry.
Ralph Waldo Russell, Coast Artillery Corps.
Archibald Yarborough Smith, Air Corps.
Herbert William Anderson, Air Corps.
DeWitt Ballard, Infantry.
James Lendsey McKinnon, Field Artillery.
Willis Glenn Cronk, Infantry.
Richard Tyler Willson, Cavalry.
Leslie Lee Hittle, Field Artillery.
Leslie Furness Young, Field Artillery.
Emmett Hill Emanuel, Infantry.
Eugene Desire Regad, Ordnance Department.
Donald Taylor Beeler, Infantry.
Charles Creswell Blakeney, Field Artillery.
William Mason Hoke, Infantry.
Willard Fromm Millice, Field Artillery.
Elvin Hamilton Burger, Infantry.
James Freeland McGraw, Infantry.

Richard Searl Marr, Field Artillery.
Leonard James Greeley, Field Artillery.
Kingsley Sherman Andersson, Corps of Engineers.
William Frishe Dean, Infantry.
Ben Early Cordell, Coast Artillery Corps.
Dalies Joshua Oyster, Field Artillery.
George Phillips Privett, Field Artillery.
William Lindsay McPherson, Coast Artillery Corps.
William Vincent Gray, Infantry.
Daniel Peter Norman, Infantry.
John Mitchell England, Coast Artillery Corps.
Floyd Cornelius Devenbeck, Ordnance Department.
William Black Forse, Infantry.
William Brown Short, Coast Artillery Corps.
John Wallace Homewood, Infantry.
James Vestie Collier, Field Artillery.
Edwin Kennedy Wright, Infantry.
Clint Leroy Taylor, Field Artillery.
Richard Herbert Torovsky, Quartermaster Corps.
Philip Mapes Shockley, Quartermaster Corps.
Ernest Tuttle Owen, Field Artillery.
Martin Hamlin Burckes, Field Artillery.
Arthur Cecil Ramsey, Infantry.
Wallace Howard Hastings, Corps of Engineers.
Albert Fox Glenn, Air Corps.
Emerson Leroy Cummings, Corps of Engineers.
Earle Everard Partridge, Air Corps.
Fisher Shinholt Blinn, Corps of Engineers.
Donald Charles Hill, Corps of Engineers.
Benjamin Schultz Mesick, Jr., Ordnance Department.
Reginald Langworthy Dean, Corps of Engineers.
Morrow Egerton Sorley, Corps of Engineers.
Philip Robison Garges, Corps of Engineers.
George Dakin Crosby, Field Artillery.
Arthur Gilbert Trudeau, Corps of Engineers.
John Held Riepe, Cavalry.
Emerson Charles Itschner, Corps of Engineers.
Ernest Orrin Lee, Field Artillery.
Howard Ker, Corps of Engineers.
Charles Day Palmer, Field Artillery.
Herbert Davis Vogel, Corps of Engineers.
Fremont Swift Tandy, Corps of Engineers.
Emil John Peterson, Corps of Engineers.
Gordon Edmund Textor, Corps of Engineers.
Everett Chalmers Wallace, Coast Artillery Corps.
Vernum Charles Stevens, Coast Artillery Corps.
Otis McCormick, Infantry.
Wendell Blanchard, Cavalry.
Thomas Du Val Roberts, Cavalry.
Clinton Frederick Robinson, Corps of Engineers.
Frederic Allison Henney, Corps of Engineers.
David Jerome Ellinger, Air Corps.
Leonard Lawrence Bingham, Corps of Engineers.
Floyd Allen Mitchell, Coast Artillery Corps.
Samuel Vance Krauthoff, Field Artillery.
Joseph Peter Shumate, Coast Artillery Corps.
John Ismert Hincke, Coast Artillery Corps.
Fred Arley Ingalls, Air Corps.
Raymond Thomas Beurket, Field Artillery.
Heyward Bradford Roberts, Infantry.
Charles George Meehan, Cavalry.
Victor Allen Conrad, Signal Corps.
Robin Bernard Pape, Coast Artillery Corps.
John Franklin Williams, Field Artillery.
Harry Jordan Theis, Cavalry.
Amel Thomas Leonard, Field Artillery.
Clyde Massey, Cavalry.
Bruce Woodward Bidwell, Infantry.
Elmer Ernest Count, Jr., Coast Artillery Corps.
Robert Ward Berry, Coast Artillery Corps.
Harry Van Wyk, Field Artillery.
Glenn Bruce McConnell, Field Artillery.
Harold Peabody Tasker, Coast Artillery Corps.
William Howard Arnold, Infantry.
Raymond Hendley Coombs, Field Artillery.
Wellington Alexander Samouce, Field Artillery.
Francis Elmer Kidwell, Signal Corps.
William Hubbard Barksdale, Jr., Field Artillery.
Eugene Barber Ely, Field Artillery.
Grayson Schmidt, Coast Artillery Corps.
Leslie Earl Simon, Ordnance Department.
Frank Finley Taylor, Jr., Quartermaster Corps.
Charles Trueman Lanham, Infantry.
Richard Warburton Stephens, Infantry.
Robert Clement Lawes, Field Artillery.
Richard Longworth Baughman, Infantry.
Edwin Henry Harrison, Ordnance Department.
Cary Judson King, Jr., Signal Corps.
Lawrence Russell Dewey, Cavalry.
Ralph Irvin Glasgow, Coast Artillery Corps.
William Armstrong Bugher, Cavalry.
Wilbur Kincaid Noel, Cavalry.
Jesse Bernard Wells, Cavalry.
Cecil Ernest Henry, Air Corps.
George Anthony Bicher, Signal Corps.
James Thomas Loome, Field Artillery.
Harold Phineas Gard, Coast Artillery Corps.
William Lloyd Richardson, Coast Artillery Corps.
Andrew Allison Frierson, Cavalry.
Craig Alderman, Infantry.
Ovid Thomason Forman, Coast Artillery Corps.
Leslie Seekell Fletcher, Ordnance Department.
Charles Raeburne Landon, Infantry.
George Wesley Palmer, Coast Artillery Corps.
Thomas Edwin Binford, Field Artillery.
Ernest August Merkle, Coast Artillery Corps.
Carl William Albert Raguse, Cavalry.
Leo Douglas Vichules, Coast Artillery Corps.
George Arthur Hadsell, Infantry.
Earl Mattice, Infantry.
Herbert Theodore Benz, Coast Artillery Corps.
Uzal Girard Ent, Air Corps.
Henry Sterling Jernigan, Cavalry.
James Stewart Willis, Signal Corps.
Frank Jay Thompson, Cavalry.
Augustine Davis Dugan, Cavalry.
Clarence Everett Rothgeb, Coast Artillery Corps.
Marcus Butler Stokes, Jr., Field Artillery.
Francis Marion Day, Field Artillery.
William Herbert Schaefer, Infantry.
Clarence William Bennett, Cavalry.
Gordon Byron Rogers, Cavalry.
Bernard Francis Luebbermann, Field Artillery.
Peter Wesley Shunk, Coast Artillery Corps.
George Curnow Claussen, Cavalry.
James Frederick Howell, Jr., Coast Artillery Corps.
Russell Layton Mabie, Field Artillery.
Ewing Hill France, Quartermaster Corps.
William John Eyerly, Field Artillery.
George Dunbar Pence, Field Artillery.
Murray Bradshaw Crandall, Cavalry.
William Joseph Reardon, Cavalry.
John Henry Brewer, Signal Corps.
Lester Joseph Tacy, Field Artillery.
Charles Lanier Dasher, Jr., Field Artillery.
Sanford Joseph Goodman, Coast Artillery Corps.
Gerald Goodwin Gibbs, Coast Artillery Corps.
George William Busbey, Cavalry.
Haydon Lemaire Boatner, Infantry.
Cary Brown Hutchinson, Cavalry.
Clarence Keith Darling, Cavalry.
Joe L. Loutzenheiser, Air Corps.
Zachery Winfield Moores, Cavalry.
Perry William Brown, Field Artillery.
James Edward Moore, Infantry.
Silas Woodson Hosea, Infantry.
Harold James Keeley, Infantry.
Stephen Stanley Koszewski, Field Artillery.
John Clair Smith, Coast Artillery Corps.
Peter Conover Hains, 3d, Cavalry.
George Edmund Young, Coast Artillery Corps.
Richard Emmel Nugent, Air Corps.
Walter Allen Buck, Infantry.
John Phillips Kirkendall, Air Corps.

Vonna Fernleigh Burger, Field Artillery.
Charles Dwelle Daniel, Field Artillery.
Joseph Aloysius Kielty, Infantry.
Albert Delmar Miller, Coast Artillery Corps.
Cleland Charles Sibley, Infantry.
James Edward McGraw, Coast Artillery Corps.
Robert Roy Selway, Jr., Air Corps.
John Gilbert Moore, Air Corps.
Edward Lynn Andrews, Field Artillery.
James Grafton Anding, Field Artillery.
Darwin Denison Martin, Coast Artillery Corps.
George Avery Tucker, Coast Artillery Corps.
Joseph Rogers Burrill, Field Artillery.
Leslie Alfred Skinner, Ordnance Department.
Nathaniel Clay Cureton, Jr., Field Artillery.
John Alfred McComsey, Coast Artillery Corps.
George Morgan Kernan, Infantry.
James Edwards Poore, Jr., Infantry.
Maxwell Wood Tracy, Coast Artillery Corps.
Howard Everett Kessinger, Field Artillery.
Francis Edwin Gillette, Infantry.
Albert Kellogg Stebbins, Jr., Infantry.
Washington Mackey Ives, Jr., Infantry.
William Lewis Johnson, Coast Artillery Corps.
Richard Givens Prather, Infantry.
Douglas Byron Smith, Infantry.
Robert Edward Cullen, Infantry.
Merton Goodfellow Wallington, Signal Corps.
Eleazar Parmly, 3d, Field Artillery.
Luther Stevens Smith, Air Corps.
Samuel Glenn Conley, Infantry.
Stephen Wilson Ackerman, Infantry.
Lewis Spencer Kirkpatrick, Coast Artillery Corps.
Charles Hunter Coates, Infantry.
Frank Glover Trew, Cavalry.
Otto Lauren Nelson, Jr., Infantry.
William Henry Kendall, Coast Artillery Corps.
John Curtis LaFayette Adams, Infantry.
Robert Wells Harper, Air Corps.
Augustus Jerome Regnier, Infantry.
Howard McMath Turner, Air Corps.
Willard Koehler Liebel, Infantry.
Oliver Malcolm Barton, Field Artillery.
Bjarne Furuholmen, Field Artillery.
Charles Pelot Summerall, Jr., Field Artillery.
Thomas George McCulloch, Finance Department.
Leonard Henry Rodieck, Air Corps.
John Harry Stadler, Jr., Cavalry.
Louis Chadwick Friedersdorff, Field Artillery.
Lewis Curtis Barkes, Infantry.
John Lyman Hitchings, Cavalry.
Kenneth Crawford Strother, Infantry.
George Alvin Millener, Infantry.
Daniel Francis Healy, Jr., Field Artillery.
George Hinkle Steel, Air Corps.
Russell Andrew Baker, Infantry.
Frank Smith Kirkpatrick, Field Artillery.
George Walter Vaughn, Field Artillery.
Paul Cooper, Infantry.
Laurence Knight Ladue, Cavalry.
Ralph Pulsifer, Infantry.
Logan Carroll Berry, Cavalry.
Onto Price Bragan, Infantry.
Robert Joseph McBride, Infantry.
Charles Ward Van Way, Jr., Infantry.
Harry Dillon McHugh, Infantry.
William Harry Bertsch, Jr., Field Artillery.
Gerald Jay Reid, Field Artillery.
Edward Higgins White, Air Corps.
James William Clyburn, Field Artillery.
David Griffith Erskine, Field Artillery.
Armistead Davis Mead, Jr., Infantry.
Albert Newton Stubblebine, Jr., Field Artillery.
Charles Harold Royce, Infantry.
Paul Albert Pickhardt, Infantry.
Oswaldo de la Rosa, Infantry.
William Olmstead Eareckson, Air Corps.
William Leo Coughlin, Field Artillery.
William Thaddeus Sexton, Field Artillery.
Henry Coates Burgess, Infantry.
Francis Robert Stevens, Infantry.
Robert Augustus Ellsworth, Field Artillery.
George Edmund Wrockloff, Jr., Field Artillery.
James Edgar Macklin, Quartermaster Corps.
Richard Weigand Gibson, Air Corps.
Frederick Raymond Keeler, Coast Artilery Corps.
Charles Edward Hart, Field Artillery.
Kenneth Negley Decker, Field Artillery.
George Almond Ford, Coast Artillery Corps.
Edward Amedee Chazal, Infantry.
Thomas Allen Jennings, Field Artillery.
Rupert Davidson Graves, Infantry.
Reed Graves, Infantry.
Mark Edward Smith, Jr., Infantry.
John Gillespie Hill, Infantry.
Joseph Massaro, Field Artillery.
Wolcott Kent Dudley, Infantry.
James Barry Kraft, Field Artillery.
Andrew Suter Gamble, Infantry.
Howard Jehu John, Field Artillery.
John Reynolds Hawkins, Air Corps.
Earl Lynwood Scott, Infantry.
Charles Loomis Booth, Field Artillery.
Andrew Paul Foster, Jr., Infantry.
Melvin Eugene Meister, Infantry.
Emil Lenzner, Signal Corps.
Hobart Amory Murphy, Infantry.
William Henry Maglin, Infantry.
Ralph Emanuel Fisher, Air Corps.
William Samuel Triplet, Infantry.
George Winfered Smythe, Infantry.
John Harold Claybrook, Jr., Cavalry.
Jesse Thomas Traywick, Jr., Infantry.
Philip McCaffrey Kernan, Infantry.
Howard Alexander Malin, Infantry.
James Earl Purcell, Infantry.
John Archer Elmore, Jr., Infantry.
John Wesley Ramsey, Jr., Infantry.
Francis John Graling, Infantry.
Nye Kirwan Eldward, Infantry.
James Pierce Culley, Infantry.
Samuel Waynne Smithers, Infantry.
Ralph Arthur Koch, Infantry.
Kenneth Rector Bailey, Infantry.
Lucien Francis Wells, Jr., Infantry.
George Patrick O'Neill, Infantry.
Richard Tonkin Mitchell, Infantry.
George Edward Lightcap, Infantry.
John Archer Stewart, Infantry.
Samuel Henry Fisher, Field Artillery.
Dennis Milton Moore, Infantry.
Clark Norace Bailey, Infantry.
Victor Emmanuel Phasey, Infantry.
Clyde Davis Eddleman, Infantry.
Russell Leonard Moses, Infantry.
John O'Day Murtaugh, Cavalry.
Sarratt Thaddeus Hames, Infantry.
Virgil Rasmuss Miller, Infantry.
James Somers Stowell, Air Corps.
Arthur LeRoy Bump, Jr., Air Corps.
Reeve Douglas Keiler, Infantry.
George Emmert Elliott, Infantry.
William Wallace Cornog, Jr., Infantry.
Demas Thurlow Craw, Air Corps.
Henry Isaac Kiel, Infantry.
Daniel Harrison Hundley, Infantry.
William Walrath Lloyd, Infantry.
Jacob Robert Moon, Infantry.
Thomas Harrison Allen, Infantry.
Raymond Rodney Robins, Infantry.
Peter Sather, Jr., Field Artillery.
Richard Garner Thomas, Jr., Infantry.
Frank Faron Carpenter, Jr., Field Artillery.
Ralph Parker Eaton, Infantry.

Henry Dahnke, Infantry.
Robert Carlyle Andrews, Infantry.
Herbert Frank McGuire Matthews, Infantry.
Noah Mathew Brinson, Infantry.
Albert John Dombrowsky, Infantry.
Jean Dorbant Scott, Infantry.
Robert Walker Stika, Infantry.
Ovid Oscar Wilson, Infantry.
Martin Frank Hass, Infantry.
Cornelius Walter Cousland, Air Corps.
William Frederick Kellotat, Quartermaster Corps.
Raleigh Raymond Hendrix, Coast Artillery Corps.
Howard Donald Criswell, Infantry.
Robert Douglas McLeod, Jr., Chemical Warfare Service.
Glenn Newman, Coast Artillery Corps.
William George Devens, Coast Artillery Corps.
Charles Edward Shepherd, Coast Artillery Corps.
Walker Wesley Holler, Ordnance Department.
Daniel Jerome Martin, Ordnance Department.
Malin Craig, Jr., Field Artillery.
Forrest James French, Coast Artillery Corps.
Samuel Howard Morrow, Coast Artillery Corps.
Norman Blakesley Simmonds, Coast Artillery Corps.
Vern Walbridge, Coast Artillery Corps.
Winfield Wayne Scott, Field Artillery.
Sylvan Berliner, Coast Artillery Corps.
Joris Bliss Rasbach, Field Artillery.
Leonard Marion Johnson, Field Artillery.
Chester Archibald Rowland, Corps of Engineers.
John Sterling Taylor, Infantry.
Louis Bernard Rutte, Infantry.
Nunez Christian Pilet, Infantry.
Arthur Willink, Ordnance Department.
Stephen Smith Hamilton, Infantry.
Farris Newton Latimer, Infantry.
Carl Joseph Crane, Air Corps.
John Douglas Salmon, Field Artillery.
James Peurifoy Hill, Infantry.
William Arthur Cole, Infantry.
Raymond Dishmann Palmer, Cavalry.
Murray Eberhart McGowan, Infantry.
Thomas Clagett Wood, Jr., Field Artillery.
George Henry Decker, Infantry.
Conrad Lewis Boyle, Field Artillery.
Edward Joseph O'Neill, Infantry.
Robert Reinhold Martin, Infantry.
John Perry Willey, Cavalry.
John Vogler Tower, Signal Corps.
Harry Donald Eckert, Cavalry.
George Edward Isaacs, Infantry.
Harold Francis Chrisman, Finance Department.
George Cooper Reinhardt, Corps of Engineers.
William Crowell Saffarrans, Infantry.
William Joseph Bradley, Cavalry.
Clark Louis Ruffner, Cavalry.
Ridgely Gaither, Jr., Infantry.
Earl William Aldrup, Quartermaster Corps.
Conrad Gordan Follansbee, Field Artillery.
John Henry Sampson, Jr., Field Artillery.
George August Zeller, Ordnance Department.
August Edward Schanze, Infantry.
Howard Eugene Engler, Air Corps.
Thomas Adams Doxey, Jr., Field Artillery.
William Donald Old, Air Corps.
Grovener Cecil Charles, Infantry.
Andral Bratton, Field Artillery.
Harold Mills Manderbach, Quartermaster Corps.
James Regan, Jr., Infantry.
George Laurence Holsinger, Field Artillery.
Harold Witte Uhrbrock, Infantry.
Elmer Theodore Rundquist, Air Corps.
Raymond Charles Lane, Infantry.
David Marshall Ramsay, Air Corps.
Sheldon Perkins McNickle, Infantry.
Will Knox Stennis, Coast Artillery Corps.
Harold George Peterson, Air Corps.
George Francis Schulgen, Air Corps.
Otto Paul Weyland, Air Corps.
Reginald Roan Gillespie, Air Corps.
Kirtley Jameson Gregg, Air Corps.
George Aldridge Whatley, Air Corps.
Frank Riley Loyd, Infantry.
Harry William Miller, Ordnance Department.
Sheldon Brightwell Edwards, Air Corps.
Clarence Steven Thorpe, Air Corps.
Howard Hunt Couch, Air Corps.
Wilfred Joseph Paul, Air Corps.
Glenn L. Davasher, Air Corps.
Charles Stowe Stodter, Signal Corps.
Charles Henry Barth, Jr., Corps of Engineers.
Standish Weston, Corps of Engineers.
Raymond Burkholder Oxrieder, Corps of Engineers.
Gerald Edward Galloway, Corps of Engineers.
Harrod George Miller, Signal Corps.
Charles Hare Mason, Corps of Engineers.
Carl Rueben Dutton, Ordnance Department.
George Kenyon Withers, Corps of Engineers.
Arleigh Todd Bell, Corps of Engineers.
Thomas Leonard Harrold, Cavalry.
Kenneth William Treacy, Field Artillery.
Vincent Joseph Esposito, Corps of Engineers.
Robert Lee Howze, Jr., Cavalry.
Leland Berrel Kuhre, Corps of Engineers.
Colby Maxwell Myers, Corps of Engineers.
Ralph Tibbs Garver, Cavalry.
William Ludlow Ritchie, Air Corps.
Amos Tappan Akerman, Corps of Engineers.
Rogers Alan Gardner, Cavalry.
Albert Harvey Burton, Corps of Engineers.
Bruce Cooper Clarke, Corps of Engineers.
Carl William Meyer, Corps of Engineers.
John Henry Dulligan, Air Corps.
David Henry Tulley, Corps of Engineers.
Walter Grant Bryte, Jr., Air Corps.
Kyrl Leighton Faxford deGravelines, Coast Artillery Corps.
Warren Nourse Underwood, Corps of Engineers.
Miles Merrill Dawson, Corps of Engineers.
Charles Parsons Nicholas, Field Artillery.
Russell Edward Randall, Air Corps.
Carl Warren Holcomb, Coast Artillery Corps.
Armand Hopkins, Coast Artillery Corps.
Timothy Lawrence Mulligan, Corps of Engineers.
Finis Ewing Dunaway, Jr., Corps of Enginers.
Benjamin Cobb Fowlkes, Jr., Corps of Engineers.
John Wilson Huyssoon, Coast Artillery Corps.
Frank Gilbert Fraser, Cavalry.
Stanley James Horn, Corps of Engineers.
Frank Andrew Pettit, Corps of Engineers.
William O'Connor Heacock, Cavalry.
Walter William Hodge, Corps of Engineers.
William Henry Nutter, Cavalry.
Oscar Carl Maier, Signal Corps.
Ralph Augustus Lincoln, Corps of Engineers.
Gilbert Edward Linkswiler, Corps of Engineers.
Aubrey Strode Newman, Infantry.
Ernest Victor Holmes, Field Artillery.
William Frank Steer, Infantry.
Wiley Thomas Moore, Ordnance Department.
Ronald Montgomery Shaw, Cavalry.
Conrad Stanton Babcock, Cavalry.
Alvin Truett Bowers, Coast Artillery Corps.
William Henry Bigelow, Infantry.
Lewis Ackley Riggins, Infantry.
Willard Lamborn Wright, Coast Artillery Corps.
John Frederick Gamber, Coast Artillery Corps.
Ernest Andrew Barlow, Infantry.
John Loomis Chamberlain, Jr., Field Artillery.
Frank John Hierholzer, Field Artillery.
Carl Frederick Tischbein, Coast Artillery Corps.
John Salisbury Fisher, Infantry.
Charles Pearre Cabell, Air Corps.
James Joseph Deery, Field Artillery.
Archer Frank Freund, Field Artillery.

Roland Ainslee Browne, Cavalry.
Milo Howard Matteson, Cavalry.
William John Carne, Infantry.
John Stephan Henn, Coast Artillery Corps.
Henry Randolph Westphalinger, Cavalry.
Raymond Cecil Conder, Field Artillery.
Ralph Frederick Bartz, Infantry.
James Wentworth Clinton, Infantry.
Arthur Bliss, Field Artillery.
William Holmes Wood, Cavalry.
John William Black, Field Artillery.
Lucien Eugene Bolduc, Infantry.
Alfred Boyce Devereaux, Field Artillery.
Paul Maurice Seleen, Ordnance Department.
Henry Ewell Strickland, Coast Artillery Corps.
Wilmer George Bennett, Field Artillery.
Arthur Charles Boll, Signal Corps.
Clifford Palmer Bradley, Air Corps.
Hubert Merrill Cole, Field Artillery.
Gustavus Wilcox West, Cavalry.
George Peter Berilla, Jr., Cavalry.
Branner Pace Purdue, Infantry.
George Joseph Deutermann, Field Artillery.
George Arthur Grayeb, Field Artillery.
Haydon Young Grubbs, Field Artillery.
William Albert Fuller, Cavalry.
Ralph Edmund Tibbetts, Infantry.
Edwin Lynds Johnson, Field Artillery.
Clyde Eugene Steele, Infantry.
Ernest Holmes Wilson, Infantry.
Norman Holmes Smith, Field Artillery.
John Wingo Dansby, Infantry.
Robert Milchrist Cannon, Field Artillery.
Charles Cavelli, Jr., Field Artillery.
Thomas Byrd Whitted, Jr., Field Artillery.
James Wilbur Mosteller, Jr., Coast Artillery Corps.
Meredith Cornwell Noble, Infantry.
George Henry McManus, Jr., Field Artillery.
Leo Francis Kengla, Jr., Infantry.
Robert Emmett Burns, Signal Corps.
John Amos Hall, Infantry.
Donald Janser Bailey, Coast Artillery Corps.
Nicholas Joseph Robinson, Infantry.
John Murphy Willems, Field Artillery.
Joseph Cyril Augustin Denniston, Air Corps.
John Franklin Bird, Field Artillery.
Henry Beane Margeson, Infantry.
Claude Franklin Burbach, Field Artillery.
Raymond Miller Barton, Cavalry.
William Lloyd Burbank, Infantry.
Wallace Hallock Honnold, Infantry.
Emmor Graham Martin, Coast Artillery Corps.
Walter Scott Strange, Infantry.
Welborn Barton Griffith, Jr., Infantry.
John Halliday McCormick, Air Corps.
William Nelson Gillmore, Field Artillery.
Hubert Whitney Ketchum, Jr., Cavalry.
Marcel Gustave Crombez, Infantry.
Milton Taylor Hankins, Signal Corps.
John William Gaddis, Infantry.
Raymond Kimball Quekemeyer, Field Artillery.
William Everton Pheris, Jr., Infantry.
Alexander Andrew Dobak, Infantry.
John Howard Bennett, Infantry.
Harry Clifton Larter, Jr., Field Artillery.
Wayne Carleton Smith, Infantry.
Godwin Ordway, Jr., Infantry.
Harry Jean Harper, Field Artillery.
Robert Pepper Clay, Field Artillery.
Edward Clement Mack, Infantry.
Ira Kenneth Evans, Quartermaster Corps.
Earl Walter Barnes, Air Corps.
Samuel Adrian Dickson, Field Artillery.
Dwight Harvey, Infantry.
William Eldred Long, Infantry.
John Llewellyn Lewis, Field Artillery.
John William Davis, Coast Artillery Corps.
Edwin Bascum Kearns, Jr., Infantry.
Rinaldo Van Brunt, Infantry.
George Patrick Lynch, Infantry.
John Francis Holland, Infantry.
John Porter Kidwell, Infantry.
Clarence Harwood Smith, Infantry.
Thaddeus Elmer Smyth, Infantry.
Waldemar Noya Damas, Infantry.
James Durward Barnett, Infantry.
Claude Aubrey Black, Infantry.
Russell Thomas Finn, Field Artillery.
Harry Wells Crandall, Infantry.
Joseph Pringle Cleland, Infantry.
Enoch Joseph Skalandzunos, Infantry.
John Laing De Pew, Cavalry.
John Robert McGinness, Infantry.
William Griffith Stephenson, Infantry.
George Bateman Peploe, Infantry.
Samuel Selden Lamb, Signal Corps.
Curtis D. Renfro, Infantry.
Charles Henry Caldwell, Air Corps.
Joseph Blair Daugherty, Infantry.
Haskell Hadley Cleaves, Signal Corps.
Albert Aaron Horner, Infantry.
Louis Quarles McComas, Infantry.
Mitchell Alonzo Giddens, Cavalry.
Leif Neprud, Coast Artillery Corps.
Theodore Lamar Dunn, Infantry.
Elliott Bickley Gose, Infantry.
Floyd Ellsworth Dunn, Infantry.
Michael John Geraghty, Infantry.
Donald Dunford, Field Artillery.
Arthur Superior Peterson, Infantry.
Ralph Randolph Sears, Infantry.
Edgar Turner Noyes, Air Corps.
David Evans Bradford, Cavalry.
James Keller De Armond, Air Corps.
Ernest Avner Suttles, Infantry.
August William Farwick, Cavalry.
Samuel Mason Lansing, Infantry.
Pierre Bacot Denson, Coast Artillery Corps.
Carl William Westlund, Infantry.
Walter Llewellyn Wheeler, Air Corps.
Norme D. Frost, Air Corps.
Linus Dodge Frederick, Air Corps.
James Gordon Pratt, Air Corps.
Milton Miles Murphy, Air Corps.
Lee Quintus Wasser, Air Corps.
Howard Knowles Vail, Infantry.
Benjamin Thomas Starkey, Air Corps.
Percy Walter Thompson, Field Artillery.
Clarence McCurdy Virtue, Infantry.
Ralph Finch, Infantry.
Charles Howard Valentine, Cavalry.
Julian Henry Baumann, Field Artillery.
Joseph Kerr Gibson, Field Artillery.
Judson MacIvor Smith, Infantry.
Frank Gilmore Irvin, Air Corps.
George Vernon Holloman, Air Corps.
George Henry Dietz, Infantry.
Donald Hubbell Smith, Coast Artillery Corps.
Luther Gordon Causey, Infantry.
John Meade, Field Artillery.
Glenn Oscar Barcus, Air Corps.
William Andrew Weddell, Coast Artillery Corps.
John Randolph Jeter, Infantry.
John Mulford Evans, Infantry.
Theodore Anderson Seely, Infantry.
George Avery Chester, Coast Artillery Corps.
James Thomas Dawson, Field Artillery.
Burgo Doyle Gill, Coast Artillery Corps.
William Wheeler O'Connor, Infantry.
Walter Hoyt Kennett, Field Artillery.
George Paul Harrison, Field Artillery.
Edward Campbell Franklin, Ordnance Department.

Franklin Leslie Lichtenfels, Infantry.
William Frederick Niethamer, Coast Artillery Corps.
Harold Victor Roberts, Infantry.

To be first lieutenants

Anthony Quintus Mustoe, Air Corps.
Douglas Thompson Mitchell, Air Corps.
Robert Kinnaird Giovannoli, Air Corps.
Edwin William Rawlings, Air Corps.
Julius Kahn Lacey, Air Corps.
Theodore Bernard Anderson, Air Corps.
George Frank McGuire, Air Corps.
Oliver Stanton Picher, Air Corps.
Dyke Francis Meyer, Air Corps.
Hugh Francis McCaffery, Air Corps.
Minthorne Woolsey Reed, Air Corps.
Morley Frederick Slaght, Air Corps.
Roy Dale Butler, Air Corps.
Berkeley Everett Nelson, Air Corps.
Archibald Johnston Hanna, Air Corps.
Richard August Grussendorf, Air Corps.
John Hiett Ives, Air Corps.
Frederick Earl Calhoun, Air Corps.
Carl Ralph Feldmann, Air Corps.
Paul Frailey Yount, Corps of Engineers.
William Arnold Carter, Jr., Corps of Engineers.
William Whipple, Jr., Corps of Engineers.
Charles Keller, Jr., Corps of Engineers.
Ralph Powell Swofford, Jr., Air Corps.
James Keller Herbert, Corps of Engineers.
Paul Ernest Ruestow, Corps of Engineers.
Philip Frederick Kromer, Jr., Corps of Engineers.
Clement Van Beuren Sawin, Corps of Engineers.
LeRoy Bartlett, Jr., Corps of Engineers.
Robert Blake Lothrop, Corps of Engineers.
Emil Fred Klinke, Corps of Engineers.
George Fletcher Schlatter, Air Corps.
Edward Fenlon Kumpe, Corps of Engineers.
Robert Lynn Lancefield, Corps of Engineers.
Lawrence Arthur Bosworth, Coast Artillery Corps.
Cyrus Lawrence Peterson, Coast Artillery Corps.
Clarence Harvey Gunderson, Field Artillery.
Donald Ralph Neil, Quartermaster Corps.
Frederick Garside Terry, Field Artillery.
Oscar Benjamin Beasley, Coast Artillery Corps.
Irvin Rudolph Schimmelpfennig, Field Artillery.
James Judson Heriot, Field Artillery.
Robert William Porter, Jr., Cavalry.
John Henderson Dudley, Cavalry.
Andrew Mark Wright, Jr., Signal Corps.
Albert Eugene Dennis, Quartermaster Corps.
William Herschel Allen, Jr., Field Artillery.
Howard Monroe McCoy, Air Corps.
Carl Henry Fernstrom, Coast Artillery Corps.
Charles William Haas, Air Corps.
Hubert duBois Lewis, Coast Artillery Corps.
Charles Lee Heitman, Jr., Field Artillery.
Louis Theilmann Heath, Field Artillery.
Albert Joseph Mandelbaum, Signal Corps.
Andrew Pick O'Meara, Field Artillery.
Clark Neil Piper, Air Corps.
Robert Jefferson Wood, Coast Artillery Corps.
Aubrey Kenneth Dodson, Air Corps.
Mark Edward Bradley, Jr., Air Corps.
Philip Campbell Wehle, Field Artillery.
Douglas Mitchell Kilpatrick, Jr., Air Corps.
Wiley Duncan Ganey, Air Corps.
George Clifford Duehring, Field Artillery.
Francis Frederick Uhrhane, Signal Corps.
Charles Granville Dodge, Cavalry.
Herbert Voivenelle Mitchell, Infantry.
James Nugent Vaughn, Signal Corps.
Thetus Cayce Odom, Air Corps.
Alexander Graham Stone, Field Artillery.
Jacquard Hirshorn Rothschild, Field Artillery.
Stuart Francis Crawford, Field Artillery.
Truman William Carrithers, Field Artillery.
Walter Campbell Sweeney, Jr., Infantry.
Henry Bing Kunzig, Infantry.
Keith Hartman Ewbank, Field Artillery.
Thomas Irwin Edgar, Field Artillery.
Robert Foster Haggerty, Coast Artillery Corps.
Frank Kowalski, Jr., Infantry.
Hamilton Hawkins Howze, Cavalry.
Harry Hollingsworth Geoffrey, Air Corps.
John Xavier Walsh, Infantry.
Harry Brown Packard, Field Artillery.
Robert James Watson, Infantry.
Robert Highman Booth, Field Artillery.
Arthur Leonard Fuller, Jr., Coast Artillery.
Mahlon Smith Davis, Field Artillery.
Winfield Wilber Sisson, Field Artillery.
Anthony Eugene Curcio, Air Corps.
Morris John Lee, Air Corps.
John Joseph MacFarland, Field Artillery.
Wendell Holmes Langdon, Infantry.
Harry Raymond Boyd, Coast Artillery Corps.
Samuel Lynn Morrow, Jr., Field Artillery.
Albert Watson, 2d, Field Artillery.
Marvin Lewis Harding, Air Corps.
Franklin Fearing Wing, Jr., Cavalry.
James Owen Curtis, Jr., Cavalry.
Birrell Walsh, Air Corps.
Henry Bittinger Croswell, Cavalry.
Phillips Waller Smith, Cavalry.
Alva Revista Fitch, Field Artillery.
Dana Stuart Alexander, Coast Artillery Corps.
Joseph Henry Twyman, Jr. Coast Artillery Corps.
Percy Howard Brown, Jr., Field Artillery.
Paul Clark, Jr., Field Artillery.
Edward Sedgwick Berry, Field Artillery.
David Hodge Baker, Air Corps.
Albert Everett Harris, Cavalry.
James Sylvester Sutton, Air Corps.
Richard Churchill Hutchinson, Air Corps.
James Theopold Darrah, Coast Artillery Corps.
Roy Ernest Lindquist, Infantry.
Sidney Clay Wooten, Infantry.
Robert Edwin Cron, Jr., Quartermaster Corps.
Ross Thatcher Sampson, Infantry.
William Henry Sterling Wright, Cavalry.
Archibald William Stuart, Infantry.
Willis Almeron Perry, Coast Artillery Corps.
Grant Eugene Hill, Coast Artillery Corps.
John Frank Greco, Field Artillery.
Alden Pugh Taber, Coast Artillery Corps.
Charles Joseph Odenweller, Jr., Coast Artillery Corps.
Edwin Sanders Perrin, Air Corps.
Neal Edwin Ausman, Air Corps.
George Goodrell Garton, Field Artillery.
Robert Louis Brunzell, Field Artillery.
Raymond Davis Millener, Infantry.
Robert William Timothy, Field Artillery.
Aubrey Dewitt Smith, Infantry.
Barksdale Hamlett, Field Artillery.
Brainard Spencer Cook, Cavalry.
Troup Miller, Jr., Air Corps.
William Ewing Grubbs, Field Artillery.
William Dole Eckert, Air Corps.
Frederick Reginia Weber, Infantry.
Charles Clinton Cloud, Jr., Coast Artillery Corps.
O'Neill Keren Kane, Cavalry.
Arthur Carey Peterson, Coast Artillery Corps.
Harold Eugene Brooks, Field Artillery.
Paul Arthur Roy, Coast Artillery Corps.
Bream Cooley Patrick, Field Artillery.
William Henry Harris, Coast Artillery Corps.
Tom Robert Stoughton, Jr., Infantry.
Thomas Weldon Dunn, Field Artillery.
Lauris Norstad, Air Corps.
Adam Andrew Koscielniak, Coast Artillery Corps.

Marvin Candler Johnson, Cavalry.
John Brazelton Fillmore Dice, Coast Artillery Corps.
Millard Lewis, Air Corps.
Othel Rochel Deering, Air Corps.
James Frederick Ammerman, Field Artillery.
Leon Clarence Scott, Infantry.
John Chesley Kilborn, Air Corps.
William Naille Taylor, Infantry.
Frederick Dwight Atkinson, Field Artillery.
William Warner Harris, Infantry.
Carl Amandus Brandt, Air Corps.
Frederick Gardner Crabb, Jr., Infantry.
Buford Russell Nyquist, Infantry.
John Charles Hayden, Field Artillery.
Robert Allen Ports, Field Artillery.
Roderick Leland Carmichael, Jr., Field Artillery.
Carl Irven Hutton, Field Artillery.
George Wareham Gibbs, Field Artillery.
Arthur Cleveland Goodwin, Jr., Field Artillery.
Roy Whitman Muth, Infantry.
Richard Shafle Freeman, Air Corps.
Harold Lester Smith, Air Corps.
Jaromir Jan Pospisil, Infantry.
Richards Montgomery Bristol, Infantry.
Edward Irving Sachs, Infantry.
Marshall Hill Hurt, Jr., Infantry.
Samuel Philbrick Kelley, Infantry.
George William Lermond, Infantry.
Norman Ray Burnett, Air Corps.
Charles Lind Olin, Infantry.
Samuel Roth, Infantry.
Joe Clifton East, Coast Artillery Corps.
Eugene Anthony Kenny, Infantry.
John Livingood Pauley, Jr., Infantry.
Frank Theodore Folk, Coast Artillery Corps.
Joseph Farrell Haskell, Cavalry.
Richard Joseph O'Keefe, Air Corps.
Carleton Merritt Clifford, Infantry.
Noel Adrain Neal, Infantry.
Howard Walter Quinn, Infantry.
Raymond Charles Brisach, Infantry.
Charley Paul Eastburn, Infantry.
George William Rumsey Perry, Infantry.
Clifton Donald Blackford, Infantry.
Ephraim Melmoth Hampton, Chemical Warfare Service.
Thomas Ferguson Wall, Infantry.
Jack Griffin Pitcher, Infantry.
James Sawyer Luckett, Infantry.
Myron Albert Quinto, Infantry.
Joseph Arthur Miller, Air Corps.
Ned Dalton Moore, Infantry.
Christian Hudgins Clarke, Jr., Infantry.
Claude Emerson Jurney, Infantry.
Thomas Mifflin, Infantry.
Daniel Russell Taylor, Infantry.
James Knox Wilson, Jr., Field Artillery.
Francis Joseph Corr, Infantry.
Kurt Martin Landon, Air Corps.
Gerry Leonard Mason, Air Corps.
Hubern Paul Dellinger, Air Corps.
Winston Rose Maxwell, Infantry.
Aubrey Ellis Strode, Jr., Infantry.
Daniel Anderson Cooper, Air Corps.
Theodore Roberts Kimpton, Infantry.
Earl Hugh Heimerdinger, Infantry.
John Simpson Guthrie, Infantry.
Allan Duard MacLean, Infantry.
Richard Cloyd Parker, Infantry.
Howard Russell Moore, Infantry.
James Lowell Richardson, Jr., Infantry.
Francis Hill Dohs, Infantry.
Eli Stevens, Infantry.
Jacob Samuel Sauer, Infantry.
Joseph Eakens James, Jr., Infantry.
Charles Edward Beauchamp, Infantry.
Paul Aloysius Chalmers, Infantry.
Thomas Kent, Infantry.
Sory Smith, Air Corps.
Henry Estil Royall, Infantry.
Paul William Blanchard, Jr., Air Corps.
Jasper Joseph Riley, Jr., Infantry.
Theodore Francis Bogart, Infantry.
Thad Adolphus Broom, Infantry.
Russell Guy Emery, Infantry.
Walter Edwin Ahearn, Infantry.
Herman Wilhelm Ohme, Infantry.
Paul Russell Weyrauch, Field Artillery.
Orin Doughty Haugen, Infantry.
Morton Elmer Townes, Infantry.
Frederick James Simpson, Infantry.
Charles Lewis, Infantry.
Elvin Freestone Maughan, Air Corps.
Kenneth Adelbert McCrimmon, Corps of Engineers.
Walter Henry Esdorn, Corps of Engineers.
Chester William Ott, Corps of Engineers.
Richard Lee Jewett, Corps of Engineers.
Frederick Gilman Saint, Corps of Engineers.
Charles Hartwell Bonesteel, 3d, Corps of Engineers.
Louis Russell Wirak, Corps of Engineers.
William White Ragland, Corps of Engineers.
Marvin Lyle Thomas, Corps of Engineers.
Edward John Cotter, Corps of Engineers.
Gunnard William Carlson, Corps of Engineers.
Stephen Read Hanmer, Corps of Engineers.
Edward Minter Parker, Corps of Engineers.
Walter Krueger, Jr., Corps of Engineers.
Champlin Fletcher Buck, Jr., Field Artillery.
Chester Lavaughn Landaker, Corps of Engineers.
William Frederick Cassidy, Corps of Engineers.
Edward Aloysius Brown, Jr., Corps of Engineers.
Walker Wilson Milner, Corps of Engineers.
George M. Wertz, Jr., Field Artillery.
John Phillips Daley, Field Artillery.
Marshall Sylvester Carter, Coast Artillery Corps.
Clarence Jonathan Hauck, Jr., Coast Artillery Corps.
Angelo Ralph Del Campo, Jr., Cavalry.
Jergen Bernhardt Olson, Cavalry.
John Barclay Sullivan, Infantry.
Elwin Herklas Eddy, Field Artillery.
Glenn Frederick Rogers, Cavalry.
Clifton Lee MacLachlan, Coast Artillery Corps.
Daniel Francis Callahan, Jr., Air Corps.
Theodore William Parker, Field Artillery.
Roger Willard Moore, Coast Artillery Corps.
Cornelius Ardalion Lichirie, Cavalry.
Marcellus Duffy, Air Corps.
Jesse Huckett Veal, Quartermaster Corps.
James Francis Stroker, Field Artillery.
John William Hansborough, Field Artillery.
Alfred Christian Gay, Coast Artillery Corps.
Walter Ferris Ellis, Coast Artillery Corps.
Robert Alan Stunkard, Air Corps.
Robert Hackett, Field Artillery.
James Donald Sams, Infantry.
Grosvenor Francis Powell, Coast Artillery Corps.
Charles Frederick McNair, Field Artillery.
William White Dick, Jr., Field Artillery.
Merwin Scott Dickson, Quartermaster Corps.
Donald Cubbison Little, Field Artillery.
Howard William Hunter, Coast Artillery Corps.
John William Cave, Field Artillery.
Gordon Aylesworth Blake, Air Corps.
Joseph Francis Carroll, Air Corps.
William Charles Hall, Infantry.
Donald Bowie Webber, Coast Artillery Corps.
Sidney Glenn Brown, Jr., Infantry.
Peter Schmick, Coast Artillery Corps.
John Larimer Inskeep, Cavalry.
Milton Hughes Pressley, Jr., Infantry.
Philip Bessom Stiness, Coast Artillery Corps.
Anthony Sherwood Howe, Infantry.
Alphonse Alfred Greene, Field Artillery.
A. J. McVea, Air Corps.
Frank Pickering Corbin, Jr., Coast Artillery Corps.

Charles Walker Raymond, Field Artillery.
Michael Martin Irvine, Coast Artillery Corps.
Gaspare Frank Blunda, Coast Artillery Corps.
George Sebastian Speidel, Jr., Field Artillery.
Julian Merritt Chappell, Air Corps.
Norman Ernest Tipton, Infantry.
Richard Holmes Harrison, Field Artillery.
James William Park, Field Artillery.
Lucius Nash Cron, Coast Artillery Corps.
Frederick Theodore Berg, Coast Artillery Corps.
Arthur Deane Gough, Coast Artillery Corps.
Gordon King Cusack, Field Artillery.
William Frew Train, Infantry.
Loren Fletcher Cole, Cavalry.
Tom Victor Stayton, Coast Artillery Corps.
Warren Harlan Hoover, Field Artillery.
Donald Norton Yates, Air Corps.
John Archibald Barclay, Jr., Field Artillery.
Merillat Moses, Field Artillery.
August Schomburg, Infantry.
James Bertram Corbett, Cavalry.
Clyde Robinson McBride, Field Artillery.
Elmo Clark Mitchell, Coast Artillery Corps.
Hoyt Daniel Williams, Air Corps.
Miller Osborne Perry, Field Artillery.
Scott Mock Sanford, Cavalry.
Herbert Walter Mansfield, Coast Artillery Corps.
Fielder Price Greer, Infantry.
William Eaton Chandler, Cavalry.
Frank Arthur Bogart, Coast Artillery Corps.
Harold Lucas Bays, Infantry.
Charles Coburn Smith, Jr., Field Artillery.
Charles Robert Bard, Coast Artillery Corps.
Paul Gordon Miller, Air Corps.
Camden William McConnell, Field Artillery.
Charles Breckinridge Duff, Coast Artillery Corps.
Samuel Smellow, Field Artillery.
Wilbur Manly Skidmore, Coast Artillery Corps.
William John Bell, Air Corps.
James Chester Blanning, Cavalry.
Harry James Fleeger, Cavalry.
Milan George Weber, Coast Artillery Corps.
Ernest Moore, Air Corps.
William Arthur Davis, Jr., Quartermaster Corps.
Royden Eugene Beebe, Jr., Air Corps.
Chester Joseph Diestel, Coast Artillery Corps.
Philip Higley Bethune, Cavalry.
Earle Fremont Cook, Coast Artillery Corps.
Johnson Hagood, Jr., Field Artillery.
John Maurice Brown, Infantry.
Earle William Hockenberry, Air Corps.
Frederick Richard Redden, Field Artillery.
Albert Frederick Cassevant, Coast Artillery.
Richard Sylvester Spangler, Coast Artillery Corps.
Percy Hotspur Lash, Jr., Field Artillery.
John Edwin Barr, Air Corps.
Carl Edward Green, Coast Artillery Corps.
Hamilton Murray Peyton, Field Artillery.
Louis Augustine Guenther, Air Corps.
Augustus William Dannemiller, Infantry.
Milton Wylie Arnold, Air Corps.
Forrest Caraway, Infantry.
David Northrup Motherwell, Air Corps.
Harry Bryant Cooper, Jr., Coast Artillery Corps.
Jermain Ferdinand Rodenhauser, Coast Artillery Corps.
Addison Vincent Dishman, Field Artillery.
Millard Chester Young, Air Corps.
John Anderson Berry, Jr., Field Artillery.
William Harris Isbell, Jr., Field Artillery.
Norton Bailey Wilson, Coast Artillery Corps.
Mervyn MacKay Magee, Field Artillery.
Henry Keppler Mooney, Air Corps.
Eugene William Hiddleston, Coast Artillery Corps.
John Knight Waters, Cavalry.
William Ayres Hampton, Coast Artillery Corps.
Robert Merrill Lee, Air Corps.
Robert Freeman Fulton, Air Corps.
Pasquale Francis Passarella, Coast Artillery Corps.
Donald Donaldson, Infantry.
Orlando Collette Troxel, Jr., Field Artillery.
Francis Thomas Pachler, Infantry.
Charles Roger Urban, Infantry.
Donald Rosser Patterson, Infantry.
John Thomas Westermeier, Infantry.
Glenn Aloysius Farris, Infantry.
Dean Coldwell Strother, Air Corps.
Clifford Christopher Wagner, Infantry.
Richard Byington Carhart, Infantry.
Robert Daniel Johnston, Infantry.
George Edwin Dietz, Field Artillery.
George Frederick Hartman, Air Corps.
Louis Victor Hightower, Field Artillery.
Edwin John Messinger, Infantry.
Carl Wilbert Carlmark, Air Corps.
Robert Leander Cardell, Field Artillery.
Charles North Howze, Infantry.
Richard Hungerford Wise, Air Corps.
Charles Francis Densford, Air Corps.
John Robert Skeldon, Air Corps.
Leo Wilber Cather, Field Artillery.
Orville Zelotes Tyler, Jr., Infantry.
Raymond Silas Pratt, Jr., Field Artillery.
Walter Foster Gallup, Field Artillery.
Maynard Norwood Levenick, Infantry.
Gunnar Carl Carlson, Infantry.
Jacob Edward Smart, Air Corps.
George Edward Fletcher, Infantry.
Hugh Pate Harris, Infantry.
Irving William Jackson, Field Artillery.
Robert Quinney Brown, Field Artillery.
Charles Edward Nason Howard, Jr., Field Artillery.
Gordon Singles, Infantry.
John Robert Beishline, Field Artillery.
Field Hunter Tapping, Field Artillery.
Russell Bowman Semple, Infantry.
Richard Hunter Lawson, Infantry.
John William Mackay Read, Field Artillery.
Lester LeRoy Hillman Kunish, Air Corps.
Robert Edward Lee Eaton, Air Corps.
John Joseph Davis, Field Artillery.
Carl Fillmore Damberg, Air Corps.
Wendell Washington Bowman, Air Corps.
Charles Pence Westpheling, Field Artillery.
James Irvine King, Infantry.
Thomas Joseph Marnane, Infantry.
Joseph Buford Zimmerman, Air Corps.
Ernest Fred Easterbrook, Infantry.
Curtis James Herrick, Infantry.
Edward Kenly Purnell, Infantry.
Howard Max Pahl, Infantry.
Howard Harrison Dudley, Infantry.
Richard Spencer Carter, Field Artillery.
Hilbert Fred Muenter, Air Corps.
Elmer Lee Thompson, Field Artillery.
Ashton Miller Haynes, Field Artillery.
John Autrey Feagin, Air Corps.
Blair Arthur Ford, Infantry.
Richard Klemm Boyd, Infantry.
Charles Lowman Decker, Infantry.
Merle Lucius Fisher, Field Artillery.
Arthur Hamilton Hogan, Field Artillery.
Edwin Anderson Walker, Field Artillery.
Orrin Charles Krueger, Infantry.
William Potter Turpin, 3d, Infantry.
Raymond Taylor Lester, Air Corps.
Charles Edward Hoy, Infantry.
Richard Francis Reidy, Infantry.
William Leonard Hardick, Infantry.
Richard Steinbach, Infantry.
Loren Albert Ayers, Infantry.
Harry Winston Candler, Cavalry.
Dean Ambrose Herman, Field Artillery.
William David Davis, Infantry.
William Taylor, Jr., Field Artillery.

Arthur Raster Hercz, Field Artillery.
Terrence Robert Joseph Hickey, Quartermaster Corps.
Earle Bradford Leeper, Infantry.
Seiss Ertel Wagner, Infantry.
Joseph Barlow Coolidge, Infantry.
John Clarence Gordon, Air Corps.
John Hugh McAleer, Jr., Infantry.
Peter Otey Ward, Infantry.
Carl William Kohls, Infantry.
John Thomas Malloy, Infantry.
Harold Robert Uhlman, Infantry.
Donald Knox Armstrong, Infantry.
Andrew Joseph Adams, Infantry.
Victor James MacLaughlin, Infantry.
Charles Bowman Dougher, Air Corps.
William Rogers Woodward, Infantry.
James Willard Pumpelly, Infantry.
Charles Ingram Humber, Jr., Infantry.
David William Hutchison, Air Corps.
Irving Lehrfeld, Infantry.
Paul Christian Heim Walz, Infantry.
Roy Luttrell Leinster, Infantry.
Robert Everett Quackenbush, Infantry.
Charles Elder Frederick, Infantry.
Samuel Edward Jones, Infantry.
Howard Hart Reed, Infantry.
Gustave Marinius Heiss, Infantry.
Joseph Kingsley Dickey, Infantry.
John Frank Ruggles, Infantry.
Harry George Roller, Infantry.
Roy Kay Kauffman, Coast Artillery Corps.
Donald Frank Buchwald, Infantry.
John Hugh McGee, Infantry.
Van Hugo Bond, Infantry.
Marvin James Coyle, Infantry.
Ernest Clyde Peters, Infantry.
Gerald Evan Williams, Air Corps.
Clarence David McGowen, Infantry.
Eugene Lewis Brown, Infantry.
Edward Leary, Infantry.
Daniel Turner Workizer, Infantry.
Alexander Johnston Sutherland, Infantry.
James Edward Maloney, Jr., Infantry.
Alfred Cookman Marshall, Jr., Infantry.
James Thomas McClellan, Infantry.
Robert Moorman Cheal, Infantry.
Merrick Hector Truly, Infantry.
Houston Parks Houser, Jr., Infantry.
William James Mahoney, Infantry.
Richard Robert Danek, Infantry.
James Henry Carlisle, Infantry.
Edward Julius Timberlake, Jr., Air Corps.
Dexter Marvin Lowry, Jr., Infantry.
John Tazewell Helms, Air Corps.
Paul Arthur Mayo, Infantry.
Theodor Jacob Beck, Infantry.
William Addison Magee Morin, Infantry.
Charles Pugh Baldwin, Infantry.
Augustus George Elegar, Infantry.
John Hubert Mathews, Infantry.
John Walter Brady, Infantry.
Oral Grant Willis, Infantry.
Russell Hunter Griffith, Air Corps.
Rush Blodget Lincoln, Jr., Corps of Engineers.
Stanley Tanner Wray, Corps of Engineers.
Ellsworth Ingalls Davis, Corps of Engineers.
Andrew Hero, 3d, Field Artillery.
George Kumpe, Corps of Engineers.
William Ruthven Smith, Jr., Corps of Engineers.
Frank Schaffer Besson, Jr., Corps of Engineers.
Richard Roberts Arnold, Corps of Engineers.
Herrol James Skidmore, Corps of Engineers.
Francis Ray Hoehl, Corps of Engineers.
Julian David Abell, Corps of Engineers.
Frederick Raleigh Young, Coast Artillery Corps.
John Chandler Steele, Coast Artillery Corps.
Allen Fraser Clark, Jr., Corps of Engineers.
Thore Fritjof Bengtson, Corps of Engineers.
Christian Frederick Dreyer, Quartermaster Corps.
William Francis Powers, Corps of Engineers.
James McCormack, Jr., Corps of Engineers.
Russell Manly Nelson, Coast Artillery Corps.
Stanley Ronald Stewart, Air Corps.
Arnold Sommer, Coast Artillery Corps.
Charles Kissan Allen, Coast Artillery Corps.
Sam Carroll Russell, Coast Artillery Corps.
James Hutchings Cunningham, Jr., Air Corps.
John Henry Weber, Field Artillery.
Roger Derby Black, Jr., Field Artillery.
Archibald William Lyon, Quartermaster Corps.
Edward Ellis Farnsworth, Jr., Coast Artillery Corps.
Daniel Stickley Spengler, Coast Artillery Corps.
Milton Leonard Ogden, Coast Artillery Corps.
Alexander Graham, Field Artillery.
Ralph Hemmings Davey, Jr., Quartermaster Corps.
William Menoher, Field Artillery.
George Wilson Power, Field Artillery.
William Burns Fraser, Cavalry.
James Aloysius Cain, Jr., Field Artillery.
Kenneth Frederick Zitzman, Signal Corps.
John Earl Metzler, Coast Artillery Corps.
George Robinson Mather, Cavalry.
Harrison Alan Gerhardt, Coast Artillery Corps.
Stanley Sawicki, Field Artillery.
Leo Peter Dahl, Air Corps.
Edgar Northrop Chace, Coast Artillery Corps.
Frank Hamilton Britton, Cavalry.
Byron Leslie Paige, Coast Artillery Corps.
Torgils Grimkel Wold, Air Corps.
John Bevier Ackerman, Air Corps.
Charles Ray Longanecker, Coast Artillery Corps.
Irving Donald Roth, Coast Artillery Corps.
James Karrick Woolnough, Infantry.
Lauri Jacob Hillberg, Coast Artillery Corps.
Samuel Watson Horner, 2d, Field Artillery.
Philip Vibert Doyle, Coast Artillery Corps.
Robert Augur Hewitt, Field Artillery.
Benjamin Jepson Webster, Air Corps.
Earl Gilmore Wheeler, Infantry.
Edwin Simpson Hartshorn, Jr., Field Artillery.
James Forsyth Thompson, Jr., Air Corps.
Charles Michael Baer, Signal Corps.
William Alden Call, Coast Artillery Corps.
Roland Capel Bower, Jr., Field Artillery.
Dwight Benjamin Johnson, Coast Artillery Corps.
Joseph Edward Gill, Field Artillery.
Everett Wayne Barlow, Infantry.
Frederick William Ellery, Field Artillery.
Loren Boyd Hillsinger, Air Corps.
Horace King Whalen, Field Artillery.
John Paul McConnell, Air Corps.
Preston Steele, Coast Artillery Corps.
Robert Douglass Glassburn, Coast Artillery Corps.
Joe William Kelly, Air Corps.
Walter Allen Rude, Coast Artillery Corps.
Walter Parks Goodwin, Field Artillery.
Erven Charles Somerville, Coast Artillery Corps.
John Abner Meeks, Field Artillery.
Clifford McCoy Snyder, Coast Artillery Corps.
Gilbert Nevius Adams, Coast Artillery Corps.
Aaron Meyer Lazar, Coast Artillery Corps.
John Clifford McCawley, Field Artillery.
John Morgan Price, Air Corps.
Edward Gibbons Shinkle, Field Artillery.
Robert Lockwood Williams, Jr., Coast Artillery Corps.
John Joseph Hutchison, Air Corps.
Robert Earl Schukraft, Coast Artillery Corps.
Carl Morton Sciple, Quartermaster Corps.
Harry Cecil Porter, Field Artillery.
Dwight Edward Beach, Field Artillery.

William Little, Infantry.
William Massello, Jr., Coast Artillery Corps.
Arthur Walter Blair, Field Artillery.
Daniel Stone Campbell, Air Corps.
Richard Johnson Hunt, Infantry.
Stephen Michael Mellnik, Coast Artillery Corps.
Louis Watson Truman, Infantry.
Dale Eugene Means, Field Artillery.
Hugh Willard Riley, Field Artillery.
William Sammis Coit, Coast Artillery Corps.
Curtis Alan Schrader, Field Artillery.
William Fletcher Spurgin, Coast Artillery Corps.
Kenneth Burton Hobson, Air Corps.
John Reynolds Sutherland, Air Corps.
Donald Linwood Hardy, Air Corps.
Richard Tide Coiner, Jr., Cavalry.
Floyd Allan Hansen, Field Artillery.
James Edward Godwin, Field Artillery.
Harold Walmsley, Infantry.
Gerald George Epley, Infantry.
Bernard William McQuade, Infantry.
Ashton Herbert Manhart, Infantry.
Harald Simpson Sundt, Field Artillery.
Horace Freeman Bigelow, Field Artillery.
Charles Albert Clark, Jr., Air Corps.
Francis Arkadjusz Liwski, Coast Artillery Corps.
James Bates Rankin, Field Artillery.
David Emory Jones, Field Artillery.
Harvey Porter Huglin, Air Corps.
Robert Folkes Moore, Coast Artillery Corps.
Bernard Thielen, Field Artillery.
George Dowery Campbell, Jr., Air Corps.
Karl Laurance Scherer, Cavalry.
Charles Hardin Anderson, Air Corps.
Dwight Drenth Edison, Coast Artillery Corps.
Jefferson Davis Childs, Infantry.
John Aloysius Gavin, Infantry.
Todd Humbert Slade, Field Artillery.
John Ramsey Pugh, Cavalry.
Joseph Edward Stearns, Infantry.
Charles Ratcliffe Murray, Field Artillery.
Wallace Hawn Brucker, Coast Artillery Corps.
Francis Garrison Hall, Field Artillery.
Charles Louis Williams, Jr., Field Artillery.
William Barnes Moore, Infantry.
William Russell Huber, Field Artillery.
Bogardus Snowden Cairns, Cavalry.
Delbert Abraham Pryor, Infantry.
Charles Edward Wheatley, Junior, Cavalry.
Meyer Abraham Braude, Infantry.
Chester Hammond, Infantry.
John George Ondrick, Infantry.
Byram Arnold Bunch, Air Corps.
Isaac Sewell Morris, Infantry.
Gerard Charles Cowan, Cavalry.
Hunter Harris, Jr., Air Corps.
Gordon Whitney Seaward, Field Artillery.
Henry Graham McFeely, Coast Artillery Corps.
Walter Marquis Tisdale, Field Artillery.
Charles Albert Piddock, Field Artillery.
Nelson Landon Head, Field Artillery.
Walker Raitt Goodrich, Field Artillery.
William Harvie Freeland, Infantry.
Thomas Henry Harvey, Coast Artillery Corps.
William Halford Maguire, Infantry.
David Hamilton Kennedy, Air Corps.
Merle Robbins Williams, Infantry.
William Whitfield Culp, Cavalry.
Kenneth Edward Tiffany, Infantry.
Nicholas Earnest Powel, Air Corps.
Norman Herbert Lankenau, Infantry.
William Bing Kunzig, Infantry.
Andrew Meulenberg, Air Corps.
Charles Marvin Iseley, Cavalry.
Edwin Guldlin Simenson, Air Corps.
Sam Houston Wiseman, Air Corps.
William Gordon Beard, Air Corps.
Harvey Herman Fischer, Infantry.
Robert Haynes Terrill, Air Corps.
Avery Madison Cochran, Infantry.
Samuel Arthur Daniel, Infantry.
Franklin Vines Johnston, Jr., Infantry.
Albert Edward Reif Howarth, Infantry.
James Lee Massey, Infantry.
Albert Edward Stoltz, Infantry.
Thomas Connell Darcy, Air Corps.
Edmond Michael Rowan, Infantry.
Edward Green Winston, Infantry.
Milton Skerrett Glatterer, Infantry.
William Henry Mikkelsen, Infantry.
Hugh Thomas Cary, Infantry.
Sewell Marion Brumby, Infantry.
Clifford Harcourt Rees, Air Corps.
Arnold Leon Schroeder, Air Corps.
Graves Collins Teller, Infantry.
Richard Henry Smith, Infantry.
Roscoe Constantine Huggins, Infantry.
Francis Deisher, Infantry.
Eugene Porter Mussett, Air Corps.
Lon Harley Smith, Infantry.
Edward Willis Suarez, Air Corps.
Paul Delmont Bunker, Jr., Air Corps.
Edward Joseph Burke, Infantry.
Walden Bernald Coffey, Infantry.
George Reynolds Grunert, Cavalry.
James Ellison Glattly, Infantry.
David Peter Schorr, Jr., Infantry.
William George Davidson, Jr., Infantry.
John Clinton Welborn, Infantry.
Edwin Charles Momm, Infantry.
Herbert Bishop Thatcher, Infantry.
Charles Salvatore D'Orsa, Infantry.
Frederick Milton Hinshaw, Infantry.
Robert Broussard Landry, Air Corps.
William Hyatt Bache, Infantry.
William Anderson McNulty, Infantry.
Joe Edwin Golden, Infantry.
Eldon Frederick Ziegler, Infantry.
Frank Greenleaf Jamison, Air Corps.
James Winfield Coutts, Infantry.
Dan Gilmer, Infantry.
Wilfred Joseph Lavigne, Infantry.
George Thigpen Duncan, Infantry.
Harry Celistine Quartier, Infantry.
Roy Edwin Moore, Infantry.
Harley Niles Trice, Infantry.
James Ernest Beery, Field Artillery.
Arville Ward Gillette, Infantry.
Harold Edward Shaw, Infantry.
Charles Gates Herman, Quartermaster Corps.
Charles Alexander Carrell, Infantry.
Lawrence Bartlett Babcock, Infantry.
William Roy Thomas, Field Artillery.
Loris Ray Cochran, Infantry.
Robert Lynn Carver, Air Corps.
Henry Chesnutt Britt, Infantry.
Thomas Randall McDonald, Infantry.
Orville Wright Mullikin, Infantry.
Romulus Wright Puryear, Air Corps.
David Harrison Armstrong, Infantry.
Earl Sipple Eckhart, Coast Artillery Corps.
John William Keating, Infantry.
John Garnett Coughlin, Infantry.
Thomas Robertson Hannah, Infantry.
William Madison Garland, Air Corps.
William Elwood Means, Infantry.
George Louis Descheneaux, Jr., Infantry.
Thomas Charles Morgan, Air Corps.
John William Bowen, Infantry.
Frank Ward Ebey, Coast Artillery Corps.

James Walter Gurr, Air Corps.
James Madison Churchill, Jr., Infantry.
Robert Lee Scott, Jr., Air Corps.
Harold Randall Everman, Infantry.
Thomas Benjamin Spratt, Jr., Infantry.
Erskine Clark, Coast Artillery Corps.

VETERINARY CORPS

To be captains

Arvo Theodore Thompson, Veterinary Corps.
Harvie Russell Ellis, Veterinary Corps.
Ralph William Mohri, Veterinary Corps.
Austin Taylor Getz, Veterinary Corps.
Wesley Watson Bertz, Veterinary Corps.
Edgerton Lynn Watson, Veterinary Corps.
George Townley Price, Veterinary Corps.

To be first lieutenants

Richard George Yule, Veterinary Corps.
Wayne Otho Kester, Veterinary Corps.
Robert Arthur Boyce, Jr., Veterinary Corps.
Clarence Leonard Taylor, Veterinary Corps.
William Edwin Jennings, Veterinary Corps.
Curtis William Betzold, Veterinary Corps.
James Bernhard Nichols, Veterinary Corps.
Albert Arthur Roby, Jr., Veterinary Corps.
Andrew Jesse Sirilo, Veterinary Corps.
Daniel Stevens Stevenson, Veterinary Corps.
Ray Swartley Hunsberger, Veterinary Corps.
William Francis Collins, Veterinary Corps.

CHAPLAINS

To be colonel

Julian Emmet Yates, United States Army.

To be captains

Peter Christian Schroder, United States Army.
John Henry August Borleis, United States Army.
Hudson Bissell Phillips, United States Army.

PROMOTIONS IN THE PHILIPPINE SCOUTS

TO BE LIEUTENANT COLONELS

Frank Brezina, Philippine Scouts.
Seth Harold Frear, Philippine Scouts.
Abraham Garfinkel, Philippine Scouts.
John Frederick Daye, Philippine Scouts.
Esteban Boadilla Dalao, Philippine Scouts.
Thomas Kenneth Collins, Philippine Scouts.
Conrad Skladal, Philippine Scouts.

TO BE MAJORS

John Daniel Cook, Philippine Scouts.
Karol Bronislaw Kozlowski, Philippine Scouts.
Mateo Mananjaya Capinpin, Philippine Scouts.
Robert A. Barth, Philippine Scouts.
Frederick Adelmar Ward, Philippine Scouts.

TO BE CAPTAINS

James Wilson Smith, Philippine Scouts.
Pastor Martelino, Philippine Scouts.
Mariano Santos Sulit, Philippine Scouts.
Eleuterio Susi Yanga, Philippine Scouts.
Melecio Manuel Santos, Philippine Scouts.
Narciso Lopez Manzano, Philippine Scouts.
Juan Segundo Moran, Philippine Scouts.
Pacifico Castor Sevilla, Philippine Scouts.
Amado Martelino, Philippine Scouts.
Victor Zalamea Gomez, Philippine Scouts.
Nemesio Catalan, Philippine Scouts.
Pio Quevedo Caluya, Philippine Scouts.
Alejandro D. Garcia, Philippine Scouts.
Santiago Garcia Guevara, Philippine Scouts.
Jose Emilio Olivares, Philippine Scouts.
Ricardo Poblete, Philippine Scouts.

TO BE FIRST LIEUTENANTS

Maximiano Saqui Janairo, Philippine Scouts.
Rufo Caingat Romero, Philippine Scouts.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 14, 1935

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we thank Thee that we may pause to pray amid the pressure of our activities. Thou alone knowest our needs, and we ask for a touch of that spirit that exalts, enriches, and purifies. Grant that we may be clothed with an earnest and patriotic desire to do great things for a great people; help us to demonstrate the wisdom of popular government. Be with us, gracious Lord, lest we forget that nothing endures which is not in accordance with the laws which Thou hast ordained; therefore make us wise and just in our conceptions as revealed in the incomparable life and character of Thy only begotten Son, Jesus Christ, our Savior and Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 290. Joint resolution to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8870. An act to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. KEYES, and Mr. LA FOLLETTE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7659. An act to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes.

AGRICULTURAL-ADJUSTMENT ACT

The SPEAKER. The unfinished business is the amendments in disagreement on the bill H. R. 8492, to amend the Agricultural Adjustment Act, and the Chair recognizes the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. DOUGHTON].

FEDERAL CONTROL OF ALCOHOLIC LIQUORS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8870) to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce and before the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes, disagree to the Senate amendments, and agree to the conference asked for.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. DOUGHTON, Mr. SAMUEL B. HILL, Mr. COLLINS, Mr. TREADWAY, and Mr. BACHARACH.

AGRICULTURAL ADJUSTMENT ACT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment 128: Page 76 of the bill, strike out all of section 32 and insert the following:

"SEC. 38. In addition to all funds heretofore appropriated there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $40,000,000 to enable the Secretary of Agriculture, under rules and regulations to be promulgated by him and upon such terms as he may prescribe, to eliminate diseased dairy and beef cattle, including cattle suffering from tuberculosis or Bang's disease, and to make payments to owners with respect thereto. The Secretary of Agriculture is authorized to use for scientific experimentation and efforts to eradicate disease in cattle, as much as he finds advisable of the funds authorized to be appropriated by this section and the funds appropriated by the second paragraph of Public Resolution No. 27, Seventy-third Congress, approved May 25, 1934, to carry out section 6 of the act entitled 'An act to amend the Agricultural Adjustment Act so as to include cattle and other products as basic agricultural commodities, and for other purposes', approved April 7, 1934. Such funds shall remain available to carry out the purposes of this section and such section 6 until December 31, 1937, and may be used for all necessary expenses in connection therewith, including the employment of persons and means in the District of Columbia and elsewhere. The unexpended balance of the funds appropriated by the second paragraph of such Public Resolution No. 27 to carry out the purposes of section 2 of such act of April 7, 1934, shall remain available for the purposes of such section 2 until December 31, 1937."

Mr. JONES. Mr. Speaker, I move to recede and concur with an amendment, as follows:

The Clerk read as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 37. There is hereby authorized to be appropriated the sum of $40,000,000, of which sum $10,000,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Secretary of Agriculture, under rules and regulations to be promulgated by him and upon such terms as he may prescribe, to eliminate diseased dairy and beef cattle, including cattle suffering from tuberculosis or Bang's disease, and to make payments to owners with respect thereto. The Secretary of Agriculture is authorized to use for scientific experimentation and efforts to eradicate disease in cattle, as much as he finds advisable of the funds appropriated by or in pursuance of the authorization contained in this section and the funds appropriated by the second paragraph of Public Resolution No. 27, Seventy-third Congress, approved May 25, 1934, to carry out section 6 of the act entitled 'An act to amend the Agricultural Adjustment Act so as to include cattle and other products as basic agricultural commodities, and for other purposes', approved April 7, 1934. The sums appropriated or reappropriated by this section shall remain available until June 30, 1936, and such sums and the sums appropriated in pursuance of the authorization contained in this section shall be available to carry out the purposes of both this section and such section 6, and may be used for all necessary expenses in connection therewith, including the employment of persons and means in the District of Columbia and elsewhere. The unexpended balance of the funds appropriated by the second paragraph of such Public Resolution No. 27 to carry out the purposes of section 2 of such act of April 7, 1934, shall remain available for the purposes of such section 2 until June 30, 1936."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment 152: Page 87, after line 18, insert section 52, as follows:

"SEC. 52. The first sentence of subsection (a) of section 10 of said act is amended to read as follows: 'The proceeds heretofore and hereafter derived from the tax are hereby appropriated to be available to the Secretary of Agriculture for rental and benefit payments under the Agricultural Adjustment Act to contracting producers, for administrative expenses, refunds of taxes, redemption of tax-payment warrants heretofore or hereafter received by contracting producers subsequent to the sale of the tobacco covered by said warrants and subsequent to payment of the tax imposed upon such sale by section 3 of this act, and other payments under this act.'"

Mr. JONES. Mr. Speaker, I move that the House recede from its disagreement and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 155: Page 88, after line 17, insert:

"SEC. 55. In order to develop a national program of land conservation and land utilization, there is hereby appropriated, out of the money made available by the Emergency Relief Appropriation Act of 1935, to be used in the discretion and under the direction of the President, to be immediately available and to remain available until expended, the sum of $50,000,000. This appropriation shall be available for the acquisition of submarginal lands and its retirement from agricultural use other than for grazing purposes.

"In carrying out the provisions of this section the President is authorized:

"(a) To establish and prescribe the duties and functions of governmental agencies;

"(b) To utilize and prescribe the duties and functions of any governmental agency;

"(c) To delegate the powers conferred upon him under this section to any governmental agency;

"(d) To make contracts and grants; and

"(e) To acquire, by purchase, any real property or any interest therein in accordance with the policy herein set forth.

"Any proceeds or receipts derived by the President by virtue of the activities conducted pursuant to this section shall be available to the President as a revolving fund to be used in the furtherance of this section: *Provided*, That no lands shall be so acquired unless prior to the effective date of this act options had already been made for their purchase."

Mr. JONES. Mr. Speaker, I move to recede and concur with an amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. JONES moves that the House recede from its disagreement to the amendment of the Senate, no. 155, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 55. There is hereby made available, out of any money appropriated by the Emergency Relief Appropriation Act of 1935, such amount as the President may allot for the development of a national program of land conservation and land utilization. The sums so allotted may be used, in the discretion and under the direction of the President, for the acquisition of submarginal lands and their use for such public purposes as the President shall prescribe.

"In carrying out the provisions of this section the President is authorized:

"(a) To make contracts and grants; and

"(b) To acquire, by purchase, any real property or any interest therein (with or without reservations) in accordance with the policy herein set forth."

The SPEAKER. The question is on the motion to recede and concur.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. TABER. It seems to me that going into this situation and appropriating a lot of money to be used to purchase submarginal lands, or rather to be wasted, as most of it has been so far, building structures and houses, transplanting people and all that sort of thing, is ridiculous, and I think the House ought not to agree to this amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. RICH. As I understand this, the Senate recommended that $50,000,000 be appropriated for the purpose of purchasing submarginal lands and now the committee of the House asks that the $50,000,000 be taken from the $4,880,000,000 heretofore appropriated.

Mr. JONES. We take out the appropriation altogether, and simply make such sums available as the President may allot under the power of the emergency act, to be taken out of that appropriation.

Mr. RICH. Without any stipulation as to the amount?

Mr. JONES. Yes; that is correct.

Mr. RICH. Does the gentleman believe that under the present conditions, and with the thought in the mind of Mr. Wallace, Secretary of Agriculture, and Mr. Ickes, Secretary of the Interior, whereby they want to go buy up all the lands and even take them from farmers in this country who do not want to sell their property, that we ought to stipulate some amount so that we can prohibit them from going to the extent that they are liable to go and perhaps purchase a whole State, or even more than that?

Mr. JONES. We do not confer authority on any of the departments. It is to be used in the discretion and under the direction of the President, and may be used for public purposes. This amendment that we are offering is very much a limitation upon the Senate amendment, and confers no authority for taking property except by purchase.

Mr. RICH. The gentleman means it has already been contracted for?

Mr. JONES. No; I do not know that any has been contracted for. I understand some options have been taken.

That is not affected here in any way. This simply specifies the purpose for which any moneys that may be allotted under the emergency relief bill—the provision already being in that bill—by the President, may be used in the discretion of the President.

Mr. RICH. The only thought I have is that you ought to put a stopcock on buying submarginal lands, because we do not know how far they are going to go in buying lands. They are purchasing lands all over this country, and that is increasing the burden on the taxpayer. Then, in other departments of the Government, they are building dams to irrigate additional lands to put them into cultivation, costing the taxpayers hundreds of millions of dollars.

Mr. JONES. We do not confer the additional right to purchase lands. That is in the Emergency Relief Act. We do away with the appropriation and confine it to funds from the emergency relief measure which may be allocated under the President under previous authority for that purpose.

Mr. RICH. I think the gentleman is doing a good work by taking this money away from the departments, and I hope he will do a lot more. I think you must realize that a good many Members of Congress who voted for the bill think that power should never have been given to the President to spend $4,880,000,000. It will do harm to the country at this time. It is going to do a great deal of damage to the Federal Treasury. What good will it do?

Mr. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. ANDRESEN. What is the limitation in the relief act upon the amount provided for funds of this character?

Mr. JONES. That is lumped in with a number of other powers. There is no definite limitation except that submarginal lands are listed with a number of other things in a lump appropriation.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. CHRISTIANSON. As I understand it, the only effect of this amendment is to place a limitation on the President's existing power to buy submarginal lands.

Mr. JONES. It limits the Senate amendment, it confers certain authority, and it also puts a further limitation on the delegation of authority as stipulated by the Senate amendment.

Mr. CHRISTIANSON. The limitation placed on that power is that the lands must be acquired for public purposes?

Mr. JONES. Yes.

Mr. CHRISTIANSON. Is there any definition of "public purposes" as used in that connection?

Mr. JONES. No; there is no limit placed on that. It is a general provision.

Mr. CHRISTIANSON. Does the gentleman have any idea what the term "public purposes" might be interpreted as meaning?

Mr. JONES. Of course it might mean a number of things, including parks and game preserves, reforestation, and other public purposes. I would not undertake to enumerate them all at this time.

Mr. CHRISTIANSON. But the President is the sole judge as to whether any land which he may acquire is suitable for the purposes the gentleman has enumerated?

Mr. JONES. The entire matter is in the discretion of the President.

Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I am somewhat surprised at the opposition which has been expressed to this amendment by Members on the Republican side, in view of the fact that the Republican Party platform in 1932 specifically endorsed a program for the acquisition of marginal lands.

Mr. TABER. Will the gentleman yield for a question?

Mr. HOPE. I yield.

Mr. TABER. I do not believe any Republican ever had in mind such wasteful program with reference to marginal lands as has been conducted by this administration.

Mr. HOPE. Evidently the gentleman is not familiar with what has been done, because, as a matter of fact, there has been comparatively little marginal land purchased as yet, although a considerable amount has been placed under option. I am somewhat familiar with the program and cannot agree with the gentleman that it has been wasteful, nor do I believe that if continued along present lines it will be wasteful.

The particular plank in the platform to which I have referred is as follows:

> The national welfare plainly can be served by the acquisition of submarginal lands for watershed protection, grazing, forestry, public parks, and game preserves. We favor such acquisitions.

That is exactly what this land will be used for if purchased under this amendment. It is true that under the work-relief bill which was passed last spring, funds are allocated which can be used for the purchase of marginal lands, but since those funds come from the relief bill, the Comptroller General has ruled that such purchases must be carried out as a work-relief program. If carried out in that way, there will be little money for actual purchases, because a large part of it would have to be spent on the development of the land after it is purchased in order to furnish work. All that this amendment does is to make money available for the actual purchase of the land to be used for public purposes, which would include watershed protection, game preserves, reforestation, public parks, and so forth.

Mr. GIFFORD. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. GIFFORD. I think we already have the machinery for game preserves. Some Members of both branches have had something to say under another act with reference to that. Does this carry full authority to the President or to Mr. Tugwell or to whomever he may designate, outside of that previous authority? Can he enter upon my district and take certain sections for a game preserve?

Mr. HOPE. All this does is to set aside the money and prescribe the purposes for which it can be used. There is no power of condemnation given. All purchases must be made by agreement with the parties.

Mr. GIFFORD. But the committee already set up by Congress would not be consulted?

Mr. HOPE. They might or they might not be. There is nothing in the amendment that would require them to be consulted.

Mr. Speaker, I think particularly those of us who are interested in a permanent agricultural program ought to be for this amendment, because it does in a permanent way what the Agricultural Adjustment Administration is doing in a temporary way. There is land under cultivation in this country that should never have been opened to settlement. It is that land, in particular, in the West which the Government is now purchasing under this program. There are marginal lands in other sections of the country which have been worn out through long and, in many cases, improper use. There is no use leaving those lands in cultivation for people to make a pitiable attempt to earn a living upon them when it cannot be done. Yet, poor as these lands are, they contribute to the surplus of agricultural products. The plan for purchasing these lands and retiring them from cultivation is a sound program from both a social and an agricultural standpoint.

Mr. SNELL. Will the gentleman yield for a question?

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. JONES. Mr. Speaker, I yield the gentleman from Kansas 2 additional minutes.

Mr. SNELL. Can the gentleman tell the House how much land has been purchased under this program at the present time?

Mr. HOPE. I am not able to give the gentleman that information. My understanding is there has been very little actually purchased. A considerable amount has been optioned, but up to the present time there has been only, approximately, $28,000,000 available for this purpose.

Mr. SNELL. About what price per acre are they paying for this character of land?

Mr. HOPE. It is all low-priced land. The range varies from a dollar or two an acre up. Recently I was advised that appraisals in Kansas varied from a low of $1.62 per acre to a high of $18.93, the average being $6.47 per acre. I assume that is representative of what is being paid in most parts of the West. I have no information as to what is being paid in other areas.

[Here the gavel fell.]

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. JONES] to recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 163: Page 93, after line 15——

Mr. GILCHRIST. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. GILCHRIST. I withdraw the point of order at the request of the chairman of the committee for the moment, but I will press the point later.

Mr. JONES. Mr. Speaker, I ask unanimous consent that this amendment may be considered as read, as well as my motion to recede and concur with an amendment. I expect to move to recede and concur with an amendment. I do this in deference to the action of the committee. I am submitting this matter to the judgment of the House. I think everyone is familiar with the provisions, but they will come out in the discussion. We expect to take 1 hour for the discussion of this amendment.

The SPEAKER. The gentleman from Texas asks unanimous consent that the Senate amendment may be considered as read and be printed in the RECORD at this point, and that the motion to recede and concur with an amendment which the gentleman intends to offer may also be considered as read and be printed in the RECORD at this point.

Is there objection?

There was no objection.

The amendment and the motion are as follows:

POTATO CONTROL

SEC. 62. Section 11 of the Agricultural Adjustment Act, as amended, is amended by adding after the word "rice" a comma and the word "potatoes" and by adding at the end of said section 11 a new sentence as follows: "As used in this title, the term 'potatoes' means all varieties of potatoes included in the species Solanum tuberosum."

SEC. 63. Subsection 1 of section 2 of the Agricultural Adjustment Act, as amended, is amended by adding after the word "tobacco", in both the second and third sentences of said subsection, the words "and potatoes."

TITLE II

DEFINITIONS

SECTION 201. When used in this title, unless the context otherwise requires—

(a) The term "person" includes an individual, a corporation, a partnership, a business trust, a joint-stock company, an association, a syndicate, group, pool, joint venture, or any other unincorporated organization or group.

(b) The term "Commissioner" means the Commissioner of Internal Revenue.

(c) The term "collector" means a collector of internal revenue.

(d) The term "sale" includes any agreement or delivery whereby the seller transfers the property in, or right to consume, potatoes to another for a consideration, and any sum of money, services, property, or anything of value whatsoever, may constitute consideration for such transfer, but does not include the transfer of the right to consume potatoes to a member of the household of a producer of such potatoes or a transfer for consumption by the household of a person employed in the farming operations of the producer of such potatoes.

(e) The term "allotment year" means the period commencing December 1 and ending November 30: *Provided*, That the first allotment year shall commence December 1, 1935, and shall end November 30, 1936.

(f) The term "change in the form of potatoes" means an intentionally effected change in the form of potatoes in preparation for the sale of such potatoes, or any product thereof, as such change is defined by rules and regulations prescribed by the Commissioner, with the approval of the Secretary of the Treasury.

(g) The term "tax stamp" means an appropriate stamp or other means of identifying potatoes with respect to which a tax levied by this title has been paid.

(h) The term "tax-exemption stamp" means an appropriate stamp or other means of identifying potatoes with respect to which an exemption from the tax has been established.

(i) The term "potatoes" means all varieties of potatoes included in the species Solanum tuberosum.

(j) The term "producer" means a person who has the right to sell, or to receive a share of the proceeds derived from the sale of, potatoes cultivated by him, or on land owned or leased by him.

(k) The term "continental United States" means the several States of the United States and the District of Columbia and does not include any Territory or possession of the United States.

(l) The term "operator" means any person operating his own farm, any tenant operating a farm rented for cash or for a fixed-commodity payment, any crop-share tenant, and any crop-share landlord.

(m) The term "farm" means all the land operated by the producer as a single operating unit with work stock, farm machinery, and labor substantially separate from that of any other tract of land.

IMPOSITION OF THE TAX

SEC. 202. (a) There is hereby levied and assessed upon each first sale of potatoes harvested on or after December 1, 1935, in the continental United States a tax, to be paid by the seller, at the rate of three-fourths of 1 cent per pound: *Provided*, That when there is a change in the form of potatoes harvested on or after December 1, 1935, in the continental United States prior to the first sale thereof, a tax at the rate of three-fourths of 1 cent per pound, to be paid by the owner at the time such change is effected, is hereby levied and assessed upon the effecting of such change, and no tax shall be levied upon the first sale of such potatoes or any product or products thereof.

(b) If the Secretary of Agriculture finds at any time that the total apportionments to producers in any potato-producing region or regions (as established and defined pursuant to subsection (c) of section 209 of this title) are in excess of the probable supply of potatoes in the continental United States during the marketing periods for such region or regions, he shall proclaim such determination, and the provisions of this title shall not be operative during such marketing periods.

(c) At least 30 days prior to the beginning of each allotment year after the first allotment year, the Secretary of Agriculture shall conduct a referendum which will afford to producers of potatoes a reasonable opportunity to vote in favor of or in opposition to continuing in effect with respect to potatoes produced during the succeeding allotment year the taxes levied by subsection (a) of this section. Each producer shall be entitled to one vote for each 60 pounds of potatoes apportioned to him pursuant to sections 205, 206, and 207 of this title for the last allotment year for which such apportionments were made. If one-third of the votes cast in such referendum are cast in opposition to continuing such taxes in effect, the provisions of this title shall not be operative with respect to potatoes produced during such succeeding allotment year.

(d) If the Secretary of Agriculture determines and proclaims that the taxes levied by subsection (a) of this section will at the rate therein specified for such taxes, (1) tend to adversely affect the orderly marketing of potatoes, or (2) tend to depress the farm price of potatoes, or (3) tend to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities, then the rate of such taxes shall for such period as the Secretary of Agriculture designates, be at the highest rate which is lower than three-fourths of 1 cent (not less than one-half of 1 cent per pound) as he finds and proclaims will not adversely affect such orderly marketing, or cause such depression of the farm price, or cause such disadvantages in competition.

(e) The taxes levied by subsection (a) of this section shall be represented by tax stamps, and the proceeds of taxes levied under this title shall be paid into the Treasury of the United States as internal revenue collections.

(f) The Commissioner shall cause to be prepared, for the payment of such taxes, tax stamps of suitable denominations and shall furnish same to the collectors of internal revenue. The Commissioner shall also furnish to the Postmaster General without prepayment a suitable quantity of such stamps to be distributed to, and kept on sale by, the various postmasters in the United States. The Postmaster General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps so furnished, and each such postmaster shall deposit the receipts from the sale of such stamps to the credit of, and render accounts to, the Postmaster General at such times and in such form as he may by regulations prescribe. The Postmaster General shall at least once monthly transfer all collections from this source to the Treasury as internal revenue collections.

ALLOTMENTS

SEC. 203. The Secretary of Agriculture shall investigate probable production and market conditions for each allotment year and shall determine from available statistics of the Department of Agriculture and proclaim, at least 30 days prior to the beginning of each allotment year, the quantity of potatoes which, if produced during such year and sold during or after such year, will, in his opinion, tend to establish and maintain such balance between the production, sale, and consumption of potatoes and the marketing conditions therefor as will, in his opinion, tend to establish prices to potato producers at a level that would give potatoes a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of potatoes in the period August 1919–July 1929 without reducing the total net income of potato producers from

potatoes below the largest probable net income of potato producers from potatoes produced during such allotment year, and without tending to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities; and the quantity so proclaimed shall, for each allotment year, be apportioned by the Secretary of Agriculture as hereinafter provided.

SEC. 204. When a quantity is determined in accordance with section 203 of this title, the Secretary of Agriculture shall apportion such quantity among the several States. The apportionment to each State shall be determined on the basis of the ratio that the annual average acreage of the 4 years in which the highest potato acreage was harvested in such State in the years 1927–34, inclusive, multiplied by the average yield per acre for the 4 years that the yield of potatoes per acre for such State was highest in the years 1927–34, inclusive, multiplied by the average annual percentage of the crop produced in such State during the years 1929–34, inclusive, which was sold, bears to the sum of the products of such average acreages, such average yields, and such percentages of sales for all States: *Provided*, That if the Secretary of Agriculture finds that the application of the foregoing formula alone would, because of differences in production practices and marketing prices among the several States, result in an inequitable and unfair apportionment to any State or States, not in excess of 2 percent of the quantity of potatoes determined in accordance with section 203 of this title may be deducted from such quantity and may be used by the Secretary of Agriculture to adjust on the basis of equity and fairness the apportionments made or to be made to any State or States.

SEC. 205. Ninety-five percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall be apportioned by the Secretary of Agriculture to farms on which potatoes have been grown within such State during any 1 or more years within the period 1932–34, inclusive. Such apportionment to any farm shall be made upon application therefor and may, in order to secure equitable apportionments to producers, be made by the Secretary based upon either—

(1) A percentage of the average sales of potatoes produced on such farm for a representative base period, prescribed by the Secretary, of any 2 or more years during the years 1932–34, inclusive, providing the operators of such farm for the allotment year for which the apportionment is made produced potatoes on such farm during at least one of the base-period years. The representative base period prescribed by the Secretary and the percentage applied to the average sales of potatoes produced during such period in establishing aportionments for each farm under this paragraph shall, so far as practicable, be uniform for farms similarly situated upon the basis or classification prescribed by the Secretary of Agriculture, but in the case of any farm for which such average sales are 300 pounds or less, such average sales shall be exempt from any percentage reduction thereof and such farm shall receive an apportionment equal to such average sales; or

(2) Such basis as the Secretary of Agriculture deems fair and just and will apply to all farms to which an apportionment is made under this paragraph 2 uniformly on the basis or classification adopted. In making an apportionment to a farm under this paragraph, due consideration shall be given to the quantity of potatoes produced and sold in the past by the operators who will operate such farm for the allotment year for which the apportionment is made, the quantity of potatoes produced on such farm and sold in the past, and the acreage of the farm available for the production of potatoes and which the operators are currently equipped to devote to the production of potatoes.

SEC. 206. Not in excess of 5 percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall, upon application therefor, be available for apportionment by the Secretary of Agriculture to farms operated by persons engaged or evidencing a desire to engage in the production and sale of potatoes in such State and which farms are ineligible to receive an apportionment under section 205 or in respect to which the Secretary of Agriculture determines that the apportionments made pursuant to section 205 are inequitable: *Provided*, That apportionments under this section shall be made upon such basis as the Secretary of Agriculture deems fair and just and which will, so far as practicable, apply to all such farms uniformly upon the basis or classification prescribed by the Secretary. Any quantity not apportioned under this section shall be available for apportionment under section 205 of this title.

SEC. 207. If an apportionment is made to a farm under section 206 of this title for any allotment year, for each succeeding allotment year that the operation of such farm is continued by the operators who operated it during the allotment year for which such apportionment was made, the apportionment to such farm shall be made upon the basis provided in section 206 of this title but shall be made from the quantity available for apportionment under section 205 of this title.

SEC. 208. For the purposes of the apportionments to be made pursuant to sections 204, 205, 206, and 207 of this title, the District of Columbia shall be considered as a part of the State of Maryland.

SEC. 209. (a) The Secretary of Agriculture, or any agent or agency designated for such purpose by the Secretary, shall, upon application therefor, issue for each farm tax-exemption stamps for an amount of potatoes equal to the apportionment made to such farm pursuant to sections 205, 206, and 207 of this title: *Provided*, That, under such regulations as the Secretary of Agriculture shall prescribe, he shall refuse to issue such tax-exemption stamps to any applicant in any allotment year in which such applicant is not a bona fide producer of potatoes. Each such tax-exemption stamp, during the period of its validity as determined pursuant to subsection (c) of this section, shall establish an exemption from the taxes imposed by subsection (a) of section 202 of this title for the amount of potatoes stated on the face of each such stamp.

(b) The right to tax-exemption stamps shall be evidenced in such manner as the Secretary of Agriculture may by regulations prescribe, and such tax-exemption stamps shall be issued in such form or forms, and under such terms and conditions as may be prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury.

(c) The Secretary of Agriculture shall establish and define potato-producing regions for the continental United States upon the basis of the marketing periods for potatoes produced in such regions during an allotment year, and shall from time to time by regulation and upon the basis of such marketing periods for each such region, determine and fix the period during which tax-exemption stamps issued, or pursuant to subsection (g) of this section transferred, to producers in such regions for any allotment year shall be valid, provided that all tax-exemption stamps shall be valid for a period of at least the allotment year for which they are issued.

(d) If any tax-exemption stamp is erroneously issued, the person to whom such stamp is so issued shall, upon demand by the Secretary of Agriculture in writing and mailed to the last-known address of such person, be obligated to return such stamp or pay to the Secretary a sum equal to the amount of the taxes imposed by subsection (a) of section 202 of this title upon the amount of potatoes covered by such stamp, at the rate in effect at the time such stamp was issued.

(e) Any sale, assignment, pledge, or transfer, and any agreement or power of attorney to sell, assign, apply, pledge, or transfer made or entered into by any person of his right to or claim for tax-exemption stamps or any part thereof not accompanied by actual delivery of such stamps shall, for all purposes, be null and void; except agreements between landlords and share-tenants or share-croppers which, in accordance with such regulations as the Secretary of Agriculture shall prescribe, provide for a division of the tax-exemption stamps received or to be received by any such landlord, any such share-tenant, or any such share-cropper, or any or all of them, in accordance with their respective shares in the potatoes or the proceeds thereof to be produced by them.

(f) Where a farm is operated by share-tenants, or with the aid of share-croppers, tax-exemption stamps issued for an apportionment made to such farm shall be used by the landlord, the share-tenants, and/or the share-croppers in accordance with their respective shares in the potatoes produced on such farm, during the allotment year for which such apportionment is made, or the proceeds of such potatoes, and the Secretary of Agriculture shall issue regulations protecting the interests of share-croppers and tenants in the issuance and use of such tax-exemption stamps.

(g) If accompanied by delivery thereof, tax-exemption stamps may be transferred or assigned in such manner and upon such terms and conditions, including conditions governing the consideration which must be given therefor, as the Secretary of Agriculture may determine are reasonably necessary to prevent (1) transfers and assignments which would tend to depress the market price for potatoes produced in any potato-producing area; (2) speculation in tax-exempt stamps; or (3) fraud or coercion in the transfer of such stamps, or which the Secretary of Agriculture finds to be necessary or desirable to facilitate the identification of tax-paid or tax-exempt potatoes, or which the Secretary of Agriculture finds to be necessary or desirable to protect the interests of tenants and share-croppers in the issuance and use of tax-exemption stamps.

SEC. 210. Tax-exemption stamps issued to a person, and a person's right to and claim for, tax-exemption stamps shall be exempt from the claims of the creditors of such person and from any and all process for the enforcement of such claims. The Secretary of Agriculture shall by regulation provide for the issuance to, and/or use by, the person who by devise, bequest, or descent becomes the owner of potatoes planted by a person dying during an allotment year, of the tax-exemption stamps which have been, or would have been, issued to such deceased person for such allotment year.

PACKAGING

SEC. 211. (a) To facilitate the collection of the tax upon the first sale of potatoes imposed by subsection (a) of section 202 of this title, all potatoes harvested on and after December 1, 1935, and sold in the continental United States, during any period such tax is in effect, shall, in accordance with such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe, be packed in closed and marked containers, to which shall be attached or affixed tax stamps or tax-exemption stamps equal in face value to the amount of tax per pound in effect on the potatoes contained therein: *Provided*, That, subject to such regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe, packaging may be postponed beyond the time of the first sale of potatoes which are to be stored in bulk, or which are to be graded, at such places as may be designated by regulations prescribed by the Commissioner with the approval of the Secretary of the Treasury. The time and method of such packaging and the time and method of attaching or affixing such stamps and the time and circumstances under which packages may be broken shall be established in accordance with such regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe as desirable or necessary to facilitate the collection of such tax. In prescribing and approving rules and regulations for the packaging of

potatoes and the attaching or affixing of stamps, the Commissioner and the Secretary of the Treasury shall give due weight to the customs of the industry.

(b) To facilitate the collection of the tax upon a change in the form of potatoes imposed by subsection (a) of section 202 of this title, the Commissioner, with the approval of the Secretary of the Treasury, is authorized by regulation to prescribe appropriate means of identifying potatoes, the change of form of which is subject to such tax, and for the identification of the products of such potatoes.

RULES AND REGULATIONS

SEC. 212. The Commissioner, with the approval of the Secretary of the Treasury, shall prescribe and publish such rules and regulations as he may deem needful in administering provisions of this title relating to the revenue including rules and regulations for the issue, sale, custody, production, cancelation, destruction, and disposition of tax stamps and the cancelation and destruction of tax-exemption stamps, and the substitution or replacement of tax stamps in cases of loss, destruction, or defacement thereof.

SEC. 213. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary to carry out the powers vested in him by the provisions of this title.

SEC. 214. (a) All producers, warehousemen, processors, carriers, retailers, factors, handlers, and any other person who the Commission has reason to believe to have information with respect to potatoes produced or sold may be required, under regulations prescribed jointly by the Secretary of the Treasury and the Secretary of Agriculture, to make such returns, render such statements, give such information, and keep such records as they may deem necessary for the proper administration of this title.

(b) Any person willfully failing or refusing to file such a return, render such statement, give such information, or keep such records, or filing a willfully false return, or rendering or giving willfully false statements or information or willfully keeping false records, shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment not exceeding 1 year, or both.

REFUNDS

SEC. 215. (a) No refund of any tax, penalty, interest, or sum of money paid shall be allowed under this title unless claim therefor is presented within 1 year after the date of payment of such tax, penalty, interest, or sum.

(b) No suit or proceeding shall be maintained in any court for the recovery of any tax under this title alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessive or in any manner illegally or wrongfully collected until a claim for refund or credit has been duly filed with the Commissioner according to the provisions of law in that regard and the regulations of the Secretary of the Treasury established in pursuance thereof. No suit or proceeding shall be begun before the expiration of 6 months from the date of filing such claim unless the Commissioner renders a decision thereon within that time, nor after the expiration of 2 years from the date of payment of such tax, penalty, or sum, unless such suit or proceeding is begun within 2 years after the disallowance of the part of such claim to which such suit or proceeding relates. The Commissioner shall, within 90 days after such disallowance, notify the taxpayer thereof by registered mail.

(c) The amount of the taxes imposed by subsection (a) of section 202, paid by a person, which taxes would not have been paid had the tax-exemption stamps to which such person was entitled been delivered to such person prior to the payment of such taxes, shall be refunded to such person.

APPROPRIATION

SEC. 216. (a) The proceeds derived from the taxes imposed by this title are hereby authorized to be appropriated to be available to the Secretary of Agriculture for administrative expenses, for all purposes of the Agricultural Adjustment Act, for refunds of taxes and for other payments under this title. The Secretary of Agriculture and the Secretary of the Treasury shall estimate from time to time the amount of taxes which will be collected during a period following any such estimate not in excess of 4 months, and the Secretary of the Treasury shall, out of any money in the Treasury not otherwise appropriated, advance to the Secretary of Agriculture the amounts so estimated. The amount of any such advance shall be deducted from such tax proceeds as shall subsequently become available under this subsection: *Provided*, That all taxes imposed by section 230 of this title, collected upon potatoes coming from the possessions or territories of the United States, shall not be covered into the general fund of the Treasury of the United States but shall be held as a separate fund and paid into the treasuries of the said possessions and territories, respectively, to be used and expended by the governments thereof for the benefit of agriculture.

(b) The Secretary of Agriculture is hereby authorized to expend, out of the sums available to the Secretary of Agriculture under the Agricultural Adjustment Act, as amended, such sums as may be necessary for administrative expenses, for refunds of taxes and for other payments under this title.

(c) The administrative expenses provided for under this section shall include, among others, expenditures for personal services and rent in the District of Columbia and elsewhere, for law books, periodicals, newspapers, and books of references, for contract stenographic reporting services, for the purchase or hire of vehicles, including motor vehicles, and for printing and paper in addition to allotments under the existing law.

(d) The Secretary of Agriculture may advance or transfer to the Treasury Department, to the Post Office Department, and to any other department or agency, out of funds available for administrative expenses under this title, such sums as are required to pay administrative expenses of, and refunds made by, such departments or agencies in the administration of this title.

(e) There is hereby authorized to be appropriated to be available to the Secretary of Agriculture such sums as may be necessary for administrative expenses for refunds of taxes, and for other advances or payments under this title.

GENERAL AND PENAL PROVISIONS

SEC. 217. If at any time the Secretary of Agriculture finds that any product or products manufactured from potatoes is of such low value, considering the quantity of potatoes used for its manufacture, that the imposition of the taxes imposed by subsection (a) of section 202 of this title would prevent wholly or in large part the use of potatoes in the manufacture of such product or products or that potatoes used for the feeding of livestock are of such low value that the imposition of such taxes would prevent wholly or in large part the sale of potatoes for any such use, the Secretary of Agriculture shall proclaim such finding and thereafter in accordance with regulations prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury, the sale, or change in form, or potatoes for such use or uses by the purchaser thereof shall be exempt from the provisions of subsection (a) of section 211, and from the taxes imposed by subsection (a) of section 202 of this title until such time as the Secretary of Agriculture, after further investigation and due notice and opportunity for hearing to the interested parties, revokes such proclamation: *Provided*, That the right to any such exemption shall be evidenced in such manner as joint regulations of the Secretary of Agriculture and the Secretary of the Treasury shall prescribe. If such purchaser uses any potatoes sold to him free of tax under this section or uses any product of such potatoes, for other than an exempt use as above specified, then he shall be liable for a tax in the same manner as if such potatoes were sold by him at a first sale.

SEC. 218. The Secretary of Agriculture is authorized, in order to carry out the provisions of this title, to appoint, without regard to the provisions of the civil-service law, such officers, agents, and employees and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees, as he may find necessary, to prescribe their authorities, duties, responsibilities, and tenure, and, without regard to the Classification Act of 1923, as amended, to fix the compensation of any officers, agents, and employees so appointed.

SEC. 219. (a) For the more effective administration of the functions vested in him by this title, the Secretary of Agriculture is authorized to utilize committees and associations heretofore or hereafter established pursuant to subsection (b) of section 10 of the Agricultural Adjustment Act and to establish regional, State, and local committees and associations of producers of potatoes.

(b) The Secretary of Agriculture, out of any funds appropriated for administrative expenses under this title, is authorized to advance funds to the proper fiscal officer of associations established or utilized pursuant to subsection (a) of section 219 of this title, for expenses incurred or to be incurred in the administration of this title, with the approval of the Secretary of Agriculture by such associations. Payment of such expenses of such associations shall be made upon such evidence and in such manner and at such time or times as the Secretary of Agriculture may direct, and the accounting therefor by the associations shall be solely administrative and to the Secretary of Agriculture only.

SEC. 220. Any person who knowingly sells, or offers for sale, or knowingly offers to buy, or buys, potatoes not packaged as required by this title, or any person who knowingly sells, or offers for sale, or who knowingly offers to buy, or buys, potatoes to the packages of which are not affixed or attached tax-exemption stamps or tax stamps as required by this title shall, upon conviction thereof, be fined not more than $1,000. Any person convicted of a second offense under the provisions of this title may, in addition to such fine, be imprisoned for not more than 1 year.

SEC. 221. Any person who, in violation of the regulations made by the Secretary of Agriculture, speculates in tax-exemption stamps, and any person securing tax-exemption stamps from another person by fraud or coercion, shall, upon conviction thereof, be fined not more than $1,000 or sentenced to not more than 1 year's imprisonment, or both.

SEC. 222. Whenever any potato container, to which are affixed tax stamps or tax-exemption stamps, is emptied, it shall be the duty of the person in whose hands the same is to destroy utterly the stamps thereon. Any revenue officer may destroy the tax stamps or tax-exemption stamps upon any emptied potato package.

SEC. 223. Any person who willfully violates any provision of this title, or who willfully fails to pay, when due, any tax imposed under this title, or who, with intent to defraud, falsely makes, forges, orders, or counterfeits any tax stamps or tax-exemption stamps made or used under this title or who uses, sells, or has in his possession any such forged, ordered, or counterfeited tax stamps or tax-exemption stamps or any plate or die used, or which may be used in the manufacture thereof, or has in his possession any tax stamp or tax-exemption stamp which should have been destroyed as required by this title, or who makes, uses, sells, or has in his possession, any paper in imitation of the paper or other substance used in the manufacture of any such tax stamp or tax-exemption stamp, or who reuses any tax stamp or tax-exemption stamp required to be destroyed by this title, or who places any potatoes in any package which has been theretofore filled or

stamped or otherwise identified under this title without destroying the tax stamp and tax-exemption stamps previously affixed to such package, or who gives away or accepts from another or who sells or buys any emptied package which had been previously filled and stamped or otherwise identified under this title without destroying the tax stamps and tax-exemption stamps previously affixed or attached to such package, or who makes any false statement in any application for tax-exemption stamps under this title, or who has in his possession any tax-exemption stamps or tax stamps, obtained by him otherwise than as provided in this title, shall, upon conviction, be punished by a fine not exceeding $1,000 or by imprisonment for not exceeding 6 months, or both.

SEC. 224. Any person who willfully violates any regulation issued or approved pursuant to this title, for the violation of which a special penalty is not provided by law, shall, upon conviction thereof, be punished by a fine not exceeding $200.

SEC. 225. All provisions of law, including penalties applicable with respect to the taxes imposed by sections 600 and 800 of the Revenue Act of 1926, except section 1121 of the Revenue Act of 1926, and except section 614 of the Revenue Act of 1932, shall, insofar as applicable and not inconsistent with the provisions of this title, be applicable with respect to all taxes imposed by this title.

SEC. 226. In order to facilitate the making of apportionments and the collection of the taxes imposed by this title, every producer who sells potatoes during any allotment year, or who changes the form of potatoes, shall keep such books and records as the Commissioner, with the joint approval of the Secretary of the Treasury and the Secretary of Agriculture, shall by regulations require and such books and records shall be open to inspection by any authorized agent of the Secretary of Agriculture or the Commissioner.

SEC. 227. Whenever any potatoes, upon the sale of which a tax is required to be paid, are sold, without the use of the proper stamps, or whenever a change of form of potatoes upon which a tax is required to be paid occurs, without the payment of such tax, it shall be the duty of the Commissioner, within a period of not more than 2 years after such sale or change of form, upon satisfactory proof, to estimate the amount of the tax which has been omitted to be paid, and to make the assessment therefor, and certify the same to a collector. The tax so assessed shall be in addition to the penalties imposed by law.

EXPORTS

SEC. 228. Under such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe, the taxes imposed under subsection (a) of section 202 of this title shall not apply in respect to potatoes sold for export to any foreign country or for shipment to a possession or Territory of the United States, and in due course so exported or shipped. Under such rules and regulations the amount of any such tax erroneously or illegally collected in respect to such potatoes so exported or shipped may be refunded to the exporter or shipper of the potatoes instead of the taxpayer if the taxpayer waives any claim for the amount so to be refunded.

IMPORTS

SEC. 229. In order to secure equality between domestic and foreign producers of potatoes and in order to prevent the taxes imposed by subsection (a) of section 202 from resulting in disadvantages to producers of potatoes in the continental United States, the Secretary of Agriculture is hereby authorized and directed to, from time to time by orders and regulations—

(a) For each allotment year or any part thereof that the taxes imposed by subsection (a) of section 202 of this title are in effect, establish quotas for the entry or the importation into the continental United States of potatoes produced in any Territory or possession of the United States, or any foreign country. Such quotas shall be based upon that percentage of the annual average quantity of such potatoes brought or imported into the continental United States during the years 1929–34, inclusive, which is equal to the percentage that the quantity proclaimed by the Secretary under section 203 of this title is of the annual average of the quantity of potatoes sold in the continental Unied States during the years 1929–34, inclusive; and

(b) Allot the quotas provided for by subsection (a) to the importers of such potatoes in the United States in such manner as he may deem fair and equitable, having due regard to the respective amounts of potatoes imported during the years 1932–34, inclusive, by such persons.

SEC. 230. After such quotas have been established, potatoes imported or brought into the continental United States in excess of any such quotas shall, in addition to any import duties, be subject to internal-revenue tax equal to the amount of the tax then in effect on the first sale of potatoes produced and sold in the continental United States. The tax levied by this section shall be represented by tax stamps and shall be paid by the owner or importer prior to release from customs custody and control, or entry into the continental United States.

SEC. 231. During any period the tax imposed by subsection (a) of section 202 is in effect all potatoes imported or brought into the continental United States from any possession or Territory of the United States or from any foreign country shall, prior to release from customs custody and control, in accordance with such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe as necessary or desirable to facilitate the collection of the taxes levied by this title, be packed in closed and marked containers. The time and method of such packaging and the time and method of attaching or affixing the stamps required by the preceding section shall be established in accordance with such regulations as the Commissioner shall prescribe. All sales of such potatoes, after release thereof from customs custody and control or entry in the continental United States, shall be in packages in the same manner and under the same terms and conditions as required for the sales of potatoes harvested and sold in the continental United States.

SEC. 232. The provisions of sections 229 and 230 shall not be applicable to potatoes produced in the Republic of Cuba and imported and entered for consumption into the continental United States during the period from December 1 to the last day of the following February, inclusive, in any years: *Provided*, That if the Secretary of Agriculture at any time finds that the importation of potatoes from the Republic of Cuba during such period is, or threatens or results in, unduly depressing the potato market in or for any potato-producing area of the continental United States, he shall proclaim such findings and the provisions of sections 229 and 230 shall be applicable to all potatoes thereafter imported into the continental United States from the Republic of Cuba.

Mr. JONES moves that the House recede from its disagreement to the amendment of the Senate no. 163, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"POTATO CONTROL

"SEC. 61. Section 11 of the Agricultural Adjustment Act, as amended, is amended by adding after the word 'rice' a comma and the word 'potatoes' and by adding at the end of said section 11 a new sentence as follows: 'As used in this title, the term "potatoes" means all varieties of potatoes included in the species Solanum tuberosum.'

"SEC. 62. Subsection 1 of section 2 of the Agricultural Adjustment Act, as amended, is amended by adding after the word 'tobacco', in both the second and third sentences of said subsection, the words 'and potatoes.'

"TITLE II

"DEFINITIONS

"SECTION 201. When used in this title, unless the context otherwise requires—

"(a) The term 'person' includes an individual, a corporation, a partnership, a business trust, a joint-stock company, an association, a syndicate, group, pool, joint venture, or any other unincorporated organization or group.

"(b) The term 'Commissioner' means the Commissioner of Internal Revenue.

"(c) The term 'collector' means a collector of internal revenue.

"(d) The term 'sale' includes any agreement or delivery whereby the seller transfers the property in, or right to consume, potatoes to another for a consideration, and any sum of money, services, property, or anything of value whatsoever, may constitute consideration for such transfer, but does not include the transfer of the right to consume potatoes to a member of the household of a producer of such potatoes or a transfer for consumption by the household of a person employed in the farming operations of the producer of such potatoes.

"(e) The term 'allotment year' means the period commencing December 1 and ending November 30: *Provided*, That the first allotment year shall commence December 1, 1935, and shall end November 30, 1936.

"(f) The term 'change in the form of potatoes' means an intentionally effected change in the form of potatoes in preparation for the sale of such potatoes, or any product thereof, as such change is defined by rules and regulations prescribed by the Commissioner, with the approval of the Secretary of the Treasury.

"(g) The term 'tax stamp' means an appropriate stamp or other means of identifying potatoes with respect to which a tax levied by this title has been paid.

"(h) The term 'tax-exemption stamp' means an appropriate stamp or other means of identifying potatoes with respect to which an exemption from a tax levied by this title has been established.

"(i) The term 'potatoes' means all varieties of potatoes included in the species Solanum tuberosum.

"(j) The term 'producer' means a person who has the right to sell, or to receive a share of the proceeds derived from the sale of, potatoes cultivated by him, or on land owned or leased by him.

"(k) The term 'continental United States' means the several States of the United States and the District of Columbia and does not include any Territory or possession of the United States.

"(l) The term 'operator' means any person operating his own farm, any tenant operating a farm rented for cash or for a fixed-commodity payment, any crop-share tenant, and any crop-share landlord.

"(m) The term 'farm' means all the land operated by the producer as a single operating unit with work stock, farm machinery, and labor substantially separate from that of any other tract of land.

"IMPOSITION OF THE TAX

"SEC. 202. (a) There is hereby levied and assessed upon each first sale of potatoes harvested on or after December 1, 1935, in the continental United States a tax, to be paid by the seller, at the rate of three-fourths of 1 cent per pound: *Provided*, That when there is a change in the form of potatoes harvested on or after December 1, 1935, in the continental United States prior to the first sale thereof, a tax at the rate of three-fourths of 1 cent per pound, to be paid by the owner at the time such change is effected, is hereby levied and assessed upon the effecting of such

change, and no tax shall be levied upon the first sale of such potatoes or any product or products thereof.

"(b) If the Secretary of Agriculture finds at any time that the total apportionments to producers in any potato-producing region or regions (as established and defined pursuant to subsection (c) of section 209 of this title) are in excess of the probable supply of potatoes in the continental United States during the marketing periods for such region or regions, he shall proclaim such determination, and the provisions of this title shall not be operative during such marketing periods.

"(c) At least 30 days prior to the beginning of each allotment year the Secretary of Agriculture shall conduct a referendum which will afford to producers of potatoes a reasonable opportunity to vote in favor of or in opposition to continuing in effect with respect to potatoes produced during the succeeding allotment year the taxes levied by subsection (a) of this section. Each producer who is entitled to an allotment for the last allotment year for which such apportionments were made shall be entitled to one vote; and such taxes shall not be in effect and the provisions of this title shall not be operative with respect to potatoes produced in such succeeding year unless the majority of the votes cast in such referendum are cast in favor of continuing such taxes in effect.

"(d) If the Secretary of Agriculture determines and proclaims that the taxes levied by subsection (a) of this section will at the rate therein specified for such taxes, (1) tend to adversely affect the orderly marketing of potatoes, or (2) tend to depress the farm price of potatoes, or (3) tend to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities, then the rate of such taxes shall for such period as the Secretary of Agriculture designates, be at the highest rate which is lower than three-fourths of 1 cent (not less than one-half of 1 cent per pound) as he finds and proclaims will not adversely affect such orderly marketing, or cause such depression of the farm price, or cause such disadvantages in competition.

"(e) The taxes levied by subsection (a) of this section shall be represented by tax stamps, and the proceeds of taxes levied under this title shall be paid into the Treasury of the United States as internal-revenue collections.

"(f) The Commissioner shall cause to be prepared, for the payment of such taxes, tax stamps of suitable denominations and shall furnish same to the collectors of internal revenue. The commissioner shall also furnish to the Postmaster General without prepayment a suitable quantity of such stamps to be distributed to, and kept on sale by, the various postmasters in the United States. The Postmaster General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps so furnished, and each such postmaster shall deposit the receipts from the sale of such stamps to the credit of, and render accounts to, the Postmaster General at such times and in such form as he may by regulations prescribe. The Postmaster General shall at least once monthly transfer all collections from this source to the Treasury as internal-revenue collections.

"ALLOTMENTS

"SEC. 203. The Secretary of Agriculture shall investigate probable production and market conditions for each allotment year and shall determine from available statistics of the Department of Agriculture and proclaim, at least 30 days prior to the beginning of each allotment year, the quantity of potatoes which, if produced during such year and sold during or after such year, will, in his opinion, tend to establish and maintain such balance between the production, sale, and consumption of potatoes and the marketing conditions therefor as will, in his opinion, tend to establish prices to potato producers at a level that would give potatoes a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of potatoes in the period August 1919–July 1929 without reducing the total net income of potato producers from potatoes below the largest probable income of potato producers from potatoes produced during such allotment year, and without tending to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities; and the quantity so proclaimed shall for each allotment year be apportioned by the Secretary of Agriculture as hereinafter provided.

"SEC. 204. When a quantity is determined in accordance with section 203 of this title, the Secretary of Agriculture shall apportion such quantity among the several States. The apportionment to each State shall be determined on the basis of the ratio that the annual average acreage of the 4 years in which the highest potato acreage was harvested in such State in the years 1927–34, inclusive, multiplied by the average yield per acre for the 4 years that the yield of potatoes per acre for such State was highest in the years 1927–34, inclusive, multiplied by the average annual percentage of the crop produced in such State during the years 1929–34, inclusive, which was sold, bears to the sum of the products of such average acreages, such average yields, and such percentages of sales for all States: *Provided*, That if the Secretary of Agriculture finds that the application of the foregoing formula alone would, because of differences in production practices and marketing practices among the several States, result in an inequitable and unfair apportionment to any State or States, not in excess of 2 percent of the quantity of potatoes determined in accordance with section 203 of this title may be deducted from such quantity and may be used by the Secretary of Agriculture to adjust on the basis of equity and fairness the apportionments made or to be made to any State or States.

"SEC. 205. Ninety-five percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall be apportioned by the Secretary of Agriculture to farms on which potatoes have been grown within such State during any one or more years within the period 1932–34, inclusive. Such apportionment to any farm may be made upon application therefor and may, in order to secure equitable apportionments to producers, be made by the Secretary based upon either—

"(1) A percentage of the average sales of potatoes produced on such farm for a representative base period, prescribed by the Secretary, of any 2 or more years during the years 1932–34, inclusive, providing the operators of such farm for the allotment year for which the apportionment is made produced potatoes on such farm during at least one of the base-period years. The representative base period prescribed by the Secretary and the percentage applied to the average sales of potatoes produced during such period in establishing apportionments for each farm under this paragraph shall, so far as practicable, be uniform for farms similarly situated upon the basis or classification prescribed by the Secretary of Agriculture, but in the case of any farm for which such average sales are 300 pounds or less, such average sales shall be exempt from any percentage reduction thereof and such farm shall receive an apportionment equal to such average sales; or

"(2) Such basis as the Secretary of Agriculture deems fair and just and will apply to all farms to which an apportionment is made under this paragraph 2 uniformly on the basis or classification adopted. In making an apportionment to a farm under this paragraph, due consideration shall be given to the quantity of potatoes produced and sold in the past by the operators who will operate such farm for the allotment year for which the apportionment is made, the quantity of potatoes produced on such farm and sold in the past, and the acreage of the farm available for the production of potatoes and which the operators are currently equipped to devote to the production of potatoes.

"SEC. 206. Not in excess of 5 percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall, upon application therefor, be available for apportionment by the Secretary of Agriculture to farms operated by persons engaged or evidencing a desire to engage in the production and sale of potatoes in such State and which farms are ineligible to receive an apportionment under section 205 or in respect to which the Secretary of Agriculture determines that the apportionments made pursuant to section 205 are inequitable: *Provided*, That apportionments under this section shall be made upon such basis as the Secretary of Agriculture deems fair and just and which will, so far as practicable, apply to all such farms uniformly upon the basis or classification prescribed by the Secretary. Any quantity not apportioned under this section shall be available for apportionment under section 205 of this title.

"SEC. 207. If an apportionment is made to a farm under section 206 of this title for any allotment year, for each succeeding allotment year that the operation of such farm is continued by the operators who operated it during the allotment year for which such apportionment was made, the apportionment to such farm shall be made upon the basis provided in section 206 of this title but shall be made from the quantity available for apportionment under section 205 of this title.

"SEC. 208. For the purposes of the apportionments to be made pursuant to sections 204, 205, 206, and 207 of this title, the District of Columbia shall be considered as a part of the State of Maryland.

"SEC. 209. (a) The Secretary of Agriculture, or any agent or agency designated for such purpose by the Secretary of Agriculture, shall, upon application therefor, issue for each farm tax-exemption stamps for an amount of potatoes equal to the apportionment made to such farm pursuant to sections 205, 206, and 207 of this title: *Provided*, That under such regulations as the Secretary of Agriculture shall prescribe he shall refuse to issue such tax-exemption stamps to any applicant in any allotment year in which such applicant is not a bona fide producer of potatoes. Each such tax-exemption stamp, during the period of its validity as determined pursuant to subsection (c) of this section, shall establish an exemption from the taxes imposed by subsection (a) of section 202 of this title for the amount of potatoes stated on the face of each such stamp.

"(b) The right to tax-exemption stamps shall be evidenced in such manner as the Secretary of Agriculture may by regulations prescribe, and such tax-exemption stamps shall be issued in such form or forms, and under such terms and conditions as may be prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury.

"(c) The Secretary of Agriculture shall establish and define potato-producing regions for the continental United States upon the basis of the marketing periods for potatoes produced in such regions during an allotment year, and shall from time to time by regulation and upon the basis of such marketing periods for each such region, determine and fix the period during which tax-exemption stamps issued, or pursuant to subsection (g) of this section transferred, to producers in such regions for any allotment year shall be valid, provided that all tax-exemption stamps shall be valid for a period of at least the allotment year for which they are issued.

"(d) If any tax-exemption stamp is erroneously issued, the person to whom such stamp is so issued shall, upon demand by the Secretary of Agriculture in writing and mailed to the last-known address of such person, be obligated to return such stamp or pay to the Secretary a sum equal to the amount of the taxes

imposed by subsection (a) of section 202 of this title upon the amount of potatoes covered by such stamp, at the rate in effect at the time such stamp was issued.

"(e) Any sale, assignment, pledge, or transfer, and any agreement or power of attorney to sell, assign, apply, pledge, or transfer made or entered into by any person of his right to or claim for tax-exemption stamps or any part thereof not accompanied by actual delivery of such stamps shall, for all purposes, be null and void; except agreements between landlords and share-tenants or share-croppers which, in accordance with such regulations as the Secretary of Agriculture shall prescribe, provide for a division of the tax-exemption stamps received or to be received by any such landlord, any such share-tenant or any such share-cropper, or any or all of them, in accordance with their respective shares in the potatoes or the proceeds thereof to be produced by them.

"(f) Where a farm is operated by share-tenants, or with the aid of share-croppers, tax-exemption stamps issued for an apportionment made to such farm shall be used by the landlord, the share-tenants, and/or the share-croppers in accordance with their respective shares in the potatoes produced on such farm, during the allotment year for which such apportionment is made, or the proceeds of such potatoes, and the Secretary of Agriculture shall issue regulations protecting the interests of share-croppers and tenants in the issuance and use of such tax-exemption stamps.

"(g) If accompanied by delivery thereof, tax-exemption stamps may be transferred or assigned in such manner and upon such terms and conditions, including conditions governing the consideration which must be given therefor, as the Secretary of Agriculture may determine are reasonably necessary to prevent (1) transfers and assignments which would tend to depress the market price for potatoes produced in any potato-producing area, (2) speculation in tax-exemption stamps, or (3) fraud or coercion in the transfer of such stamps, or which the Secretary of Agriculture finds to be necessary or desirable to facilitate the identification of tax-paid or tax-exempt potatoes or which the Secretary of Agriculture finds to be necessary or desirable to protect the interests of tenants and share-croppers in the issuance and use of tax-exemption stamps.

"SEC. 210. Tax-exemption stamps issued to a person, and a person's right to and claim for, tax-exemption stamps shall be exempt from the claims of the creditors of such person and from any and all process for the enforcement of such claims. The Secretary of Agriculture shall by regulation provide for the issuance to, and/or use by, the person who by devise, bequest, or descent becomes the owner of potatoes planted by a person dying during an allotment year, of the tax-exemption stamps which have been, or would have been, issued to such deceased person for such allotment year.

"PACKAGING

"SEC. 211. (a) To facilitate the collection of the tax upon the first sale of potatoes imposed by subsection (a) of section 202 of this title, all potatoes harvested on and after December 1, 1935, and sold in the continental United States, during any period such tax is in effect, shall, in accordance with such rules and regulations as the Commissioner with the approval of the Secretary of the Treasury shall prescribe, be packed in closed and marked containers to which shall be attached or affixed tax stamps or tax-exemption stamps equal in face value to the amount of tax per pound in effect on the potatoes contained therein: *Provided*, That, subject to such regulations as the Commissioner with the approval of the Secretary of the Treasury may prescribe, packaging may be postponed beyond the time of the first sale of potatoes which are to be stored in bulk, or which are to be graded, at such places as may be designated by regulations prescribed by the Commissioner with the approval of the Secretary of the Treasury. The time and method of such packaging and the time and method of attaching or affixing such stamps and the time and circumstances under which packages may be broken shall be established in accordance with such regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe as desirable or necessary to facilitate the collection of the taxes levied by this title. In prescribing and approving rules and regulations for the packaging of potatoes and the attaching or affixing of stamps, the Commissioner and the Secretary of the Treasury shall give due weight to the customs of the industry.

"(b) To facilitate the collection of the tax upon a change in the form of potatoes imposed by subsection (a) of section 202 of this title, the Commissioner, with the approval of the Secretary of the Treasury, is authorized by regulation to prescribe appropriate means of identifying potatoes, the change of form of which is subject to such tax, and for the identification of the products of such potatoes.

"RULES AND REGULATIONS

"SEC. 212. The Commissioner, with the approval of the Secretary of the Treasury, shall prescribe and publish such rules and regulations as he may deem needful in administering provisions of this title relating to the revenue including rules and regulations for the issue, sale, custody, production, cancelation, destruction, and disposition of tax stamps and the cancelation and destruction of tax-exemption stamps, and the substitution or replacement of tax stamps in cases of loss, destruction, or defacement thereof.

"SEC. 213. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary to carry out the powers vested in him by the provisions of this title.

"SEC. 214. (a) All producers, warehousemen, processors, carriers, retailers, factors, handlers, and any other person who the Commissioner has reason to believe to have information with respect to potatoes produced, or sold, or subject to a tax on a change in the form of potatoes, may be required, under regulation prescribed jointly by the Secretary of the Treasury and the Secretary of Agriculture, to make such returns, render such statements, give such information, and keep such records as they may deem necessary for the proper administration of this title.

"(b) Any person willfully failing or refusing to file such a return, render such statement, give such information, or keep such records, or filing a willfully false return, or rendering or giving willfully false statements or information or willfully keeping false records, shall be guilty of a misdemeaner and upon conviction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment not exceeding 1 year, or both.

"REFUNDS

"SEC. 215. (a) No refund of any tax, penalty, interest, or sum of money paid shall be allowed under this title unless claim therefor is presented within 1 year after the date of payment of such tax, penalty, interest, or sum.

"(b) No suit or proceeding shall be maintained in any court for the recovery of any tax under this title alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessive or in any manner illegally or wrongfully collected until a claim for refund or credit has been duly filed with the Commissioner according to the provisions of law in that regard and the regulations of the Secretary of the Treasury established in pursuance thereof. No suit or proceeding shall be begun before the expiration of 6 months from the date of filing such claim unless the Commissioner renders a decision thereon within that time, nor after the expiration of 2 years from the date of payment of such tax, penalty, or sum, unless such suit or proceeding is begun within 2 years after the disallowance of the part of such claim to which such suit or proceeding relates. The Commissioner shall, within 90 days after such disallowance, notify the taxpayer thereof by registered mail.

"(c) The amount of the taxes imposed by subsection (a) of section 202 paid by a person, which taxes would not have been paid had the tax-exemption stamps to which such person was entitled been delivered to such person prior to the payment of such taxes, shall be refunded to such person.

"APPROPRIATION

"SEC. 216. (a) The proceeds derived from the taxes imposed by this title are hereby authorized to be appropriated to be available to the Secretary of Agriculture for administrative expenses, for all purposes of the Agricultural Adjustment Act, as amended, for refunds of taxes, and for other payments under this title. The Secretary of Agriculture and the Secretary of the Treasury shall estimate from time to time the amount of taxes which will be collected under this title during a period following any such estimate not in excess of 4 months, and the Secretary of the Treasury shall, out of any money in the Treasury not otherwise appropriated, advance to the Secretary of Agriculture the amounts so estimated. The amount of any such advance shall be deducted from such tax proceeds as shall subsequently become available under this subsection: *Provided*, That all taxes imposed by section 230 of this title collected upon potatoes coming from the possessions or territories of the United States shall not be covered into the general fund of the Treasury of the United States but shall be held as a separate fund and paid into the treasuries of the said possessions and territories, respectively, to be used and expended by the governments thereof for the benefit of agriculture.

"(b) The administrative expenses provided for under this section shall include, among others, expenditures for personal services and rent in the District of Columbia and elsewhere, for law books, periodicals, newspapers, and books of reference, for contract stenographic reporting services, for the purchase or hire of vehicles, including motor vehicles, and for printing and paper in addition to allotments under the existing law.

"(c) The Secretary of Agriculture may advance or transfer to the Treasury Department, to the Post Office Department, and to any other department or agency, out of funds available for administrative expenses under this title, such sums as are required to pay administrative expenses of, and refunds made by, such departments or agencies in the administration of this title.

"(d) There is hereby authorized to be appropriated to be available to the Secretary of Agriculture such sums as may be necessary for administrative expenses, for refunds of taxes, and for other advances or payments under this title.

"GENERAL AND PENAL PROVISIONS

"SEC. 217. If at any time the Secretary of Agriculture finds that any product or products manufactured from potatoes is of such low value, considering the quantity of potatoes used for its manufacture, that the imposition of the taxes imposed by subsection (a) of section 202 of this title would prevent wholly or in large part the use of potatoes in the manufacture of such product or products or that potatoes used for the feeding of livestock are of such low value that the imposition of such taxes would prevent wholly or in large part the sale of potatoes for any such use, the Secretary of Agriculture shall proclaim such finding and thereafter in accordance with regulations prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury, the sale, or change in form, of potatoes for such use or uses by the purchaser thereof shall be exempt from the provisions of subsection (a) of section 211, and from the taxes imposed by subsection (a) of section 202 of this title until such time as the Secretary of Agriculture, after further investigation and due notice and opportunity for hearing to the interested parties, revokes such proclamation: *Provided*, That the right to any such

exemption shall be evidenced in such manner as joint regulations of the Secretary of Agriculture and the Secretary of the Treasury shall prescribe. If such purchaser uses any potatoes sold to him free of tax under this section or uses any product of such potatoes, for other than an exempt use as above specified, then he shall be liable for a tax in the same manner as if such potatoes were sold by him at a first sale.

"SEC. 218. The Secretary of Agriculture is authorized, in order to carry out the provisions of this title, to appoint, without regard to the provisions of the civil-service law, such officers, agents, and employees and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees, as he may find necessary, to prescribe their authorities, duties, responsibilities, and tenure, and, without regard to the Classification Act of 1923, as amended, to fix the compensation of any officers, agents, and employees so appointed.

"SEC. 219. (a) For the more effective administration of the functions vested in him by this title, the Secretary of Agriculture is authorized to utilize committees and associations heretofore or hereafter established pursuant to subsection (b) of section 10 of the Agricultural Adjustment Act, as amended, and to establish regional, State, and local committees and associations of producers of potatoes.

"(b) The Secretary of Agriculture, out of any funds appropriated for administrative expenses under this title, is authorized to advance funds to the proper fiscal officer of associations established or utilized pursuant to subsection (a) of section 219 of this title, for expenses incurred or to be incurred in the administration of this title, with the approval of the Secretary of Agriculture by such associations. Payment of such expenses of such associations shall be made upon such evidence and in such manner and at such time or times as the Secretary of Agriculture may direct, and the accounting therefor by the associations shall be solely administrative and to the Secretary of Agriculture only.

"SEC. 220. Any person who knowingly sells, or offers for sale, or knowingly offers to buy, or buys, potatoes not packaged as required by this title, or any person who knowingly sells, or offers for sale, or who knowingly offers to buy, or buys, potatoes to the packages of which are not affixed or attached tax-exemption stamps or tax stamps as required by this title shall, upon conviction thereof, be fined not more than $1,000. Any person convicted of a second offense under the provisions of this title may, in addition to such fine, be imprisoned for not more than 1 year.

"SEC. 221. Any person who, in violation of the regulations made by the Secretary of Agriculture, speculates in tax-exemption stamps, and any person securing tax-exemption stamps from another person by fraud or coercion, shall, upon conviction thereof, be fined not more than $1,000 or sentenced to not more than 1 year's imprisonment, or both.

"SEC. 222. Whenever any potato container, to which are affixed tax stamps or tax-exemption stamps, is emptied, it shall be the duty of the person in whose hands the same is to destroy utterly the stamps affixed thereto. Any revenue officer may destroy the tax stamps or tax-exemption stamps affixed to any emptied potato package.

"SEC. 223. Any person who willfully violates any provision of this title, or who willfully fails to pay when due any tax imposed under this title, or who, with intent to defraud, falsely makes, forges, orders, or counterfeits any tax stamps or tax-exemption stamps made or used under this title or who uses, sells, or has in his possession any such forged, ordered, or counterfeited tax stamps or tax-exemption stamps or any plate or die used, or which may be used in the manufacture thereof, or has in his possession any tax stamp or tax-exemption stamp which should have been destroyed as required by this title, or who makes, uses, sells, or has in his possession any paper in imitation of the paper or other substance used in the manufacture of any such tax stamp or tax-exemption stamp, or who reuses any tax stamp or tax-exemption stamp required to be destroyed by this title, or who places any potatoes in any package which has been theretofore filled or stamped or otherwise identified under this title without destroying the tax stamps and tax-exemption stamps previously affixed to such package, or who gives away or accepts from another, or who sells or buys any emptied package which had been previously filled and stamped or otherwise identified under this title without destroying the tax stamps and tax-exemption stamps previously affixed or attached to such package, or who makes any false statement in any application for tax-exemption stamps under this title, or who has in his possession any tax-exemption stamps or tax stamps, obtained by him otherwise than as provided in this title, shall, upon conviction, be punished by a fine not exceeding $1,000 or by imprisonment for not exceeding 6 months, or both.

"SEC. 224. Any person who willfully violates any regulation issued or approved pursuant to this title, for the violation of which a special penalty is not provided by law, shall, upon conviction thereof, be punished by a fine not exceeding $200.

"SEC. 225. All provisions of law, including penalties, applicable with respect to the taxes imposed by sections 600 and 800 of the Revenue Act of 1926, except section 1121 of the Revenue Act of 1926, and except section 614 of the Revenue Act of 1932, shall, insofar as applicable and not inconsistent with the provisions of this title, be applicable with respect to all taxes imposed by this title.

"SEC. 226. In order to facilitate the making of apportionments and the collection of the taxes imposed by this title, every producer who sells potatoes during any allotment year, or who affects a change in the form of potatoes, shall keep such books and records as the Commissioner, with the joint approval of the Secretary of the Treasury and the Secretary of Agriculture, shall by regulations require and such books and records shall be open to inspection by any authorized agent of the Secretary of Agriculture or the Commissioner.

"SEC. 227. Whenever any potatoes, upon the sale of which a tax is required to be paid, are sold, without the use of the proper stamps, or whenever a change in the form of potatoes upon which a tax is required to be paid occurs, without the payment of such tax, it shall be the duty of the Commissioner, within a period of not more than 2 years after such sale or change in the form, upon satisfactory proof, to estimate the amount of the tax which has been omitted to be paid, and to make the assessment therefor, and certify the same to a collector. The tax so assessed shall be in addition to the penalties imposed by law.

"EXPORTS

"SEC. 228. Under such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe, the taxes imposed under subsection (a) of section 202 of this title shall not apply in respect to potatoes sold for export to any foreign country or for shipment to a possession or Territory of the United States, and in due course so exported or shipped. Under such rules and regulations the amount of any such tax erroneously or illegally collected in respect to such potatoes so exported or shipped may be refunded to the exporter or shipper of the potatoes instead of the taxpayer if the taxpayer waives any claim for the amount so to be refunded.

"IMPORTS

"SEC. 229. In order to secure equality between domestic and foreign producers of potatoes and in order to prevent the taxes imposed by subsection (a) of section 202 from resulting in disadvantages to producers of potatoes in the continental United States, the Secretary of Agriculture is hereby authorized and directed to, from time to time by orders and regulations—

"(a) For each allotment year or any part thereof that the taxes imposed by subsection (a) of section 202 of this title are in effect, establish quotas for the entry or the importation into the continental United States of potatoes produced in any Territory or possession of the United States, or any foreign country. Such quotas shall be based upon that percentage of the annual average quantity of such potatoes brought or imported into the continental United States during the years 1929–34, inclusive, which is equal to the percentage that the quantity proclaimed by the Secretary of Agriculture under section 203 of this title is of the annual average of the quantities of potatoes sold in the continental United States during the years 1929–34, inclusive; and

"(b) Allot the quotas provided for by subsection (a) to the importers of such potatoes in the United States in such manner as he may deem fair and equitable, having due regard to the respective amounts of potatoes imported during the years 1932–34, inclusive, by such persons.

"SEC. 230. After such quotas have been established, potatoes imported or brought into the continental United States in excess of any such quotas shall, in addition to any import duties, be subject to an internal-revenue tax equal to the amount of the tax then in effect on the first sale of potatoes produced and sold in the continental United States. The tax levied by this section shall be represented by tax stamps and shall be paid by the owner or importer prior to release from customs custody and control, or entry into the continental United States.

"SEC. 231. During any period the tax imposed by subsection (a) of section 202 is in effect all potatoes imported or brought into the continental United States from any possession or Territory of the United States or from any foreign country shall, prior to release from customs custody and control, in accordance with such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe as necessary or desirable to facilitate the collection of the taxes levied by this title, be packed in closed and marked containers. The time and method of such packaging and the time and method of attaching or affixing the stamps required by the preceding section shall be established in accordance with such regulations as the Commissioner shall prescribe. All sales of such potatoes, after release thereof from customs custody and control or entry in the continental United States, shall be in packages in the same manner and under the same terms and conditions as required for the sales of potatoes harvested and sold in the continental United States.

"SEC. 232. The provisions of sections 229 and 230 shall not be applicable to potatoes produced in the Republic of Cuba and imported and entered for consumption into the continental United States during the period from December 1 to the last day of the following February, inclusive, in any years: *Provided*, That if the Secretary of Agriculture at any time finds that the importation of potatoes from the Republic of Cuba during such period is, or threatens to result in, unduly depressing the potato market in or for any potato-producing area of the continental United States, he shall proclaim such findings and the provisions of sections 229 and 230 shall be applicable to all potatoes thereafter imported into the continental United States from the Republic of Cuba.

"SEC. 233. This title may be cited as the "Potato Act of 1935."

CALL OF THE HOUSE

Mr. GILCHRIST. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is not a quorum present.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 165]

Andrews, N. Y.	Eicher	Lamneck	Reed, N. Y.
Arnold	Ferguson	Lesinski	Richardson
Bankhead	Fernandez	Lewis, Md.	Rogers, N. H.
Berlin	Fish	Lord	Rudd
Blanton	Fletcher	Lucas	Sadowski
Brown, Mich.	Gambrill	McFarlane	Sanders, La.
Buckbee	Gasque	McGroarty	Sandlin
Buckley, N. Y.	Goldsborough	McLean	Schneider
Bulwinkle	Goodwin	McMillan	Seger
Burnham	Gray, Pa.	Maas	Shannon
Cannon, Wis.	Griswold	Marcantonio	Stewart
Carter	Hancock, N. C.	May	Stubbs
Cartwright	Hartley	Montague	Sullivan
Cavicchia	Hess	Montet	Sutphin
Claiborne	Higgins, Conn.	Nichols	Sweeney
Cochran	Hoffman	Norton	Thomas
Cole, N. Y.	Hollister	Oliver	Thompson
Cooper, Ohio	Hook	Parks	Tobey
Corning	Imhoff	Perkins	Underwood
Dear	Keller	Peyser	Wadsworth
Dietrich	Kennedy, Md.	Rabaut	Wearin
Dockweiler	Kimball	Rayburn	Weaver
Doutrich	Kniffin	Reece	Wilson, La.

The SPEAKER. Three hundred and thirty-seven Members have answered to their names, a quorum.

On motion of Mr. TAYLOR of Colorado, further proceedings under the call were dispensed with.

AGRICULTURAL ADJUSTMENT ACT AMENDMENTS

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, the problem involved in the amendments now being considered is a national one, for which relief can be granted only in a national way.

The potato growers of the United States are in a desperate condition. It is difficult for those who have not been brought in intimate touch with this situation to know how desperate it is. Potatoes constitute the fourth food crop in value in the United States. There are nine other commodities in the basic commodity plan. One of them has only 10 percent of the value of potatoes, yet this industry is left out and its situation is growing more desperate every day.

The bill which is presented in this amendment has been considered with the greatest care, first by group meetings locally and then by group meetings throughout the United States. Two hundred and fifty of these meetings have been held in which the bill has been discussed line by line. Every word has been explained, and in these meetings practically all, with the exception of four or five, have endorsed this bill.

I am not going to undertake to go into details. It will be realized what the situation is when I say to you that in two counties in my district the losses, as estimated by the Department of Agriculture, for the last 2 years have been over $5,000,000. My colleague, Mr. DARDEN, who is deeply interested and whose interests are similar to mine, is unable to speak as only one from Virginia may be heard for lack of time. He has requested that I say that the losses in his district equal mine, and he heartily favors this amendment. It is not sectional to Virginia. In Maine this year the loss has been from $15,000,000 to $20,000,000. In other sections there is a similar condition.

The most careful study by the Department of Agriculture, by Members of Congress, by groups of potato growers, have evolved this as the only plan that can solve the situation. If there are inconveniences, I have sufficient faith in the patriotism of the American people to believe that whatever the inconveniences may be the people are willing to respond for the general benefit that will come to the Nation as a whole from the passage of a measure of this kind.

The burden upon the consumer has been carefully estimated by the University of Wisconsin. They state that if the relief granted here were granted it would not amount to more than 88 cents for a family in the year.

We are asking you gentlemen to consider this burden, to consider the plight of these people who are now upon a poverty level, and we ask you to pass the bill.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. MARSHALL].

Mr. MARSHALL. Mr. Speaker, as a member of the Committee on Agriculture of the House I have endeavored to pursue a sane and conservative course in the consideration of the measures referred to our committee, having in mind not only the welfare of the farmer himself but also the welfare of every citizen of the United States.

The particular measure we are now considering in this brief space of time was considered in our committee at length, and, finally, under pressure, was reported out by the margin of one vote. Then, the motion to ask the Rules Committee for a rule was voted down in the Committee on Agriculture. In the other legislative body the Committee on Agriculture gave no consideration whatever to this measure and less than an hour's debate was given to it on the floor of the Senate; yet we are at this moment about to enact into law a bill which affects seriously and materially every person in the United States who raises as many as 5 bushels of potatoes within a year. I submit that this is not the kind of legislating we should carry on.

At the time the Bankhead cotton bill was under consideration I opposed it very seriously and with all the power at my command. I opposed the Kerr tobacco bill, and I rise in opposition to this measure for the same reason that I opposed the cotton bill and the tobacco bills. I said then that I would oppose those measures even if they affected agricultural commodities raised in my district. Potatoes are raised in my district. I am opposing this bill.

This bill is fundamentally wrong. The Constitution of the United States provides that you can levy taxes only for the purpose of raising revenue. I submit it is self-evident and uncontroverted that the purpose of levying a tax under the cotton bill, under the tobacco bill, and under this potato bill is not to raise revenue, for that would defeat the purpose of the bill. In other words, we are proceeding here to do by the levying of a tax that which the Constitution of the United States provides we cannot do. Now, if the time has come when that provision of the Constitution is obsolete and we do not want to obey it longer, then let us bring the issue out in the open and amend the Constitution in an orderly manner and not by innuendo, by legislation, by indirection, and by inference. Let the people of the United States know that you are amending the Constitution when you seek to do it.

I do not take the position that the document should never be amended, but I am opposed to its being amended in this manner. The sponsors of this bill admit that its constitutionality is in doubt, but they want us to add one more car to the train of unconstitutional legislation. They want to ride along until the Supreme Court knocks it out, and undoubtedly that is what will happen, because that is one arm of our Government still operating under its own power.

Mr. Speaker, I am not a prophet nor a son of a prophet, but I did say certain things in opposition to the cotton bill which have proven true. I want to make a prediction now that if the cotton bill is continued on our statute books, before many more moons the farmers of the South who raise cotton will be coming to this Congress petitioning us to give them a protective tariff preventing the shipment of cotton from South America to the New England States to operate the textile mills of New England.

I have consistently supported legislation in the interest of agriculture so long as the program provided remained voluntary, and I have just as consistently opposed compulsory control of the industry.

This bill, by a prohibitive tax, does in a compulsory manner control production and sale of potatoes on the part of the farmer who raises them.

If this bill is passed and enforced, it will be the most unpopular of all the unsound legislative enactments to date.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I want to say at the outset that a great deal of misinformation has been disseminated

with reference to the provisions of this bill. May I say further that many statements have been made with reference to the provisions of this bill that are grossly unfair. I do not accuse anyone of deliberately misstating facts, but I do believe that many Members do not understand the bill, or they would not make the statements which have been made during the consideration of the bill in committee or the statements which have been made among the Members prior to the matter being brought upon the floor of the House.

I have the highest regard for the gentleman from Ohio [Mr. MARSHALL]. I know of no Member of this House for whom I have a higher regard. He made a statement here a moment ago that this bill affects every farmer who grows more than 5 bushels of potatoes. This may be literally true, because it will help the producer of potatoes whether he grows 5 bushels or 5,000 bushels for sale. There is nothing in the bill that will discriminate against any grower on account of size. So far as affecting growers of less than 5 bushels of potatoes is concerned, may I say that there is nothing in this bill that in any sense of the word controls the amount of potatoes which a farmer may produce. He may produce as many as he wishes, but if he sells more than 5 bushels of potatoes, of course, he will have to come in under the allotment. He will obtain his allotment and get his tax-exempt certificates. He will have an exemption which will enable him to sell his fair share of the crop without paying any penalty or tax whatsoever.

Mr. MARSHALL. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Ohio.

Mr. MARSHALL. Is it not true that anyone who raises more than his quota, due to good weather, for instance, and desires to market the extra bushel or so, is compelled to pay a tax of 45 cents?

Mr. BOILEAU. That is absolutely true. Anyone who raises more than he should raise, according to his fair proportion of the crop, will be forced to pay a tax. That is the only way to stabilize the industry and make potato growing profitable.

Mr. Speaker, I want to say to the Membership of the House that the reason potatoes have been so low in price for the last several years is because of the fact that more potatoes have been produced than the market could consume. The records of the Department of Agriculture show very conclusively that when we have a very large acreage, a very large yield, and a bumper crop of potatoes the farmers did not get anywhere near as much for their crop as they received when there was a reasonable-sized crop.

The trouble with the potato industry has been that the farmers have produced such a tremendously large surplus of potatoes that they have been forced to sell the potatoes for the cost of sacking and the cost of transportation. There has not been a profit in it for the farmers, and I for one believe that the potato producers are entitled to just as much consideration as the producers of tobacco, cotton, wheat, corn, or anything else.

Mr. Speaker, I want to say to the Membership of the House that I, as a member of the Committee on Agriculture, have gone along with the cotton men in every instance; I have gone along with the tobacco men in every instance; I have supported the wheat program, the corn program, the hog program. Not a single one of those programs has meant much to the farmers of my community, but, on the contrary, every time we passed one of those bills the farmers of my community have been compelled to pay an increased price for cotton cake, livestock feed, and everything else. This is one program, however, that will benefit the people of my State and community. I submit that if the other programs are fair, if they are constitutional, as I believe them to be, then this program is fair and is constitutional, and I therefore solicit the same support from you people that we or the potato-producing States have given you in connection with every bit of farm legislation that has been before this Congress. [Applause.]

[Here the gavel fell.]

Mr. DOXEY. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Speaker, the hearings on this bill disclose that there are about 30,000 farmers in the United States who produce potatoes commercially.

Mr. BOILEAU. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman knows there are about 500,000 farmers who raise potatoes commercially.

Mr. BIERMANN. That fact was not disclosed in the hearings.

Mr. BOILEAU. Yes. The hearing disclosed there were 30,000 large growers of potatoes.

Mr. BIERMANN. I will amend my statement to that effect. There are 30,000 large producers of potatoes in the United States. There are about 3,000,000 farmers and people in towns who raise potatoes, and for the benefit of the 30,000 large raisers this bill proposes to regiment and to irritate 3,000,000 raisers of potatoes in the United States.

The first year every raiser of potatoes in the United States, whether he wants to or not, must come in on this program. He must apply for and get an allotment.

Mr. FULMER. Mr. Speaker, will the gentleman yield right there?

Mr. BIERMANN. Pardon me, but I have not time to yield. If the gentleman will get me more time I shall be pleased to yield.

Mr. FULMER. The farmers have the right to vote on whether or not they want to come in under this bill.

Mr. BIERMANN. They do not have any such right the first year. I refer the gentleman from South Carolina to the language on page 97 of H. R. 8492, "at least 30 days prior to the beginning of each allotment year after the first allotment year", there shall be a referendum, but the first allotment year there is no referendum. Every one of these 3,000,000 raisers of potatoes in the United States has to come in on this program the first year, and these allotments—

Shall be apportioned by the Secretary of Agriculture to farms on which potatoes have been grown within such State during any one or more years within the period 1932–34, inclusive. Such apportionment to any farm shall be made upon application therefor.

That is the language on page 101 of the bill. If a farmer is just an incidental raiser of potatoes or if some woman having three or four lots in some town is an incidental raiser of potatoes and he or she forgets to apply for an allotment, he cannot legally raise potatoes beyond what he consumes himself and 5 bushels besides.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I have only a brief time.

Mr. RANKIN. With respect to this election, the farmers who fail to qualify the first year, as I understand it, would not be qualified to vote the second year on whether this program should go into effect or not.

Mr. BIERMANN. I think that is correct.

Mr. RANKIN. And the small producers who fail to qualify would be shut out.

Mr. BIERMANN. Yes.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. Excuse me, but I have only 5 minutes.

I refer the House to page 101, with respect to the allotments which show that if some widow in your town has two or three lots that she wants to put into potatoes, unless they were in potatoes in 1932, 1933, or 1934, she cannot put them in potatoes.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I must decline to yield.

Mr. BOILEAU. That is not a correct statement.

Mr. BIERMANN. I refer the gentleman to page 107, which discloses the fact that all potatoes harvested on or after December 1, of this year, have to be packed in closed and marked containers. I ask you, who are the representatives of 3,000,000 potato raisers in the United States, How would your farmers like it, if they raised 10 bushels or more of potatoes for sale, to be compelled to pack them in closed and marked containers and on them affix tax stamps or tax-exemption stamps? You people who are familiar with potato raising know that the size of the crop is very largely depend-

ent upon the season. One year a man may raise 150 bushels of potatoes to the acre in my country and the next year 300. If he exceed his allotment, and I refer you to page 96, he has to pay 45 cents a bushel on his excess. [Applause.]

Mr. DOXEY. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. CUMMINGS].

Mr. CUMMINGS. Mr. Speaker, 3 minutes is not very long to speak on as important a subject as this, but I wish to call your attention to just two things.

This bill will or will not increase the price of potatoes. If it increases the price of potatoes, which is, frankly, the object of it, it will benefit those who grow them.

The gentleman who has just left the floor stated that if you did not grow potatoes last year you could not grow them this year. The gentleman knows very well, because he is a member of the Committee on Agriculture, that 10 percent of the total——

Mr. BIERMANN. I did not say that.

Mr. CUMMINGS. I have only 3 minutes and cannot yield.

Ten percent of the total production of potatoes is to be held in a jackpot to take care of that very situation, and you also know that the amount of the increase in price to the consumers of potatoes will not amount to anything.

When I first came to Congress a couple of years ago I was a grower of potatoes and shortly before I left home I sold two carloads of potatoes at 45 cents a hundred. My wife went to the store in the Roosevelt Hotel, where we live, and purchased 25 cents' worth of potatoes and she got just five spuds, although I had sold a carload for 45 cents a hundred or practically 22 cents a bushel. If you multiply by three the price that the growers receive for their potatoes, you would not hurt the consumer, but you would make it possible for the man who grows our potatoes to receive some money.

This ought not to be a one-man Congress or a one-man agricultural proposition. I have said to the people of my district that the members of the Committee on Agriculture, of which I am a member, have never divided along party lines, but I may say to you that on the reporting out of this bill we came nearer to dividing on party lines than we have in the three sessions I have served here, and I do not know whether this is for political purposes in an effort to catch the votes in the cities, where they do not grow potatoes, or not. A man said to me yesterday, "I have not a single man in my district who grows potatoes", and I said, "Have not we gone along with you on everything you wanted?" If a man comes to this House and thinks he can vote only for the measures that represent his particular district, then he is not representing the people of the United States. We must have prosperity that reaches all of the people, and it is only fair that the man who grows potatoes should have his protection. The cotton man in the textile factory receives his tariff, and it has been well said here that this agricultural program so far as the farmers are concerned is their tariff protection. We have voted tariff protection for the factories and for the people in the East, and the people in the East should vote for this agricultural program. When you try to put it on a narrow, personal basis and say, "My people do not grow potatoes and it is going to increase the cost of them", you should use a little horse sense and "do unto others as you would have others do unto you." [Applause.]

Mr. JONES. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, if this proposal really aided the majority of the potato growers of the country there would be a strong sentiment for it. However, that is not the case. The greater number of potato growers are not in favor of the tax. The potato growers in my county have recorded their opposition. It is true the proposal helps the larger growers of potatoes temporarily, but it leads them into a false security. Eventually they will find they have been led astray through the loss of a market for their product.

If there was ever legislation that might be termed "soaking the poor", it is this proposal.

There are few rich folks who eat potatoes, with the possible exception of Mae West; they are looking out for their figures and eat potatoes sparingly. [Laughter.]

Potatoes are eaten by men who work on the railroads; they are eaten by farm hands, the truck drivers, people who work out of doors. These are the real consumers of potatoes.

What has this administration done for the consumers of this country? It has increased the price of clothing. It has increased the cost of meat until today in the large centers of population there are meat strikes. It has increased the cost of food and other necessities of life.

Now you propose to increase the cost of potatoes to the poor families of the country—many of whom are on the public relief rolls.

The artificial raising of the price of foodstuffs without bringing about increased earning capacity for the masses can only spell tragedy for millions of consumers. The Democratic leaders should do some real honest-to-goodness thinking. You Democrats are responsible for the increased cost of living without a corresponding increase in the income of the consumers. You will be held responsible when this becomes one of the real issues of the next campaign. You have complete control of the Congress and the executive branch of the Government and rightly must assume that responsibility.

The A. A. A. legislation is responsible for several millions being on the relief rolls. Large armies have lost their jobs in the industrial centers. Larger numbers have lost their work on the farms through the restriction policies. This entire bill should have been defeated if we were to act fairly for the great mass of our population.

It is time to call a halt to these fake economic experiments which are proving so expensive to the people of the country and which are steadily turning our country into a second edition of Russia. I hope for a lucid moment and the rejection of this potato tax—a tax on the basic food of the poorest people in our land. [Applause.]

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, however erroneous my judgment and conclusions may be on any matter that arises here in the House, at least I have always endeavored to scrupulously state the facts. Potatoes are the fourth food crop in the Nation. It is the only major crop that has had no program, and consequently it has suffered more than any other crop I know of. This bill was passed by the Senate sometime ago, with only 5 votes against it. Here it is in a nutshell. It was drawn by growers, approved by growers, sent out in 33 States, and read line by line at largely attended meetings and there approved, and its preparation was collaborated in by at least 25 or 30 Members of the House. It calls for no processing tax. It simply provides that the size of the crop shall be determined by the Secretary of Agriculture. Allotments are then made to States and individuals based on past performances. There is not an unfair word or line in it to any State in this Union or to any grower. It merely provides that after a man gets his allotment, if he then sells in excess of that allotment, he must pay a tax.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield for a moment.

Mr. SISSON. I am right in understanding that this bill is imposed on all growers in the whole United States for the first year?

Mr. WARREN. Yes; who sell potatoes. It is good for 1 year only, and then it requires a two-thirds vote of the growers to say whether it shall be continued for another year.

Mr. SISSON. Will the gentleman yield for another question?

Mr. WARREN. I cannot yield at this time. The plight of the potato farmer has been pictured here to the House, and I wish I had time to go further into it. I hold in my hand a picture showing that 5,000,000 bushels of potatoes were dumped on the ground in the State of Maine last month. Potatoes last month were selling in the State of

Maine for 10 cents a barrel, when it cost 35 cents to buy the barrel to put them in. The whole picture in North Carolina, Virginia, and other States has been one of tragedy and bankruptcy. Everywhere they are selling far below the cost of production.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Not now. The quotations in today's paper show that potatoes are selling on Long Island for 50 cents a hundred pounds, in the State of New Jersey for 50 cents a hundred pounds, in Virginia there is no demand, and in Idaho they sell for 45 cents, while in Nebraska they sell for 62 cents. Yet they are selling in the chain stores in Washington today for $1.90 a hundred.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. WARREN. In just a moment. I shall try to yield if I can later. There is a minority report which has been circulated in the House, signed by seven or eight gentlemen, including about six on the Republican side. That report is full of errors and distortions. If that report were correct, if it even were approximately correct, I would stand here today and move to table this measure. In the first place, in their efforts to prejudice the House against this measure, they quote from a report of the Secretary of Agriculture dated May 9. The gentlemen who signed that report knew that the official report on this bill was dated May 20, a copy of which I hold in my hand, and that the report they were referring to was a report on an entirely different bill, with an entirely different number.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. WARREN. It is stated in that report that the new bill, which is almost identical with the one now under consideration "has been substantially improved and strengthened", as a result of suggestions by the Department.

And it further states:

It is felt that the revised bill may meet more effectively the problems faced by the potato industry.

The minority report states that it is a bill for 30,000 growers. They knew that there are 2,900,000 people who grow potatoes in this country, but at the same time there are only 633,000 who sell them. This bill deals only with those who sell. The report talks about the consumer. They know that there is no tax in this bill that is going to be passed on to the consumer. Not one single penny under the provisions of this bill will or can be passed on to the consumer, because at least 90 percent or more are going to be sold tax free under the allotments they get. They recommend marketing agreements, when they know they have been tested out and spurned by every potato grower in the country. The papers today state that the Governor of New York and the Governor of New Jersey are in conference to try to do something for the desperate condition of the growers of those two States, but they can meet forever as far as any marketing agreement is concerned and never get relief.

They challenge the constitutionality of the bill and the gentleman from Ohio, that great friend of the farmers, Mr. MARSHALL, who stated that he had gone on and taken a "conservative" attitude on these measures, challenges the constitutionality of this and cites the Bankhead Cotton Act and the Kerr Tobacco Act and yet yesterday afternoon as I sat here and faced them, those five gentlemen who signed this minority report, which is under discussion, stood up and voted for the conference report, which included the Bankhead bill and the Kerr-Smith bill. They place themselves in the untenable and ridiculous position of questioning the constitutionality of this measure, and then vote for the very measures they cite against it.

Who, Mr. Speaker, is the battalion of death lined up against this bill? The unkindest cut of all comes from the State of Iowa. Notwithstanding that $71,000,000 was paid out to that State in rental benefit payments, and nothing will be paid out under this bill, with their chief crop, as a result of the program, higher today than it has ever been since 1929, they come here and band themselves together, to deny relief to the bankrupt potato grower. With 15 or 20 other States this year making a desperate voluntary effort to reduce their acreage, Iowa comes in and increases its acreage 7 percent, and increases its production to the excessive amount of 53 percent. It desires unbridled production at the expense of all other States who have made an honest to God effort to curtail their production.

I call the attention of Members of the House and those who are interested in the agricultural program to the fact that those gentlemen who signed the minority report have, in almost every instance, with the exception of the gentleman from Iowa [Mr. GILCHRIST] consistently opposed and fought all of this control legislation; everyone of them. Yet in spite of the referendum held in the districts of the gentleman from Ohio [Mr. MARSHALL] and the gentleman from Pennsylvania [Mr. KINZER], where farmers have passed upon it in the counties of Champaign, Greene, and Warren, in Ohio, and Lancaster in Pennsylvania, they have overwhelmingly endorsed the tobacco program in spite of the votes of their Congressmen against it. The gentlemen are still debating and quibbling over a proven and acknowledged success.

I will tell you who is also against this bill. Every big chain store in this country; every unscrupulous contractor with his nefarious practices; every middleman who does a questionable business has consistently fought it from the very beginning.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. WARREN. I cannot yield.

Mr. MARSHALL. Will the gentleman yield? I ask that for the reason that the gentleman referred to me a half dozen times in his remarks, and I would like to make one brief statement.

Mr. WARREN. I yield for a second.

Mr. MARSHALL. The gentleman has quoted me as having taken certain positions in regard to agricultural legislation. I want to again go on record that I have supported voluntary cooperation and control of farm commodities, but I have consistently opposed compulsory control, and this is compulsory control.

Mr. WARREN. That is all that I stated. I stated that the gentleman had opposed the cotton bill and the tobacco bill, and yet he voted for the conference report yesterday, in favor of continuing both of those.

Mr. MARSHALL. Will the gentleman yield just for a moment?

Mr. WARREN. I cannot yield any more.

Mr. MARSHALL. That is an unfair statement.

Mr. WARREN. If that is an unfair statement, then I will yield. I am not criticizing the gentleman. He is a fine and able Member of the House, who has my respect. I am talking about his point of view—his attitude on agricultural matters.

Mr. MARSHALL. It is unfair for this reason: There were more things in that conference report, like all the other legislation you bring in here. You have to sometimes compromise with the unsound in order to support the part that is meritorious.

Mr. WARREN. Oh, the gentleman does not deny it.

Mr. MARSHALL. I do not deny it.

Mr. WARREN. The gentleman stood there and voted for the conference report, which contained those things. I plead with the House to give the potato farmer a chance. He thinks and believes he will get it under this bill. [Applause.]

The SPEAKER. The time of the gentleman from North Carolina [Mr. WARREN] has expired.

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the conference report and any of the amendments in disagreement on the bill H. R. 8492.

The SPEAKER. Is there objection?

There was no objection.

Mr. JONES. Mr. Speaker, since the question has been raised, I wish to say that this bill simply covers Irish potatoes, and it does not cover sweetpotatoes.

I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I regret very much that I find it necessary to oppose this legislation. I am aware of the fact that during the past 2 years there has been much distress among the potato growers of this country. This has been particularly true in the large surplus-producing sections. The situation has been less acute in those areas where most of the production has been sold and consumed locally. I would like very much to support constructive legislation which I could feel would be beneficial to all potato producers. However, I regard the present bill as a most unfortunate approach to the problem. It is regrettable that there is so little time for a discussion of the measure, because it is my firm belief that if this measure could be adequately and thoroughly discussed on the floor there would not be 50 votes in the House in favor of it.

There are at least 3,000,000 farmers in this country who produce potatoes. In addition there is considerable production in town and city gardens, most of which, however, does not enter into the channels of commerce, being planted mainly for home consumption. Of the 3,000,000 farmers who produce potatoes it is estimated that not more than 30,000 produce over 10 acres each. The average production of these 3,000,000 farmers is approximately 100 bushels each.

This bill is supported and advocated by the 30,000 large producers. It may help them. Unquestionably it will assist them in obtaining a monopoly of the potato production in the country because the bill, if enforced at all, will drive out of existence many small producers and will put unbearable burdens upon others. Designedly or by chance, the large commercial potato growers have hit upon a plan under this bill which will remove a large part of the competition furnished by the small farmer who grows an acre or two of potatoes.

What will happen if this bill is enacted? In the first place, it will be necessary to determine how many potatoes were sold in this country, and in each State and county during the base period as described in the bill. Then a quota will be given each State and each county. The county quota will be allotted to the various growers within the county based upon their sales during the base period or such part of the base period as may be used by the Secretary of Agriculture in making the allotments.

The Department of Agriculture very frankly admits that it does not at this time have anything like adequate data upon which to base State and county allotments. It will be difficult, if not impossible, to secure full and accurate information along this line. The result is that these allotments must necessarily be based largely upon guesswork. The exception to this rule will be in the case of the heavy producing areas. In those areas records of carload shipments will enable the Department of Agriculture to obtain accurate information as to sales. In areas, however, where most of the sales are local and where shipments have been made by truck, it will be practically impossible to obtain accurate information as to sales. The result will be that the large producing areas will be able to secure the full quota to which they are entitled and the general farming areas will not be able to furnish the proof which will enable them to receive a fair quota.

It will of course be the effort of the Agricultural Adjustment Administration to see that every State and county receives a fair quota and I have implicit confidence that as far as it is possible to do so the bill will be administered fairly in that regard. It can readily be seen, however, that those areas where figures are now available will have a very great advantage when it comes to making actual allotments.

After the State and county quotas are determined, then an individual allotment will have to be made to each producer. This allotment will be based upon his past sales. Practically all of the large producers will have data and figures which will enable the Secretary of Agriculture to give them a fair allotment. Most of the 3,000,000 potato producers, however, will have no figures whatever to prove their production and sales during the base period. In many cases they sold the potatoes to their neighbors, to grocery stores in neighboring towns, directly to housewives or to buyers who came along and hauled them away in trucks. In such cases the producer will have no records showing the amount of his sales and certainly will be at a disadvantage when it comes to getting an allotment when compared to the large producer who has kept books and has an exact record of both production and sales.

When the producer receives his quota it means that he can produce and sell that many potatoes tax free, but that for every bushel which he sells over his quota he will be taxed at the rate of 45 cents a bushel. If he does not get an allotment he will have to pay 45 cents a bushel tax on every bushel which he sells. It is not expected that there will be any taxes collected as a result of this measure, because the tax is prohibitive. The man who does not have an allotment will not be able to sell any potatoes. The man who produces more than his allotment will not be able to sell this excess.

There are no exemptions in the bill except that if the producer of potatoes can show that in the past he has not produced more than 5 bushels of potatoes he may be given an exemption in that amount. Even then, however, he must go to the trouble of getting the exemption and must furnish figures to prove that his sales have been less than 5 bushels annually in the past.

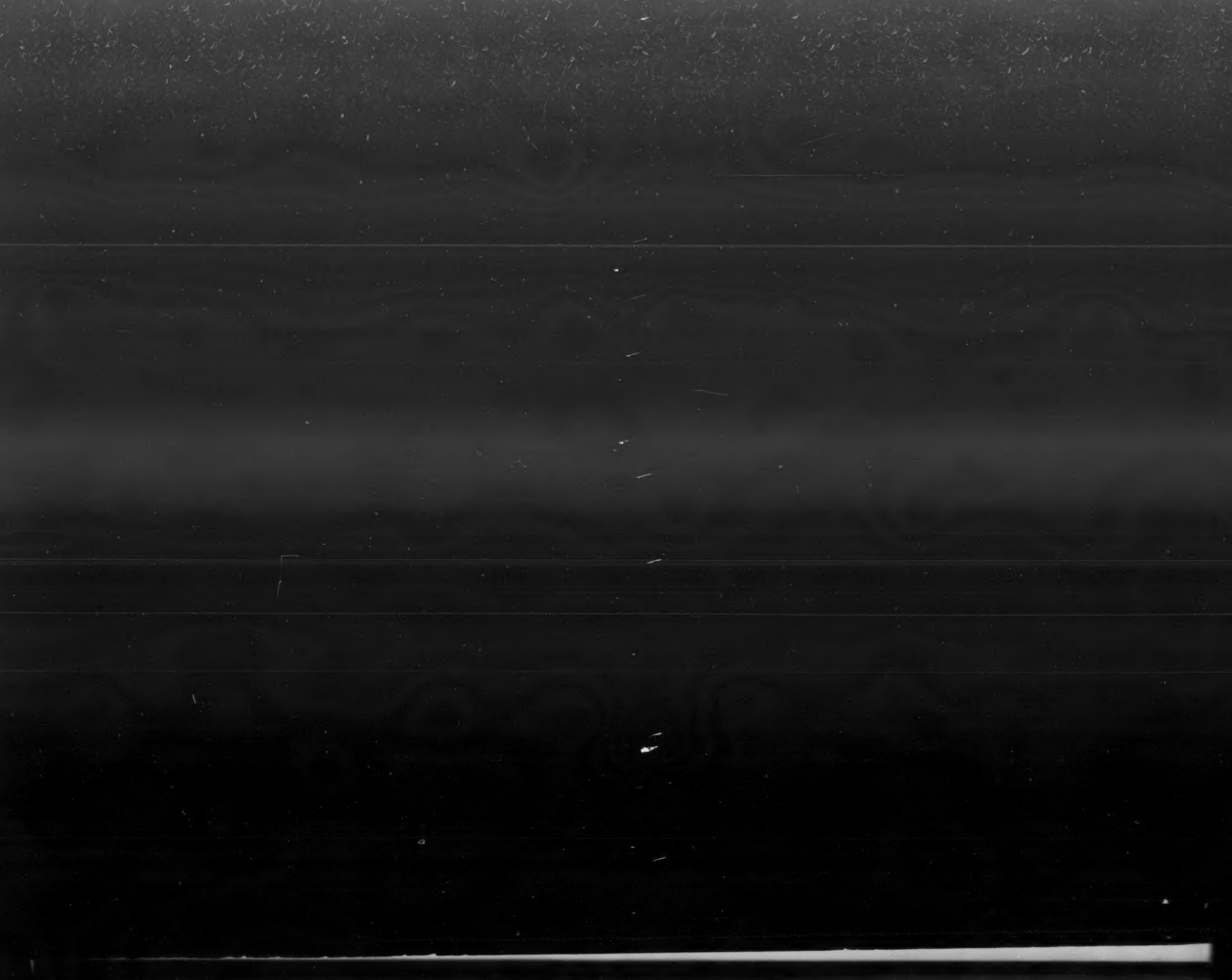
Furthermore it is provided in the bill that all potatoes sold must be packaged in whatever manner may be determined by the Secretary of Agriculture. It is expected that approval will be given by the Secretary to all standard forms of packaging used in the large production areas, such as barrels, covered baskets, burlap bags, and so forth. In many sections, however, potatoes have in the past been sold in bulk or in open boxes or containers. This will no longer be possible if this bill is put into effect. Even the producer who has his 5-bushel exemption will have to package his potatoes and place an exemption stamp upon them, although they may be sold to his nearest neighbor.

It seems that it will be utterly impossible to enforce a measure of this kind. Even if enforceable the cost of enforcement would be tremendous. The minimum estimate of the Department of Agriculture as to the cost of the program for the first year is $12,000,000. It may amount to much more. These figures, as the report of the Department states, do not include the expense of the Treasury Department in enforcing the act and collecting the tax. This cost might run into many millions more. Inasmuch as it is not contemplated that any tax will be paid, the cost of enforcing the act will have to come out of the Federal Treasury or be taken from funds set aside for other agricultural programs.

It is worthy of note that in the course of hearings which were held on this measure not a single representative of any of the general farm organizations of the country appeared on behalf of the bill. Every one of these organizations numbers many thousands of potato producers among its members, and yet not a single organization has endorsed this measure or appeared before the committee in favor of it. This is very unusual. I stated that no general farm organization had appeared in favor of this legislation. On the contrary, the National Farmers Union, one of the three largest general farm organizations of the country, appeared before the committee, through its legislative representatives, in opposition to the bill. Likewise, representatives of the Farmers Union from important potato-producing States, like Michigan, appeared in opposition.

This measure may or may not be beneficial to the large commercial potato producer. If it does benefit him, it will be at the expense of 3,000,000 small producers. These 3,000,000 producers are the backbone of the farm population of this country. They are the farmers for whom we should enact legislation. They are the men and women who maintain the farm homes of this country, who produce its food and fiber and who are indispensable in the economic and social structure of the Nation. This bill is a blow at the welfare and prosperity of that type of farmer.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. PIERCE].



Mr. PIERCE. Mr. Speaker, if the original Agricultural Adjustment Act passed in 1933 was right, and it has been very beneficial in all the agricultural regions of this country, then these amendments are right and proper; yes, even this potato amendment known as the Warren potato bill.

The fears expressed about the small grower amount to simply nothing. He has nothing to fear; the only effect will be to raise the price of his potatoes. There will be no great attempt to enforce this law except in the big commercial producing centers. That is where production must be controlled.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. No; I have not time.

We have either got to control production of agricultural products or the American farmer is on the road to peasantry. There can be no question about it. Real work has been done in the hog, corn, wheat, tobacco, and cotton programs. Prices are better. This is simply an agricultural product that has had no program. Potatoes should have assistance. I am asking you to vote for the Warren potato bill now before us in these Senate amendments.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. BUCKLER.]

Mr. BUCKLER of Minnesota. Mr. Speaker, 1 minute is not time enough for a farmer to start to make a speech. I am going to ask you Congressmen here to give me 4 minutes additional. I have not had much time this session, and I am going to use my 1 minute begging you to give me 4 minutes more. It is no use to attempt to make a speech, as it takes a farmer 1 minute to get started.

Mr. Speaker, I ask unanimous consent to proceed for 4 additional minutes to say something about this potato amendment to the A. A. A. amendments which are before us.

The SPEAKER. The time is within the control of the gentleman from Texas.

Mr. JONES. Mr. Speaker, I am sorry I have not the additional time to yield the gentleman.

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent that the gentleman from Texas may be given 4 additional minutes that he, in turn, may yield this additional time to the gentleman from Minnesota.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. PETTENGILL. Mr. Speaker, I object unless a like amount of additional time is granted to those in opposition to the bill.

The SPEAKER. Objection is heard. The time of the gentleman from Minnesota has expired.

Mr. JONES. Mr. Speaker, I ask unanimous consent that the time for debate on this motion be extended 6 minutes. This is all I shall ask for, 3 minutes to be yielded to the gentleman from Minnesota and 3 minutes to those opposed to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUCKLER of Minnesota. Mr. Speaker, I am surprised at some of the Members here being in opposition to this bill, but I do not blame you city-bred fellows who were born with gold spoons in your mouths and eating potatoes costing you almost nothing for many years, potatoes and everything else the farmer grows. I do not blame you fellows from the agricultural districts for sitting here in Congress, I do not blame you for wanting to come here and draw $10,000 salaries, but I do blame the farmers back in the country for sending you here. [Laughter.]

I have been sitting here all this session listening to you, gentlemen, especially on this side, who have been hollering against this agricultural program.

You talk about the small potato growers. How much better would it be for the farmer to sell 10 bushels at 50 cents a bushel than to sell 20 bushels at 25 cents a bushel and save himself and family a lot of labor, time, and expense raising the extra bushels. These potatoes that are produced by the small grower are generally picked up in the fields by the women and children of the country, for which you fellows down in the city pay practically nothing so far as the farmer is concerned. You are holding up these farmers in front of you as a screen. You are using the farmers as a blind to protect your position which really is opposed to the farmer. The potato farmers are not going to get hurt by this legislation. It is true that he cannot sell as much, but he will get more money.

Here is Iowa, getting more money benefits than any other State in the Union on her hogs and corn.

You are entitled to it, but you are out of place when you come down here and try to beat the potato growers out of a little money. [Applause.]

You gentlemen on the other side have been fighting this agricultural program all winter. I happen to be a farmer myself; therefore I would like to tell you of an experience I had in the potato business a few years ago. I put 6,000 bushels of potatoes in the cellar. In the spring I hired some men to sack and sort three carloads and shipped them down to Kansas City. Two carloads were reported back and I got an expense bill for $1.95 but they got the potatoes. They did not report the other carload and I did not ask them to, because I thought if they did they would ask me for some more money. I let it go at that. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, on last Monday a quaint custom reminiscent of the "horse and buggy" days, about which there were some slighting statements made a few weeks ago, was reenacted on the floor of the House. A new Congressman from Alabama was sworn to uphold and defend the Constitution.

In the last few months we have seen two philosophies advocated regarding the duty of Congressmen toward the enactment of legislation in respect to that oath. One of them is that we should pass bills without regard to doubt as to their constitutionality, however reasonable. The other, as expounded by the Chairman of the Committee on Military Affairs, is that it is as much a violation of the oath of a Member of Congress to vote for a bill which he believes to be in contravention of the Constitution as it would be for him to violate an express provision of the Constitution. The latter philosophy is the one to which I subscribe.

Now, let us take this potato bill and strip it of all its chicanery and subterfuge. Who can say for a minute that the Federal Government in Washington may say, under the Constitution, to the sand-ridge farmer in my State how many potatoes he may raise and sell at the corner grocery store? I say the bill is without the Constitution, and we are bound by the Constitution. The tax of 45 cents per bushel is a tax in name only. It is in reality a prohibition. It is not levied to raise revenue but to control production. That must be admitted by everyone. And when the test comes, the Supreme Court will cut through the subterfuge even as they did in the child-labor case and declare the law unconstitutional.

Let us go on and scrutinize this proposition in its practical aspects. The State of Indiana is a deficiency State. It does not produce as many potatoes as it consumes. You are saying to the people of Indiana that they must import their potatoes from far distant centers and pay enormous transportation charges that do not go into the pockets of the producers, when these same potatoes may be raised in their own back yard.

Further, if this bill is enacted into law, the producer of potatoes in Indiana will be denied the market which is literally at his door in order to create and maintain a perpetual monopoly for the few large growers in the heavy-producing areas.

Consider another thing. It has been said here that this will not be enforced against the 3,000,000 small potato growers. Why, bless your souls, are you going to make criminals

of the small potato growers by putting on the statute books an act which we as Members of Congress know cannot be enforced? Why start out with that sort of a proposition? You will find John Smith with 10 bushels of potatoes and no quota. He will sell those potatoes and will not pay the tax because it is prohibitive. Are you going to make a criminal out of him? Are you going to put him in violation of the laws of the United States, arrest him, require him to give bond, put him in jail, fine and imprison him because he raises a few potatoes and sells them in order to get some money to buy shoes to put the youngsters in school? Bootlegging of potatoes will soon be the order. The effort to enforce the prohibition laws will seem as child's play compared with the enforcement of this law if it is enacted.

Mr. Speaker, I say that this will not work. It cannot be enforced. Why, for the preferment of about 30,000 people, you are going to regulate, control, and regiment 3,000,000 of our farmers, and all this from Washington. Another serious assault on the economic liberty of our people is threatened. What a jolt some are going to get when they awake to a realization that our people love economic liberty as much as they love civil, political, and religious liberty.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Maine [Mr. BREWSTER].

POTATOES

Mr. BREWSTER. Mr. Speaker, the potato growers of Maine ask for the adoption of the potato-control legislation as a simple act of justice to those who contribute to the production of the fourth food crop of the United States. Throughout the period of control programs the potato growers of the United States have gone steadily astern. They have witnessed 14 other major and minor agricultural crops placed under control programs. Many of them are far less important as a food crop than potatoes. Even peanuts are now included, with an annual value one-tenth that of potatoes. They find these other crops now at or above 100 percent of what is called the "parity price."

Meanwhile, they find potatoes going steadily down grade until they have this last year approached 50 percent of their parity price. The culminating disaster has come in the last few months when Maine has witnessed its magnificent crop of potatoes being marketed at 10 cents a barrel, or less than 1 cent a peck, after carrying this crop throughout the winter.

More than 5,000,000 bushels of potatoes were ultimately dumped upon the ground this past month in a desperate attempt to save the southern crop from disaster and clear the market for the orderly distribution of the crop of this present year.

This situation represents a loss of more than $20,000,000 to potato growers in Maine, already hard hit by the depression. Before them seems to lie no prospect of relief, unless it is accorded to them by the pending legislation.

The causes for this condition are not far to seek. In the other sections where control programs have been operating in the major agricultural crop—such as corn, hogs, wheat, cotton, tobacco—there has been a steady increase in the production of potatoes contributing to the tremendous overproduction of this past year, which has resulted in disaster for all alike. As other crops have been restricted potatoes have increased.

It is a matter of gratification that many of the Representatives from other sections primarily concerned with other crops have cooperated in the formulation of this legislation and are supporting it as a measure of justice to the potato growers of the United States.

No discussion of this measure would be complete unless reference were made to the service rendered to the potato growers of the United States by the gentleman from North Carolina, Hon. LINDSAY C. WARREN, who has been instant in season and out of season in laboring to bring this measure to the position it occupies today. For the past 9 months the major portion of his time has been dedicated to formulation of this measure and its repeated revision in conferences with representatives of the potato industry from all sections of the United States and in expounding its provisions and its imperative necessity to his colleagues in this House without regard to party or to section. This measure very appropriately bears his name and will stand as a tribute in its beneficent operation to his seasoned statesmanship in formulating this measure and piloting it to successful passage.

It is a matter of keen regret that Iowa in particular should be the center of opposition to the enactment of this legislation, both through certain leaders in triple A, in the administration, and through their Representatives upon the floor of this House.

Maine has received $2,235 from the processing taxes, to date, as benefit payments. Meanwhile Maine has contributed to the processing taxes more than $5,000,000.

Iowa has received back in benefit payments, under the corn-hog program, more than $70,000,000, to date, and now sees hogs selling at $12 a hundred. This is an increase of 600 percent in the price formerly received.

It is astounding to anyone with the slightest conception of American justice to witness Iowa Representatives fighting potato-control legislation upon the floor of this House, when it is further realized that the Iowa crop of potatoes, according to the August 1 report, this year shows an increase of 53 percent over 1 year ago. This is the highest increase for any State in the Union.

Iowa, more than any other State in the Union, has reason to appreciate and understand the beneficent effects of control legislation. How can Iowa Representatives justify the denial to farmers elsewhere, and to the other major food crops of some measure of the relief which has proved so satisfactory to Iowa hog raisers?

This potato-control legislation represents the painstaking work of many months in formulating a program. It is a result of repeated conferences by growers from all sections of the United States, together with Representatives in Congress and representatives of the Agricultural Adjustment Administration who have been consulted at every step.

In the opinion of most competent critics, this legislation represents the most equitable apportionment of quotas among the various sections that has been suggested in any control programs to date. The legislation is also believed to be less open to constitutional question than any of the other programs that have been evolved. This legislation has been endorsed by great growers' meetings in 33 States, and has been approved, in addition, by representatives of many other sections.

No processing tax is involved. All alike have been agreed that no further burdens should be added to the consumers of the United States.

The minority report opposing this measure states that—

> There is no adequate showing either in the hearings or elsewhere that any excess of production has seriously affected prices.

The author of this report is respectfully referred to the hearings before the Subcommittee of the Committee on Agriculture, where, on page 143, it is stated by Porter R. Taylor, Chief General Crops Section, Agricultural Adjustment Administration, as follows:

> It is widely recognized that potato growers as a whole receive a larger total return during seasons of medium or short crops than they do during seasons of large crops.

Following this statement, Mr. Taylor submitted complete and detailed statistics demonstrating conclusively the correctness of his statement.

There is submitted herewith for the information of this House the detailed report of the production of potatoes in the United States for a period of 8 years, together with the farm price and the value of the potato crop. The compilation is ranked in accordance with the production for the 8 years between 1922 and 1929 and demonstrates rather conclusively that as the production of potatoes goes up, the price received for the total crop goes down.

SCHEDULE A

United States production—Farm price and value of potato crop ranked in accordance with production from 1922 to 1929

Year	Total United States production	Seasonal weighted average farm price per 1,000 bushels	Farm value
	Bushels		
1925	297,567,000	166.3	$494,854,000
1926	322,350,000	136.3	439,363,000
1929	327,652,000	131.5	430,862,000
1923	366,356,000	91.5	335,216,000
1927	368,813,000	108.9	401,637,000
1924	384,837,000	71.5	275,158,000
1922	419,288,000	68.6	287,632,000
1928	425,626,000	57.2	243,458,000

There is also to be found in the records of the Department of Agriculture an interesting and impressive demonstration of the inaccuracy of the statement in the minority report.

On June 9, 1933, the United States Department of Agriculture issued a press release containing the following illuminating paragraph:

> Perhaps the most forcible demonstration of the tendency, for moderate supplies to outsell excessively large supplies, is to be found in a comparison of production and total value of potato crops. In 1924 the national potato production was around 387,000,000 bushels, of which 232,000,000 bushels were sold for an average of 78 cents per bushel. The total value of the crop was $180,960,000. In 1925 the total potato production was 299,000,000 bushels, of which 179,000,000 bushels were sold, but the average price per bushel was $1.83, and the total value of the crop was $327,570,000. Thus a decrease of 22 percent in supply brought an 80-percent increase in total value of the potato crop.
>
> Similar cases could be cited without end.

It is sometimes intimated that the difficulty of the potato growers is a result of the decline in the consumption of potatoes. The figures seem to indicate rather clearly that the consumption of potatoes varies from year to year in accordance with market conditions, but that there has been no marked change in the taste for potatoes of the people of the United States according to the following table showing the per capita consumption of potatoes in the United States for a period of 14 years:

SCHEDULE B

Per capita consumption of potatoes in the United States from 1919–32

[Figures from U. S. Department of Agriculture]

	Pounds
1919	122
1920	151
1921	126
1922	170
1923	145
1924	146
1925	114
1926	122
1927	137
1928	145
1929	120
1930	118
1931	128
1932	118

Average for 14 years, 133 pounds.

These figures from the Department of Agriculture seem to show a fluctuation attributable to other factors than the preference of the consumer for potatoes as a food.

The legislation is simply calculated to give to the producer a fair price for his product consistent with the reward received for his labor by every other producer in the United States.

The measure is most carefully safeguarded against abuse of any kind. The consumer has benefited to a very small extent from the disastrous prices received this year by the growers of potatoes. The consumer likewise will be very little prejudiced by the provisions of this bill in its endeavor to assure that a fair price is received by the producer of potatoes and that economic health and sanity are restored in this great industry which means so much to the prosperity of the United States.

Every grower will be benefited, whether he be large or small, by the equitable price which he will receive for the product of his land. Meanwhile the smaller producers have a special exemption to take care of their particular case.

No reason is readily apparent why it is so inequitable or impracticable to accord an exemption of 300 pounds of potatoes to each small producer, and yet so entirely just and right to accord an exemption of 300 pounds of pork to each small producer. It is suggested that the value of the potatoes is negligible. Yet 300 pounds of pork was only worth $6, 2 years ago.

The parallel is curiously convincing as to the inequity or difficulties that are presented by an exemption of this kind.

The potato growers of Maine and of the United States submit their case to this Congress in full confidence in the sense of justice and fairness by all sections and all citizens to this most important crop. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 8 minutes to the gentleman from Iowa [Mr. GILCHRIST]

Mr. GILCHRIST. Mr. Speaker, I am especially pleased to have the views of the gentleman from Maine [Mr. BREWSTER] about Iowa. The gentleman from Maine has one county in his district that raises 12.28 percent of all of the potatoes produced in the United States of America—one-eighth or more of all the potatoes—and still he comes in here and likens this proposal to the corn-hog program. The present proposal is one by compulsion where they take farmers by the nape of the neck and tell them what they must not do. And if they do it, they put a prohibitive tax upon their potatoes. The corn program and the hog program are purely voluntary, and I can advise the gentleman that thousands of our farmers in Iowa have refused to go into it. I am opposed to this compulsion. The corn-hog program is not for the benefit of a small area—it covers the whole country.

The gentleman from Maine has in his district one county—one county mind you—which produces one-eighth of all the potatoes produced in the whole of the United States, and still he says:

> You folks must give up your potato production; you must let us have this same percentage of production that we now have; we are to continue to produce one-eighth of all the potatoes in America; but we want you to let us go over there and seize your local market. Your local market is a good one.

Mr. Speaker, the reason why this market is a good one is because we do not overproduce.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. GILCHRIST. I cannot yield. We have considered this bill for 5 or 6 months, and because of the peculiar and extraordinary way in which the legislation has been brought before the Congress I now have only 8 minutes to discuss it.

Mr. BIERMANN rose.

Mr. GILCHRIST. I do not care to yield to my colleague from Iowa either. I wish I had time to yield.

Why, the gentleman from Wisconsin [Mr. BOILEAU] has in his district five counties which, according to the figures for 1931, which have been published by Wisconsin through its own department of agriculture—I have tried to get the latest figures, the latest I can get are for 1931—the gentleman has five counties in his district that produce 2.11 percent of all the potatoes in the United States.

Then there has come before us here today our good friend, the gentleman from Virginia [Mr. BLAND], who stated before our committee that two counties represented by him are about the largest potato-growing districts in the United States. If so, then they also produce 12 percent of all potatoes in the United States; but I think the gentleman may be somewhat in error in that regard and perhaps only 2 percent of the whole are produced in those two counties. Somerset County, Pa., according to the statements made at the hearing raises as much as one-third of all the potatoes raised in New Jersey, and if this is true, then that single county raises 7 percent of all the potatoes in America.

The proof before the committee—hearings, page 162—was to the effect that two counties in Long Island—Nassau and

Suffolk—produced more than 2 percent of the potatoes in the United States.

Maine, I have already referred to, in which a single county raises 12.28 percent.

These 11 counties produce or sell 25.39 percent of all the potatoes raised or produced in America; and, of course, their representatives are here today asking that they be given a perpetual patent right to raise and sell this vast preponderance of potatoes, and the bill was carefully drawn so as to give them what they want. If this bill goes over, then there will never come a time when the Secretary can change the quotas that he gives to the various States, unless it should occur under certain peculiar language in this bill which is meaningless, which nobody has interpreted, and which nobody can interpret.

An apportionment formula is presented by section 204 under which the Secretary must allot the production of potatoes among the several States. This formula is worded so that it will give the highest figures possible, because it compels the selection of 4 of the best years from 1927 to 1934, inclusive. This formula is imperative except that if the Secretary finds that it would result in an unfair apportionment, then he has a differential, or leeway, of 2 percent, provided such unfair and inequitable apportionment is caused by differences in "production practices" or "marketing practices" among several States. It is plain, however, that there are no such differences. What "production practices" are referred to? What "marketing practices" are referred to? Nobody knows. I have asked many, but all admit that they cannot interpret these words. I have asked the drafting service in vain. The gentlemen who are for the bill want to continue that sort of a program. They want to keep forever patent and exclusive rights that certain States will get under this apportionment. The allotment, when once instituted, will be "frozen", and the talk about a 2-percent differential is useless. In this respect the present proposal differs from the precept laid down on page 135 of the Agricultural Yearbook for 1935, as follows:

> If the program (adjustment program under A. A. A.) is to be continued, it is essential that it operate so as not to "freeze" agriculture in its present form, but instead leave it sufficient flexibility to change and shift with changing individual needs and economic conditions.

Mr. Speaker, the principle of this bill is discussed in the minority report, and reference has been made to that report. Every word in that report is true. It has been carefully compared and is correct. There was one typographical error in that report. This error was corrected in ink in some of the copies that were circulated. This occurred in connection with the letter to the chairman of the committee written on May 9, 1935, by the Acting Secretary of Agriculture, and the quotations contained in the minority report are from this letter and are correct. But the date of the letter was erroneously printed as being in 1932 and not in 1935. Why do gentlemen try to take advantage of such an obvious typographical error?

Mr. Speaker, the cost of operating under this bill will be enormous. It has been pointed out by the Acting Secretary that it will take $12,000,000 just to put it into effect the first year, and this does not include the printing and distribution of stamps and the policing under and enforcement of the bill. There is going to be an enormous amount of expense in enforcing this measure. They will station policemen and detectives and secret service men throughout the United States, and it is stated in the letter from the Department of Agriculture that the cost of policing will be in addition to the $12,000,000. Then the Acting Secretary says that there will also be the cost of "other activities." What? How much? To whom will this money go?

Then there will be the extra costs to the producer. These will be heavy. He will have the expense of getting affidavits and getting his allotments. He will have to go to some central place to do this. He will have to keep books. How many farmers keep books showing production or "production practices or marketing practices"? He will be compelled to get sacks or barrels or other containers. The old-style market gardener cannot sell potatoes without putting them into sacks or barrels. The farmer cannot longer bring his potatoes to town in a lumber wagon and carry them into the merchant's cellar. These barrels will cost him 12 cents or more per bushel. The sacks will likewise cost probably from 6 cents to 12 cents each. Who is going to pay all of this extra and new and additional expense?

Not one of the great Nation-wide agricultural societies has appeared before the committee to urge the passing of this bill. The Grange did not; the Farm Bureau did not. But Mr. Edward Kennedy, secretary of the Farm Union, made a splendid statement in opposition to potato control, and he states in a letter to me that the National Farmers' Union does not favor the bill; that representatives from the Farm Union potato producers in Michigan, Indiana, and Ohio appeared before the committee in opposition to its passage; that his membership in Baldwin County, Ala., who produce 3,000 carloads of potatoes for the market, have voted 99 to 1 to oppose the passage of the bill.

I have in my files letters from many sources in opposition. And when the farmers of the United States once wake up and realize that they will be compelled to put postage stamps upon their potatoes they are going to make the welkin ring with protests. Vote for this bill, and then go home and explain it to them if you can. One of them came before the committee and protested the injustice of just a few States or localities controlling potato production, and he said (hearings, p. 33):

> Let us reverse the thing. Would you be in favor of going on here and saying to the people of our country that live down here in the central section of the United States: "We want to produce your potatoes in Maine. You must pay 50 cents a hundred for transportation of them down there when you can grow them at home in your back yard?"

The history of this legislation is unique. The other body attached the potato section to the A. A. A. bill that had been passed by the House, but the potato section was never before a committee in the other body, nor was any study of it made over there. It now comes back to the House with no opportunity for debate except for the short space of 30 minutes on a side. The potato section of this bill was introduced in the House as a separate bill entirely from the A. A. A. amendments. We had hearings in our committee for 5 or 6 months. We thought the bill would go to the floor in the regular way; but if we can gather anything from the conduct of this legislation, then we are safe in saying that those who sponsor the bill do not want it debated here to any considerable length.

While the bill was before the House committee I was privileged to write the report for the minority of the committee. This report was signed by eight members, including those in both parties. It refers to 30,000 large potato growers, the reference being to those who grow 10 acres or more. There are many more who sell potatoes commercially, but nobody knows just how many. I have permission to attach hereto the minority report, as follows:

BILL UNJUST AND NOT NEEDED

The scheme of this bill is inappropriate and unjust to an overwhelming percentage of people who raise potatoes. Under it the tail is made to wag the dog. There are but few commercial potato growers who will be benefited by the bill as compared to many millions of our population who plant potatoes and sell them as occasion may require or as the result of the yield may determine. The hearings showed that there are only about 30,000 large potato growers who may be called commercial growers, while there are some three or four millions of people who raise potatoes and who want to sell any production that the harvest will bring to them. For example, one State alone, in 1933, shipped 22.2 percent of carload lots of potatoes, and in such State there is a comparatively small area of commercial potato growers. Indeed a very large percentage is confined to one county only. Now for the benefit of a few folks in such a county, and in order to give them a perpetual patent right to grow potatoes, three or four million people in the United States are to be regimented and compelled to reduce the small yield that they are now getting. For the few the many will be forced to withdraw from growing the most common of all vegetables.

The plan is not voluntary. It is compulsory. Every woman who has a small garden patch will be compelled to pay 45 cents per bushel for any excess above her allotment that she may desire to sell or trade to the corner grocer. There is a free allotment of 5 bushels only, but she cannot sell or trade even this 5 bushels without first going to the trouble and expense of establishing a quota based on her past experience and of submitting to allot-

ments which the Secretary will impose upon her. She will be required to go to the county seat or to some other central location in order to establish her allotment, and in doing so present by affidavit or in some other way the evidence showing her past experience in potato growing. She will be compelled to put all of her potatoes into packages and put stamps and tags upon them. Even as to the 5 bushels of free allotment that a magnanimous (?) Government allows her, she will nevertheless be required to purchase packages for them and to secure and put "exempt" stamps on the packages. The expense of this "freedom" will put her out of any market, and the trouble attending it will disgust her. So it will be also with nearly every farmer in America, almost all of whom raise a small amount of potatoes.

All potatoes above the allotment allocated to any producer must pay a tax of 45 cents per bushel; but, of course, nobody believes that such a tax will be paid by anyone. This bill is not designed to raise revenue, because it is plain that no one can afford to raise potatoes and pay the large expense attending compliance plus a tax of 45 cents per bushel before selling them. The sponsors of the bill do not want it to raise revenue. They want it in order to curtail production. Common sense teaches us that it is not a revenue measure. Nobody in the administration and nobody in the Department has asked for the bill and nobody there really wants it. The fact is, that the Department has already damned it with faint and faltering praise. (See excerpts hereinafter set forth from a letter of the Acting Secretary of Agriculture written to the Chairman of the Agricultural Committee.)

There is no adequate showing either in the hearings elsewhere that any excess of production has seriously affected prices. For example, the latest edition of the Agricultural Year Book (1935) shows that the average yield of potatoes in the State of Maine in 1934 was 335 bushels per acre and the average price of this crop was 24 cents per bushel so that the value of 1 acre of production was $80.40 per acre. In 1933 the yield in Maine was 280 bushels per acre and the value was 70 cents per bushel; so that the value of an acre's worth of potatoes was $196. This is not a bad income to get from 1 acre of land. It must be remembered also that a single county in Maine produces such a preponderance that the remaining fraction within that State is not of any great consequence by comparison. Enough is enough, and more than enough is too much.

New Hampshire is separated from Maine by an imaginary line only, but the price of the crop there in 1934 was 61 cents per bushel, and the yield per acre was 185 bushels, so that the value of the crop from a single acre amounted to $112.85.

The same authority shows that in North Carolina in 1933 the yield was 95 bushels per acre of a value of 87 cents per bushel, amounting to $82.65. In 1934 the average yield per acre was 116 bushels of a value of 64 cents, making $74.24 to the acre. These are mere examples. They can be duplicated and multiplied many times and the same results will be obtained in almost every instance. These figures are taken from the Agricultural Year Book of 1935 just published, where other statistics and data will be found, all leading to the same conclusion.

In the year 1933–34 the weighted average price received by producers of potatoes as a whole in the United States was 82.3 cents per bushel; and in 1934–35 it was 51.7 cents per bushel, but this happens to be the lowest price received by producers in recent years, except in the disastrous ones of 1931–32 and 1932–33, when the prices of all farm commodities were ruinously low. Indeed, for many years, as shown by such Year Book, the weighted average price per bushel received by producers was a good one, and one that returned to farmers fair prices. The inevitable result of this showing is that there is no need for the bill and that there is no need for subjecting three to four millions of our citizens to regimentation, loss, and expense in order that a few thousand of our people shall be given a perpetual privilege and a practical monopoly to raise potatoes and market them at extravagant prices. The vegetable gardens and the back yards and small acreage tracts will be forced out of business.

"For whosoever hath, to him shall be given, and he shall have more abundance; but whosoever hath not, from him shall be taken away even that he hath."

THE CONSUMER

The consumer has some interest in this question. There are 125,000,000 people in this country who eat potatoes. The housewives in the towns and cities are not going to be satisfied to pay the price that it is designed to impose upon them by those who sponsor this bill. One of the great troubles with regard to agricultural commodities lies in the spread between the price that the farmer gets and the price that the consumer pays. The price that the consumer paid for potatoes in the city of Washington during the past year or so has been about 2½ cents or even 3 cents per pound, amounting to $1.50 or $1.80 per bushel. If Congress or the Department would turn their attention to this spread in price as between producer and consumer, and diminish it in favor of the consumer or the producer, many proposals similar to the present one would never be made.

CROP REGIONAL IN NATURE

This crop is one which comes into the market from different sections at different times, so that the Department has divided the country into sections known as "surplus late potato States", "other late potato States", "intermediate potato States", and "early potato States." Section 5 (b) of the bill recognizes, and the fact is, that crop production is regional in nature. There is no reason why potatoes marketed early in the year should be prevented from having a favorable price commensurable with demand and conditions then existing, or why the producers of late potatoes should be regimented in favor of other producing localities. Instead of giving any locality an artificial advantage, all localities should be allowed to have the ones which nature has given them. They are entitled to enjoy all of the peculiar conditions which surround and attach to them. There is no reason why the ninety and nine who do not raise surpluses should be penalized in favor of others who greedily glut the regional markets. Under the bill these surplus producers want artificial privileges extended to them. They want to curtail and rob the great majority of any relative advantages that may attach to such majority, and at the same time these surplus men want to retain their relative superior facilities for production. They want the people who do not overproduce to give them a share of the superior advantages in price levels and marketing facilities which such people have. These few surplus growers want to arrange it so that they can be on a par with people who do not grow any excess and with the rest of the world as to markets and as to prices and as to seasonal advantages; they want to be on a par as to everything except as to relative production facilities and they selfishly demand the right to keep this relative advantage. It is not so with regard to the other basic agricultural crops, and no producer of such other crops has ever asked for such relative advantages, or asked to retain any relative advantage as against his fellow producer.

There has been a satisfactory market and price level elsewhere than in the few localities which now want to take advantage of the higher prices which moderate growers have received in localities which do not grow potatoes to excess.

MARKETING AGREEMENTS

Hundreds of thousands, perhaps millions, of our people sell their potatoes without putting them into commercial channels. These hundreds of thousands of our folks sell them directly to their neighbors; by delivering them to grocery stores in exchange for commodities; by sales made by gardeners and hucksters who distribute them around the cities and towns; by roadside stands; and by shipments direct to retailers and hotels. In this respect the business of selling potatoes as practiced by hundreds of thousands of our people is unique and is not comparable with other basic agricultural crops, and this situation should not be interfered with under such regimentation and compulsion as this bill exacts.

Indeed, the facts are that if any relief is needed in the localities which produce surpluses then marketing agreements and orders should be used to meet the requirements of that peculiar local situation. This would seem to be a happy and ideal solution of the difficulty if any exists because (1) the geographical area of the surplus producing localities is limited in each case; (2) definite channels exist through which production could be distributed; (3) these localities are within striking distance of important markets.

Recognizing these facts, and on May 9, 1935, the Honorable R. G. Tugwell, Acting Secretary of the Department of Agriculture, in his letter already referred to, discussed the potato situation and suggested that the plan proposed by the bill involved administrative problems of major importance which had never been encountered in other programs, referred to the fact that the sums collected as imposed by the bill could not be reasonably estimated; that the authorized appropriation would not be adequate; that there would be no actual funds available to the Secretary under the A. A. A. allocation; that the first year's operation of the Potato Act would entail a cost of not less than $12,000,000; that this minimum estimate covered merely the expenses of the administration during the first year; that the cost of printing and distributing stamps as well as enforcement and other activities of the Bureau of Internal Revenue had not been included within this estimate; that the expenses would be relatively high because of the inherent nature of the problems involved in such a far-reaching program for a commodity like potatoes which are produced under such a wide variety of conditions. And he suggested further that the potato industry could operate during 1935 under the marketing agreement and licensing provisions of the Adjustment Act. If this can be done in 1935, there is no reason why it cannot be done afterward or whenever the occasion requires, and without the enactment of the present proposal.

The provision of the bill which pretends to grant a small exemption from taxation is a very curious one and is drawn with excessive care and skill. It is supposed that an exemption of 300 pounds is to be allowed free from taxation. But even if this exemption is granted every small grower he will be required to put his potatoes into expensive packages and to get exempt stamps and attach the stamps to the packages and otherwise comply with vexatious preliminaries. But strictly speaking there is no such an exemption. As a matter of fact, there is no exemption given to persons. There is language which will allow certain farms a free allotment up to 5 bushels, being farms from which average sales are 300 pounds or less per year. This exemption might as well be out of the bill. The value of 300 pounds is negligible. Perhaps a farm will thus be allowed to grow $3 worth of potatoes untaxed. Bear in mind that a farm is not an individual. Likewise, the allotments go to farms and not to individuals. This is all skillfully worked out in order to save every advantage to the big farm and to the big producer. There is no exemption that might be availed of by a young lad who is the son of a farmer and who wants to grow a small quantity of potatoes. There is no exemption as to tenants or field croppers, unless the exemption is consummated through the landlord or owner of the farm.

To speak of it as an exemption is a misnomer because the language in subsection 1 of section 8 of the bill allows no exemption whatever unless the farm produces less than 300 pounds of pota-

toes. In case any farm for which average sales are 300 pounds or less then such average sales shall be exempt from any percentage reduction and the farm shall receive an apportionment equal to such average sales. Why is less consideration given to the poor grower of potatoes than to the grower of cotton or to the man who raises hogs? The values of exemptions allowed in all other allotment bills are substantial in amount and might run up to hundreds of dollars. The intention here is to discriminate against the small potato grower, and to tax the poor man's food without allowing any practical exceptions whatsoever. If there is any liberality to be indulged with reference to any commodity on earth, it is the commodity which the bill describes as "Solanum tuberosum" because they are used three times a day on every workingman's table. Why allow the cotton and the hog man substantial sums and not allow anything to the poor gardener or farmer or woman who raises as much as 301 pounds of "spuds" in the back yard?

ALLOTMENTS AND BOOTLEGGING

What is above set forth concerning exemptions could be more properly said about allotments. The Secretary will be given an elaborate formula for fixing allotments. He will be given hundreds of thousands, more or less, field men to go out and traverse the country from Maine to California and to ascertain facts regarding individual potato production; the Secretary will also be given a hundred thousand, more or less, clerks to apply the formula to the facts; and the allotments will then be made to farms. If you have a 5-bushel farm only, then your allotment will not be cut down under 300 pounds. The scheme is unfair as well as inequitable. It is unworkable. Potatoes will be bootlegged everywhere, and the rising generations of farmers and gardeners will be taught to violate the law, and a dangerous spirit of lawlessness will be engendered which will bear fruit in a race of criminals and a harvest of crime. Indeed, the proponents of the bill have been candid in stating that they expect considerable bootlegging.

REFERENDUM

One of the most curious as well as unfair things about this bill is the provision regarding the referendum. This provision would be laughable if it were not so serious in the event that the bill ever becomes law. This referendum ought to be a real one or else there should be none whatsoever. Subparagraph (c) of section 5 on page 5 of the bill provides for a referendum only as to the future continuance of the plot or scheme. But the joker is that every producer is entitled to 1 vote for every 60 pounds of potatoes apportioned to him during the preceding allotment year. In other words, and in order to perpetuate their patent rights and special privileges, a few producers, a few counties, a few localities in a few States which now produce high percentages of the whole crop will be allowed to vote by bushel and not per capita. We are to return to the old system of property and production suffrage and not individual suffrage. If you produce 20,000 bushels of potatoes, you get 20,000 votes. The intention is, of course, to destroy any influence the small potato growers might have in determining the future course of this act, and to continue forever and forever, world without end, the subjection of the small man.

As stated, one State last year produced almost (not quite) one-fourth of the potatoes that were shipped in carload lots and the overwhelming production in that State is limited principally to a single county. Now, under the contrivance or scheme arranged in the bill that county will be enabled to plug its vote and will have almost, if not quite, absolute sovereignty with relation to this potato business. Nothing more deadly or more inequitable could be proposed in America. The big boys will wear the crown and the ordinary citizen or poor gardener, knowing the facts and knowing the conditions which surround the referendum, will not go to the trouble and expense of attending the polls because he knows in advance that he will have no chance whatsoever. He will have no incentive to attend. We might as well pass a law right in the beginning which will provide that a certain few counties in a certain few States shall hereafter have perpetual enjoyment of the potato business in this country. After the passage of this bill never again can three or four million American citizens regain any right to raise or sell potatoes in their own small way in their own small communities or to trade potatoes to storekeepers for the necessities of life.

But Congressmen should remember that there is an electorate at home. American citizens should not be despoiled in this manner. The rank and file of our people do not know about the bill or do not understand what the provisions of the bill are. But when they wake up and learn about these provisions, a vast amount of explanation will be necessary to be made by those who are responsible for taking away from American citizenship the right to vote and to raise and trade and sell a few Irish cobblers.

As a matter of fact, the bill ought not to have been reported with this provision, because the Committee on Agriculture struck it out by record vote and substituted an amendment whereby the referendum vote would not allow such preponderance to be given to potato magnates, but would give 1 vote to each producer whether he be a big man or a little one. Under this amendment men would vote and not bushels. The bill as now reported was never voted out or approved by the Committee on Agriculture.

FINES AND IMPRISONMENTS

Many sections of the bill relate to fines and imprisonments. How much of an exaggeration is it to say that they will soon be "hanging men—yes, women, too"—for the growing of Irish cobblers? Every woman who produces a few potatoes (even though she does not sell them) may be required under section 17 to make returns and render statements and give information and keep records such as the Secretary of the Treasury or Agriculture may deem necessary for the administration of the bill. If she fails to do this, then she may be punished by a fine of $1,000 or she may be sent to the penitentiary for 1 year and an unrelenting judge may impose both such fine and imprisonment all for the heinous crime of her having failed to make statements or returns or to keep records.

In fact there are several pages of the bill which have to do with penal provisions. Under section 23 a fine of $1,000 may be imposed upon any person who offers to sell or who even offers to buy potatoes which are not packaged; or who offers to sell or offers to buy potatoes (even though they be packaged) upon which stamps are not affixed. When your friend the home gardener comes to your kitchen door next year with a basket of new potatoes on his arm, you should set the bulldog on him and drive him off the premises, because you must not even offer to buy his potatoes or to look at them which might indicate your intention of buying. You may be fined $1,000 if you do buy them in unpackaged form, or if you do buy them without seeing that stamps (either exempt or nonexempt stamps) are affixed. And if he or you commit such a heinous offense a second time, you will be imprisoned for a space of not more than 1 year. You cannot speculate in tax-exempt stamps unless you are subjected to like fine and imprisonment. You must be sure to destroy the stamps that are on the packages, and if you fail to so destroy them you will be violating the regulations and will be subjected to fine and imprisonment. If you willfully fail to pay the tax or if you willfully violate any provisions or if you have in your possession any paper "in imitation" of that used in the manufacture of stamps or if you place any potatoes in a package which has theretofore been filled or stamped without destroying the previous stamps, you will again be punished by like fine and imprisonment. Yet this is proposed for America.

CONSTITUTIONALITY

The bill, if enacted, will be unconstitutional. It is plain that it is not a taxing bill. The tax is so high that it cuts off, and is intended to cut off, any possibility that it will ever raise revenue.

Those who propose the bill admit that it is not bottomed on the commerce clause of the Constitution, but claim that it can be handled under the power which Congress has to lay and collect taxes and excises in order to pay the debts and provide for the common defense and general welfare of the United States. But, as stated above, it is not expected that any taxes or excises will be collected. This is abundantly shown on the face of the act itself and even by the report filed by Mr. COOLEY for the majority of the committee. It will be seen that the necessity of aiding potato farmers is emphasized in the report of Mr. COOLEY, and he says:

"The approach to this problem incorporated in the bill is deemed to be the most feasible method of meeting the problem * * *."

The tax is really a penalty. It is not an excise. No one expects that excises will be raised.

Our experience with the second Child Labor Act is sufficient to convince anyone that the bill will be illegal if enacted. The first Child Labor Act was bottomed upon the commerce clause of the Constitution, and even it was held to be unwarranted and void. The second Child Labor Act was bottomed upon the excise and tax provisions of the Constitution exactly as the present proposal is. When that law came before the Supreme Court the Government defended upon the ground that it was a mere excise under the broad powers of taxation conferred upon Congress. But the Court held that the law was not a good-faith attempt to impose taxes or excises; but that it was an attempt to regulate the internal affairs of the State; and, among other things, said that it (the Court) would be blind not to see that the so-called "tax" is imposed for the purpose of stopping child labor; and that there comes a time in extending so-called "tax" laws that the act loses the character as such and becomes a mere penalty (*Bailey* v. *Drexel Furniture Co.*, 259 U. S. 20). We might here add the forceful language of Judge Dawson in a case decided in his Federal court last April involving a similar attempt of Congress, as follows:

It is impossible for anyone who has any respect for constitutional limitations to contemplate this law with complacency. It is the plainest kind of an attempt to accomplish an unconstitutional purpose by the pretended exercise of constitutional powers. The garment used to hide the naked unconstitutionality of the act was fabricated from the taxation and commerce clauses of the Constitution; but neither congressional recitations of purpose, nor the formal dress of a statute, is conclusive upon the courts.

Why go through the motions of enacting such an unlawful proposition as is contained in this potato bill?

STATEMENT OF THE DEPARTMENT

The Department of Agriculture has not asked for the enactment of this bill. A letter by the Acting Secretary written to the chairman in May was before the Agricultural Committee, but is not included in the hearings. Of course the Department will administer the bill if Congress enacts it. Among other things this letter says:

"The plan involves administrative problems of major importance which have not been encountered in other programs. Among these special problems are the large number and wide distribution of potato producers, the seasonal and perishable character of the commodity, and the marketing methods used which include both regular commercial distribution and direct sale by the grower to wholesalers, retailers, and consumers."

The letter also refers to the cotton and tobacco program and says that the initial program for these commodities was based on the processing tax and benefit provisions of the A. A. A.; that a

high proportion of the producers voluntarily cooperated before compulsory allotments were authorized and that the voluntary signing of these contracts served as a referendum; but that no such opportunity will be available to potato raisers under this bill because a benefit program is not contemplated.

And with regard to the cost of administering and enforcing this bill, and which subject has already been discussed in this report, this letter states:

"It appears that the first year's operation of the Potato Act will entail a cost of not less than $12,000,000. This minimum estimate for effective operation covers merely the expenses of the Agricultural Adjustment Administration during the first year of the act. The cost of printing and distributing stamps, as well as enforcement and other activities of the Bureau of Internal Revenue have not been included in the $12,000,000. It is apparent that the administrative expenses are likely to be relatively high because of the inherent nature of the problems involved in a far-reaching program of this type for a commodity produced and marketed under such a wide variety of conditions as potatoes. The administrative expenses for a program of this type for potatoes will probably be higher in proportion to the benefits likely to be received by producers than in the case of any of our present programs."

Another quotation is as follows:

"It must be borne in mind that the operating details of the program outlined in this legislation will be more complex than in the case of any other commodity for which similar action has been taken. Because at no time between producer and consumer are potatoes changed in form, and because many producers can and do follow the practice of selling direct to retailers and consumers, the problems of enforcement should not be minimized."

GENERAL STATEMENT

The program proposed in this bill is unlike other agricultural programs. Many of its provisions in addition to those herein referred to are unjust and unreasonable and unworkable. It offends against the rights of millions of men and women to grow potatoes. The plan is compulsory. The proposed tax is so excessive that it will never be paid. There is no need for the bill. There is no referendum as in other programs at the first installation of the plan; and the provisions of the bill as reported concerning referenda in the future put perpetual control in the hands of a few potato magnates. These few large producers will dominate the activities of three or four millions of our people. The consumers' rights are in nowise protected. The crop is regional and the bill arrays the producer of potatoes in one section against the producer in other sections. It takes away the rights which local producers have in local markets, and forces them to give up the advantages which they have, but does not correspondingly force the big growers to give up the advantages which they still retain by way of relative production capacity or relative volume.

A system of espionage will be necessary. Spys will be sent scurrying about the country, but even then there will be more bootlegging of potatoes than there ever was of whisky in prohibition days. There is no adequate exemption from taxation for the small growers as in other similar control bills. The provisions for fines and imprisonments remind one of Baron Jeffreys, the infamous English judge, and of the scandalous and cruel sentences which he habitually imposed for trivial offenses.

The bill contravenes constitutional limitations, and Congress has no power to enact it. On account of the large number and wide distribution of producers and of the character of the commodity the plan is not workable, and the cost of administration will be enormously higher relatively than in case of any other control program. This expense is prohibitive.

The bill should not be enacted.

FRED BIERMANN.
CLIFFORD R. HOPE.
CHARLES W. TOBEY.
L. T. MARSHALL.
AUG. H. ANDRESEN.
FRANK E. HOOK.
J. ROLAND KINZER.
FRED C. GILCHRIST.

Mr. JONES. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. COFFEE. Mr. Speaker, potatoes in my district are a major crop, and the growers have indicated a keen desire to have this bill passed. For the last 5 years we have been producing potatoes below cost of production with the exception of 1 year. The growers are in desperate circumstances. This situation confronts the industry. On practically all of the other major crops a control program is in operation, and in general parity prices are being approached on them. There is no program whatever on potatoes, the fourth food crop in importance in the United States. This bill will make potatoes a basic commodity and will prevent those in other sections of the country who have curtailed their production of other crops from increasing their potato acreage. This surplus production has demoralized prices and brought bankruptcy to the potato growers who depend upon that crop as their principal means of income. Whether the price is low or high, approximately 210,000,000 bushels of potatoes are sold for consumption. Our normal production should be about 325,000,000 bushels. The difference is used for seed purposes or consumption on the farm.

The latest Government estimate for the potato crop this year is 375,000,000 bushels, which means a production of approximately 50,000,000 bushels too much. It is this surplus that has continued to wreck the potato industry. This bill will provide the legislative machinery which will give the potato growers an opportunity to control production to conform to the demand, and will insure the growers a fair price for their product.

Under this bill if a surplus is produced a better grade of potatoes will be shipped. The No. 1's and possibly the No. 2's will go to market and the commercials will be kept off of the market because of the tax. This will mean the consumer will get good potatoes at a fair price and the grower will get a fair price for those he sells. The increased cost to the average consumer will probably not exceed 90 cents per year. However, it will mean the difference between bankruptcy and prosperity to the potato growers. The higher-quality product which the consumer will get will amply repay him for the small extra cost.

The gentleman from Iowa stated it would probably cost $11,000,000 to administer this program the first year. I want to call your attention to the fact that the average potato crop is worth around $300,000,000, and the cost of administration would amount to about 3½ percent of the value of the crop. After the first year it will require two-thirds of the potato growers in a referendum vote to continue the program another year. This bill has been endorsed by practically all of the potato growers' associations throughout the United States, and has been carefully drawn in conformity with their wishes in collaboration with the Department of Agriculture.

I hope the House will approve this measure and give the potato growers an opportunity to receive some benefit from the Agricultural Adjustment Act.

Mr. JONES. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Speaker, it does seem to me that, as a matter of consistency and fairness to the agricultural interests throughout the country, when we have put some 13 different crops on a legislative-control basis, we should put potatoes with them. I do not see how we can in fairness refuse to grant this legislation for the potato growers of this country.

The potato industry of our country thoroughly deserves this consideration. I certainly hope and trust that the House will adopt this amendment and give the potato growers this encouragement. [Applause.]

Mr. JONES. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. JONES] to recede and concur with an amendment.

The question was taken; and on a division (demanded by Mr. HOPE) there were 113 ayes and 100 noes.

Mr. HOPE. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 174, nays 165, not voting 90, as follows:

[Roll No. 166]

YEAS—174

Amlie	Burch	Cullen	Eagle
Ayers	Caldwell	Cummings	Eckert
Barden	Carmichael	Daly	Edmiston
Beam	Cary	Darden	Ellenbogen
Beiter	Celler	Dear	Evans
Bland	Chandler	Deen	Faddis
Bloom	Chapman	Delaney	Flannagan
Boileau	Clark, Idaho	DeRouen	Ford, Calif.
Boland	Clark, N. C.	Dickstein	Ford, Miss.
Boykin	Coffee	Dingell	Fuller
Boylan	Cole, Md.	Dorsey	Fulmer
Brewster	Cooley	Doughton	Gasque
Brooks	Cooper, Tenn.	Doxey	Gehrmann
Brown, Ga.	Costello	Drewry	Gildea
Brunner	Cox	Driver	Goldsborough
Buchanan	Cravens	Duffy, N. Y.	Green
Buck	Crosby	Duncan	Greever
Buckler, Minn.	Cross, Tex.	Dunn, Pa.	Gregory

Hamlin	McKeough	Pierce	South
Hildebrandt	McLaughlin	Plumley	Spence
Hill, Ala.	Maloney	Quinn	Stack
Hill, Knute	Mansfield	Ramsay	Starnes
Hill, Samuel B.	Marcantonio	Ramspeck	Steagall
Hull	Martin, Colo.	Randolph	Taylor, Colo.
Imhoff	Maverick	Rayburn	Terry
Johnson, Okla.	Mead	Reilly	Tolan
Johnson, W. Va.	Miller	Richards	Tonry
Jones	Mitchell, Tenn.	Robinson, Utah	Turner
Kee	Monaghan	Rogers, Okla.	Umstead
Kelly	Montet	Ryan	Vinson, Ga.
Kerr	Moran	Sabath	Vinson, Ky.
Knutson	Moritz	Sanders, La.	Warren
Kocialkowski	Murdock	Sanders, Tex.	Werner
Kopplemann	Nichols	Sandlin	West
Kvale	O'Brien	Sauthoff	White
Lambertson	O'Connell	Schneider	Whittington
Lambeth	O'Day	Scrugham	Wilcox
Lea, Calif.	O'Leary	Sears	Williams
Lewis, Colo.	Owen	Secrest	Wilson, La.
Lewis, Md.	Palmisano	Sirovich	Withrow
McAndrews	Parsons	Smith, Conn.	Wood
McClellan	Pearson	Smith, Va.	Woodrum
McCormack	Peterson, Fla.	Smith, W. Va.	
McGrath	Pfeifer	Snyder	

NAYS—165

Adair	Dunn, Miss.	Kahn	Robertson
Allen	Eaton	Kenney	Robsion, Ky.
Andresen	Ekwall	Kinzer	Rogers, Mass.
Andrew, Mass.	Engel	Kleberg	Romjue
Arends	Englebright	Kloeb	Russell
Ashbrook	Farley	Lanham	Schaefer
Bacharach	Fiesinger	Larrabee	Schulte
Bacon	Fitzpatrick	Lee, Okla.	Scott
Bell	Focht	Lehlbach	Seger
Biermann	Gasaway	Lemke	Shanley
Binderup	Gavagan	Lesinski	Short
Blackney	Gearhart	Lloyd	Sisson
Boehne	Gifford	Luckey	Snell
Bolton	Gilchrist	Ludlow	Somers, N. Y.
Burdick	Gillette	McGehee	Stefan
Cannon, Mo.	Granfield	McLean	Taber
Carlson	Gray, Ind.	Mahon	Tarver
Carpenter	Gray, Pa.	Mapes	Taylor, S. C.
Casey	Greenway	Marshall	Taylor, Tenn.
Castellow	Greenwood	Martin, Mass.	Thom
Cavicchia	Griswold	Mason	Thurston
Christianson	Guyer	Massingale	Thomason
Church	Gwynne	Meeks	Tinkham
Citron	Haines	Merritt, Conn.	Treadway
Colden	Halleck	Michener	Turpin
Collins	Hancock, N. Y.	Millard	Utterback
Colmer	Harlan	Mitchell, Ill.	Wallgren
Connery	Hart	Mott	Walter
Crawford	Harter	Nelson	Wearin
Crosser, Ohio	Healey	O'Malley	Welch
Crowe	Higgins, Mass.	O'Neal	Whelchel
Crowther	Hobbs	Patman	Wigglesworth
Culkin	Hoeppel	Patterson	Wolcott
Darrow	Hollister	Peterson, Ga.	Wolfenden
Dempsey	Holmes	Pettengill	Wolverton
Dies	Hope	Pittenger	Woodruff
Dirksen	Houston	Polk	Young
Ditter	Huddleston	Powers	Zimmerman
Dobbins	Jacobsen	Rankin	Zioncheck
Dondero	Jenckes, Ind.	Ransley	
Driscoll	Jenkins, Ohio	Reed, Ill.	
Duffey, Ohio	Johnson, Tex.	Rich	

NOT VOTING—90

Andrews, N. Y.	Eicher	Lamneck	Reed, N. Y.
Arnold	Fenerty	Lord	Richardson
Bankhead	Ferguson	Lucas	Rogers, N. H.
Berlin	Fernandez	Lundeen	Rudd
Blanton	Fish	McFarlane	Sadowski
Brennan	Fletcher	McGroarty	Schuetz
Brown, Mich.	Frey	McLeod	Shannon
Buckbee	Gambrill	McMillan	Smith, Wash.
Buckley, N. Y.	Gingery	McReynolds	Stewart
Bulwinkle	Goodwin	McSwain	Stubbs
Burnham	Hancock, N. C.	Maas	Sullivan
Cannon, Wis.	Hartley	May	Sumners, Tex.
Carter	Hennings	Merritt, N. Y.	Sutphin
Cartwright	Hess	Montague	Sweeney
Claiborne	Higgins, Conn.	Norton	Thomas
Cochran	Hoffman	O'Connor	Thompson
Cole, N. Y.	Hook	Oliver	Tobey
Cooper, Ohio	Keller	Parks	Underwood
Corning	Kennedy, Md.	Patton	Wadsworth
Dietrich	Kennedy, N. Y.	Perkins	Weaver
Disney	Kimball	Peyser	Wilson, Pa.
Dockweiler	Kniffin	Rabaut	
Doutrich	Kramer	Reece	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gingery (for) with Mr. Fenerty (against).
Mr. Fernandez (for) with Mr. Tobey (against).
Mr. Bulwinkle (for) with Mr. Buckbee (against).
Mr. Hancock of North Carolina (for) with Mr. Hook (against).
Mr. Stubbs (for) with Mr. McFarlane (against).
Mr. Kramer (for) with Mr. Corning (against).
Mr. Weaver (for) with Mr. Wilson of Pennsylvania (against).

General pairs:

Mr. Blanton with Mr. Doutrich.
Mr. Cochran with Mr. Carter.
Mr. Schuetz with Mr. Cooper of Ohio.
Mr. Fletcher with Mr. Hartley.
Mr. Sumners of Texas with Mr. Lord.
Mr. Rudd with Mr. Reece.
Mr. Parks with Mr. Thomas.
Mr. O'Connor with Mr. Stewart.
Mrs. Norton with Mr. Reed of New York.
Mr. Oliver with Mr. McLeod.
Mr. Montague with Mr. Perkins.
Mr. McSwain with Mr. Maas.
Mr. Bankhead with Mr. Hess.
Mr. McMillan with Mr. Kimball.
Mr. Arnold with Mr. Fish.
Mr. McReynolds with Mr. Hoffman.
Mr. Disney with Mr. Cole of New York.
Mr. May with Mr. Higgins of Connecticut.
Mr. Patton with Mr. Andrews of New York.
Mr. Sullivan with Mr. Goodwin.
Mr. Kennedy of New York with Mr. Burnham.
Mr. Gambrill with Mr. Lundeen.
Mr. Ferguson with Mr. Frey.
Mr. Richardson with Mr. Lamneck.
Mr. Berlin with Mr. Lucas.
Mr. Brennan with Mr. McGroarty.
Mr. Rabaut with Mr. Claiborne.
Mr. Dietrich with Mr. Sadowski.
Mr. Hennings with Mr. Sutphin.
Mr. Thompson with Mr. Kniffin.
Mr. Sweeney with Mr. Keller.
Mr. Kennedy of Maryland with Mr. Underwood.
Mr. Smith of Washington with Mr. Rogers of New Hampshire.
Mr. Dockweiler with Mr. Eicher.
Mr. Merritt of New York with Mr. Cartwright.
Mr. Cannon of Wisconsin with Mr. Buckley of New York.
Mr. Peyser with Brown of Michigan.

Mr. JOHNSON of Texas changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. JONES. Mr. Speaker, I ask unanimous consent that in respect to all of the amendments adopted this morning a motion to reconsider may be considered as having been made and that motion laid on the table.

The SPEAKER pro tempore (Mr. BOEHNE). Is there objection?

There was no objection.

H. R. 8492—EXTENSION OF REMARKS

Mr. MARTIN of Colorado. Mr. Speaker, I am in favor of the motion of the gentleman from Texas [Mr. JONES], the chairman of the House conferees, to concur in Senate amendment no. 163 to the agricultural adjustment bill, known as the "Warren potato-control bill"—H. R. 6082.

This bill, Mr. Speaker, was reported favorably by the House Committee on Agriculture after exhaustive hearings, but we have not been able to bring it to a vote in the House. When it became known that the Warren bill had been added as an amendment to the farm bill in the Senate, with only 5 votes against it, I was one of 38 Members of the House who signed a letter to all Members urging them to vote to concur in the Senate amendment.

But, Mr. Speaker, my support of this legislation and my commitment to such legislation generally, long antedates even the introduction of the Warren bill in the House of Representatives.

When the first farm-relief bill was up for consideration in the House on March 22, 1933, I made the following statement on the floor of the House:

> In my campaign in Colorado last year I disseminated a very brief statement of my principles. My pledge to the farmers I think I can claim as a model of brevity, if nothing else. Here it is:
>
> "The farmers make up nearly 40 percent of the population of this country, but their organizations have never succeeded in getting a single piece of legislation on the Federal statutes. Why not give the farmers' program a trial? I will."
>
> I say to you gentlemen that I am here today to redeem that pledge.

Mr. Speaker, in obedience to that pledge I have supported every measure for farm relief which has come before the House, including the Bankhead cotton bill, the Kerr tobacco bill, the Jones-Costigan sugar bill, and all amendments which have been made to the original Agricultural Adjustment Act. I shall continue to do this until it has been demonstrated that such legislation is basically unsound or is no longer needed to help rescue agriculture from the impoverished plight in which it was found on March 4, 1933, and from

which, thanks in large part to the farm legislation enacted under this administration, it is slowly emerging.

Speaking to the motion before the House, Mr. Speaker, I want to say that the Warren potato-control bill has the practically unanimous support of the potato growers of the State of Colorado. They have endorsed it in their county organizations, in their State organizations, and in mass meetings of potato growers. In one of these meetings where a poll was taken, the sentiment of the growers was reflected in a vote of 532 for the Warren bill to 2 against. At a State-wide meeting of farm organizations, cooperative associations, and control committees, representing more than 25,000 individual farmers, the 147 representatives present unanimously passed a resolution endorsing the Warren bill. This meeting was held at the invitation of the Colorado State Farm Bureau.

Mr. Speaker, I regret to note strong opposition to the potato control amendment among Members representing farm States and farm districts, and especially Representatives from such States and districts which have been heavy beneficiaries of the wheat and corn-hog programs and of the cotton and tobacco programs. I am at a loss to determine how these gentlemen distinguish between such measures and the potato bill. All at once they have become much concerned about what will happen to the little potato grower under the provisions of this bill. They overlook what has already happened to him and what is happening to him now, which is that his potatoes are not worth digging out of the ground. I can understand, Mr. Speaker, Members from the big cities and representing industrial constituencies voting against a bill which it is said will curtail the production and raise the price of potatoes, but who do not take into account the fact that potatoes are only cheap when the farmer sells them, not when the consumer buys them. Potatoes are cheap on the farm, not in the market. It is my understanding that every one of these farm production regulation bills has broken the grip to some extent of the profiteers and given the grower something of a break on the products of the farm. I am supporting this bill in the hope that it will do the same thing for potatoes that has been done for cotton, tobacco, wheat, corn, hogs, and sugar.

Mr. Speaker, in case of doubt, and I think some of the representatives of farm constituencies who are opposing the potato amendment are in doubt and are fearful that it will hurt the little fellow, I want to remind these Members of the old saying that the tail goes with the hide. Also there is a rule of the game that when you are for the main proposition, you may have to swallow some things that go along with it. This is the philosophy which has determined my action on the entire recovery program, whether industrial or agricultural. I may also call the attention of these Members to the fact that on yesterday we concurred without division in Senate amendments strengthening the cotton- and tobacco-control bills. There ought to be some consistency in our action on these kindred matters.

Once we divide our forces, we will eventually be beaten in detail. We should support this proposition with the same unanimity we accorded to the measures for the stabilization of other agricultural commodities. If in practice it develops unnecessary hardships and inequities, these can be corrected. If on the whole it is objectionable, all that is required to end it is for it to fall short of a two-thirds vote on a referendum of the growers themselves to continue it. This is democracy in action in the field of economics.

It is claimed that this bill is for the benefit of 30,000 commercial growers out of some 3,000,000 potato growers in the United States. I can scarcely feature the Secretary of Agriculture undertaking to administer the law for the benefit of 30,000 as against 3,000,000. This does not add up in the simplest political mathematics, nor does such a proposition find support in the philosophy and record of the Secretary of Agriculture. If I interpret the philosophy and read the record of the present Secretary of Agriculture aright, the preservation and not the destruction of the little fellow on the farm is his primary concern. In this connection, it is a significant fact that all of the crop-control programs, under the administration of Secretary Wallace, have been continued in effect by the overwhelming vote of the farmers themselves. Not in a single instance have they failed by overwhelming majorities to vote for an extension.

It has been a novel experiment in American legislation to pass laws, the continued force and effectiveness of which rests upon an annual vote of the people affected by the laws. Regardless of what may be said against it, it is a worth-while experiment in economic self-government. I want to repeat what I have said before in debate on farm legislation, that I support such measures, not with the idea in mind that the farmer shall live and move and have his being with a policeman at his elbow, but in the hope that it will show him the way to the control and regulation of his most important calling, which is the basic industry of our national life.

For the first time in American history the farmers' program is getting on the Federal statutes. It appears to be working. The Warren potato bill is a part of that program.

Mr. MICHENER. Mr. Speaker, the potato-control bill has no place attached as a rider to the bill amending the Agricultural Adjustment Act. Legislation dealing with those amendments passed the House, went to the Senate, and the Senate has added an amendment, including the entire potato-control bill.

The Agriculture Committee of the House spent months in consideration of the potato-control bill, and on August 5 reported the bill to the House. The committee was sharply divided, as shown by the majority and minority reports. This is a big question so far as the farmers, and also the consumers, of the country are concerned. In these days we pass legislation without consideration; while this may be the custom of late, yet I condemn it. Today we are compelled to vote on this entire potato-control bill after 1 hour of general debate, and without any opportunity to amend. Naturally, the time for debate must go to members of the committee, and it is preposterous that we should pass such far-reaching legislation when a member of the committee is allowed only 8 minutes to explain the entire bill. You could not even start to read the bill within that time.

The hearings before the committee show that there are approximately 30,000 large potato growers who are really commercial growers, while there are approximately 4,000,000 people who raise potatoes and most of whom sell some potatoes—possibly only a few bushels in most instances.

The State of Maine, the greatest potato-growing State in the Union, in 1933 shipped 22 percent of carload lots of all potatoes shipped in this country. A large percentage of the potatoes in Maine are grown in one county—Michigan potatoes for shipping are grown in but a few counties.

This is a commercial potato growers' bill, and it is conceded that it is framed in behalf of the 30,000 commercial growers as against the 4,000,000 general growers and the 125,000,000 consumers.

This legislation would not be so bad if it were voluntary and not compulsory. This is just another case of where the farmer is regimented. If this bill becomes a law, every potato grower, big and little, who desires to grow any potatoes for sale will be given an allotment. Every farmer, and every farmer's wife who grows potatoes in the garden, who might want to sell a few bushels, must register and receive his or her permit. This is not all. The potatoes cannot be sold in bulk. They must be graded, sorted, placed in packages, and on every one of those packages must be placed a stamp issued by the Government, much in effect like boxes of cigars and cigarettes that bear internal-revenue stamps today. Failure to do all this makes the farmer a criminal.

This is not all. The farmer must file affidavits, statements, and surveys, and convince the administrators of the act as to the number of bushels of potatoes sold over a given period, and the allotment allowed him will be based largely upon the number of potatoes produced on that particular farm during the given period. The farmer who has not been growing any potatoes to sell will have a difficult time in changing or rotating his crops. The allotment will attach to the farm and not to the farmer. In other words, if one farmer has not been in the habit of growing potatoes

for sale and he sells his farm or rents it to another farmer, who is a potato farmer, he will be estopped from growing the kind of crops he is used to growing and wants to grow, because of this compulsory potato-control law.

After the farmer receives his allotment certificate showing how many potatoes he may sell in a given year, if he sells more than his allotment certificate provides, he must pay a tax of 45 cents a bushel on every bushel beyond the allotment.

This is not all. If he knowingly sells or attempts to sell beyond the allotted amount, or without a permit, he may be sent to the penitentiary for 1 year and fined $1,000. Is there any person within the sound of my voice who thinks for a minute that the potato growers of this country will ever submit to any such domination by any bureau or bureaucrat from Washington?

This law would be entirely impossible of enforcement. There would be more bootlegging than anyone can imagine and the moral effect on the young folks of the country of such an impossible arrangement would be distressing at least. The advocates of the bill admit this bootlegging and it has been admitted on the floor here today that this law cannot be enforced in every locality, but that it can be enforced in the large commercial potato-growing sections. Possibly they can have Government agents and snoopers enough in one county in Maine, where they grow nothing but potatoes, to see that the law is adhered to. The district which I represent is not a commercial potato-growing district. Every farmer grows a few potatoes for his own use and always hopes that the yield will be such that he will have a few to sell, and the few growers who grow with the intent of selling would not be materially helped by this harsh legislation.

Again the constitutional question comes up, and I am convinced that, like the A. A. A., this law will be held unconstitutional. The constitutionality is attempted to be justified under the taxing clause, but who is there among us who would say that the purpose of this bill was to raise revenue to run the Government? In fact, the bill provides for an appropriation of $12,000,000 for the basic part of the first year's enforcement, and this will not begin to cover the expense. The 45 cents a bushel tax on all bushels sold above allotment is punitive entirely and for the purpose of controlling production and if all farmers comply with their allotment no tax will be raised. If we want to change the Constitution, let us do it in a constitutional and upright way rather than constantly seeking to escape and get around what we are satisfied in our own hearts is the basic law of the land. Again let us remember our oath of office.

The people of the country have had some little experience with crop control during the last 2 years. Fourteen basic crops are under Federal control, but mark this well, only two, cotton and tobacco, are compulsory. The others are optional. The farmers may take advantage of the hog and corn or wheat program if they desire, but up to date there is no compulsion. I have insisted and believe that the purpose of the A. A. A. is to eventually bring all of these voluntary commodities under compulsory control. The cotton grower today is absolutely controlled whether he likes it or not. As a result he is losing his foreign market, cotton workers are thrown out of work, clothing costs more, and in the end the artificial structure will fall upon him.

The tobacco grower is also under involuntary control. It must be observed that these commodities are regional and the task of controlling is, therefore, minimized. Potatoes are grown in every State in the Union and in every county in the State; that is, to some extent. The very thought of making all these potato growers who might want to sell a few bushels keep books, make annual reports, and so forth, is beyond comprehension. Yet that is just what this bill does, and if the poor farmer does not comply with the law he has confronting him that maximum of 1 year in the penitentiary and a $1,000 fine.

I have been asked about the packages above referred to—just what kind of containers and the size of the package in which the farmer must place his potatoes before offering them for sale. This bill leaves these matters to regulation. Therefore, if the professor in charge should think it wise that all potatoes sold should be placed in cellophane packages and possibly flavored with the scent of perfume, the farmer could not sell unless he complied. This may be extreme, but it is possible, and all laws should be enacted having in mind the possibilities as well as the probabilities.

To get back where I started, I am sure we must all agree, whether or not we favor this legislation, that the whole matter is so serious that it should not be disposed of under the whip and spur of the leadership and within 1 hour and without opportunity to change or amend. I am just as sure as I am that I am talking, that if this House had the opportunity at this time, it would not permit the inclusion of the unreasonable penalties above referred to, and I cannot for the life of me understand how Members will vote for this drastic, unreasonable, uneconomic, unconstitutional, and arbitrary legislation without proper consideration.

If this bill becomes a law and our farmers are compelled to operate under it, there will be a justified resentment on the part of the small farmers everywhere, and we cannot blame them.

Representing an agricultural district, I am vitally interested in increasing the price of farm products to the cost of production plus a reasonable profit. Representing many consumers, I am just as vitally interested in seeing to it that the consumer gets the products of the farm at a price which he can afford to pay. Both of these objectives may be obtained if the consumer has a job at a reasonable wage, and the spread between what the farmer gets and what the consumer pays represents legitimate handling costs.

This condition is not going to be helped any by a lot more red tape to be complied with by the farmer before the consumer can get the potatoes. Any law that makes it impossible for every general farmer to sell his few surplus bushels to the purchaser in the community who wants to buy them will do a specific injury not only to the farmer but to the consumer as well. The users of potatoes will have a right to complain if this bill ever becomes a law, and I misjudge the temperament of the average American farmer if he does not rise up in protest, when again he is confronted by another investigator or inspector from Washington, with a voluminous portfolio of blanks—red sheets, yellow sheets, and white sheets—affidavits and seals, permits and stamps, and is compelled not only to fill out all the required blanks but, in addition, is instructed as to how he must keep books and account for all potatoes grown and marketed. This whole thing is just impossible.

Mr. KINZER. Mr. Speaker, the potato amendment, added by the Senate to H. R. 8492, the Agricultural Adjustment Act amendments, now before the House, was never discussed or considered in this body. This amendment seeks to control, regiment, and limit the three to four millions small potato growers and farmers for the sole benefit of about 30,000 large commercial producers of potatoes.

Under this amendment every grower is required to secure his or her allotment quota from the potato-control authority to be set up under this amendment. He must then secure the tags, stamps, and specially designated wrappings and containers before he may offer for sale one single potato. This amendment imposes a tax of 75 cents per 100 pounds of potatoes, or about 45 cents per bushel, which is twice the price potatoes are now bringing. It is not a tax provision, nor is it intended as such, its purpose being none other than to absolutely and completely prohibit the independent production and sale of this staple food. The amendment further provides that in the referendum the potato producer shall be entitled to one vote per bushel for each bushel of potatoes he produces, thus giving complete control of this industry into the hands of a very few large producers, less than 30,000 in number, as against the three or four millions of our citizens who raise a small patch of potatoes for their own use and who have up to this time enjoyed the right and privilege of sale and barter for the small surplus they may have to dispose of. The enactment of this potato amendment will directly affect more of our citizens than any control legislation heretofore passed.

A smaller percentage of potatoes are handled through interstate commerce than of any other agricultural commodity. Every farm, every truck garden, and every back yard, I may ask, grows some potatoes, and because of the large number of persons engaged in raising potatoes this amendment would be impossible of proper administration. It will cost over twelve millions of dollars to administer this potato-control program the first year, and will require a Federal representative in every township of every county in every State of our Union.

I know that the potato growers of my district are very outspoken and positive in their opposition to this amendment which takes away the last vestige of independence from every farmer, every gardener, and truck raiser in our land.

Mr. DITTER. Mr. Speaker, the potato amendment to the Agricultural Adjustment Act affects every home in the country. The cost of potatoes touches the pocketbook of every American housewife. In the home of the most humble and lowly citizen potatoes constitute a chief part of the meal. We are called upon to further increase the cost of living which has already reached a point where protests are heard from all sides. It is a further extension of the program of crop control which has already proved a very effective method for America to surrender its world position of preeminence in cotton production. It is based on the false philosophy of artificially creating scarcity in the midst of plenty. It is predicated on the theory that a famine will produce prosperity.

There might be some justification for requesting the legislation, even though I would oppose its enactment, if it held out any hopes of benefit to the average farmer without placing an undue burden on the shoulders of the average citizen. But such is not the case. This potato-control amendment is for the sole benefit of the large commercial growers at the expense of the average farmer and of every household in the land. The purpose of the amendment is to provide profits for a comparatively few commercial potato growers and saddling this profit for big business on the small farmer and the consuming public. It is estimated that there are 30,000 commercial growers and 4,000,000 average or general growers of potatoes in the country. These figures speak for themselves.

A study of the amendment discloses that every potato grower who contemplates selling them will be given an allotment. This means that he must secure permission from the Federal Government and comply with prescribed rules and regulations. The potatoes must be sorted and graded and labeled. They must be packed according to rule and may not be sold in bulk. Then the grower must submit to surveys and examination by Government officials and convince their masters by affidavits and statements as to the number of potatoes they should be permitted to sell. Picture if you can the small farmer and his wife confronted by officialdom in all its power in order to sell or exchange a few bushels of potatoes at the country store. If the farmer fails to meet the conditions he becomes a criminal under the provisions of this amendment.

But this is not all. Should a bountiful harvest provide a larger yield than the allotment made by the Government official, the farmer is required to pay a tax of 45 cents on every bushel over the allotment. In other words, the amendment provides a penalty for those who harrow and cultivate the field and places a premium on the presence of the potato bug and other obstacles to a good yield. This will be a strange lesson for the frugal and industrious farmer of Pennsylvania to learn.

I am convinced that the proposal is unconstitutional. An effort is made to abort the taxing clause to give the measure a cloak of constitutionalty. This is subterfuge of the worst character. No one will attempt to claim that the purpose of the amendment is to raise revenue. It is a compulsory control measure to limit the production of potatoes, to destroy the competition provided by the average farmer in the potato market, and to give the commercial grower a monopoly at the expense of the consuming public.

The attempted enforcement should prove an interesting experience. It will provide a new chapter in the narrative of the art of bootlegging. Liquor-law enforcement will shade into insignificance in comparison with potato-control enforcement. Will the farmer or the farmer's wife be the culprit? Why not charge the fertilizer salesman as an accessory? Imagine the results of an army of inspectors, investigators, and snoopers turned loose on an innocent and unsuspecting countryside seeking those whom they may devour, or should we say those who would sell potatoes to devour. The contemplation of attempted enforcement is ridiculous.

And all this so that farmers will not grow potatoes and so that upon the family budget there will fall another weight of expense in the ever-mounting cost of providing necessary foodstuffs. I cannot bring myself to the support of such harmful and extravagant legislation.

LEAVE TO ADDRESS THE HOUSE

The SPEAKER pro tempore. Under special order, the gentleman from Georgia [Mr. CASTELLOW] is recognized for 15 minutes.

Mr. CASTELLOW. Mr. Speaker, due to the limited time at my disposal, I ask Members to refrain from requesting me to yield until at least I have finished my statement.

I realize what the legislative program is. Consequently, I could not fail to be cognizant of the importance of time to the House. Yet the people back home cannot realize the situation. The fact is back there they feel that we have as much time here as they have at home; in fact, they think we have 24 hours a day here the same as they have, whereas in reality time here is as precious as water is in Ethiopia, and the keepers of the well are indeed vigilant; but I say this to the Membership of the House, that all of the water should not be reserved for the generals, because, believe it or not, as Ripley would say, before this war is over you are going to need some privates.

The only possible reason for bringing the matter I have in mind up for discussion in this House is to illustrate what may happen to you, your district, or your State under a centralized government, a bureaucratic government. I want to talk to you briefly regarding a State of this Union concerning which some of you, at least, may need enlightenment. I desire to discuss especially one of the Thirteen Original Colonies, now the State of Georgia, the only State in this Union that has never gone Republican, the State that has held high the Democratic banner ever since there has been a Democratic Party.

When the great State of Texas, that now furnishes us with a Vice President, that furnishes the chairmen of five of the important committees of this House; when the State of North Carolina, furnishing the chairman of the most important committee, the Committee on Ways and Means, and the chairmen of other committees; when the State of Tennessee, which contributes, among other chairmen, the chairman of the committee upon which I have the honor to serve, and in addition thereto furnishes this body with its splendid Speaker, whom we all respect and love—when all of these States that have been so honored by Democracy were resting blissfully in the camps of the Republican Party in 1928 Georgia still held high the Democratic banner.

That is the State of which I wish to speak. Although she has remained loyal in season and out, conditions now impel me to direct attention to the reward she has received from our great party for her unusual and faithful services. You all know there are certain funds allotted for the building of public roads in the various States of the Union. I called upon the Bureau of Public Roads yesterday and asked if there was any State in this Union which had its funds "hung on a hook" except the State of Georgia, and the answer was in the negative. "Your State", said he, "is the only one." So this presents a most unusual situation—a situation in which we, as a Casabianca, remained constant at our post while others of less loyalty deserted. Can it, therefore, be surprising that we are sadly disappointed when the only distinction accorded us is that of being the only State in the Nation whose road allotment is "hung on a

hook" and that so high it cannot be reached by even the most strenuous effort? All it seems we can now do is, as a well-trained poodle, stand on our hind legs and beg for that which, in justice, is truly ours.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. CASTELLOW. I ask the gentleman to excuse me.

Mr. TARVER. Just for a moment.

Mr. CASTELLOW. I yield to my colleague.

Mr. TARVER. To state that it is "hung on a hook" at the behest of the Republican chief of the Bureau of Public Roads and of a Republican Secretary of Agriculture.

Mr. CASTELLOW. I thank the gentleman for his contribution.

So why, I am constrained to ask, should Georgia be singled out for such treatment? The only way to account for such unusual treatment is, to my mind, supplied by an analysis of the political situation in America as suggested in 1916 upon the second election of President Woodrow Wilson. It is not difficult to recall that the entire Nation was in suspense since no one could foretell whether a Democrat or a Republican would occupy the White House until practically the last vote in California had been counted. Upon the announcement of the result in that State, the tension being relieved, I ventured at that time certain conclusions with which I had been impressed by the occurrences described. It occurred to me that the situation in California was rather similar to that of a young, beautiful, cultured, and most attractive debutante who had as her rival admirers two most distinguished and wealthy suitors. She had not indicated in any way her preference and was known to be rather fickle in her affections. So these admiring gentlemen vied with each other as to which could supply the lady with the most beautiful bouquet of flowers, the most delicious candy, and give her an outing in the finest automobile. This was her enviable position. I presume it is needless to mention the names of the suitors, for you know by the description they were none other than the Democratic and Republican Parties.

Now, what about Georgia. She reminded me of a splendid old lady who was not only married, but had reared for her country a large number of very worthy citizens, who kept the home fires burning and administered to the wants of a certain distinguished gentleman who said, "Why should I bother to bring flowers, boxes of candy, and other desirable luxuries to this lady, for surely she is my wife, we have been married for lo these many years, so why should I worry to supply the attentions of other years?" Another gentleman of the community, who in other circumstances might have been an ardent suitor, suggested that there was no reason why he should supply flowers, candy, and other tokens of affection, since the lady was married to another. [Laughter.] So, this splendid old lady is left to supply that without which no home can long survive, but who is concerned with her cares so long as she slings the pots and pans, nurses the babies, and keeps the trousers creased.

This illustration, to my mind, typifies the respective positions as occupied by California and Georgia. And, judging from Mr. Farley's speech of adulation recently delivered in San Francisco, in which he declared, "It was this State that kept Woodrow Wilson in the White House in 1916. It was California that insured the nomination of Franklin D. Roosevelt in 1932, and the vote of this State confirmed magnificently the action of your delegates to the Chicago convention", it seems that California is still the beautiful debutante while Georgia likewise occupies her position as faithful spouse. But, let it be remembered that we are not in quest of compliments but only asking that simple justice be done.

Is there anyone within the sound of my voice, on the floor of this House or in the galleries, who would believe that such treatment as has been accorded Georgia would ever have been visited upon California by either a Democratic or Republican administration? The fair but fickle State of California, concerning which there is constant doubt as to whether she will go Democratic, Republican, or Townsend, would never be accorded such treatment. Heretofore government favoritism has not been so important, for until recently the chief functions of the Federal Government were to provide national defense, supply a monetary system, and transport our mail, leaving little opportunity for partiality. It is quite different now, since the National Government has invaded practically every field of human activity. By the exercise of partiality and punitive measures our very existence might be jeopardized. It, therefore, behooves us to keep a watchful eye on the compass and evidence at least some concern as to the possible port of destination.

I would say to this administration, as TOM BLANTON said to KNUTSON a few days ago, "Do not bite the hand that feeds you", and that is what is now being done to Georgia. Eight of the Georgia delegation on the 22d day of July addressed a letter of protest to the White House covering the situation. If it has ever reached there, we have received no such indication. If the mail generally is traveling that slowly, gentlemen, I think we had better send a radiogram or something else to Brother Farley to please come home. [Applause and laughter.]

Public Resolution No. 11 of the Seventy-fourth Congress provides that—

> Except as hereinafter provided, all sums allocated from the appropriation made herein for the construction of public highways and other related projects (except within or adjacent to national forests, national parks, national parkways, or other Federal reservations) shall be apportioned by the Secretary of Agriculture in the manner provided by section 204 (b) of the National Industrial Recovery Act for expenditure by the State highway departments under the provisions of the Federal Highway Act of November 9, 1921.

The congressional acts of 1921 as embodied in the United States Code, title 23, section 13, expressly provide that the construction of all Federal-aid highways shall be done in accordance with the laws of the State and under the direct supervision of the various State highway departments. Section 1502 of title 95 of the Georgia Code of 1933 constitutes the State highway department as the agency of the State to discharge all duties arising under any act of Congress allotting Federal funds to be expended upon public roads in Georgia.

It is, therefore, apparent that the Bureau of Public Roads has no authority to initiate a program. Yet, they have assumed to do the very thing by indirection which the law prohibits their doing directly. They have demanded that the highway department of Georgia construct across the Oconee River at Balls Ferry a bridge costing approximately $280,000. For reasons satisfactory to the State highway department, the request of the Federal bureau was refused and thereupon, apparently in an effort to coerce the State highway department, the Federal bureau declined to approve any and all projects suggested by the highway department. Mr. Clark Howell, editor of the Atlanta Constitution, endeavoring to secure a speedy adjustment of this unfortunate situation, was instrumental in arranging a conference between the Governor and Mr. MacDonald, Chief of the Bureau of Public Roads.

In Mr. Howell's report of the conference, as contained in the Atlanta Constitution of July 20, 1935, the following appears:

> Then the Governor said: "I understand, Chief MacDonald, that it is Balls Ferry or nothing; that unless we consent to the building of this bridge Georgia's $19,000,000 highway allotment will not be released." "Correct", said Mr. MacDonald, "with the further understanding that we would insist upon satisfactory efficiency in the engineering force of the highway department."

Now, whose money is this that is being withheld, and by whom, in the last analysis, will be supplied? By the printing press or by taxes imposed upon the people of these United States, among whom are the citizens of Georgia? We may expect to bear in the future, as we have in the past, our full and complete share of these burdens. Then by what process of reasoning can anyone justify the withholding of funds which are not a gift nor a donation but belong absolutely to the people of Georgia?

Can it be imagined that there will ever be a more urgent necessity for the building of roads in our State than exists at this time? Consider, for example, my home county of Randolph, which has 720 miles of roads, and at the time I left there, last Christmas, only 6 miles were paved. Whose bonds are being issued, except bonds upon Georgia, just the

same as upon other States? We have issued, according to the statement of the Treasury up to August 10, over $29,000,000,000. Georgia's part of this indebtedness is $690,000,000, whereas the State has only issued and now has outstanding $4,178,000 in bonds.

What about this indebtedness? How much of this rests upon my little county with only 17,174 population? Four million of those bonds floated by the United States Government my little county of Randolph is responsible for. That is equal practically to the entire individual bonded indebtedness of the State of Georgia. Where are we going? What of the Government after you have mortgaged every farm, every store, and every home in the county—every home in my county of Randolph—and imposed upon us $4,000,000 of bonds, and then say to us, with 720 miles of public roads and $19,000,000 allotted to our State, "You cannot get a dollar of it"? They respond, "Your road department does not suit us." Well, it suits the people of Georgia. At least, it seems so. No one says it is illegal. Our road department in Georgia handles more of the revenue raised by the people of Georgia than all the other instrumentalities of the State combined, and we are not kicking. Why should someone else kick?

Let us see how the bonds of Georgia are selling. They are selling today higher than the bonds of the State of New York. They are selling higher than the bonds of the State of Illinois. They are selling higher than the bonds of California.

What about the municipalities of Georgia? The bonds of the little town in which I live, with less than 3,500 people, are selling today higher than the bonds on the City of New York.

The SPEAKER pro tempore. The time of the gentleman from Georgia [Mr. CASTELLOW] has expired.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOEPPEL. Will the gentleman yield?

Mr. CASTELLOW. I yield.

Mr. HOEPPEL. I would like to say for the information of the gentleman that as long as we vote "must" legislation in this Congress we will always be the servants of these bureaucrats here. We ought to stand on our own feet and be independent.

Mr. CASTELLOW. This is the first time I have made any public or private utterance against what is going on. The departments have treated me very nicely, most cordially, and I have no complaint against them, but I hope there is an element of justice in the make-up of every man.

Now, let us see what is happening and where we stand. I was just remarking that the bonds of the little town where I live, Cuthbert, Ga., with less than 3,500 people, are selling today higher than the bonds on the city of New York, higher than the bonds on the city of Chicago, higher than the bonds on the city of San Francisco. Are we worthy of credit? It seems that the business world thinks so, and that we know how to manage our business. Then who is it that would be a self-constituted guardian and to say to us that we cannot manage our affairs? The people who are investing in these things, and who have the money to do it, are most critical, as you know. That is the estimate they have placed upon the credit of Georgia, upon the credit of her municipalities and her counties. So why is it that anyone would seek to impose themselves as a self-constituted guardian upon the people of Georgia? I have told you of our Democracy. I miss our good friend from Missouri, Mr. SHANNON, when I think of Thomas Jefferson.

I believe in the cause he believes in. I believe that I am a Jeffersonian Democrat. There is something else, however, I am even more proud of, and that is that I am a Patrick Henry Democrat. [Applause.] I will tell you another thing, John Paul Jones was not so bad.

I know the figures I have given are not making any impression upon you, at least I so apprehend. They are not making any impression upon your constituents back home, I fear, because we are so near-sighted we cannot see around the corner; but I will tell you what is going to make an impression upon you, and that speedily, upon every Member of this House and every constituent, and that is when you undertake to impose tax laws which will raise sufficient revenue to meet the expenditures we are making and the bonds we are floating. Sooner or later the ghost of high taxes, in one form or another, will be sitting by the fireside of every home in this Nation, even the humblest.

It may start with the millionaires, with the multimillionaires, but it will wind up in the poorest home and be fastened on everyone in this country finally before this debt is liquidated. It is all right to give away money in certain circumstances and conditions, it is all right to spend money under certain circumstances and conditions, but as long as the people, such as those in Randolph County, are riding over dusty roads in dry weather and muddy roads in wet weather, things are not right. One of the men in the department told me: "I have been through your county. You do not go over your roads, you go through them, through the dust in dry weather and through the mud in wet weather." He said: "I know all about that, CASTELLOW."

I said: "Why can you not, and why will you not give us some relief? This is our money, it belongs to us. What justification is there for the spending of it except the two purposes enumerated, to relieve unemployment and to build roads? When will there ever be more unemployment in our country than we have now to be relieved? If you are ever going to give us money to use for this purpose, why do you not give it to us now? If it is to build roads, why not build them now? What justification, what excuse can there be from any standpoint for further delay?" What I have said of Randolph applies with equal force to many of our neighboring counties.

It is in the interest of fairness that I speak. Our Democratic leaders knowing we have always been with the Democratic Party presume, of course, we always will. I apprehend that in this assumption they are correct; but this only accentuates our grievance, for to be rebuffed by those we have so faithfully served is indeed disappointing.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. CASTELLOW. I yield.

Mr. PIERCE. If the gentleman presented this in a clear light to MacDonald, the head of the Roads Bureau, I cannot understand how he has treated the gentleman so, for I have found him fair. I cannot understand how he has treated the gentleman so if the gentleman's case is just and he presented it properly.

Mr. CASTELLOW. I am glad the gentleman from Oregon mentioned that. Not only have I presented it personally, but also in company with other Members of our delegation.

Mr. PIERCE. One further question, if the gentleman will yield.

Mr. CASTELLOW. Certainly.

Mr. PIERCE. What reason does he give for withholding this vast sum of money from the gentleman's State?

Mr. CASTELLOW. I have discussed it. He insists that the bridge to which I have referred must be built, and also contends that our highway department is unsatisfactory.

Mr. PIERCE. I have had much to do with McDonald; I am surprised.

Mr. CASTELLOW. I have, too, I may say to the gentleman from Oregon, but he has gotten into a hole and will not admit it; he will not come out, and he will not let us out. That is the situation.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. CASTELLOW. I yield.

Mr. CULKIN. Does not the situation the gentleman complains of arise from the fact that the present Governor of Georgia does not agree with the economic policies of the President? Is not that the basic fact?

Mr. CASTELLOW. It may be that the gentleman has put his finger on the spot. [Applause.]

I do not desire to discuss the Governor, nor even state as to whether or not I am one of his supporters, for this is beside the question. The truth of the matter is the first time he ran I did not vote for him. But he has done some worth-while

things in Georgia. He has given us $3 tags, not only on Ford cars, but on trucks. He has reduced the taxes in the State and, at the same time, I believe, has reduced the indebtedness of the State. He has given us an efficient administration. In regard to the road situation, the complaint from Washington is, among other things, that the highway department has not a sufficient number of competent engineers, and also that the salaries paid are inadequate. The people of Georgia, however, feel that the number employed is sufficient and the salaries commensurate with those paid by private industry.

Quoting from an editorial in the July 21, 1935, issue of the Atlanta Constitution, the following appears:

The Constitution again takes opportunity to commend the efficiency of the Georgia Highway Board under Chairman Wilburn. The State has never had a more capable highway commission.

[Applause.]

[Here the gavel fell.]

Mr. CULKIN. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. YOUNG. Mr. Speaker, I object.

The SPEAKER pro tempore. Under the special order, the gentleman from Indiana [Mr. LUDLOW] is recognized for 10 minutes.

Mr. LUDLOW. Mr. Speaker, the first session of the Seventy-fourth Congress will soon become history. Adjournment not later than a fortnight is forecast, and to one who thinks in terms of sympathy for humanity, whose heart beats in rhythm with the heartbeats of 125,000,000 people, there must inevitably come, when he contemplates the existing situation, a feeling of sadness, a sickening sense of hopelessness, over the prospect that the session will come to an end without anything of an effective nature being done to keep America out of war.

According to my way of thinking the Congress of the United States is not as war conscious as the world outlook justifies. I believe that if it were as war conscious as it should be it would take up for immediate consideration some of the neutrality measures that are pending, for example, the splendid neutrality bills of Representative KLOEB, of Ohio, and Representative MAVERICK, of Texas, and that it would not allow this session to expire without placing this salutary, war-preventive legislation on the statute books. One of these measures, that of Mr. KLOEB, has been favorably reported out of the House committee on foreign affairs, but it seems to be halted by some unseen influence, to be hung up on a hickory limb, as it were, and I have a strong presentiment, an ominous foreboding, that it will still be hanging there, high and dry, when the gavel pounds out adjournment.

WAR REFERENDUM THE BACKLOG

I believe that if the Congress were as war conscious as the world situation justifies it would lose no time in passing House Joint Resolution No. 167, the war-referendum resolution I have introduced, which is designed to minimize the possibility of America being dragged into unjustifiable wars. The neutrality bills are excellent, and should be passed, but the war referendum constitutional amendment I have proposed is the backlog of war-preventive measures. It has the strength and stability to keep America out of wars that we should not enter. It has the potency to keep us out of wars that are sought by international financiers, political buccaneers, and munitions racketeers.

I firmly believe that it would keep us out of all wars except when the cause is everlastingly righteous and just. The constitutional amendment I have proposed is very brief and simple, comprised in two short sections. It provides—except in the case of invasion—that there shall be no declaration of war except when the people so decide in a national referendum and that, in the event of war, all war properties, munitions plants, and so forth, shall be taken over by the Government for the period of the emergency, thus removing the profit incentive to war.

Mr. MORITZ. Will the gentleman yield?

Mr. LUDLOW. I yield to my friend from Pennsylvania.

Mr. MORITZ. The gentleman's position is that a constitutional amendment should be adopted so that the fathers and grown sons would have a voice in declaring war?

Mr. LUDLOW. Yes.

Mr. MORITZ. So that those who fight the battles will have a chance to vote whether they want to fight or not?

Mr. LUDLOW. So that those who have to suffer and, if need be, die, and who have to pay the awful costs of war will have something to say as to whether or not war shall be declared.

Mr. MORITZ. That is, in contradistinction to Members of Congress, who are mature men, usually, and if they vote for war they usually do not have to go to war anyway?

Mr. LUDLOW. The gentleman has stated the situation precisely.

Mr. BOYLAN. Will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from New York, whom I have learned to esteem as one of the greatest humanitarians in this legislative body.

Mr. BOYLAN. I think the gentleman has been entirely too modest in speaking about his referendum. I think he ought to bring out the details of it a little more to permit the membership to know exactly what would be accomplished.

Mr LUDLOW. I should be glad to do that if I had the time.

Mr. HOUSTON. Will the gentleman yield?

Mr. LUDLOW. I gladly yield to the gentleman from Kansas [Mr. HOUSTON], who was a member of the Fighting Marines in the World War and who knows what war is.

Mr. HOUSTON. Could not a lot of pensions be eliminated in the future by preventing wars? The great expense that taxpayers are burdened with in future years to come would be eliminated if we could prevent these wars.

Mr. LUDLOW. The gentleman from Kansas has made a very important point. I agree with him that anything that prevents war is not only a great humanitarian blessing but it is a great economic benefit as well.

Mr. HOUSTON. Does not the gentleman further believe that it is inopportune for a mere handful of men in the Congress of the United States to declare war without giving the people who are to answer the call a chance to express their opinion?

Mr. LUDLOW. I will say that the gentleman has accurately and impressively stated the incentive and the purpose of this resolution.

Mr. HOUSTON. I am very much in favor of the gentleman's resolution and would like to see it passed at this session.

Mr. LUDLOW. I thank the gentleman.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Oklahoma, who was a private in the Thirty-sixth Division in the overseas service during the World War. He, too, knows the meaning of the word "war."

Mr. JOHNSON of Oklahoma. It is a fact, however, that this House has passed the first bill of its kind that has ever been passed by any Congress, a bill which has teeth in it, and if passed by the Senate would actually take the profits out of war; however, it has not received consideration by the other body.

Mr. LUDLOW. I may say to the gentleman from Oklahoma, and I am just giving the Members of the House my opinion, which is that a statute to take the profits out of war does not answer the purpose as a preventive of war for the reason that the same forces which impel Congress into a declaration of war will at a moment's notice make a scrap of paper out of a statute. When war comes the forces that drive the Congress to declare war will immediately wipe off of the statute books all statutes that conflict with their purpose. That has been demonstrated in the past. It takes something with more permanency and more stability than a mere statute to answer the purpose. It requires, as I conceive it, a constitutional amendment, and that is what I propose.

Mr. JOHNSON of Oklahoma. I may say I agree with the gentleman and am in sympathy with his resolution; however,

the bill which passed the House proposed to take over the munition factories in case of war.

Mr. LUDLOW. I do not intend, by anything I say, to disparage the purposes and objectives of that great statesman and soldier, Chairman McSWAIN, of the Military Affairs Committee. I simply make the point, which is my own belief, that a statute does not answer the purpose.

Mr. JOHNSON of Oklahoma. I agree with the gentleman. The morning papers say that the body at the other end of the Capitol has permanently ditched, for this session, the Nye bill, or any other bill which seeks to eliminate war.

Mr. LUDLOW. I have been so busy I had not noticed that article.

Mr. MAVERICK. Will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Texas, who was severely wounded in the service of his country and who was cited for gallantry in action and extremely meritorious service.

Mr. MAVERICK. The gentleman favors national defense, does he not? but is not this bill an effort to keep us out of wars, especially offensive wars, where, without the consent of the manhood and womanhood of America, boys are sent off to foreign fields to be killed? Personally, I hope we stay out of any more wars. We want to stay out of wars.

Mr. LUDLOW. Yes. I do believe in national defense, and by that I mean adequate national defense. The gentleman has well stated the purpose of my proposed amendment. It is designed to keep America out of war.

Mr. MAVERICK. I want to commend the gentleman on his effort to keep us out of war and staying out of war, instead of declaring war and then taking the profits therefrom.

Mr. LUDLOW. I thank the gentleman.

Mr. MAVERICK. And I might add that taking the profits out of war, considered by itself, never works. That is one of the reasons for a war—to make profits or gain territory. You are to be complimented for seeing the point—that our duty is to build up our country from within, and that will be job enough for us all. Some people misunderstand your resolution; they say, "Why, before we voted we would be beaten by a foreign country." This is not true. There is nothing to keep us from defending ourselves, and your resolution for the constitutional amendment merely provides that before we send our boys thousands of miles off—probably to invade some other nation or to fight someone else's war—that the people can decide. Your proposal also conscripts all property necessary for a war, if we are forced into one. In other words, it seems to me that this further provision is another deterrent of war, and that you believe the lives of our citizens are as important as war property.

Mr. Speaker, I believe that the distinguished gentleman from Indiana [Mr. LUDLOW] deserves great credit for so forcibly bringing this subject before us.

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent that the gentleman may speak for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from California, a soldier of both the Spanish-American War and the World War, who served over 21 years in the Army. He knows a lot about war.

Mr. HOEPPEL. Mr. Speaker, I would like to make an observation, and I regret there are so few Members of the House present when the gentleman from Indiana is delivering such a remarkable and able address on a question of so much moral and human interest. I am heartily in favor of the gentleman's joint resolution and think it should be enacted, and as the gentleman from Kansas has just stated, it should be enacted especially from an economic standpoint. We would not be in the unfortunate condition in which we are now placed if we had had the gentleman's bill on the statute books in 1917.

Mr. LUDLOW. I thank the gentleman for his contribution.

Mr. FOCHT. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield to my friend from Pennsylvania.

Mr. FOCHT. My friend suggested a moment ago that we should first have the sanction of the people before Congress acted in the matter of declaring war. The gentleman was here when the last war was declared.

Mr. LUDLOW. I was upstairs in the press gallery.

Mr. FOCHT. The gentleman was here observing things as well as any Member of the House at that time, and is it not a fact that war was virtually declared before Congress had any such suggestion from the President? Had we not violated every law of neutrality with respect to the conduct of nations before we ever came here, and is it not a question of the diplomacy of the State Department whether we have war or not, and is not that a good place to begin?

Mr. LUDLOW. I will state to the gentleman that, irrespective of the factors that make for war, in my opinion, the right to declare war ought to rest with those who have to suffer and die and bear the awful burdens of war.

Mr. FOCHT. The gentleman is correct; but at the same time——

Mr. LUDLOW. With reference to what the gentleman has stated, I do know that quite a number of Members of this House who voted for war have appeared at the hearings and have submitted statements to the effect that if it had to be done over they would not vote for war.

Mr. FOCHT. They voted for war because they were in war and they would not desert the flag. The thing to do is to have great caution exercised by the State Department; and this thought has been expressed, I believe, to Mr. Hull, and I think he is proceeding with great care. However, the gentleman will find that that is where war will come, and you will come here some day and you will be called upon to choose between deserting the flag or sending your troops and your Navy to Europe. This is what will happen unless we are very careful, and I am stating that based upon my previous experience; we are drifting that way very fast.

Mr. LUDLOW. I may say to the gentleman that when that fateful times comes, according to my idea, the question should be submitted to the citizenship of this country, so that every citizen may go into the ballot booth with only his God as his witness and register the verdict of his judgment and his conscience. [Applause.]

Mr. FOCHT. I am very much in accord with the gentleman and also with the gentleman from Kansas [Mr. HOUSTON].

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I would like to be obliging, but my time has virtually expired, and I should like to go ahead.

Mr. CHRISTIANSON. Will the gentleman yield just for a question?

Mr. LUDLOW. Yes.

Mr. CHRISTIANSON. I notice that legislation that comes here with the label "must" attached to it generally passes. Does not the gentleman believe that if the administration would get back of the movement for peace we would be more successful in securing the passage of these measures?

Mr. LUDLOW. I thank the Almighty God that we have in the White House a peace-loving President. [Applause.]

Mr. CHRISTIANSON. If he answers that description, why did he send our Navy on an immodest and indecent excursion into the Pacific to bulldoze the Japanese?

Mr. LUDLOW. But I can imagine a situation where we might have a dictator or a tyrant in the White House, and I believe, under those circumstances, he would have such power inherent in his office that he could maneuver us into war, and one purpose of this resolution is to place the power of declaring war where the decison will rest neither with the President nor the Congress, and where all of the people of the United States shall act and vote on the question, and I believe if this is done we shall not be maneuvered into war until it is the composite judgment and conscience of the people that we should go to war, and I think that is as it should be. [Applause.]

Mr. CHRISTIANSON. I feel that a similar confidence was not justified in 1916.

Mr. LUDLOW. Before we legislators return to Washington for the regular session of Congress on January 3 half of the nations of the earth may be at war. If the world bursts out in flame following our congressional adjournment, would we not then feel blameworthy over the inaction of the present session, over our failure to take adequate steps to protect America from involvement? Certain it is that the factors that are making for war will not declare a holiday when our Congress adjourns. Italian war lords will continue to manufacture chemicals to burn the feet off of Ethiopians. Italy will continue to train and regiment 8-year-old children for cannon fodder. Ethiopians will continue their plans to poison wells so that Italian boys, drinking of the polluted waters, will die in spasms.

Ethiopians will continue their defensive plans to turn swarms of tsetse flies loose on Italians to kill them with sleeping sickness or to convert them into idiots and maniacs. Italy will continue to manufacture giant bombs to be dropped from airplanes over Ethiopian centers of population to blow black men, women, and babies to bits. If Japan should espouse the cause of Ethiopia, as now seems possible, American financiers who have made loans to Italians will begin their subtle propaganda to line up America on the side of Italy in order to protect their investments. The munitions racketeers, who coin filthy dollars out of human blood, will begin to sense the possibility of colossal profits. Almost before we know it a hundred hidden sinister forces will spring into action to drag America into war. Regardless of the question of humanity that is involved, would it not be the part of prudence to do something to save our country from being caught in such a trap? The enactment of neutrality measures would be an effective step in that direction. The adoption of the war referendum resolution would be a real preventive of war.

Before entering into a detailed argument in support of that resolution I desire to quote from a recent article in the Indianapolis Star, as follows:

War within the next 7½ years, in which the United States will participate, was predicted by Col. O. P. Robinson, of Fort Benjamin Harrison, at the formal installation of Indianapolis Chapter, No. 32, Military Order of the Purple Heart, last night. "I would retire right now and sit on the front porch and watch the world go by, but I see war in the offing, and I want to be in it," Colonel Robinson said.

Colonel Robinson is commander of the Eleventh Infantry, one of the most efficient officers of the United States Army, and a man of keen discernment. The Indianapolis Star is an excellent and accurate newspaper, with which I was connected for 10 years as its Washington correspondent. The statement of Colonel Robinson fills me with foreboding, because I know it is not an idle remark. I know that it reflects the deliberate opinion of a seasoned officer and a man of vision, that war is approaching, and that nothing can head it off.

I wish now to read a recent dispatch to the Associated Press from Rome, Italy. It is as follows:

ROME, July 3.—Most Ethiopian soldiers go barefooted, so the Italian Army has prepared a type of chemical which, sprinkled on the ground, will burn through even shoe leather. The chemical can be sprinkled by tanks.

During a trial of the substance near Rome a photographer inadvertently started to walk across ground sprinkled with the chemical. An officer grabbed him and rushed him to a watering trough. The soles of his shoes were burned away.

Having brought to your attention these ominous prophecies and this up-to-date illustration of the damnable hellishness of modern warfare, I ask you, ladies and gentlemen of the House, whether you think we are doing our duty to humanity when we allow week after week, month after month, to go by and to permit adjournment to come upon us without taking any steps to keep America out of war?

War at this moment is brooding over Europe and Africa. There are ominous flashes in the Orient.

Events all around the world presage war. The war lords are strumming the strings of war and preparing for another mass slaughter. Dictators Hitler, Mussolini, and Stalin, and a numerous host of lesser real and would-be and imitation dictators are rattling their swords and bidding war to strike. The insane race to build up armaments which usually precedes war is on at full tilt. The war bug has bitten the leaders of many countries, and the same insanity that swept civilization into the World War and nearly destroyed it is at this very minute sweeping the world to the brink of another war. A survey of world conditions in all their naked and hideous reality shows just one thing beyond any possibility of doubt. It shows that all this saber rattling, this rivalry to surpass in armaments, this pulling and hauling by selfish interests, whether those interests be nations seeking territorial or economic advantages or war profiteers seeking to feather their individual nests, is leading toward another major war which may suck into its maelstrom every leading nation of the world. The situation abroad today indicates a larger threat of conflict than was true 30 days before the World War broke out. The stage is being set for war, and all that is needed to start the conflagration is the striking of a match like the assassination of the archduke at Sarajevo 21 years ago.

Should not the awful possibilities of the world situation sink in on us and cause us to pause and think?

Presently, after the stage has been completely set, after the minions of hate and selfishness have got in their devilish work, after the war fever has reached the boiling point, after all the trappings and trimmings have been fixed to the satisfaction of the war god, the Members of the Congress of the United States will be faced with the necessity of voting on a declaration of war, and in all human probability that means just one thing. It means war. It means bald, stark-naked war to which will be pledged every ounce of American resources and the destruction of every American life, if necessary.

UNFAIR TO MEMBERS OF CONGRESS

Why do I say it means war? Because 531 men and women, comprising the Congress of the United States, cannot stand up under the impact of the terrific pressure that will be brought to bear to force a declaration of war, and it is unfair to them to ask them or to expect them to do so. They are not the ones who should decide this question. The decision should be made, not by the agents but by the principal, and in this case the principal is the 125,000,000 people who comprise the American Nation. No one has more respect for Members of Congress than I have. In a long career as a newspaper correspondent and Congressman I have found nearly all of them to be honest, right-minded, and patriotic. But they are human. Being patriots, there is nothing they shun more or abhor more than the imputation of being "yellow." Being lovers of their country, they shrink from the word "traitor." And they know that if they resist the forces that have set the stage for war, they will be branded as "yellow" and they will be seared and burned by the opprobrious epithet of "traitor."

The Constitution of the United States, aptly described as "the greatest chart of liberty ever struck from the brain of man", is deficient in this one respect: It never should have lodged in the Congress the power to declare war, but it should have reserved that power to all of the people themselves forever. There is no higher, no more important, no more sacred act of sovereignty than the issuance of a declaration of war. The Constitution should so have arranged that this power will not be delegated to any man or set of men. It should so have arranged that when war is declared it shall be the solemn, consecrated act of the people themselves; and, after all, who has a better and a more fundamental right to decide whether there shall be war than the very people who have to suffer and die and pay the awful costs of war? To deny them that right is to deny that there is such a thing as justice. [Applause.]

MOST MAJESTIC FIGURES IN HISTORY

I believe I am a faithful student of Jefferson and Lincoln. I try to be. At least I love both of them. I believe they are the two most majestic figures in American history, and I am convinced beyond the shadow of a doubt that if those two great commoners were living today they would advocate a

plebiscite on war. I believe if Jefferson could have discerned the future and could have seen how the stage of war would be set by ambitious schemers and selfish interests in the years to come the great seer and patriot, who wrote into the preamble of the Declaration of Independence the precious doctrine that "all men are created equal" would have insisted that there should be placed in the Constitution a provision that all men shall be equal when it comes to deciding whether the cause is sufficient to justify this Nation's entrance into the awful holocaust of war.

A proposal to go to war is one that is too vital to the lives, to the families, to the firesides, to the well-being of all Americans to be decided by persons acting in a representative capacity. It is a proposal that reaches out to all that is near and dear to the people; and in all righteousness and in all justice it should be decided by the principal; that is, by the people themselves and not by their agents.

The people to decide whether or not America should go to war are the men and women who will have to support war if war comes—the men who will have to die and the women who will have to do most of the suffering. They should decide this question in the secrecy of the ballot booth with only God as their witness. In the privacy of the booth, untrammeled and unafraid, they can register the dictates of their consciences, and the verdict of the referendum will then be the true composite thought and judgment of the people. For thousands of years statesmen have harped on the phrase "Vox populi est vox Dei." If the voice of the people is truly the voice of God, why not give the people an opportunity to find that voice and make it articulate in the most important of all decisions—a war referendum?

A PLEA FOR JOHN CITIZEN

I am making a plea here today for Mr. and Mrs. John Citizen and their children. If war comes, John will do the fighting and maybe the dying, and Mrs. Citizen and the children will do a lot of suffering. I am speaking now of John Citizen, the common man, who was so close to the hearts of Jefferson and Lincoln. As the Constitution now stands, when war comes I, as a Member of Congress, can vote to tear John away from his family and send him to war against alien people 10,000 miles from home, but John and his wife and children do not have a thing in the world to say about it. That simply is not right. It smacks too much of the comic strip, where Mutt sends Jeff out to do all the tough jobs. Why am I, a Member of Congress, any better qualified to decide whether the exigencies require a declaration of war than any one of the hundreds of thousands of equally patriotic and well-informed John Citizens who now have absolutely no say, being only the private citizens who have to go to war and die if need be?

There is nothing new about this proposition for a plebiscite on war. I imagine it is about as old as recorded time. In my mind's eye I can see one of the many war widows of Mecedonia 3 centuries before Christ standing on the bank of the Euphrates with arms upraised toward heaven, exclaiming in anguish before she throws herself into the turbulent waters: "By what right, O God, did Alexander the Great conscript my husband and hurl him against the sharp spears of Darius' men without giving him or me a chance to say anything about it?"

If we look backward over the pages of the past until history becomes lost in the mists of antiquity, we find it ever has been the same; that widows have been weeping their hearts out and children have been suffering because tyrants and scheming selfish interests have been forcing men to war without "giving them a chance to say anything about it." To my way of thinking this is an abhorrent violation of the rights of man.

This proposal reaches to the very fundamentals of equality as defined in the Declaration of Independence. It makes me indignant to think that a man, just because he happens to hold an official station, may order me out to be shot and killed without consulting me, and in the interest of justice, in the interest of perpetuating the principles of equality on which this Nation arose in majesty out of the oppressions of the past it is time to revise the fundamental law of the land so that every citizen of the Republic, however poor and humble, shall have an equal right with every other citizen to decide whether or not this Nation shall go to war. [Applause.]

PRESIDENT'S POWER TO DECLARE WAR

Another thing we should take into consideration in connection with this matter is the power that now actually resides in the Chief Executive to declare war. It is true that the Constitution vests in Congress alone the power to declare war, but as a practical matter that power can easily be usurped by any President who is bent on war, and the people have no protection against such usurpation. Fortunately, we now have in the White House a peace-loving President who is striving to preserve America's neutrality and to keep us out of future conflicts, but suppose the next President should be a man of the opposite type—a tyrant with a longing for dictatorial powers—what then? How long do you think it would be until a President of that headstrong type could maneuver us into war?

Some idea, I think, may be obtained from the way the Congress has abdicated its powers to the President in an economic emergency far less vital to the Nation than war would be. Say what we will, Congress during the economic depression through which we are now passing has surrendered its authority to the President as completely as if it had adopted a formal resolution saying "We hereby abdicate our powers in favor of the President, to be exercised by him as he sees best during the period of the emergency."

Having done that in an economic situation, how much more certain is it that the Congress would yield, lock, stock, and barrel, to the President in a graver crisis, when the atmosphere of war has been created. The possibility of such a situation should be removed for all time by the adoption of this war referendum resolution (H. J. Res. 167), which would give the power of declaring war to the people, where sovereignty rightfully abides.

What are we, anyway? Are we willing to be weak and servile slaves and to have our destinies and our very lives controlled by scheming and unprincipled selfish interests? Or are we freemen, standing on the rights that God gave us?

WOMEN DEPRIVED OF RIGHTS

And there is another point I would like to make: Why should not the women have some say about this important business of declaring war? Slowly, by almost imperceptible degrees, women have advanced through the centuries to the point where they at last have the right of suffrage. Having with much travail attained that high plane, why should they not have an equal right with the men to decide whether this country shall go to war? Certainly, women have a vital interest at stake. War robs them of their husbands and takes away their sons whom they have watched over with the solicitude known only to a mother's heart from the cradle to manhood, and piles on them an avalanche of heartbreaking woes. Who is there, realizing what war means to a wife and mother, that dares stand up and say that women do not have an inherent right to a vote on war? Yet women are singularly penalized at the present time in being denied a voice in respect to war. Of the 531 Members of Congress, 524 are men, with a masculine viewpoint, and only 7 are women, and in the war-declaration machinery as it now exists, women are so oversloughed by numbers that they virtually have no voice at all in giving expression to whatever may happen to be the feminine viewpoint.

Objection will be urged to a war referendum on the ground that in a national emergency too much time might be required to refer the question of war to a decision by the people. There is nothing to it. I cannot escape the conclusion that this objection is more imaginary than real; that often it is advanced more as a herring drawn across the trail than as a bona fide objection. In the first place, my proposed amendment to the Constitution specifically provides that in the case of invasion or attack the referendum shall not apply at all. If a foreign nation should invade our shores and attack our citizens we would be in war already

and there would be no occasion for a plebiscite, but if there is no invasion then there would be a Nation-wide referendum and a majority of all votes cast would decide the question of peace or war. This is good American doctrine. From the earliest days of the Republic we have proclaimed that America is a country of majority rule.

REASONS FOR OMITTING REFERENDUM IN FIRST INSTANCE

The time required to take a referendum need not be long. In fact, if circumstances should require, it may be very short.

I think I can understand why the fathers of America did not provide for a referendum on war when they framed the Constitution. I think the reason they did not is very simple and very apparent. At that time the means of communication were very limited. The telegraph had not been invented. Even the pony express was far in the future. Letters mailed on the Atlantic seaboard would be 6 months reaching the farthermost frontiers, if they got there at all. Travel by horseback over the forest trails or in stagecoaches over mud roads was very slow and tedious. Members of Congress spent months going from their homes to the Capitol at Washington, and mileage at the rate of 20 cents a mile was allowed to Members to defray tavern and other expenses on the way. The framers of the Constitution knew that under such circumstances a referendum on war was impracticable, if not impossible, so they placed the power to declare war as near to the people as they could under the circumstances then existing and lodged it in the Congress.

Now it is different. The fast train roars its way across the continent in 100 hours, the airplane in less than one-fourth of that time. The telephone and the telegraph have annihilated space, and the President, sitting in the White House at Washington, can talk directly to every citizen in America. Under the circumstances now existing, I know what Thomas Jefferson, the great protagonist of liberty, the great champion and defender of equality among men, would say. He would say:

"Let us have a referendum on war in which every citizen shall have an equal voice with every other citizen in determining this fateful step."

That he and Washington and Franklin and Adams and all the other patriots who labored so gloriously to establish a free Nation should say anything else if they were alive today is inconceivable.

The true objection to a war referendum has been eliminated by fast trains, by air mail, and radio. Sitting in the Ways and Means Committee room at the Capitol, I literally spoke to all of America on this war-referendum proposal, my voice reaching the farthermost confines of the country. I had hardly ceased speaking when telegrams and letters of approval were on the way to me from far-distant points, thousands of miles away. Communication with every nook and corner of continental America was not only rapid—it was instantaneous. If the President of the United States were to go on the radio and tell the people of the United States that the time had come to take a plebiscite on war and that circumstances required speedy action, how much time—or rather how little—do you think that process would require? On this very point Admiral Samuel McGowan gave expert testimony before the War Policies Commission in 1931.

There seems—

He said—

to be a very general misapprehension as to the time required to hold a referendum. The United States has long since graduated out of the stagecoach and pony-express class and there is no reason whatever why in this day of railroads and airplanes and telegraph and telephone and radio we could not refer the question of war or peace to the people of the country and have their answer back within a week—indeed, within 48 hours, if absolutely necessary.

This is the testimony of a great officer who was paymaster general of the United States Navy and head of the Bureau of Supplies in the world's greatest war and who had a very practical vision of war problems. Since he testified all of the agencies of transmitting the written and spoken word have been further developed so as to quicken communication, and in my opinion there is no longer the slightest reason to raise the time factor as an objection to a war referendum. It would be a very exceptional situation, indeed, when there would not be time, not only for one referendum but for several referendums, though, of course, one referendum would be all that would be required. It would be in order to enable the agent to get the principal's last instructions. It would be finding out from the stockholders at home, who are the people, what they want the directors to do in this meeting in Washington, called the Congress of the United States. A declaration of war is not an idle and inconsequential thing. It signs the death sentence of the fine young manhood of the United States, and certainly it is important enough a matter to entrust to the composite judgment and conscience of America. [Applause.]

TAKE PROFITS OUT OF WAR

Now, one word in regard to the second part of my proposed constitutional amendment, which is designed to take the profit out of war, and I am through. The hearings before the Nye Senate committee, which has been investigating the munitions racket, furnish the most positive evidence of how those who profit by war foment strife, thumb their noses at solemn treaties and embargoes, encourage wars, and corrupt governments in order to enrich themselves. These hearings show that over 23,000 American millionaires were made during the World War and one munitions firm has so far reaped a profit of 1,143,725 percent on its investment. My constitutional amendment proposes that in the event of war the President shall immediately conscript and take over for use of the Government all war properties and shall pay the owners, during the period of the emergency, 4 percent, based on tax values assessed in the year preceding the war. This provision conforms to the fifth amendment to the Constitution which prohibits the Government from taking privately owned property without compensation, and at the same time it fixes a rate of compensation commensurate with the common sacrifice that ought to be shared by all in the time of war's distress. The owners of war properties, dreaming of fabulous profits to begin when war is declared, will have a rude awakening if the amendment I have proposed is adopted. They will find that on the declaration of war they will become the servants and not the masters of the state; that thenceforth all their properties and resources will be used during the period of the war for the benefit of the state and for a nominal interest return of 4 percent on prewar tax valuations, and that they will share with the rank and file some of the burdens and the sacrifices of war, which is as it should be.

My amendment, in short, takes the profit out of war, and when the profit is extracted from war there will be few wars.

A MAJOR SERVICE FOR HUMANITY

I believe the incorporation into the Constitution of the amendment I have proposed would be a major service to humanity. I believe it would protect us from the threat of war, which now hangs over the Nation like a pall. I believe it is as good a plan as human ingenuity could devise to save America from unholy and unjustifiable wars in all the years to come. I am for this plan because I believe it would usher in a long era of peace, when we of America may devote ourselves to a thorough job of attending to our own business, cultivating friendly relations with all the nations of the world, and interfering with none; showing once more some regard for spiritual values; ordering our future course along lines of usefulness rather than destruction; and rehabilitating our happiness and prosperity while we strive to forget the sorrows and bind up the wounds of the last war.

Those who are proposing this resolution are actuated by an earnest desire to do something worth while for humanity in this dark and troubled period when our people are suffering terribly from the economic strangulation caused by the last war, and the world is rocked with rumors of wars to come.

I believe I am not stretching the facts when I say that there is a mighty volume of public sentiment favoring this war-referendum resolution—a sentiment not yet altogether active but almost universal among our people. The National Broadcasting Co. and the Columbia Broadcasting System gave me time to speak over their networks of 110 stations,

and I was astonished by the swelling chorus of approval from every walk of life and every section of the Union. From the highest to the lowest, running the whole gamut of society, have come warm words of encouragement and endorsement.

Frank B. Kellogg, ex-Secretary of State, and coauthor with Aristide Briand of the Kellogg-Briand Peace Pact, endorses the resolution and prays for its passage. His vision of the world and his knowledge of the causes that make for war and peace tell him that this referendum proposal is fundamentally sound and right and if embedded in our Constitution would be a real and true protection to save the human race from woe and misery. Three great archbishops of the Catholic Church—Curley, of Baltimore; Drossaerts, of San Antonio; and McNicholas, of Cincinnati—and numerous bishops of that faith urge the passage of this resolution as a measure of vital interest to humanity.

Eminent leaders of every Christian denomination in America are back of this measure. Four of the greatest rabbis in America—Israel, of Baltimore; Wise and Goldstein, of New York, and Feuerlicht, of Indianapolis—are among its ardent champions. Mrs. William E. Ochiltree, president of the American War Mothers, whose sons so valiantly served the Nation in the last war, is tremendously interested in this resolution. The leaders of the great brotherhoods of organized labor, knowing how the working people are ground by the cruelties and the insufferable burdens of war, are pleading with you to report this resolution.

There is no doubt that this resolution reflects the heart and soul of America. There is no doubt that it reaches straight into the heart of the common man and finds a lodgment there. There is no doubt the people of America yearn for the peace and security this resolution would establish in place of the everlasting uncertainty, the confusion, worry, and dread that now harry the souls of peace-loving citizens. For the people of America, like the people of all countries, are inexpressibly weary of war; they are weary of its heartaches, of its unspeakable sorrows; they are weary of the pain it puts in the hearts of mothers. [Applause.]

Countless thousands of American citizens have had their attention attracted to this proposal and they are looking to it as a way out of the wilderness. Innumerable individuals have written their endorsements, and no one could read their letters without knowing that their words come direct from the heart. Many large associations and groups have approved it unanimously in resolutions which they have sent to Washington. In one city over 2,000 school children have signed petitions urgently requesting its enactment. I wish I could shake the hand of every signer of the petitions that have come to me and tell him that my heart meets his in trying to find the way to permanent peace. I wish I could answer every one of the thousands of letters I have received, but such a task is manifestly impossible.

LEAST CONSPICUOUS OF GOD'S CREATURES

And beyond these whom I have described as leaders among men are many other people who are among the least conspicuous of God's creatures, people with hearts and feelings but devoid of education, who say in their letters, "This is the first time I have ever written to a Congressman, but I just had to let you know that I endorse all you are trying to do." There are times when the tongue cannot speak and the pen cannot write the language of the heart, and many of these correspondents write falteringly, violating all rules of punctuation and spelling, but saying enough to make themselves articulate in their earnest, almost pathetic desire that there shall be no more wars and that the common people, who have to do the fighting and the suffering and dying, shall at least have something to say as to whether America shall enter future conflicts.

The resolution that is before you today already has penetrated deep into the consciousness of America. It has established itself in the hearts of many of our countrymen as a great and righteous principle that should be recognized and vitalized in the form of an amendment to the Constitution of the United States.

Mr. Speaker, as far as finite vision can discern, some wars are foreordained and inescapable, as, for instance, the War of the American Revolution, which forged into our social structure great principles of right and justice, and the War between the States, which was destined to write in blood—and tears—the fate of the institution of slavery.

But, Mr. Speaker, some wars—in fact, most wars—are not unavoidable. Most wars are caused by ambition and hate and greed and selfishness, and are initiated by plots and machinations that are in the highest degree antisocial and antipathetic to every principle of humanity. It is to protect our children and our children's children and the America of posterity from such ungodly wars that this amendment is directed. [Applause.]

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

Mr. MONAGHAN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The gentleman from Montana makes a point of order there is not a quorum present. The Chair will count.

Mr. MONAGHAN (interrupting the count). Mr. Speaker, I withdraw the point of order.

Mr. TABER. Mr. Speaker, I think we ought to have a quorum here to consider such important business, and I make the point of order there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and fifty-four Members present, not a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 167]

Andrews, N. Y.	Doutrich	Kerr	Plumley
Arnold	Eicher	Kimball	Rabaut
Bankhead	Fenerty	Kniffin	Reece
Bell	Ferguson	Lambeth	Reed, N. Y.
Berlin	Fernandez	Lamneck	Rogers, N. H.
Binderup	Fish	Lewis, Md.	Rudd
Blanton	Flannagan	Lord	Sadowski
Brewster	Fletcher	Lucas	Schneider
Brown, Mich.	Fulmer	McGroarty	Schuetz
Buckbee	Gambrill	McLean	Shannon
Buckley, N. Y.	Gassaway	McLeod	Smith, Va.
Bulwinkle	Gifford	McMillan	Stewart
Burnham	Gillette	McSwain	Stubbs
Cannon, Wis.	Goldsborough	Maas	Sullivan
Carter	Goodwin	May	Sutphin
Cartwright	Gray, Pa.	Meeks	Sweeney
Chapman	Greenwood	Merritt, N. Y.	Thompson
Claiborne	Haines	Miller	Turner
Clark, Idaho	Hamlin	Montague	Underwood
Cochran	Hartley	Montet	Wadsworth
Cole, N. Y.	Hennings	Murdock	Wearin
Cooper, Ohio	Hess	Nichols	Weaver
Corning	Higgins, Conn.	Norton	White
Darden	Hoffman	Oliver	Wilson, Pa.
Dietrich	Hook	Parks	Wolfenden
Disney	Keller	Perkins	
Dockweiler	Kennedy, Md.	Peyser	

The SPEAKER. Three hundred twenty-three Members have answered to their names—a quorum is present.

Mr. TAYLOR of Colorado. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. CROSSER of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

Mr. DEROUEN. I feel constrained, Mr. Speaker, to object.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on H. R. 9053.

The SPEAKER. Is there objection?

There was no objection.

THE FARMERS' RIGHTS AND MR. SULLIVAN

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, my attention has been drawn to a typical piece of misleading reasoning from a

reactionary source—another article of Mr. Mark Sullivan devoted to an attack on the A. A. A.

In remarks on another recent occasion I discussed Mr. Sullivan's unfair insinuations against the President, referring to the whispering campaign under the heading of "The Great Conspiracy." Mr. Sullivan is still busy trying to misrepresent facts and he does so with considerable skill and subtlety. It is on this account that he should be answered.

Discussing the Agricultural Adjustment Administration, Mr. Sullivan says:

> For myself there is no economic advantage, no amount of benefit checks from the Government that would reconcile me to letting the Government take away from me the right to decide what crops I may raise on my farm.

His article is headed "Farmer's Right to Raise the Crops He Prefers."

All this is very plausible, and it is easy for people to be deceived by such a specious argument. It is, however, on the same principle of the claim of a man that he has a right to drive where he pleases and as fast as he pleases—unhindered by traffic lights, policemen, and city regulations. He could contend that it is his inalienable right to decide how he will travel. The argument would not get him very far, I suspect. We are too firmly convinced that the public welfare requires restrictions on traffic. We are too well aware that it would be disastrous not to maintain and enforce such restrictions.

The same principle applies to raising food. Instead of letting production of farm products be carried on in the hit-or-miss, unregulated, unscientific manner of the past, we have come to the sensible conclusion that there must be intelligent control. No matter how much Mr. Sullivan may write about the right of a farmer to raise anything he wants to in any way he wants to, the fact remains that it is no kindness to the farmer to permit production of crops for which there is no demand. If the market is already oversupplied, and the Government has the statistics to show this, why should it not tell him that he cannot be allowed to go on overproducing?

The thoughtful, clear-thinking farmer will appreciate this attitude on the part of the Government and recognize that it is better for his productivity to be gaged by the public needs and demands. Instead of going blindly ahead producing the crops he prefers, he will see the wisdom of producing something else for which needs and demands really exist.

It was another matter in the early days of the Republic, when there was no likelihood of overproduction, to allow unrestrained production, but we are living in a highly complicated period when conditions have totally changed. "No man liveth unto himself"; just as we certainly will not permit uncontrolled traffic that would mean countless accidents and deaths, so we will not consent to industrial and agricultural practices that would mean financial loss and even actual suffering. People with contagious diseases are quarantined so they cannot spread sickness. Health regulations are extensive and are usually strictly enforced.

Is it not equally as important to properly govern production of food and other agricultural products?

As a matter of fact, we must look forward to increased control in social matters in the interest of the welfare of the whole people. Let us face this fact and look at it in its right light. And let no earnest, conscientious farmer be fooled by the sophistry of Mr. Sullivan.

EXTENSION OF REMARKS

Mr. GILCHRIST. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein excerpts from the committee report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALENDAR WEDNESDAY

The SPEAKER. The Clerk will call the committees.

The Clerk called the committees, and when the Committee on Public Lands was reached:

Mr. DEROUEN. Mr. Speaker, I call up the bill S. 578, authorizing the Secretary of the Interior to permit citizens of Bear Lake County, Idaho, to obtain timber from Lincoln County, Wyo., for domestic purposes, and I ask that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman that the bill be considered in the House as in Committee of the Whole?

Mr. TABER. I object.

The SPEAKER. The House automatically resolves itself into Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. STACK in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of a bill of which the Clerk will read the title.

The Clerk read the title of the bill.

The bill is as follows:

> *Be it enacted, etc.*, That section 8 of the act entitled "An act to repeal the timber-culture laws, and for other purposes", approved March 3, 1891, as amended, is amended by adding the following paragraph:
>
> "The Secretary of the Interior is authorized to grant permits subject to the provisions of this section, to citizens of Bear Lake County, Idaho, to cut and remove timber on the unappropriated public domain in Lincoln County, Wyo., for domestic use in Bear Lake County, Idaho."

The first reading of the bill was dispensed with.

Mr. DEROUEN. Mr. Chairman, this bill has passed the Senate. All it does it proposes to amend section 8 of the act entitled "An act to repeal timber-culture laws, and for other purposes", approved March 3, 1891, as amended, so as to permit the residents of Bear Lake County, Idaho, to cut timber on public land in Lincoln County, Wyo., for domestic and other purposes, and to remove the timber so cut to Bear Lake County, Idaho.

In other words, it permits the cutting of timber, taking it from one State into another State. That is all it does.

Mr. TABER. Will the gentleman yield?

Mr. DEROUEN. I yield.

Mr. TABER. Is it customary to permit people to take timber from the public lands for private use without compensation?

Mr. DEROUEN. Yes; I think so.

Mr. TABER. I never heard of it being done before; it may be that it has been done. This is what this bill does: It permits the taking of timber from public land for private purposes without compensation.

Mr. BACON. Will the gentleman yield?

Mr. DEROUEN. I yield.

Mr. BACON. If that is the purpose of this bill, it is setting a very dangerous precedent.

Mr. DEROUEN. Here is a county that has no timber within its confines. Right across the line there is plenty of timber. This is not for commercial purposes. This is for the purpose of allowing people who live around there to cross the line and get a few sticks of timber.

Mr. TABER. I can see why it might be all right to let people take out dead timber and cut it up for firewood, to clear up the forests, but I just cannot follow the idea of allowing people to cut down timber on public lands for private use, unless there is some very good reason for it.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. GREEVER. I might say to the gentleman from New York [Mr. TABER] that the use to which this timber is put is for logs to construct houses or barns or something of that kind. On national forests, the forester goes in and marks the logs, and there is a certain fee paid for them in each case, so far as I know. In the case of domestic timber, there is certain dead timber that they are allowed to take out and that is the way it is handled. There is no charge for that. In answer to the gentleman's question about whether this has been done before, it has been done on several occasions. By reference to the report, the gentleman will see that it was done in July 1908, under the act of March 3, 1891, and on March 3, 1901, March 3, 1913, and March 3, 1919, and on February 22, 1922.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. BACON. Then, I understand the gentleman from Wyoming to say that it can only be taken under the careful regulation of the Federal forester?

Mr. GREEVER. Yes; on national forests, the forester in that district has certain rules and regulations which govern. Merchantable timber is paid for at a certain rate per foot.

Mr. BACON. The timber to be cut is timber cut only with the permission and under the direction of the Federal forester?

Mr. GREEVER. That is true, and the timber that is used for firewood is such that it would ordinarily constitute a fire hazard, and they are very glad to get it taken out.

Mr. BACON. I think we ought to be very careful in protecting the public forests, and in conserving them.

Mr. GREEVER. Yes. I think, that is, taking firewood out is a conservation measure.

Mr. BACON. If the gentleman can assure us that no precedent will result from this to warrant the exploitation of our Government forests, I think that puts a different aspect on the bill.

Mr. GREEVER. I have never seen any tendency of that kind.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. ROBSION of Kentucky. Do I understand the gentleman to say that the person who cuts this timber will pay the Government a fair price for the timber?

Mr. GREEVER. That has always been the practice in removing house logs or logs for construction from national forests. They pay a certain definite rate.

Mr. ROBSION of Kentucky. Is there anything in this bill that would permit them to take the timber without paying?

Mr. GREEVER. I do not know.

Mr. ROBSION of Kentucky. I might say to the gentleman that I passed down through the Tennessee Valley, where the Government acquired quite a lot of land, and they had cut hundreds of ricks of wood and burned it off without making any disposition of it. I don't think it would be so bad to let a fellow have a log or two to build a house.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. CULKIN. And now, having burned off that timber I suppose Prof. Rex Tugwell will reforest it? Is that the procedure?

Mr. ROBSION of Kentucky. I don't know what the procedure is.

Mr. TABER. Mr. Chairman, will the gentleman yield for another question?

Mr. DEROUEN. Yes.

Mr. TABER. Do I understand that these people pay for their timber?

Mr. DEROUEN. Certainly, they pay, except as I said I think it is customary in those western States to pick up dead timber, and the gentleman from Wyoming [Mr. GREEVER] has explained that feature of it.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. CULKIN. Is there not sufficient timber for commercial purposes in this area without going into the reserves?

Mr. DEROUEN. I do not think this is intended for commercial purposes. I explained all that.

Mr. CULKIN. Is there not sufficient available timber for commercial purposes without going into the reserves?

Mr. DEROUEN. It seems not.

Mr. CULKIN. And the gentleman thinks that conservation will not be affected unfavorably by this particular cutting?

Mr. DEROUEN. I do not think it would be affected.

Mr. CULKIN. Can the gentleman say that?

Mr. DEROUEN. I can say so; yes. The Department tells me so.

Mr. CULKIN. The gentleman's assurance, together with the assurance of the gentleman from Wyoming [Mr. GREEVER], rather convinces me.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. PIERCE. So far as the item on page 2 of the report concerning the transportation of timber from public lands in Idaho to Malheur County, Oreg., I can state that there is no timber in Malheur County, and they have had no timber from Idaho. One of the items on page 2 of the report provides that privilege should be given to cut the ripe, dead timber in Idaho and use it in Malheur County.

Mr. CULKIN. But is not the absence of timber in Malheur County to be corrected by the genial professor, Rexford Tugwell? Is he not going to reforest that?

Mr. PIERCE. There is no timber there in the county and it will not grow in the county.

Mr. MEAD. Will the gentleman yield?

Mr. PIERCE. I yield.

Mr. MEAD. The fact that Rexford Tugwell's name has been mentioned, and the fact that we know he is a conservationist, together with the fact that I understand Senator BORAH, quite a constitutionalist, introduced this bill, ought to allay any opposition from that standpoint.

Mr. PIERCE. Yes; on the part of our friends on the Republican side.

Mr. CULKIN. May I ask the gentleman a further question?

Mr. PIERCE. Certainly.

Mr. CULKIN. Is not Rexford Tugwell's entry into the field of conservation a somewhat recent occurrence? Was he not a political economist, dealing especially in the Russian theory rather than anything to do with nature?

Mr. PIERCE. Oh, I think he knows. I have talked with him. Is the gentleman well acquainted with him? I have met him. He is a most entertaining and brilliant and able gentleman.

Mr. CULKIN. I think he has a very charming personality.

Mr. PIERCE. I can certify to his knowledge and courage.

Mr. TABER. Will the gentleman yield?

Mr. DEROUEN. I yield.

Mr. TABER. Would the gentleman be willing to accept an amendment which would provide that no live standing timber shall be taken from the public domain without compensation?

Mr. DEROUEN. Yes. That is a good amendment. I accept that amendment.

Mr. TABER. If the gentleman would accept that amendment I would not object to the bill.

The CHAIRMAN. If there is no further debate, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 8 of the act entitled "An act to repeal the timber-culture laws, and for other purposes", approved March 3, 1891, as amended, is amended by adding the following paragraph:

"The Secretary of the Interior is authorized to grant permits subject to the provisions of this section, to citizens of Bear Lake County, Idaho, to cut and remove timber on the unappropriated public domain in Lincoln County, Wyo., for domestic use in Bear Lake County, Idaho."

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. TABER: On page 2, after line 2, insert "*Provided*, That no live standing timber shall be taken without compensation."

Mr. DEROUEN. Mr. Chairman, I accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. CROSSER of Ohio. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. CROSSER of Ohio. Mr. Chairman, in the time granted me I wish to read a letter which will be of interest to the Members of the House. It is as follows:

RAILWAY LABOR EXECUTIVES' ASSOCIATION,
Washington, D. C., August 14, 1935.

Hon. ROBERT CROSSER,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN CROSSER: Representatives of the railway workers of the United States have become increasingly disturbed during the past few weeks over the danger that this Congress will

adjourn without having enacted into law pending bills providing for the establishment of a system of railroad retirement annuities.

An overwhelming majority of the Members of both Houses of Congress and the President of the United States are in favor of the passage of H. R. 8651 and H. R. 8652. It is with confidence in your continued interest that we ask you, and through you the Congressmen supporting this program, to make a special effort to postpone adjournment of this session of Congress until after action upon these bills.

The need is great, much greater than we can hope to express; 1,000,000 railway workers and their wives and families are hoping and praying that this legislation will be passed. Congress ought not to adjourn without enacting this legislation.

Respectfully yours,

TIMOTHY SHEA,
E. J. MANION,
V. S. GAUTHIER,
Legislative Committee, Railway Labor Executives' Association.

[Applause.]

Mr. RANDOLPH. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. RANDOLPH. There is a petition being circulated now, is there not, to not adjourn until such legislation is considered?

Mr. CROSSER of Ohio. I have signed such a paper.

Mr. RANDOLPH. And I have signed it, too.

Mr. CROSSER of Ohio. And I am ready to stay here until such legislation is enacted.

Mr. MEAD. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. MEAD. I would like to have the gentleman state the present status of the bill and what seems to be holding it up.

Mr. CROSSER of Ohio. The bill was reported favorably from the Committee on Interstate and Foreign Commerce, a week or 10 days ago. I have been unable since then to bring the bill before the House for action, either by a rule or otherwise. I think it is high time that a measure of this character, where 95 percent of the membership of the House, in my opinion, are whole-heartedly in favor of it, should be given consideration. We are not insisting upon telling Members how to vote, but according to every principle of justice and democracy we should have a vote by the House on the legislation to which the letter refers.

Mr. HOUSTON. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. HOUSTON. I favor this legislation, and will support it, of course, but in the last few weeks I have received dozens and dozens of letters from railroad men, asking that this legislation be enacted at this session of the Congress.

Mr. CROSSER of Ohio. I have had the same experience.

Mr. LUNDEEN. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. LUNDEEN. I wish to say I have signed a petition not to adjourn until this legislation is passed, and much other legislation. I am heartily in favor of these bills. Pass the adjusted-service certificate for the veterans of the World War, the Frazier-Lemke bill; give us adequate and genuine social security. H. R. 2827, for unemployment, old age, health, accident, and maternity insurance, will give us real social security. I will vote against adjournment until we get some action.

Mr. MICHENER. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. MICHENER. Has the gentleman taken the matter up with the President and received his suggestion? because if he does that, it can be passed.

Mr. CROSSER of Ohio. I have done everything I can do.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. ROBSION of Kentucky. Has the gentleman's committee requested the Rules Committee to grant a special rule for this bill?

Mr. CROSSER of Ohio. The committee, through myself, has asked for it; yes.

Mr. ROBSION of Kentucky. And has the Rules Committee accorded the gentleman a hearing?

Mr. CROSSER of Ohio. We have not got a hearing yet.

Mr. ROBSION of Kentucky. I am for the gentleman's bill, and have a great many letters favoring the bill.

Mr. RICH. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. RICH. Is this not on the must program?

Mr. CROSSER of Ohio. I have nothing to do with making the programs.

Mrs. GREENWAY. Will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mrs. GREENWAY. What does the gentleman wish us to do?

Mr. CROSSER of Ohio. I want the Membership of the House to stay here in session until this legislation is passed. [Applause.]

Mr. RANDOLPH. Will the gentleman yield further?

Mr. CROSSER of Ohio. I yield.

Mr. RANDOLPH. How many names are now on the petition?

Mr. CROSSER of Ohio. I do not know. I did not circulate the petition myself.

[Here the gavel fell.]

Mr. DEROUEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 578, and directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. DEROUEN. Mr. Speaker, I move the previous question on the bill and the amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

CREDITS AND DEBITS OF THE COTTON PROGRAM

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an address delivered by Chester C. Davis, Administrator of the A. A. A., delivered at Delta Day program, Stoneville, Miss., on Tuesday, August 13, 1935.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, under leave granted me to extend my remarks in the RECORD I include the following address delivered by Hon. Chester C. Davis, administrator of the Agricultural Adjustment Act, at Delta Day program, Stoneville, Miss., Tuesday afternoon, August 13, 1935:

It is a fine thing to be back in the South today. I take it that this meeting, the sixteenth Delta Day program, is an expression of your interest in your own agricultural problems, and their broader relationships with the farming problems of the Nation and the world.

I recall another meeting in the South nearly 9 years ago. It was not so large as this, but it proved to be a gathering of great significance. That was a conference at Memphis in March 1926, at which farm leaders in the South and West began to put aside sectional differences and combine their forces in an effort to get equality for agriculture.

The result was the great drive for the McNary-Haugen bill which, after the defiection of 1928, finally reasserted itself in 1932 and bore fruit in the form of the Agricultural Adjustment Act.

After a 2-year struggle to make use of the machinery which Congress afforded the farmers, they now have developed a national program for agriculture, making a good beginning toward overcoming discriminations and fighting their way back to recovery.

But the national program which farmers have been forging for themselves has brought some problems of long standing into clearer focus.

For one thing, farmers are now face to face with the fact that economic sectionalism is still alive and is fighting to retain its special privileges.

In addition, some international aspects of agricultural problems have come into bold relief. This is true of all our main crops, and is especially true of our export crops, notably cotton.

Consequently some of the opposition to the adjustment program is sectional in its origin and is expressed in a defense of tariff preferences which the farmers' programs seek to offset. Another criticism purports to show that loss of farm exports is entirely the result of the adjustment program.

As a matter of fact, these criticisms are closely related. The plain truth is that the sectional and industrial enemies of agricultural adjustment are trying to discredit the entire effort by ignoring the real fundamentals that have cut down foreign trade and by focusing attention solely upon the decline itself. They ignore the real reasons for the decline and set up a pretense that the adjustment program is the only reason.

Farmers by now should be fairly familiar with these tactics. They include newspaper scareheads over the seemingly horrible fact that this country imported during the year ending June 30, 1935, enough meat for just one meal and one small extra sandwich; as much corn as is produced in two good Illinois counties in a year; and enough butter—following a year of the most disastrous drought in our history—to feed our people for just 3½ days. Such arguments are applauded by the claptrap of industrialists, who have opposed every important agricultural program ever offered. These arguments ignore the fact that for once in their lives the farmers are getting real price effects of tariff rates which ordinarily are purely fictitious, and that now agriculture's buying power is on the climb, due partly to benefit payments made to those cooperating in the adjustment program and partly to price advances.

The opposition has been concentrated upon the cotton program. The claim is made that through this program this country is sacrificing its export trade in cotton. Specifically, it is contended that the American farmers are handing their foreign markets over to Brazil and other foreign cotton countries. The responsibility for most of this is placed at the door of the 12-cent cotton loan, and the rest of it is laid to the adjustment program and the Bankhead Act.

I know that the South and, to a lesser extent, the entire Nation has a deep interest in these questions. It is my purpose today to discuss frankly some of the international aspects of the American cotton problem.

Now, there are certain fundamentals in any thorough study of the cotton problem. These are sometimes waved aside by certain groups who would naturally serve their own interests even above the interests of other groups who are much more important to the national economy. Let us keep these real fundamentals in sight, whatever herrings are drawn across our path. There are two of these fundamentals that are particularly important.

One of these fundamental factors is the vital matter of income to the cotton producer himself. Too often in these involved discussions of international trade and export balances the cotton producers themselves are the millions of forgotten men. These must not be forgotten, not only because of their sheer numerical preponderance over other groups that are much smaller, though often noisier, but because of their vastly greater importance to the Nation's business and because of the greater effect of their prosperity or poverty on the Nation as a whole.

That is the important group, these millions of cotton producers. They have a larger investment in the cotton industry than any other group. They and their families are the most dependent upon it; they would be the most lost without it. They are of the most importance to the Nation. A sustained fair income to this group is the most important consideration, and a fundamental that cannot be dodged.

Another fundamental factor in any study of the cotton problem is the soil of our cotton farms. The most valuable of all our national resources is the fertility of our farms. That must be protected and maintained. Gins and warehouses and docks and mills may be built up and torn down; the fertility of our soil, the basis of the industry and of life itself, must be preserved. Any program that has to do with cotton must consider this as one of the fundamentals.

Remember, then, these two fundamentals. One is the cotton producers themselves and a sustained income for them; the other is the conservation of our most valuable national resource, the soil fertility of our farms. I believe there is no argument that these are the main considerations. And yet, only last week I read a long article in a prominent national magazine—I want to talk about that at greater length a little later—which did not even mention either of these fundamentals. It talked of exports, as do so many of our cotton people today. Assuredly our exports are an important factor in the problem, but any study of cotton exports should keep these two fundamentals always in the foreground. I do not mean to belittle the export factor. What I do mean to do is to emphasize the importance of the actual fundamentals—of which the exports are, after all, only a servant.

Now, any discussion of cotton exports comes quickly around to the cotton loan. Since the cotton loan seems to be blamed right now for so much of the current decline in exports, let us review briefly the history and development of these loans.

As I have said, the Adjustment Act was based upon the concept that with a reduction of surpluses and adjustment of supply, prices would respond upward. In a complex economic society it is difficult to follow any precise pattern. We have at all times attempted to maintain a degree of flexibility that would permit rapid adjustment of current programs to meet changing needs and new conditions. It was in this spirit that the policy of the commodity loans was adopted.

You people remember that in late September of 1933, after the plow-up campaign, the early speculative surge had receded and cotton was selling around 9 cents in the country markets. The full effects of the adjustment program and other recovery policies had not yet become manifest. Now, in order for the producer to obtain these later benefits of the recovery program it was important to enable him to carry his cotton until such time as prices responded to the efforts that had been made. These were the conditions which prompted the loan of 10 cents a pound on the 1933 crop.

In the succeeding season, the second year of the adjustment of cotton production, another unforeseen condition arose which made it advisable to offer producers the opportunity to carry their cotton and not be compelled to dump it on the market during the harvest period. This unforeseen condition was the development of labor difficulties in the textile industry which had curtailed buying and tended toward sales stagnation and was creating an unusual degree of uncertainty in the market. Therefore the 12-cent loan was made available.

During the past two seasons when each of these loans was in effect, ample stocks were held by merchants and consuming establishments to meet the probable requirements of the world for American cotton. From a carry-over of 11,754,000 bales at the beginning of the season in which the 10-cent loan was made, the end season carry-over has been reduced to approximately 9,000,000 bales at the beginning of the current season. It should be borne in mind that of these stocks approximately 5,000,000 bales are firmly held under Government loans and in the 1933 cotton producers' pool. About 1,750,000 bales are in consuming establishments throughout the world, leaving about 1,000,000 bales in the hands of the trade in this country to compete with the crop that will be moving to market during the next few months.

While there is no intention or purpose on the part of this administration to recede from its fixed determination to increase the incomes of the farmers of America, yet it is extremely desirable that, insofar as possible, the conditions of a free market obtain and that there be no unnecessary barriers to obstruct the movement of agricultural commodities into consumptive channels. I think it is important that we stick to the principle of accomplishing our objectives by means of adjustment of supply. It should be recognized by producers and interested trades alike that the purpose of commodity loans is to assist producers in the orderly marketing of their crop, and not to fix prices.

Now, this loan has been called a pegged, or an established, price, because at times it has acted like one. As such it is important. But even an established price is a temporary thing, and narrowing the cotton problem down to that one thing is to blind many of our people to all other factors in the problem—and there are many, many other important factors. Today's price is only one factor after all.

I would ask the cotton industry not to attach as much significance to an established immediate and temporary price for cotton, implemented by Government action through the loan, as to an established principle for cotton, implemented by Government action through the adjustment program. A price for today is one thing; a permanent principle is another. You have had prices before—and they have been taken away. Let us peg a principle this time, and dare the critics of a cotton program to drag the principle down.

The principle that I speak of—and this principle is boldly inscribed in the Adjustment Act—is that American farmers are entitled to enjoy from their labor a living standard comparable to that enjoyed by other producing elements of society. That is the parity principle. It means that the price of a bale of cotton is not to be determined by its value to the export trade of the United States but by its value to the man who produced it. The individual rights of a cotton farmer must not be sacrificed to demands that he produce at a loss in order to maintain the Nation's exports.

This established principle I speak of is that a bale of American cotton must buy for its producer what it is really worth to him, not what it is worth to a Brazilian peon, a Sudanese sheik, or a Chinese coolie. This principle that has been pegged for American agriculture insists that the two fundamentals I mentioned a moment ago be recognized and that cotton exports, or any other phase of cotton, be studied in the light of a sustained income to the producer and the maintenance of our producing plant, the farmers themselves, and their farms.

Now, I am not minimizing the value of our cotton export business. There is a value to the Nation in that export business which we all recognize. We want to maintain and preserve that value by all means. But remember it is the value of that export business that we want to maintain, not just the exports themselves for their own sake. If we pay such a terrific price for these exports at the expense of the fundamentals I have mentioned, then we have lost whatever value they might be to us.

Before I go further, let me explain that it is unthinkable either to abandon our exports or to sell out our cotton farmers and the fertility of our farms for a 5- or 6-cent price. Either of these alternatives is intolerable. One of these alternatives involves snapping our fingers at our cotton export, and that must not be. The other alternative involves turning our back on the cotton farmers and selling our soil fertility across the ocean in order to maintain the mockery of a valueless export market, and that is even more unthinkable.

Now, bearing in mind that I have said that both of these, in my opinion, are unthinkable, let me say that if it did come to either of these extremes I would give up the last bale of our

cotton export and see every exporter padlock his doors before I would sell out the producer and his farm. The established principle for agriculture, which I mentioned a moment ago, will not allow the millions of cotton farmers and the fertility of their soil to be sacrificed upon the altar of 5-cent cotton.

Of course, to go to a domestic basis in cotton—which I repeat is unthinkable—would be to reduce production so far that it would throw some families off their farms and onto Government care. This idea is shocking as I state it; but, remember, many of our industries, who would not produce below cost of production as they ask the farmer to do today, did just that very thing and we tolerated it whether we liked it or not. With the aid of the various controls over production which corporate industry exercised, nonagricultural employers cut down production and maintained price levels to the extent that millions of people were plowed out of factories and onto Government aid.

The adjustment programs, of course, would spread this reduction uniformly over the belt instead of crowding out some individuals completely and leaving others unscathed as industry did. But I believe this is entirely unnecessary—I have said it is unthinkable—because there are so many other factors than today's established price in the problem of our cotton exports. Do not be confused by those who can see nothing else. And if they refuse to see anything except the two alternatives I have mentioned, either a starvation price or loss of our exports, tell them you will accept the loss of exports. Then they will quickly find a way out and will attack the problem where it can be solved.

Those who clamor for unrestricted production and resulting ruinous prices for American cotton often argue that any other plan will result in a permanent loss of our foreign markets. Let me suggest that a program of unrestricted production such as they advocate might, in the long run, prove to be the most disastrous procedure that could be followed in connection with the permanent maintenance of our export markets for cotton. Our ability to compete with foreign countries in the production of cotton depends in large measure on our relative efficiency of production, which, in turn, is closely linked with the fertility of our soils. It seems probable that a balanced agricultural production in our Southern States such as can be accomplished through the present adjustment program, will make it possible for us to conserve and improve the fertility of our soils and maintain the efficiency of our producing plant, whereas continued unrestricted production of cotton might so deplete our soil resources as to destroy our ability to compete with foreign cotton powers.

In order to see the agricultural program in its true perspective it is essential to bear in mind the circumstances under which it was conceived. Prices of farm products generally, including cotton prices, had gone into a tailspin. Farm buying power had collapsed. Factories all over the country were idle. A wave of panic swept the banks. The people were dismayed by fears that the depression might prove a bottomless pit.

The Roosevelt policy of raising prices was adopted to bring the Nation out of that state of terror and collapse, and it was understood from the beginning that these measures could not be carried through without some costs to someone. No one ever expected that this country could sell as large a volume of cotton abroad at 12 cents as at 5 cents per pound. The Government knew there would be some economic casualties. Some toes would be trod upon. And we expected to hear from their owners.

The outcries against higher farm prices by textile and flour millers, packers, and other processors, who had become accustomed to buying cheap raw materials, was expected. No one knowing the situation anticipated that the most hostile would do otherwise than fight farm measures in Congress and in the courts, as they actually have done. Some temporary disadvantages, too, were expected as to employment in the handling trades. The handlers generally had been operating on the basis of the high-volume production, which, because of constant declines in foreign outlets, had piled up farm products at home, wrecking the farmers' prices.

After 2 years, it is important to review the results thus far, to see whether the benefits actually do outweigh the costs. It is important to examine closely the items which are charged on the debit sides of the program, to see whether they are genuinely due to the program or are properly chargeable to other causes.

On the credit side for the Roosevelt policies there has been an increase in gross farm cash income of cotton growers from cotton and seed from $464,000,000 in 1932–33 to $862,000,000 in 1933–34 and $839,000,000 in 1934–35. Business and industry all over the South have felt the stimulating effects of this improvement. The farmers' referendum vote of 9 to 1 in favor of continuation of the Bankhead Act is proof that, despite the costs I have mentioned, the growers do not want to abandon the recovery plans they have begun.

What are the actual economic costs? Much publicity is given to loss of export trade. One principal argument being made against the cotton program on this score is that the higher price of American cotton have encouraged increasing production of cotton in other countries. The other is that foreign cotton-consuming nations are turning away from our cotton to foreign growths to supply their needs, and that hence our market is being displaced.

In support of the first point, sweeping conclusions are being drawn from temporary changes in production in foreign countries, notably Brazil.

There is appearing currently in a widely circulated national weekly an interesting and readable series of articles which is deeply critical of the American cotton policy. These articles describe the development of the Brazilian cotton industry during the past 3 years. We have followed with great interest and concern this Brazilian development. It should be noted that the impetus for the expansion of cotton production in Brazil began in 1931, before the adjustment program, beginning with the devaluation of the Brazilian money and the depressed condition of coffee prices. Some of you know that many difficulties are being experienced in Brazil which were not described in this first article and which characterize the rapid expansion of any new industry. However, this magazine story contains a statement which, in my judgment, should be read by every southern cotton producer in considering the widely advertised threat of Brazilian cotton:

"Brazil, with her present social and economic order and regimen of rural life, can produce and is now producing cotton at money costs enabling her, if need be, to put that cotton on shipboard for Europe or the Orient at prices, in British pence or Japanese yen, that would leave Brazil a justifying profit while the same prices would be taken as meaning wreck, ruin, and bankruptcy north of the Gulf of Mexico."

If the Brazilian farmer can do this, is there anyone who claims that our southern cotton farmers should experience "wreck, ruin, and bankruptcy" in a bitter competitive price struggle to maintain a high volume of cotton exports?

As to cotton production in other countries generally, even including Brazil, there is little evidence that the absence of any American cotton program would have stopped the upward trend in foreign acreage. There was an increase of 9 percent in foreign cotton acreage in 1933, but these increased plantings preceded and did not follow our cotton program that year. In 1934 cotton acreage in foreign countries increased less than 5 percent and production increased only 3.4 percent, and during all these years the supply of American cotton, as I mentioned before, was crowding the world markets. There was always plenty of cotton, and there is today.

It is claimed in this cotton-export argument that foreign cotton-consuming countries are substituting cheaper growths for American cotton. It is true that our sales abroad have declined, but it is important to know to what extent this is chargeable to the American cotton program and to what extent to other causes.

The fact is that our difficulties in keeping up our exports began long before the triple A—and those difficulties touched other commodities than cotton, too, let it be remembered. These difficulties may as well take off their masks; we know them. They are the barriers to foreign trade that have existed for a long time—tariffs, embargoes, and quotas. We have always wanted to sell abroad, but we have been more and more unwilling to accept any goods in return. It may be all right for a debtor nation to count on selling without buying; the policy simply will not work for a creditor nation.

Price? That has had less effect on the falling off of our cotton exports than might be supposed. Our biggest cotton export year was 1926, when the average December 1 farm price was 12½ cents a pound. Then in 1932, when the average December 1 farm price was 6½ cents, our exports were 2,000,000 bales less. There are other factors than price in the wood pile, you see.

And if abstract explanation, however emphatic, doesn't make this fact apparent I will be as specific as you please. During the past few months I have had several visits from representatives from Germany who wanted to buy cotton. They were pleading for a chance to take it—at going prices—if they could pay for it in German goods. I didn't argue price with them; they didn't argue price with us. They told me, and I believe it is true, that they have no exchange to pay us for cotton unless they can sell us something in return. Now, just let me suggest right here that if the export situation is so desperate as to make some people consider asking our cotton producers to sell cotton at starvation prices perhaps it is desperate enough for us to consider removing those exchange barriers. Which alternative appeals to you?

Germany has been our largest importer of cotton for the past 10 years. Let's put that big customer of ours and his problems under glass and look at them a minute. We see that our cotton exports to Germany for the 1934–35 year dropped below the level of the year before. It dropped enough to account for 35 percent of our total decrease in cotton export. But Egypt's and India's cotton exports to Germany dropped, too. We must not overlook that. What about Brazil? Yes, there is part of the answer—and again it proves the point because we find that Germany bought Brazil's cotton because special arrangements between Brazil and Germany made it possible for Germany to pay for that cotton with goods she shipped to Brazil.

Now, I know it is sometimes pointed out that our industrial exports have increased while our agricultural exports have fallen off. What about that? Let's take Germany again. From 1930 to 1934 our cotton exports to Germany slumped 65 percent—and during the same period and to that same country our exports of machinery and vehicles fell off 73 percent, metal and metal goods about 55 percent, and nonmetallic mineral over 50 percent.

We must remember that many foreign countries in their fever for self-sufficiency, with the war scare always over their heads, have resorted to tariffs and embargoes and quotas and other import restrictions so that they will be forced to expand their own production of food and raw materials. This is particularly true of European countries, which are industrial countries, you know, and which used to buy our farm goods.

They want to grow their own instead of buying ours. France, for example, about-faced from a wheat-importing country to a wheat-exporting country, and Germany cut pork purchases away down. But it is different in the case of those countries that buy our industrial goods. Those countries are largely agricultural countries and are not worrying so much about self-sufficiency.

Unless this country wishes to face permanent injury to its cotton export trade, it must face the fundamental fact that we cannot sell unless we buy. The critics of the cotton program can go on telling the farmers that they should junk their control programs, maintain tariff protection for industrialists, and resume permanently their production at starvation prices for export markets that are gone. But if the cotton growers are as smart as I think they are, they will not listen to them.

When this Nation wants to abolish the tariff system which impedes export trade, then the farmers will talk about discarding their adjustment programs. But, unless I miss my guess, not before.

In conclusion, let me revert to earlier reference to attacks being made in the courts by processors on the farmers' programs.

Because it is so strongly committed to the principle of equality for agriculture, and because the existence of the tariff system so clearly necessitates compensatory assistance for the farmers, the present Congress has made a great effort to amend the act to meet every decisive point raised by any lower court which has held the act unconstitutional. The heart of the pending amendments is to be found in the sections in which Congress legislates specific rates of processing tax, both past and future, and validates past adjustment programs, contracts, and payments. Thus Congress speaks its intent directly and clearly, removing, as far as the English language can, any question of invalid delegation of legislative power.

Because of the union of the farmers of West, North, and East with those of the South in the struggle for economic equality, I believe you will be interested in a resolution, published in the Sioux City Tribune, which was adopted as "The Farmers' Creed" by farmers of four Midwest States meeting there August 3. This creed is worth remembering because it probably is representative of a general feeling among farmers. I wouldn't be surprised if it came very close to expressing the sense of this meeting here today. I quote the creed:

"*Resolved*, We believe in the Constitution of the United States of America, and in constitutional processes. We believe that what we need is not a new constitution, but a better understanding of the one we have. We believe that, reasonably interpreted and construed, it can meet all our needs and enable us to come to an orderly solution of our problems without sacrifice of those ideas and ideals that are American. If, by any chance, contrary to our expectations, we find the Constitution in any respect a bar to a just and workable solution of our problem, we shall remember that the Constitution contains within itself provisions where a well-considered change in our fundamental law can be made in a well-ordered manner. But such change should be made only as a last resort and should be only such as harmonizes with the American spirit and with American institutions."

RAILROAD RETIREMENT LEGISLATION

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the railroad-retirement-pension plan.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOUSTON. Mr. Speaker, the people of the Fifth District are vitally interested in everything which improves the condition and elevates the purchasing power of the railroad man. The cities in my district, such as Newton, Wellington, Wichita, El Dorado, and McPherson, depend largely for their prosperity upon the well-being of those men who make continued operation of railway transportation possible. A railroad retirement act which provides adequate annuities to those who have completed years of toil should have the support of every man interested in the welfare of his fellow being.

The decision of the Supreme Court of the United States, rendered by a vote of 5 to 4, under date of May 6, 1935, holding invalid the law passed in 1934, was based on the statement Congress did not, under the interstate commerce clause of the Constitution, have the power to establish a railroad retirement system to be supported by a tax levied specially for that purpose. Two bills have been introduced at this session, in the Senate by Senator ROBERT WAGNER, of New York, and in the House of Representatives by Congressman CROSSER, of Ohio. One of these bills establishes a railroad retirement system and provides that the prescribed annuities shall be paid out of the Public Treasury. Under the decisions of the Supreme Court, such a plan is entirely constitutional.

Another bill, entirely separate from the bill setting up the retirement plan, has been introduced levying an income tax upon employees of 2 percent of their wages and an excise tax of 4 percent upon the carriers upon their pay roll. Annuities to be paid under the plan specified in the new bill cover too much ground to be explained in this brief address, but I shall be glad to send to any address a copy of the bill when reported by the House Committee on Interstate Commerce.

Speaking generally, an employee who is now 65 years of age or who hereafter becomes 65 years of age, may retire and receive an annuity based upon the wages received by him for a service period not exceeding 30 years. The highest annuity possible is $120, diminishing as the wages received and the service period may decrease. Employees may also retire without regard to their age after 30 years of service, but in such case an annuity is not due and payable until the employee reaches the age of 65, unless an employee is willing to accept a reduced annuity on account of prepayment.

Mr. Speaker, employees who have served 30 years and who are hereafter discharged on account of physical or mental disability receive their full annuity without postponement or deduction.

The administration now in power is doing its utmost to meet the daily problems of human existence as and when they arise and as the matter shall require. To that end we are compelled to use our constitutional power as Members of Congress to appropriate large sums of money for the purpose of promoting the general welfare. In no other way does it seem possible at this time to keep money in circulation and to compel idle capital to do its part in the necessary work of national recovery and reconstruction.

Such activities as the Social Security Act, whose name bespeaks its purpose, the agricultural program of the administration protecting agriculture, the Railroad Retirement Act, all call for the exercise of the Federal taxing power in such a way as may be fair and reasonable but to the fullest extent. In this onward march, the embattled ranks of organized capital are fighting to the last ditch. But he who guides the destiny of the nations—"has sounded for the trumpet that shall never call defeat. Be quick my soul to answer him, be jubilant my feet, for God is marching on."

FRATERNAL ORDER OF ORIOLES

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a speech delivered by my colleague the gentleman from New York [Mr. BEITER].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICHARDSON. Mr. Speaker, recently the Representative from the Forty-first District, New York, Mr. BEITER, delivered an address, at the convention of the Fraternal Order of Orioles, at Reading, Pa. I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a very great privilege to be invited to address this splendid organization at its silver anniversary in this historic city, and it seems eminently fitting to bring to you the story of the success of this great order of ours.

For 25 years American citizenship has been enriched, American patriotism has been fostered, and American liberties have been protected by a fraternal order which may rightfully claim a high place of honor among American institutions. Supported by its great army of members, the principles and ideals of the Fraternal Order of Orioles have woven themselves into the very fabric of our Nation, and have supplied strength and permanence to the foundations of national character.

The other day I heard the story of a woman who said to a companion: "That is a beautiful new hat you have." "Yes," said the lady, "It is 10 years old. Seven years ago I pressed it; 5 years ago I dyed it; 3 years ago I adorned it with a new ribbon; and about a month ago I exchanged it in a restaurant."

Now, the Fraternal Order of Orioles has had no such record. It has been a consistent, progressive organization and has gone on to a consummation of great achievement.

The interests that hold our organization together are the highest and noblest that ever animated human beings. The Fraternal Order of Orioles is founded upon four cardinal principles—liberty, integrity, fraternity, and equality, and when we devote our minds to the study of their beautiful teachings, the spirit and sentiment which inspires them penetrates our being, and unconsciously we learn to model our lives more and more in harmony with their truth.

If this order, like America, is but true to her founders, and the pure and stalwart traditions they have bequeathed, it will be

merely the fulfillment of her natural destiny that she shall become not merely in name but in actual fact the guardian of liberties and the evolver of a purer and more complete form of liberty.

And with that gift of liberty, shall she not bring, too, ideals of the pursuit of happiness finer and purer than those too often followed by its membership and her citizens today?

The second cardinal principle—integrity—embodies the desire to promote the physical, mental, social, and moral welfare of the members of our great order; advancing the spirit of fraternal love in the relations of daily life; ministering to the needs of the sick, poor, or distressed; watching at the bedside of the dying; performing the offices of love and respect for the dead; comforting and providing for the material wants of the widow; and emulating the principle of the Golden Rule.

But the one principle which represents the heart and soul of a true Oriole is fraternity. What a dreary place this world would be if we had no true friends whom we could trust, who are ever ready to protect our good name and defend our character, and who will fight for us and even die for us if necessary.

Every true Oriole should be like a great rock in a weary land, under whose shelter the way-worn traveler may rest from his toilsome journey and find new courage and refreshment for the days to come.

The last cardinal tenet of our order is equality. We are on the threshold of a newer and better age when men will be less selfish and more interested in the welfare of their fellow men; when they will realize that the individual is a part of the great social fabric, and what unfavorably affects one hurts all.

The right of the strong and ruthless to deny others an equal opportunity in the struggle for subsistence and for happiness, remorselessly trampling and crushing the weak, and appropriating their savings and property, is being challenged and denied as never before.

We are beginning to realize also that to aid in ushering in a new and better era, it is not necessary to be wealthy or powerful, but that the humble workers in the home and in the community are a potent factor in whose united efforts lies a vast potentiality.

America does not lack the means of self-support. We have ample resources for the maintenance of all our people in greater comfort and security than any people have ever enjoyed.

The dangers confronting the American today, the obstacles still retarding our recovery, arise within our borders. We are faced with the absolute necessity of ending certain evils and weaknesses in our methods of making money and governing ourselves. The vast majority know this job must be done; but they do not know how to do it. They must trust to leadership in business, in politics, and in fraternalism.

In the book Ta Hsueh (the Great Learning), we find a unifying conception of world order which seeks to lay its foundation in the psychology of the individual. This book was written 2,000 years ago by Tseng Ts'an, a disciple of Confucius, later incorporated in the Li-Ki by the Han scholars, and finally chosen, as one of the four books to be studied by every schoolboy, by the scholars of the Sung Dynasty. Dr. Sun Yat Sen in his "Sanmin Doctrine" also regards this book as containing a most profound political philosophy. The passage I wish to refer to reads as follows:

"In ancient times, those who wished to make clear their virtue before the world would first put their country in order; those who wished to put their country in order would first bring about right relationships in their family; those who wished to bring about right relationships in their family would first cultivate their own self; those who wished to cultivate their own self would first rectify their own heart; those who wished to rectify their own heart would first make their will sincere; and those who wished to make their will sincere would first try to attain knowledge and they would attain knowledge by studying matter.

"When matter is studied, then knowledge may be attained; when knowledge is attained, then the will becomes sincere; when the will is sincere, then the heart is rectified; when the heart is rectified, then the self is cultivated; when the self is cultivated, then there exist right relationships in the family; when right relationships exist in the family, then the country is in order; when the countries are in order, then there is peace in the world."

It will be seen that in the first paragraph quoted above a rational world order is first stated as the object, and then the writer proceeds to describe the method by which this object is to be attained—not only by attending to smaller units of human society of which the individual is the irreducible element but also extending the study of the individual from his conduct to his mind in the last analysis. The problem of virtue is thus reduced to a problem of knowledge, which is thus seen to be the final basis of world order. In the second paragraph the reverse process from cause to effect is again successively traced, from knowledge as the starting point to the attainment of that, while in individual conduct chivalry consists in helping the weak and defenseless, the dictum that might is right should be accepted as the rule in our relationships.

And so the Fraternal Order of Orioles moves forward to the new and higher ideals; to weigh the material in the scales of the personal and measure life by the standard of love; to prize health as a contagious happiness, wealth as a potential service, reputation as a latent influence, learning for the light it can shed, power for the help it can give, station for the good it can do; to put one's best into all one does; to crowd out fear by devotion to duty, and to see present and future as one; to treat others as one wishes to be treated; to make no gain by another's loss, and buy no pleasure by another's pain; to harbor no unkind thoughts of others; to say nothing unkind for the sake of amusement, and nothing false to please others; to take no satisfaction in the failings of others; and bear no malice toward those who do wrong.

Thus, with liberty, integrity, fraternity, and equality as our principles, our banner proudly floats on the breezes of both our Canadian friends on the north and the good old U. S. A. as a welcome beacon to the tempest-tossed mariner on the troubled waves.

"Then up with our banner; a standard more fair
Never flashed in the sunshine nor swayed in the air;
Sing out the praises of our great order
From Canada south to the Mexican border."

LEAVE OF ABSENCE

Mr. POWERS. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New Jersey [Mr. SUTPHIN] be given an indefinite leave of absence on account of illness.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FORT STANWIX NATIONAL MONUMENT, N. Y.

Mr. DEROUEN. Mr. Speaker, I call up the bill (S. 739) to provide for the establishment of a national monument on the site of Fort Stanwix, in the State of New York.

The Clerk read the title of the bill.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

Mr. RICH. Mr. Speaker, reserving the right to object, I think this bill ought to be given some consideration from the standpoint of the Federal Government taking over lands now belonging to the State of New York. Mr. Speaker, I object.

Mr. SISSON. Mr. Speaker, will the gentleman withhold his objection?

Mr. RICH. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. SISSON. I may say to the gentleman from Pennsylvania that this matter has been taken up with all patriotic societies, the Daughters of the American Revolution and others in the State of New York, and there is nobody absolutely opposed to it. Furthermore, it is essential that this bill be passed at this particular time in order fittingly to observe the anniversary of the Battle of Fort Stanwix, which was a turning point in the American Revolution.

This bill does not call for any appropriation. It just establishes this as a national monument.

I hope the gentleman, from patriotic reasons, will not object to the passage of this bill.

Mr. RICH. Mr. Speaker, I may say to the gentleman from New York that at the present time the State of New York owns this monument. This bill asks that the Federal Government take over this property and maintain it.

Mr. SISSON. If the gentleman will yield just a moment, the Federal Government cannot take away a square inch of property from the State of New York unless the State of New York grants it to the Federal Government. The gentleman ought to understand that; everybody else does.

Mr. RICH. I may say to the gentleman from New York that many States want the Federal Government to take over property they now own because they want the Federal Government to bear the expense of upkeep. I know the State of New York has only this one request at the present time, but if we object to it the result will be the saving of millions and millions of dollars to the Federal Treasury, for there are many other monument or park bills to come up this afternoon from other States in other sections of the country that do not pay any taxes to the Federal Government. I think it would be setting a good example to refuse this request.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana that the bill be considered in the House as in the Committee of the Whole?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That when title to the site or portion thereof at Fort Stanwix, in the State of New York, together with such buildings and other property located thereon as may be designated by the Secretary of the Interior as necessary or desirable for national monument purposes, shall have been vested in the United

States, said area and improvements, if any, shall be designated and set apart by proclamation of the President for preservation as a national monument for the benefit and inspiration of the people and shall be called the "Fort Stanwix National Monument": *Provided*, That such area shall include at least that part of Fort Stanwix now belonging to the State of New York.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to accept donations of land, interests in land and/or buildings, structures, and other property within the boundaries of said national monument as determined and fixed hereunder, and donations of funds for the purchase and/or maintenance thereof, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may require on behalf of the United States out of any donated funds, by purchase at prices deemed by him reasonable, or by condemnation under the provisions of the act of August 1, 1888, such tracts of land within the said national monument as may be necessary for the completion thereof.

SEC. 3. That the administration, protection, and development of the aforesaid national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes", as amended.

Mr. RICH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I may say to my colleague, the gentleman from New York, that this bill requests the Interior Department to take over the Fort Stanwix National Monument which is now owned by the State of New York. This seems to be a very popular thing for all States to do, for you will find many bills to be called up this afternoon requesting the Federal Government to take over additional monuments or parks. In the last 2 or 3 years certain States have asked the Federal Government to take over as many as 6, 8, or 10 monuments within their boundaries. It is going to be necessary for the Federal Government to maintain every one of these monuments it takes over. In hardly an instance is there a case that does not require the acquisition of additional ground, and in many cases the construction of buildings is required, and other improvement of the property. This in itself is going to mean an additional drain on the Federal Treasury.

If we look at this from the standpoint of New York State and we consider they have made a few similar requests, we might overlook it, but I believe we will be doing a great good—I know we will be doing a great good so far as the Federal Treasury is concerned, if we prohibit any additional parks or monuments being taken over at the present time. So much money is going to be necessary for these improvements and maintenance that I sometimes question whether we ought to put the Federal Treasury further and further into debt.

A bill has been reported by the Committee on the Public Lands formulating a committee to go over the United States and set a policy as to what monuments shall be taken over. We do not give consideration to this fact, and any individual Member of Congress who desires brings in a bill establishing a monument and we generally give consideration to it and pass the bill regardless of cost to the taxpayers of the country.

Looking at this from the standpoint of the Treasury, some of these things are worth while, but I question today when the Treasury is so far in debt whether we ought to saddle onto the backs of the taxpayers any more indebtedness, and this will be the result, for the States want to get out from under their present burden of carrying these monuments.

Mr. KENNEY. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New Jersey.

Mr. KENNEY. The board that will be appointed under the bill, as reported by the gentleman's committee and passed by the House, would have to report back to the Congress, and we would still need legislation providing for these monuments, even after this board had examined into the matter.

Mr. RICH. I presume the gentleman is right. The only point I bring out is that if we have men who are trained and who are going to give study and thought to these monuments and the value of them to the Federal Government, from an historical and other standpoints, then we would be able to act more intelligently than we are at present.

[Here the gavel fell.]

Mr. SISSON. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, may I say to the gentleman from Pennsylvania [Mr. RICH] that there are certain places in a great many of the States, not only the State of New York but other States, which are shrines, and we want to forever have them enshrined in the hearts of the American people as national monuments. This is a national matter, not a State matter, and, incidentally, does not involve the appropriation of a single penny. Conceivably, perhaps, some time in the future the Congress might, if there is an acquisition or a donation of certain land, see fit to establish something there that might call for an appropriation of money. I do not know. At any rate, as to the question of whether this should be a State or a national matter, I say that Fort Stanwix and all these other shrines do not belong to the people of the State of New York, or the people of the States; they belong to the American people. The State of New York, having consented in this case, I think it is very fitting at this time that the Federal Government acquisition should be authorized.

Mr. RICH. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is it not going to cost the Federal Government money to maintain this property?

Mr. SISSON. No appropriation is asked for.

Mr. MEAD. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I make this observation for the benefit of the Members of the House. The current appropriation for the monuments in national parks amounts to $92,000. I think it is a good investment in patriotism, and I hope we will for succeeding generations perpetuate the memory of Washington and all of those who served with him in the Revolutionary battles.

Mr. SNELL. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from New York.

Mr. SNELL. I did not understand what the gentleman said about the $92,000. That cannot be for all the national parks.

Mr. MEAD. I received a communication from the clerk of the Appropriations Committee, and I quote the following paragraph:

> The National Parks Service has a general appropriation for administration, maintenance, protection, and development of national historical parks and monuments. For the fiscal year the estimate for that purpose is $92,300. This is the fund from which the Saratoga Park would be administered if and when it is authorized.

Mr. SNELL. I understand that is just for the small historical parks. As far as our State is concerned, of course, I should like to take that over; but we are adopting a policy here which may be detrimental in the future. There are at least 20 bills to take over national parks and erect monuments throughout the United States. It may be all right to do that at some time, but at the present time when we are trying so hard to get money enough to pay our expenses it seems to me that it is a poor policy for this House to adopt. I am glad to have the opportunity to make this statement pertaining to my own State; then there is nothing political or sectional about it.

Of course, I am opposed to taking over all of these parks in every part of the United States that the people want to saddle on the Federal Government in order to get away from maintenance expenses. Eventually they are going to ask for improvement and that monuments be built, which will mean a large Federal appropriation.

Mr. MEAD. I am in thorough accord with the statement made by the gentleman from New York. However, I believe we ought to establish a national policy. These parks are either national or they are not. If we do establish a national policy, we ought to decide whether or not we shall allow the Federal agency, in this case the National Parks Service, to determine whether or not this, that, or the other battlefield should be included and perpetuated as a national shrine. If the approval of the Federal agency is given, if it is of real historical value and if it is a national monument, then I believe it is a good investment in patriotism

and the obligation of the Federal Government rather than of the State government to carry on the activity.

Mr. SNELL. May I ask the gentleman one more question? A short time ago we passed a general bill giving the Secretary of the Interior, Mr. Ickes, authority to take over or acquire any of these national parks or monuments or places that he thought were of national importance. Why would not that general bill cover all of these special bills, provided Mr. Ickes wants to take them over?

Mr. MEAD. These special bills, I may say to the gentleman, require acceptance under certain conditions. There is involved the question of donations to the Federal Government of land or the donation of money for the acquisition of the land.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent that the gentleman may have 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. This general authorization covered all of that. It covered acquisition by gift and various other ways. Personally, I was opposed to that bill, but we have authorized and given authority to the Secretary to do all of these things. Now why is it necessary to pass these special bills? I should like to have the gentleman give me some information on that point.

Mr. MEAD. The special bills have been referred to the Secretary of the Interior and the Secretary in some cases has passed upon them and suggested amendments. I do not believe that this action would be taken by him if he were already empowered to achieve the objective contained in the measure.

Mr. SNELL. I should like to have some one tell me the necessity for passing these special bills?

Mr. MEAD. I yield to the gentleman from New Jersey for that purpose.

Mr. KENNEY. The bill referred to by the gentleman from New York [Mr. SNELL] gave the Secretary of the Interior the right to make a study of historical sites in this country, but it did not give him the power to acquire those sites without coming back to Congress for additional legislation.

Mr. MOTT. The bill the gentleman is speaking of does give the Secretary of the Interior the right to acquire these places by any means he pleases. It gives him the right of eminent domain practically.

Mr. KENNEY. It gives him the right to acquire these parks from donated funds.

Mr. MOTT. The gentleman is speaking of the Maverick bill?

Mr. KENNEY. Yes.

Mr. MOTT. The Maverick bill gives the Secretary of the Interior the discretion to acquire any property in the United States he pleases.

Mr. KENNEY. Out of moneys which are in the fund set up under a companion bill.

Mr. MOTT. No; out of moneys in the Treasury of the United States and the only thing he has to do is to go before the Appropriations Committee and put these items in a general appropriation bill.

Mr. KENNEY. But the Congress has to appropriate the money, and no property acquired or contracted for will obligate the general fund of the United States Treasury for the payment of such property, unless or until Congress has appropriated money which is available for that purpose.

Mr. MOTT. But Congress has nothing to do with the acquisition of the site.

Mr. SISSON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SISSON. Mr. Speaker, I should like to say to my colleague, the distinguished minority leader, in reply to what I think was a very fair and pertinent statement that the Secretary of the Interior has made an investigation at least of this particular bill and has made a favorable report upon it to the committee. The Secretary commented upon the fact that this is a very important and historical site and a very important historical monument and recommends the passage of the bill.

Mr. SNELL. Was that report made before the general legislation was passed?

Mr. SISSON. The report is dated March 9, 1935.

Mr. SNELL. That was several months before we passed the general legislation.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. SISSON. I yield.

Mr. CULKIN. Who has the fee to this land now, if the gentleman knows?

Mr. SISSON. The State of New York has the fee to some of it and certain private individuals own some of it and it is contemplated that the private individuals will donate their land without any payment for it.

Mr. CULKIN. Is it the desire of the people of that area and the people who have the fee to this land to convey it to the Government and have they gone on record with respect to it?

Mr. SISSON. They have gone on record informally through the Rome Chamber of Commerce, where this is situated, and through the various organizations they have there.

Mr. CULKIN. The gentleman introduced this bill?

Mr. SISSON. I did; yes.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SISSON. I yield to the distinguished gentleman from New York.

Mr. SNELL. Let me say to my friend from Utica, N. Y., that I am informed by the committee that all of these favorable reports were made prior to the time this general legislation was passed by the House, and I am absolutely honest when I say that I can see no reason for passing these special bills when the power is already lodged in the Secretary of the Interior to do what the gentleman wants to have done.

Mr. SISSON. Let me say to the gentleman, and I am sure he is just as much interested in the matter of inspiring patriotism as I am or anyone else, at this particular time it would be very unfortunate if this Congress were to adjourn without passing this particular bill, because there is to be a series of patriotic celebrations there and these people believe that this should be a national monument before that time.

Mr. SNELL. Then the gentleman is going to ask for an appropriation right away for a national monument?

Mr. SISSON. No; there is no appropriation asked.

Mr. SNELL. But the gentleman says they are going to ask for one.

Mr. SISSON. I have not said we are going to ask for one, but I stated it might be that some future Congress might see fit to make one.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. SISSON. I yield.

Mr. MOTT. I am going to vote for the gentleman's bill, and I am going to vote for all of the similar bills reported unanimously by the committee; but I may say to the gentleman that there is now no real necessity for this specific legislation, because under the Maverick bill the Secretary of the Interior can now do just what this bill provides. Now, the Maverick bill was a very, very bad bill. It did not come out of the Committee on the Public Lands with a unanimous vote at all. It had no business going on the Consent Calendar, and it should never have passed this House by unanimous consent. I could not be on the floor on the day it came up, or I certainly would have objected to it. It gives the Secretary of the Interior legislative, autocratic power to use the people's money in almost any way he pleases in connection with the acquisition of historical sites. It is a bad bill and ought to be repealed at the next session. However, the gentleman's bill for the acquisition of this particular piece of land, I think, is a meritorious measure, and I would much rather acquire the land through enactment of this bill than have the Secretary of the Interior acquire it under the blanket authority which the Maverick bill gives him.

[Here the gavel fell.]

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. McFARLANE) there were—ayes 45, noes 24.

Mr. RICH. Mr. Speaker, I object to the vote on the ground there is no quorum present.

The SPEAKER. Evidently there is not a quorum present.

The doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 209, nays 73, not voting 147, as follows:

[Roll No. 168]

YEAS—209

Amlie	Eagle	Lemke	Richardson
Ashbrook	Eckert	Lesinski	Robertson
Ayers	Edmiston	Lewis, Colo.	Robinson, Utah
Beam	Ellenbogen	Lloyd	Rogers, Okla.
Beiter	Englebright	Luckey	Ryan
Biermann	Evans	Lundeen	Sanders, La.
Bland	Faddis	McAndrews	Sandlin
Bloom	Fitzpatrick	McClellan	Sauthoff
Boehne	Focht	McCormack	Schneider
Boileau	Ford, Miss.	McFarlane	Schulte
Boland	Fuller	McGehee	Scott
Boykin	Gavagan	McGrath	Sears
Boylan	Gehrmann	McLaughlin	Secrest
Brown, Ga.	Gildea	McReynolds	Shanley
Brunner	Goldsborough	Mahon	Sirovich
Caldwell	Granfield	Maloney	Sisson
Carpenter	Gray, Pa.	Mansfield	Smith, Conn.
Cary	Green	Marcantonio	Smith, Va.
Casey	Greenway	Martin, Colo.	Smith, Wash.
Castellow	Greever	Mason	Smith, W. Va.
Celler	Gregory	Massingale	Snyder
Chandler	Griswold	Maverick	Somers, N. Y.
Chapman	Haines	Mead	South
Citron	Hancock, N. Y.	Merritt, N. Y.	Spence
Coffee	Hart	Mitchell, Ill.	Stack
Colden	Healey	Mitchell, Tenn.	Starnes
Cole, Md.	Hildebrandt	Monaghan	Stefan
Colmer	Hill, Knute	Montet	Taylor, Colo.
Cooley	Hobbs	Mott	Terry
Cox	Hoeppel	Nelson	Thom
Cravens	Houston	O'Connell	Thompson
Crawford	Huddleston	O'Connor	Tolan
Crosby	Hull	O'Day	Tonry
Cross, Tex.	Imhoff	O'Leary	Turner
Crosser, Ohio	Jacobsen	O'Neal	Umstead
Crowe	Jenckes, Ind.	Owen	Utterback
Culkin	Johnson, Okla.	Palmisano	Wallgren
Cullen	Johnson, W. Va.	Parsons	Walter
Daly	Jones	Patman	Warren
Darden	Kee	Patterson	Wearin
Dear	Kelly	Patton	Werner
Deen	Kennedy, N. Y.	Pearson	West
Delaney	Kenney	Peterson, Fla.	Whelchel
Dempsey	Kleberg	Peterson, Ga.	Whittington
DeRouen	Kloeb	Pfeifer	Wilcox
Disney	Kocialkowski	Pierce	Wilson, La.
Dobbins	Kopplemann	Polk	Wood
Dorsey	Kramer	Ramsay	Woodrum
Driscoll	Kvale	Ramspeck	Zimmerman
Driver	Lambeth	Randolph	Zioncheck
Duffy, N. Y.	Lanham	Rankin	
Dunn, Miss.	Larrabee	Reilly	
Dunn, Pa.	Lee, Okla.	Richards	

NAYS—73

Allen	Ditter	Lambertson	Seger
Andresen	Dondero	Ludlow	Short
Andrew, Mass.	Eaton	Mapes	Snell
Arends	Ekwall	Marshall	Taber
Bacharach	Engel	Martin, Mass.	Taylor, S. C.
Bacon	Gearhart	Merritt, Conn.	Taylor, Tenn.
Binderup	Gilchrist	Michener	Thurston
Blackney	Gingery	Millard	Tinkham
Bolton	Gray, Ind.	Moritz	Treadway
Brewster	Guyer	Pettengill	Turpin
Burdick	Gwynne	Pittenger	Welch
Carlson	Halleck	Plumley	Wigglesworth
Cavicchia	Hollister	Powers	Wolcott
Christianson	Holmes	Ransley	Wolverton
Church	Hope	Reed, Ill.	Woodruff
Collins	Jenkins, Ohio	Rich	Young
Costello	Kahn	Robsion, Ky.	
Darrow	Kinzer	Rogers, Mass.	
Dirksen	Knutson	Russell	

NOT VOTING—147

Adair	Brennan	Bulwinkle	Claiborne
Andrews, N. Y.	Brooks	Burch	Clark, Idaho
Arnold	Brown, Mich.	Burnham	Clark, N. C.
Bankhead	Buchanan	Cannon, Mo.	Cochran
Barden	Buck	Cannon, Wis.	Cole, N. Y.
Bell	Buckbee	Carmichael	Connery
Berlin	Buckler, Minn.	Carter	Cooper, Ohio
Blanton	Buckley, N. Y.	Cartwright	Cooper, Tenn.
Corning	Gifford	McGroarty	Sabath
Crowther	Gillette	McKeough	Sadowski
Cummings	Goodwin	McLean	Sanders, Tex.
Dickstein	Greenwood	McLeod	Schaefer
Dies	Hamlin	McMillan	Schuetz
Dietrich	Hancock, N. C.	McSwain	Scrugham
Dingell	Harlan	Maas	Shannon
Dockweiler	Harter	May	Steagall
Doughton	Hartley	Meeks	Stewart
Doutrich	Hennings	Miller	Stubbs
Doxey	Hess	Montague	Sullivan
Drewry	Higgins, Conn.	Moran	Sumners, Tex.
Duffey, Ohio	Higgins, Mass.	Murdock	Sutphin
Duncan	Hill, Ala.	Nichols	Sweeney
Eicher	Hill, Samuel B.	Norton	Tarver
Farley	Hoffman	O'Brien	Thomas
Fenerty	Hook	Oliver	Thomason
Ferguson	Johnson, Tex.	O'Malley	Tobey
Fernandez	Keller	Parks	Underwood
Fiesinger	Kennedy, Md.	Perkins	Vinson, Ga.
Fish	Kerr	Peyser	Vinson, Ky.
Flannagan	Kimball	Quinn	Wadsworth
Fletcher	Kniffin	Rabaut	Weaver
Ford, Calif.	Lamneck	Rayburn	White
Frey	Lea, Calif.	Reece	Williams
Fulmer	Lehlbach	Reed, N. Y.	Wilson, Pa.
Gambrill	Lewis, Md.	Rogers, N. H.	Withrow
Gasque	Lord	Romjue	Wolfenden
Gassaway	Lucas	Rudd	

So the bill was passed.

The following pairs were announced:

Until further notice:

Mr. Burch with Mr. Crowder.
Mr. O'Brien with Mr. Gifford.
Mr. Buchanan with Mr. Lehlbach.
Mr. Rayburn with Mr. Wolfenden.
Mr. Steagall with Mr. McLean.
Mr. Vinson of Georgia with Mr. Withrow.
Mr. Tarver with Mr. Buckler of Minnesota.
Mr. Sanders of Texas with Mr. Wadsworth.
Mr. Vinson of Kentucky with Mr. Tobey.
Mr. Romjue with Mr. Reed of New York.
Mr. Cannon of Missouri with Mr. Wilson of Pennsylvania.
Mr. Cooper of Tennessee with Mr. Kimball.
Mr. Doughton with Mr Goodwin.
Mr. Connery with Mr. Cooper of Ohio.
Mr. Drewry with Mr. Andrews of New York.
Mr. Flannagan with Mr. Buckbee.
Mr. Doxey with Mr. Doutrich.
Mr. Gasque with Mr. Burnham
Mr. Fulmer with Mr. Lord.
Mr. Greenwood with Mr. Reece.
Mr. Samuel B. Hill with Mr. Thomas.
Mr. Lea of California with Mr. Stewart.
Mr. Hill of Alabama with Mr. McLeod.
Mr. Miller with Mr. Perkins.
Mr. Lewis of Maryland with Mr. Maas.
Mr. Dies with Mr. Hoffman.
Mr. Cochran with Mr. Carter.
Mr. Blanton with Mr. Fenerty.
Mr. Oliver with Mr. Cole of New York.
Mrs. Norton with Mr. Fish.
Mr. Montague with Mr. Hartley.
Mr. Bulwinkle with Mr. Higgins of Connecticut.
Mr. Bankhead with Mr. Hess.
Mr. Williams with Mr. Arnold.
Mr. Lucas with Mr. Quinn.
Mr. McMillan with Mr. Berlin.
Mr. Cartwright with Mr. Dickstein.
Mr. May with Mr. Buckley of New York.
Mr. Farley with Mr. Claiborne.
Mr. Dietrich with Mr. Gassaway.
Mr. Schuetz with Mr. Eicher.
Mr. Fletcher with Mr. Hamlin.
Mr. Kerr with Mr. Hennings.
Mr. Underwood with Mr. Meeks.
Mr. Moran with Mr. Nichols.
Mr. Weaver with Mr. Kniffin.
Mr. Murdock with Mr. Stubbs.
Mr. Hook with Mr. Gambrill.
Mr. Sullivan with Mr. Rudd.
Mr. Johnson of Texas with Mr. Gillette.
Mr. Rabaut with Mr. Duncan.
Mr. Corning with Mr. Brennan.
Mr. McSwain with Mr. Adair.
Mr. Schaefer with Mr. Barden.
Mr. Thomason with Mr. Lamneck.
Mr. Brown of Michigan with Mr. White.
Mr. Bell with Mr. Scrugham.
Mr. Brooks with Mr. McGroarty.
Mr. Cannon of Wisconsin with Mr. Dockweiler.
Mr. Harter with Mr. Ferguson.
Mr. Rogers of New Hampshire with Mr. Fernandez.
Mr. Sumners of Texas with Mr. Higgins of Massachusetts.
Mr. Harlan with Mr. Carmichael.
Mr. McKeough with Mr. Kennedy of Maryland.
Mr. Sutphin with Mr. Sweeney.
Mr. Kelly with Mr. Frey.
Mr. Hancock of North Carolina with Mr. Sadowski.
Mr. Ford of California with Mr. Clark of Idaho.
Mr. Parks with Mr. Cummings.
Mr. Clark of North Carolina with Mr. Duffey of Ohio.

The result of the vote was announced as above recorded.

On motion of Mr. DEROUEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ORDER OF BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent for 3 minutes to make a statement to the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker and Members of the House, In view of the proceedings of the House today and yesterday, I feel an obligation as majority leader to make a statement to the House.

The imperatively necessary business of the House, business that we have absolutely got to transact before we can adjourn in an orderly way, will require at least 8 or 9 days of real hard and continuous work. I am not going into details or enumerate the measures. I am confident we can get through and adjourn on the 24th of this month, a week from next Saturday, if we are allowed to run along and do business without unnecessary interruptions.

I am not complaining of anybody. All Members have their rights. But if we are going to spend time in useless points of no quorum and useless roll calls, Congress will be in session probably 3 or 4 weeks. In my judgment, it means just that difference as to when we will adjourn.

I am merely trying to courteously advise the House of what is really before us. I feel that there is a public responsibility on all of us, regardless of politics or anything else. I know we all want to adjourn as soon as we possibly can. I firmly believe that we can adjourn by a week from Saturday if we are allowed to proceed in an orderly way, but to do that we must cut out filibustering and frivolous delays, and all long speeches.

Now, this applies to both sides. We have had dilatory motions and speeches and useless calls for a quorum on both sides of the aisle. I make this statement in the kindliest spirit as the majority leader of the House. I firmly believe that if we proceed with the necessary business before us in an orderly way that it is possible to adjourn on Saturday the 24th. [Applause.]

OTTER CLIFFS RADIO STATION, MOUNT DESERT ISLAND

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 7938) to authorize the transfer of the Otter Cliffs Radio Station on Mount Desert Island, in the State of Maine, as an addition to the Acadia National Park, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Louisiana calls up the bill H. R. 7938, and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That upon the removal of the Otter Cliffs Radio Station and its relocation on lands within the Acadia National Park as authorized by the act of April 22, 1932 (47 Stat. 91), the Secretary of the Navy be, and he is hereby, authorized and directed to transfer to the control and jurisdiction of the Secretary of the Interior as an addition to the Acadia National Park all that tract of land containing approximately 12 acres on Mount Desert Island in the State of Maine now occupied by and used by the Navy Department for the purposes of the said Otter Cliffs Radio Station, and the Secretary of the Interior shall be, and he is hereby, authorized and directed to transfer to the control and jurisdiction of the Secretary of the Navy for naval radio purposes the site of the relocated radio station, with the buildings and improvements thereon, and such surrounding area as may be agreed upon by the Secretary of the Interior and the Secretary of the Navy: *Provided*, That the Secretary of the Interior shall retain the right to approve the design of the buildings and structures to be placed thereon including any additions or alterations to the present radio station.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to construct or cause to be constructed in connection with and as a part of the road system of the Acadia National Park, a bridge or causeway and approaches thereto across the inlet or bay lying between the Otter Cliffs and the Black Woods, in the State of Maine, at a point which he may designate as most suitable to the interests of the Federal Government.

Mr. STACK. Mr. Speaker, I move to strike out the last word.

At the close of yesterday our Commander in Chief, Franklin Delano Roosevelt, signed the bill (H. R. 6995) restoring to the Spanish-American War veterans and their dependents what the Economy Act took away from them in 1933. I want to congratulate this House and the Speaker, and our Commander in Chief, for taking care of those gentlemen who fought our battles in 1898.

Mr. MOTT. Mr. Speaker, I make the point of order that the gentleman is not in order.

Mr. STACK. I congratulate the House and President for signing the bill H. R. 6995, and the Pensions Committee of the House, of which I am a member, that worked so hard and faithfully to have it enacted into law.

Congressman SMITH, the author of the bill, worked hard and industriously, as did the other Members, and he, too, is to be congratulated.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ELIMINATING CERTAIN LANDS FROM CRATERS OF THE MOON NATIONAL MONUMENT, IDAHO

Mr. DEROUEN. Mr. Speaker, I call up H. R. 7930, to eliminate certain lands from the Craters of the Moon National Monument, Idaho, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Louisiana calls up the bill H. R. 7930 and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the north half north half south half section 16, township 2 north, range 24 east, Boise meridian, Idaho, be, and the same are hereby, eliminated from the Craters of the Moon National Monument.

Mr. DEROUEN. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. DEROUEN: Line 3, after the word "half", where it occurs the first time, insert the word "and"; and in line 3, after the words "north half", where the word "north" occurs the second time, insert the words "of the."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENDING MINING LAWS OF UNITED STATES TO DEATH VALLEY MONUMENT, CALIF.

Mr. DEROUEN. Mr. Speaker, I call up the bill H. R. 4024, to amend an act of Congress approved June 3, 1933 (48 Stat. 139), entitled "An act to extend the mining laws of the United States to the Death Valley Monument in California", and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Louisiana calls up the bill H. R. 4024 and asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. TABER. Mr. Speaker, I have not been able to get hold of the bill, and I do not know what it is.

Mr. DEROUEN. Mr. Speaker, I withdraw the bill.

The SPEAKER. The gentleman withdraws the bill.

CULTIVATION IN CONNECTION WITH CERTAIN HOMESTEAD ENTRIES

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 8679) to eliminate the requirement of cultivation in connection with certain homestead entries and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. There is a similar Senate bill on the Speaker's table.

Mr. DEROUEN. Then, Mr. Speaker, I ask unanimous consent to substitute the Senate bill S. 2577.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to consider the Senate bill in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, exclusive of Alaska, the provisions of the homestead laws requiring cultivation of the land entered shall not be applicable to existing homestead entries made prior to February 5, 1935, or thereafter if based upon valid settlement prior to said date, and no patent shall be withheld for failure to cultivate such lands: *Provided*, That this act shall not be construed to affect any provision of law requiring the cultivation of lands subject to the reclamation laws, nor to apply to entries made under the Forest Homestead Act of June 11, 1906 (34 Stat. 233).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill (H. R. 8679) was laid on the table.

CONVEYANCE OF LAND TO HOT SPRINGS, N. MEX.

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 7024) to authorize the conveyance by the United States to the municipality of Hot Springs, N. Mex., the northeast half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, Hot Springs, N. Mex., and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. TABER. Reserving the right to object, will the gentleman tell us a little about what this bill is?

Mr. DEMPSEY. Mr. Speaker, for the information of the gentleman from New York, this bill provides that the Secretary of the Interior may sell to the city of Hot Springs, N. Mex., for recreation purposes, 120 acres out of the public domain at the minimum price which he is permitted to sell, which is $1.25. This is land that was formerly open to homestead, but has been withdrawn.

Mr. TABER. Is there any cost to the Government at all?

Mr. DEMPSEY. No. We are paying $1.25 an acre for it.

Mr. TABER. Very well. There is no objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey to the city of Hot Springs, N. Mex., the land on the northeast half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, Hot Springs, N. Mex., for the purpose of enabling such city to establish a permanent recreational site and municipal golf course. Such conveyance shall contain the express condition that if such city shall at any time cease to use such property for such purpose, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

With the following committee amendments:

On page 1, line 4, strike out the word "convey" and insert the word "patent"; page 1, line 5, after the word "Mexico" insert "upon payment by such city of a purchase price at the rate of $1.25 per acre"; page 2, line 1, strike out the words "Hot Springs" and insert "New Mexico principal meridian"; page 2, line 4, insert "subject to the highway right-of-way shown on a map approved by the Department of Interior on December 13, 1933."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., the northeast half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, Hot Springs, N. Mex."

A motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LANDS TO THE REGENTS OF THE UNIVERSITY OF NEW MEXICO

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 6871) directing the conveyance of certain lands to the regents of the University of New Mexico, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. TABER. Reserving the right to object, I do not have that bill. Will the gentleman please explain it?

Mr. DEMPSEY. The bill provides that the Interior Department will convey by patent to the University of New Mexico a portion of a certain section of land for archeological purposes. In other words, for the use of the students at the university. At any time the land is not used for this purpose it reverts to the Federal Government.

Mr. TABER. Is there any cost to the Federal Government at all?

Mr. DEMPSEY. None at all.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. A similar Senate bill, S. 2247, is on the Speaker's table.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to substitute the Senate bill, S. 2247.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey by patent, to the regents of the University of New Mexico, for archeological purposes, that part of the unappropriated lands belonging to the United States located in fractional section 30, township 13 north, range 4 east, New Mexico principal meridian; but if such university fails to use such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6871) was laid on the table.

COMPENSATION OF REGISTERS OF DISTRICT LAND OFFICES

Mr. DEROUEN. Mr. Speaker, I call up the bill (S. 2361) to fix the compensation of registers of district land offices, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. TABER. Mr. Speaker, I shall object.

The SPEAKER. The House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2361, to fix the compensation of registers of district land offices, with Mr. RAMSPECK in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. DEROUEN. Mr. Chairman, I yield to the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. Mr. Chairman, the purpose of this bill is to keep the salaries of registers of the land office in the Western States the same as they are at the present time.

Due to the Taylor Grazing Act, which was passed at the last session of Congress, the fees coming into land offices are very greatly reduced, because that takes from the public domain the homestead acreage. In each office the amount of the fees that came in, came in due to the fact of the homestead entries being filed. The present law provides that each register of the land office shall receive per annum $1,000, plus the fees taken into his office during the year, but under no circumstances shall he receive a salary in excess of $3,600. This bill simply changes the $1,000 to $2,000, so that it makes it possible for the registers of land offices to receive a salary of $3,000, provided they take in the excess from $2,000 to $3,600 during any fiscal year.

Mr. PIERCE. Will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. PIERCE. Is it a fixed salary of $2,000, whether he takes in the fees or not?

Mr. ROBINSON of Utah. Yes; a fixed salary of $2,000 instead of $1,000, as it has been heretofore.

Mr. TABER. Will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. TABER. Is it not a fact that those people do not have nearly as much to do as they once had?

Mr. ROBINSON of Utah. The facts are that they will have approximately the same amount of work to do as they always have had. There is a certain amount of work to do in all these land offices. The work is not done by one man; there are a number of individuals in the office. The register will have just as much work to do as he has always had. He will have to be at the office at 9 o'clock and put in all of his time on the work, I think just as much so as he ever has done, only he will not have as much coming in in the way of fees. So we have a situation where the man is doing the same amount of work he formerly did but under present law cannot receive a fair and adequate salary.

Mr. TABER. What is there about the present law that will prevent his getting just as much pay as he ever got?

Mr. ROBINSON of Utah. Because he cannot take fees under the present law, and under the law fixing his compensation he must take in fees sufficient to pay his salary on the fee basis.

Mr. TABER. Does not the fact that the fees do not come in in greater volume indicate there is not nearly so much work to do?

Mr. ROBINSON of Utah. There may not be so much work in the office, but, so far as the register is concerned, he will have just as much work to do as he always has had, yet the office help will be reduced.

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield that I may answer the gentleman from New York?

Mr. ROBINSON of Utah. Certainly.

Mr. TAYLOR of Colorado. The Taylor Grazing Act did not withdraw the public domain from homestead excepting where the land was put into a grazing district by the wishes of the local people. The public domain has largely been withdrawn from settlement by Executive order, and the registers of the United States land offices do not get fees from homestead entries, and they have some duties placed upon them by that act. Prior to that general Executive withdrawal from entry of the public domain, those registers made from $2,000 to $3,000 a year, mostly out of the fees of the office. I think most of them were up to the limit. The pending bill simply raises them from the $1,000 they are now getting to $2,000 a year. I think most of these registers are now busy most of the time. Yet they are getting only $1,000 a year. That is not at all a fair compensation for an official that has the responsibility and capability that they should have. They should receive $2,000 a year.

Mr. TABER. Do they not take in fees the same as they used to?

Mr. TAYLOR of Colorado. No.

Mr. TABER. Do they not take in any fees at all?

Mr. TAYLOR of Colorado. I understand they take in a very few small fees, but not at all as they used to get under the homestead laws, because homesteading has been suspended. That was where most of their salary came from heretofore.

Mr. TABER. What do these registers have to do now?

Mr. TAYLOR of Colorado. They have to make a large number of reports and registrations and other duties pertaining to the grazing districts, and close up former entries and perform various other land-office duties, for much of which I understand they get no fees at the present time. But they must keep their offices and records open for inspection, to answer correspondence and personal inquiries about public-land matters. They have questions concerning mineral rights, coal lands, oil permits, leases, and various things of that kind. I do not think they are overworked. But $1,000 a year is not at all sufficient to make it worth while for competent registers to hold those offices and properly perform the duties that devolve upon them.

I feel that this is a very meritorious bill. It limits them to $2,000 a year, when many of them had for many years received $3,000 a year before I passed the so-called "Taylor Grazing Act", which was approved by the President on June 28, 1934. I have described the present status and workings of that law in some remarks that I inserted in the RECORD of June 29, 1935.

Mr. ROBINSON of Utah. I will say this to the gentleman from New York that due to the creation of these grazing districts, which are under the Commissioner of Public Lands, a great amount of work has necessarily been done in the office of the register for which no fee is paid.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. LEWIS of Colorado. Is it not a fact that these land offices are places of public record to which the public constantly comes for information on the subject of land? Are they not similar to recorders' offices? The Land Office has to be kept open, and it is a very busy place so far as it concerns the public going there for information and to consult the records. For this service the register receives no fees.

Mr. ROBINSON of Utah. Yes; that is correct. These offices are open from 9 o'clock in the morning until 5 in the evening every day of the week.

Mr. LEWIS of Colorado. I speak of the Denver Land Office from personal contact and knowledge. As a result of these recent statutes the registers now have no opportunity to charge fees, yet it is essential that the offices be kept open and accessible to the public.

Mr. TABER. Mr. Chairman, will the gentleman yield for a further question?

Mr. ROBINSON of Utah. Yes.

Mr. TABER. It seems that the Department of the Interior was asked by Senator WAGNER what they thought about the bill, and on April 5 of this year they said:

> Under date of February 25 the Acting Director of the Bureau of the Budget advised that the proposed legislation would not be in accord with the financial program of the President. Accordingly I cannot recommend the enactment of S. 2361.

Mr. ROBINSON of Utah. Yes; I think that is the letter signed by Mr. T. A. Walters.

Mr. TABER. That is the attitude of the superior officers of these registers?

Mr. ROBINSON of Utah. I think it does not reflect the true attitude toward these registers, at least, not in my opinion. I think the Department and the administration feel that these registers should be paid a fair salary for the work they are doing, and that where the fees justify $3,000; it is not any more than an adequate salary.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. ROBINSON of Utah. I yield.

Mr. CRAWFORD. The way the bill is drawn, it does not guarantee the register a salary of $3,600, does it?

Mr. ROBINSON of Utah. No; it guarantees him only $2,000.

Mr. CRAWFORD. With the passing of the Taylor Grazing Act, and the withdrawal of public domain from homestead entry, there was taken out from under these men their source of income in the way of fees. Is not this correct?

Mr. ROBINSON of Utah. The gentleman is correct.

Mr. CRAWFORD. Yet these registers have to devote their entire time to the job they are holding serving the public.

Mr. ROBINSON of Utah. Yes; and keep their offices open the same as they have always done, as suggested by the gentleman from Colorado [Mr. TAYLOR].

Mr. CRAWFORD. In some cases now they are receiving less than $2,000 a year for this work.

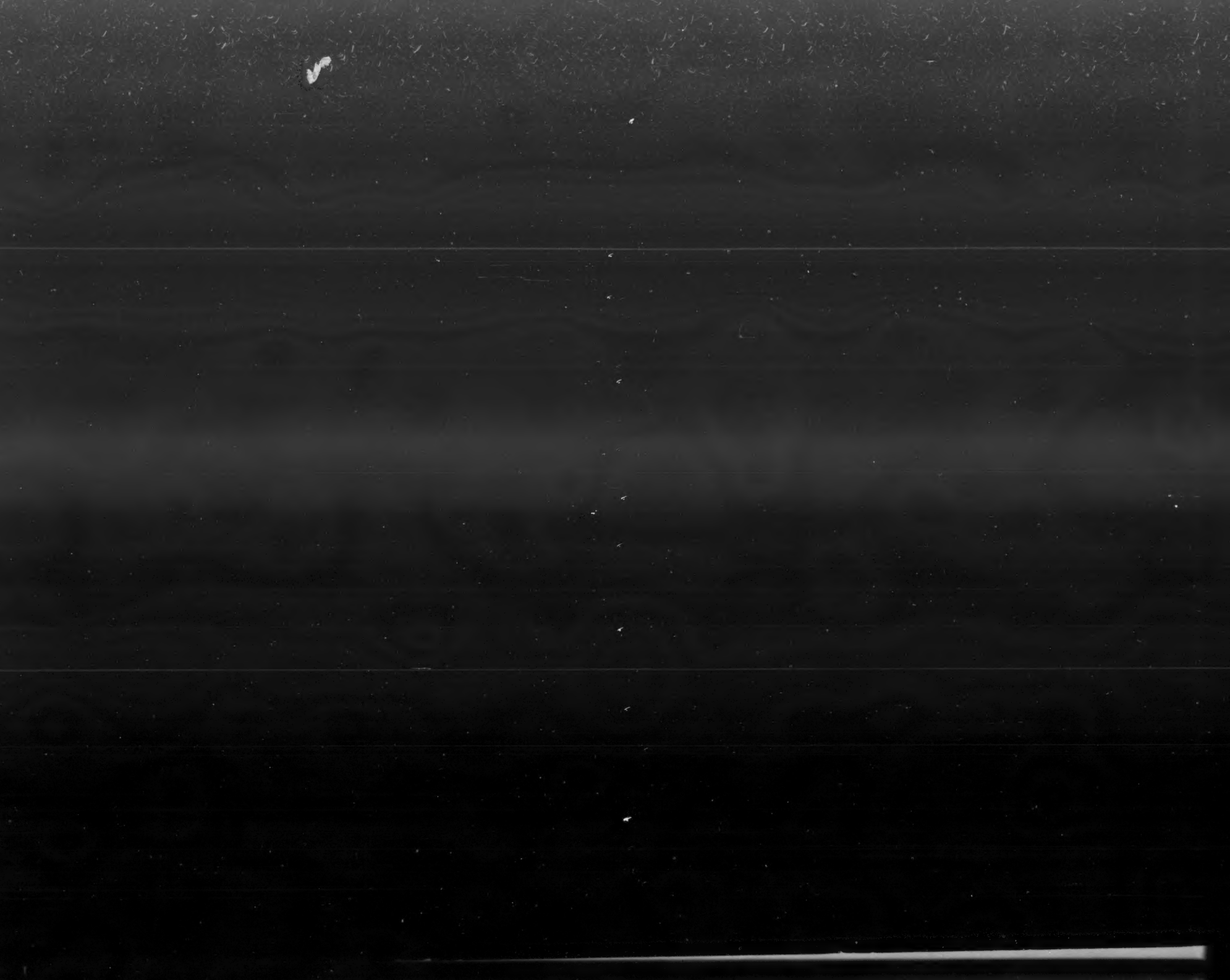
Mr. ROBINSON of Utah. In a good many cases they are receiving less than $2,000.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask recognition in opposition to the bill.

The CHAIRMAN. Does any member of the committee desire recognition in opposition? [After a pause.] The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I am not going to take an hour. I will just consume a few minutes.



Mr. Chairman, it seems to me if there was a need for this bill, the Secretary of the Interior would recommend its passage. On the contrary, the Secretary of the Interior recommends against it. If there was a situation where the registrars of the different land offices were suffering and there was really justification for an increase in salary, the Secretary of the Interior would immediately recommend an increase. The Secretary of the Interior, however, after very careful consideration and going into the situation in detail said:

There are only 23 registrars compensated in this manner. During the fiscal year ending June 30, 1934, 16 of the 23 registrars received fees and commissions sufficient to entitle them to $3,600. The remaining seven received compensation ranging from $1,450 to $2,700, or an average of $2,100.

Then further on he states just what I read a while ago:

On February 16 the Director of the Bureau of the Budget was requested to advise this Department whether a proposed bill similar to S. 2361 would meet with the President's approval. Under date of February 23 the Acting Director of the Bureau of the Budget advised that the proposed legislation would not be in accord with the financial program of the President. Accordingly, I cannot recommend enactment of S. 2361.

This is an opportunity, Mr. Chairman, for the House to stand by the President in connection with his program, and I hope, therefore, that this legislation will be defeated.

Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, I think it is quite necessary, if we intend to keep the registrars in these land offices, that we pass this bill.

Mr. CRAWFORD. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Can habitation of the West be continued without these public land offices?

Mr. MOTT. No; in my opinion, it cannot.

Mr. Chairman, this is the situation: The Congress in passing the Taylor Grazing Act, which I consider one of the most improper bills that was ever passed by the Congress, not only deprived the people of the United States of the right to take up homesteads, a right which they have had for the last 150 years, but it also cut off the revenue whereby under existing law the salaries of the registrars have been paid. If we want to keep these registrars, and they are essential, it will be necessary to pay them. Since the Taylor Grazing Act makes it impossible for them to get their salaries from fees, then we will have to provide for their salaries through some other method. If a registrar is worth anything, he is certainly worth $2,000. By reason of the Taylor Grazing Act it will be impossible for them to receive as much as $2,000 in most cases, and, therefore, we will have to provide some other method of paying them. That is what this bill does, and that is all it does. The Congress not only did an injustice to the people of the United States generally in passing the Taylor Grazing Act, but it did a particular injustice to these registrars, and I think we ought to take advantage of this opportunity to correct that injustice and fix a decent, modest salary for them so that we may continue having land offices.

Mr. WHITE. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Idaho.

Mr. WHITE. Is it not a fact that the registrar of a land office is the keeper of the records of the public lands?

Mr. MOTT. Yes.

Mr. WHITE. Is it not a fact if anybody wants to know anything about the status of certain land with reference to oil or mineral deposits that they have to go to this office?

Mr. MOTT. Yes; it is a very necessary office, and we obviously ought to pay a decent salary to the registrars.

Mr. WHITE. Is it not a fact that in a good many places in the West the registrars of these land offices, since the Taylor grazing bill has been passed, are not getting $1,000 a year?

Mr. MOTT. I understand that is correct.

Mr. MILLARD. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from New York.

Mr. MILLARD. Why is the Secretary of the Interior against this bill?

Mr. MOTT. I doubt that he is really opposed to it, but the fact that the Secretary of the Interior is against the bill, if he is against it, would not make the slightest difference so far as I am concerned, because I think the recommendations of the Secretary of the Interior have been wrong at least as often as they have been right. The fact that the Director of the Budget says this bill is contrary to the President's fiscal or financial policy likewise has no weight with me, because I have never heard anyone give a satisfactory statement as to what the President's fiscal policy is. Similar statements have been attached to the Secretary's reports in connection with a great many bills; but if the Public Lands Committee were to turn down every bill which he reports as being contrary to the President's fiscal policy, there would be many, many meritorious bills that would not receive consideration in this House at all. I think, in considering this measure, we should disregard the recommendations both of the Secretary of the Interior and of the Director of the Budget, because I believe in this particular instance they are both wrong.

Mr. GREEVER. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Wyoming.

Mr. GREEVER. As a matter of fact, the Secretary recommends in his report that it is necessary to continue these offices for some time. If the registrars are to receive compensation commensurate with their duties, it will be necessary to change the present law. He admits in the report that the bill should pass, and yet makes the recommendation that it should not.

Mr. MOTT. The Secretary of the Interior, who sponsored the Taylor Grazing Act, is the man who has made it impossible for the registrars to receive the salaries to which they are entitled under existing law, and I am glad he admits they should be given a decent salary.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, I do not know of anything I can add except to say that there is no office more necessary today in Oregon than the registers of the land office. We have three of them in Oregon. The income of one of these offices is about $1,000 a year. The income of one of the Oregon land offices is nearly up to the maximum. We can hardly keep good men in these places. They do not draw as much money as the men who, under civil service, are the clerks in the office.

The bill should be passed. I cannot understand why Mr. Walters, the Assistant Secretary of the Interior, should have signed this letter that appears in the report. If I had been handling the bill I would certainly have gone down there and had a talk with him. I do not think the Department understands the necessity of keeping these offices open with efficient men. It is the only place where information can be found for the sheepmen and the cattlemen who are grazing the public domain in the West, consisting of millions of acres. The men who are at the head of these offices should certainly receive as much as the ordinary clerks receive under civil service.

I do not wish to impugn the motives of the Secretary of the Interior, but I cannot think this was ever presented to Secretary Ickes or even to Mr. Walters in its true light.

About 12 or 14 years ago the entire land law was revamped and many offices abolished. Up to that time we have had a receiver and we have had a register and receiver in every office. The receiver was cut out and the expenses cut down. The number of offices was decreased. Oregon passed from 6 offices to 3, where it is now. This bill certainly ought to pass.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. WHITE. Is it not a fact that Congress is passing, from time to time, legislation authorizing additional national forests and is it not also a fact that under the terms

of these acts certain records must be kept and certain advertising complied with to advertise the land, and is it not the duty of the register of the Land Office to perform these services?

Mr. PIERCE. Yes; and for most of it no fees can be collected.

Mr. WHITE. But these records are required by law to be kept and these advertisements are required to be made up to conform with the provisions of the law.

Mr. PIERCE. There are large plats in these offices showing the location of the lands, where the lands came from and the homesteads that have been entered and also showing the forest lines. I do not know what the communities would do without these offices being opened and these men keep their offices open from 9 o'clock until 5.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. LEWIS of Colorado. The total number of these registers is only 23, according to the report.

Mr. PIERCE. I think that is correct.

Mr. LEWIS of Colorado. And the total increase is only $1,000 a year as the maximum.

Mr. PIERCE. It does not mean that much. It means, perhaps, $10,000 and I do not think it could mean more than that.

Mr. LEWIS of Colorado. The possible increase would be only $23,000 and from the gentleman's statement it would be much less than that amount.

Mr. PIERCE. I am sure it would be and they are indispensable to the operations of the Taylor Grazing Act.

Do not vote the bill down.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I very much dislike to disagree with the gentleman from New York [Mr. TABER], with whom I find myself in agreement so often; at the same time I do not want those public servants—and they are necessary public servants—to become victims from an income standpoint of some legislation which we have heretofore passed which deprives them of a part of their established income.

I know that these offices are exceedingly necessary and must be maintained. Whether we agree with the Taylor Grazing Act or would withdraw all the public domain from homesteading I do not think has anything to do with paying public servants a reasonable salary for the services rendered. I think the worker is entitled to his pay, and it is for this reason I am in favor of this bill. It has been my experience that in many cases these land offices will be open at midnight if you want to get certain information with reference to oil leases or any other information pertaining to public lands.

It is a class of work where they stand ready to serve all the time. As I see it, it is not a raise in salary; it recognizes the fact that the salary has been taken away from these people by reason of diminished fees under changed rules and regulations that we have passed; and I hope that the Members of this body will pass the bill and pay these servants what they are entitled to.

The Clerk read the bill for amendment.

Mr. DEROUEN. Mr. Chairman, I move the Committee do now rise and report the bill back to the House, with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RAMSPECK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill S. 2361, and had directed him to report the same back with the recommendation that it do pass.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. TABER) there were 73 ayes and 6 noes.

So the bill was passed.

A motion by Mr. DEROUEN to reconsider the vote was laid on the table.

ROGUE RIVER NATIONAL FOREST, OREG.

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 6678) to add certain lands to the Rogue River National Forest in the State of Oregon, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana to consider the bill in the House as in Committee of the Whole?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of forest management, watershed protection, and recreational use the north half northwest quarter section 3, the south half northwest quarter section 23, and the west half northeast quarter northeast quarter and the east half northwest quarter northeast quarter section 27, township 37 south, range 3 east, Willamette meridian, of revested Oregon and California land-grant lands are hereby added to and made a part of the Rogue River National Forest in the State of Oregon, subject to all laws and regulations governing national forests: *Provided*, That the Secretaries of the Interior and Agriculture shall jointly appraise and agree on the value of the said Oregon and California land-grant lands and shall certify the same to the Secretary of the Treasury. That the Secretary of the Treasury be, and he is hereby, authorized, upon notice of the appraisal by the Secretaries of the Interior and Agriculture, to transfer an equal amount of money from the national-forest receipts and credit the same to the Oregon and California land-grant fund, subject to all the laws and regulations governing the disposal of money received from the Oregon and California land-grant lands.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEWSPAPER CRITICISM ANSWERED

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Mason City Globe-Gazette of August 6, 1935, contained an editorial in which it is stated:

> WRIGHT PATMAN, Texas Representative in Congress, who has sought desperately in recent months to tie his overweening inflation ambitions to the tail of the American Legion's kite, is now resorting to the use of Government funds and facilities to vent his spleen on the Legion leaders who refused to truckle to his demands. Before us as we write this is an 8-page pamphlet headed "CONGRESSIONAL RECORD Mailed by the Texan at Government Expense * * *."
>
> Those familiar with Mr. PATMAN know that he isn't now and never was interested in the organization he seeks to dominate. His one idea in the field of economics is printing-press money. * * *
>
> At its Chicago national convention the American Legion went on record unequivocally as opposing a policy of inflation, a policy which would bring ruinously devalued dollars to disabled veterans dependent on a fixed compensation. Legion leaders were no less bound by this mandate than by the mandates calling for immediate payment of the bonus.

The first point I desire to discuss is about the use of Government funds to send speeches that were inserted in the CONGRESSIONAL RECORD through the mails without the payment of postage. The speeches were all paid for by me at a price that gives the Government a profit. The speech was on "Wake Up, Legionnaires." It is true that I have mailed them to every person who requested one and to every person whose name has been furnished to me with a request that a speech be sent.

No one would expect me to sit idly by and permit Commander Belgrano in the American Legion Monthly, and his hired hand, John Thomas Taylor, to abuse and misrepresent me and not attempt to answer him. I could not answer him through the American Legion Monthly, as space was denied me for that purpose. The only way I had to answer was through the CONGRESSIONAL RECORD, and since I was attacked in my official capacity, the distribution of my answer through

the mails was absolutely justified. I expect to continue to send out these speeches.

MASON CITY PAPER GETS $200 A DAY GOVERNMENT BOUNTY

Since the managing editor of this paper, whose personal views I am informed have always been in opposition to the payment of the adjusted-service certificates, has seen fit to bring up the question of postage, I desire to call his attention to the fact that the Government is losing more than $6,000 a month on the Mason City Globe-Gazette. Last year, from June 30, 1934, to June 30, 1935, this publication caused to be transported through the mails 886,203 pounds of newspapers. On every 19 copies transported through the mails the Government collected postage on 4 copies at the actual cost rate of transporting 4 copies through the mails and permitted 15 copies to be sent through the mails free of charge. This arrangement caused the Government to lose $72,125.41 on this one publication, representing the difference between what the publication paid to the Government as postage and what it actually cost the Government to render the service. Therefore the Mason City Globe-Gazette, at Mason City, Iowa, is receiving a $200-a-day bounty or bonus or subsidy from the Government and the people of this country. The managing editor criticizes me for sending a few speeches through the mail defending my official record. Such a criticism is unjustified and certainly comes with very poor grace from one who is using the mails free to carry paid advertisements for which he collects a revenue. More than 100,000 pounds of these publications were mailed by the Mason City Globe-Gazette in the county where published without paying one penny of postage whatsoever, as a newspaper does not pay postage on publications mailed to subscribers in the county where published.

NOT OBJECTING TO NEWSPAPER BOUNTY

I am not objecting to the Government allowing low postage rates to newspapers. It is said that George Washington first advocated it on the theory that the dissemination of knowledge and current information should be encouraged even to the extent of a Government bounty; that such publications receiving such privileges would be under obligation to the Government to furnish correct information and be absolutely fair in every way because they were receiving these benefits at the expense of the Government and the people. I am wondering, however, if the newspapers receiving this bounty aggregating $77,757,821.96 for the fiscal year ending 1934 and a similar sum for the fiscal year ending 1935, realize their duty to the public in receiving these benefits. Nothing should be done, however, that would retard the distribution of current information or that would retard the dissemination of knowledge, even if a loss to the Post Office Department is caused. Unless weekly papers were permitted to enjoy these privileges, and some of the smaller dailies, they would be forced out of existence by the State and national publications, and subscription rates would be so high the public would not pay them. It is not in the public interest for this great means of communication to the people to be in the hands of a few. Therefore the bounty is justified with the understanding that the newspapers recognize and perform a public service by giving their readers full, fair, and complete information on both sides of every public question.

WOULD NOT PUBLISH MY ANSWER

On the 28th day of July I addressed a letter to the editor of the American Legion Monthly and told him that since John Thomas Taylor had misrepresented me in an article in the July issue of the American Legion Monthly that I should be allowed to answer him in an issue of the same publication. This privilege was denied me. Mr. John T. Winterich, editor of the American Legion Monthly, wrote:

> I must honestly say that I do not see where it is either the duty or the obligation of the American Legion Monthly to consider a reply to Mr. Taylor's article over your signature, nor can I agree with you that a denial of your request is unfair.

In other words, it is all right for certain officials of the American Legion to attack me and frank the articles through the mails through their publications, but if I attempt to answer them and have the speeches printed at my own expense with a profit to the Government and send them through the mails in identically the same way, I am charged with the improper use of Government facilities. It would be very pleasing to them if I could not get my answer of their unfair and untruthful attacks to the veterans and the people. Their arguments will not stand the light, and they do not want an answer published.

SUBSIDY ENJOYED BY THE AMERICAN LEGION MONTHLY

During the year ending March 31, 1935, the American Legion Monthly transported through the mails 3,549,456 pounds of publications. It actually cost the Government $334,723.70 to render this service, and the American Legion publication paid only $53,062 in postage to the Government for rendering the service, making a net loss to the Government during this time of $281,661, or a loss to the Government of $23,488 a month, almost $1,000 a day. As I have heretofore said, I am not objecting to special postage rates for the American Legion or any other organization, but I do believe that when a publication is subsidized to the extent of almost $1,000 a day by the Government that the editor of such a publication should feel obligated to give one who has been attacked in the publication an opportunity to reply, thereby giving the readers both sides of the question.

AMERICAN LEGION GREAT ORGANIZATION

Contrary to the editorial, I am not attempting to dominate the American Legion. I am a very humble member of the American Legion, and I do have the interest of the American Legion at heart and will not knowingly do anything to injure it, but will gladly devote time and effort to assist the American Legion because I believe it is one of our greatest and most constructive organizations. In exposing certain elected leaders of the American Legion who have betrayed the rank and file, I am rendering the organization a service and not a disservice as the organization cannot possibly survive if a few members are allowed to use it for their own selfish, greedy interests.

KIND OF PRINTING-PRESS MONEY ADVOCATED

Let me discuss for a moment the kind of printing-press money I am interested in. I advocate in this bill an expansion of the currency, but without necessarily putting one extra dollar of money into circulation. My bill—H. R. 1—provides that the veteran who holds a Government obligation payable January 1, 1945, may deposit his obligation with the Government and receive new money in return for it in identically the same way and manner that Federal Reserve banks are allowed to deposit 1945 Government obligations and receive new money in return for them. If the money that is issued to the banks is good money, the money issued to the veterans will be good money. If it is fair for the banks, it is fair for the veterans. If the money issued to the banks is not printing-press money, the money issued to the veterans will not be printing-press money. The bill further provides that as the veterans are paid the Secretary of the Treasury may cause to be withdrawn an equal amount of Federal Reserve notes, thereby through this push-and-pull provision withdraw as much money from actual circulation as is put into actual circulation. If the editor of the Mason City Globe-Gazette will explain to me why it is unsound for veterans to get money this way and sound for banks to get money the same way, I will quit this fight. The method of payment is secondary with me. Our method was advocated to make the measure popular, since no new bonds, taxes, or interest would be required to make the payment.

AMERICAN LEGION RESOLUTION BOUGHT AND PAID FOR

The last part of the editorial quoted indicates that the editor of this paper is depending on the so-called "anti-inflation resolution" that was passed at the Chicago National Convention of the American Legion in 1933 as a storm center. The Wall Street gang that bought and paid for this resolution are claiming the same thing. Commander Belgrano has never, to my knowledge, made this contention. This is the resolution that Wall Street spent a tremendous amount of money to cause the adoption of. It is the resolution referred to in my speech, "Wake Up, Legionnaires." It is the same resolution that was intended for the Wall Street international bankers' interests. There is sworn testimony,

which I have in my possession—have only one copy and cannot get another one—to the effect that $74,000 in actual money was carried to the Chicago convention in the fall of 1933 and was used to buy the influence of certain leaders of the American Legion to get the so-called "anti-inflation" resolution through the Chicago convention. All the leaders are not guilty; only a few of them are guilty. A thorough investigation should be made by a congressional committee since the American Legion commander, Mr. Belgrano, has had an opportunity to make the investigation through Legion circles, promised to make it through Legion circles, promised to appropriate enough funds to cause the entire subject matter to be investigated, and has failed and refused to do so. The investigation should be made by Congress, the only body that has the power to examine witnesses and compel their attendance for the purposes of such an investigation.

DELEGATE TO ST. LOUIS CONVENTION

I do not expect to attempt to elect a national commander of the American Legion at St. Louis when the national convention convenes next month. My activity in this regard will be confined to voting as one delegate from Texas. I am not expecting to sponsor any candidate for national commander. I am anxious, however, for the kingmakers to be dethroned at the St. Louis convention, that a congressional investigation of Wall Street's connection with important official officeholders and former leaders of the American Legion be requested of Congress, that a resolution be passed endorsing full and immediate cash payment of the adjusted-service certificates, and a commander elected who will discharge John Thomas Taylor immediately and other harmful employees of the American Legion and will conscientiously and sincerely make every effort to carry out the mandate of the convention. I much prefer the opposition of a commander of the American Legion to the payment of the adjusted-service certificates than to have such cooperation as was given to us during this session of Congress—the kind that meant a lot of lip service for the veterans and their cause and a lot of head-and-foot work for Wall Street and international bankers. The politicians inside of the American Legion who are perpetuating the kingmakers in power are rendering the organization the most destructive service.

CLIMBING THE HILL OF RECOVERY

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an address delivered by my colleague, Mr. BOEHNE.

The SPEAKER. Is there objection?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, under leave to extend my remarks, I attach copy of an unusually able address given by my friend and colleague, Hon. JOHN W. BOEHNE, Jr., before the Indiana Democratic Editorial Association, at French Lick, Ind., on August 10, 1935. It is a comprehensive review of the progress made toward national recovery under the leadership of President Roosevelt and a brilliant answer to the prophets of gloom.

Mr. BOEHNE's quotation from President Lincoln's first inaugural address with respect to the Constitution and the Supreme Court should be read by all those who attended the recent "grass roots" convention.

Sometime ago your association decided to invite one Member of the Indiana Democratic delegation in Congress to speak for that delegation at your midsummer meetings. This honor has come to me this year, and I want to express to your committee and to your president my sincere thanks for the invitation that has been extended.

It is well-nigh an impossible job for one of the 11 Democrats from Indiana to speak with authority for the other 10. I can say without hesitation that all of them have convictions of their own and are not fearful of expressing them and voting them. On many occasions we do not vote as a unit, but be it said for the Record that all of them are Democrats from beginning to end.

I want to take this occasion to speak for a few moments about the House of Representatives itself, its connection with the executive branch of our Government, and its actions during the past 2½ years.

All of us recall the accusations made against the Congress, particularly the House of Representatives, in 1933, that it had suddenly gone mad, and that it had delegated most of its authority to the executive branch of the Government, that as a matter of fact Congress had become nothing more nor less than a rubber stamp faithfully abiding by the wishes of the autocrat in the White House. In order that we may have a composite picture, may I call to your attention the words expressed by Herbert Hoover, the last Republican President, at Des Moines, Iowa, on October 4, 1932:

"We have fought an unending war against the effect of these calamities upon our people. This is no time to recount the battles on a thousand fronts. We have fought the good fight to protect our people in a thousand cities from hunger and cold."

Evidently the battles he mentioned were not won, because 3 short months intervened and then the collapse came and with it an almost annihilation of confidence in those leaders who had been directing the forces against the enemy in this war. We remember the attempts at recovery made by that administration, but unfortunately these attempts were based on the wrong assumption of pouring in the top, hoping that it would filter through to the bottom and relieve him who needed relief most, Mr. Average American Citizen.

Then on March 4, 1933, we heard the following words from the new President of the United States:

"It is to be hoped that the normal balance of executive and legislative authority may be wholly adequate to meet the unprecedented task before us. But it may be that an unprecedented demand and need for undelayed action may call for temporary departure from that normal balance of public procedure.

"I am prepared under my constitutional duty to recommend the measures that a stricken nation in the midst of a stricken world may require. These measures, or such other measures as the Congress may build out of its experience and wisdom, I shall seek, within my constitutional authority, to bring to speedy adoption.

"But in the event that the Congress shall fail to take one of these two courses, and in the event that the national emergency is still critical, I shall not evade the clear course of duty that will then confront me. I shall ask the Congress for the one remaining instrument to meet the crisis—broad Executive power to wage a war against the emergency, as great as the power that would be given to me if we were in fact invaded by a foreign foe."

The emergency existed, the critical time was at hand, the request was made; and be it said to the credit of a Democratic Congress, broad emergency powers were delegated to the President of the United States in order that he could meet the foe who his predecessor said was in our midst. Within the short period of 100 days 14 major enactments were placed on the statute books, and the country applauded. Why? It applauded because of the speed, the patriotism, the self-sacrifice of individual opinions, and the cooperation with the Chief Executive of the United States displayed by that Democratic Congress. Not until 16 months later, when a partisan campaign was under way, was the cry of "rubber stamp" heard.

The legislation that has been enacted during the past 2 years is well known to all of us. Reform measures have been adopted, but above all the first consideration was recovery. Today the House of Representatives, believing that the most critical period in the history of our country is slowly passing out of sight, is again returning as a deliberative body of legislators, independent of any branch of government, exactly as the founders built it.

During the past few weeks we have witnessed many things which have a direct bearing on the question of whether or not the House of Representatives should remain truly representative of their particular constituency. It is a well-known fact that all of the people cannot assemble together, formulate a public policy, and put it into effect. They must therefore assign these tasks to a few of their number especially chosen for that purpose. These men are the peoples' representatives. At this point, let me make the statement that may be disputed by some but which I believe to be true in every sense of the word. A representative does not go to a legislature to represent the opinions of those who elect him; he goes there to represent them in the business of forming opinions. If his opinions turn out not to be the kind of opinions the voters like, their remedy is to vote for someone else at the next election. It is precisely to meet this situation that the Constitution of the United States provides for congressional elections every 2 years.

It is evident that if you elect a man to Congress and then get 5,000 people to send him telegrams telling him how to vote; if you send a paid lobbyist to him, who threatens him with defeat at the next election if he does not vote for a bill agreeable to the interest of lobbyist's clients; if you send a deputation to his office to demand that in some manner he is to be guided by the deputation's will and not by his own conviction; if you do these things, your man is no longer a representative; he is a delegate. The Democratic Members of Congress from Indiana are not delegates, but Representatives in Congress.

A week before last one of the Representatives from the State of Indiana, after due deliberation and without either administration or utility lobbying, and as a direct result of the devastating evidence presented by two investigating committees, one of which the junior Senator from Indiana is a member, decided that possibly he had cast the wrong vote on a certain important measure, and that in all probability his vote would be changed should an opportunity arise. Immediately certain Indiana Republican papers arose in their so-called "righteous wrath" to denounce him for having had the audacity to do what they termed "switched." I wonder what position these same editors would have taken had the situation been reversed. Suppose a Member had voted for the "death sentence" and later "repented" and decided at his

next opportunity to vote against it. Under those circumstances he would have been called a great patriot and an eminent statesman. The Democrats from the State of Indiana in Congress reserve the right to change their votes any time they please and without intimidation and coercion from any source whatever, and when they deny themselves that right they no longer ought to be Representatives in Congress.

Whenever there is a dull moment on the floor of the House of Representatives, and there are quite a few, because committees are working assiduously to complete the legislative program for this session, we often hear our friends of the minority tell us how terrible conditions are, how the depression is being prolonged by the antics of the majority, and these words were used by the Honorable HAMILTON FISH, Jr., of New York, a self-exposed, solitary, sublimated Republican candidate for the Presidency in 1936.

Just last week I was amused at a syndicated article which appeared in one of the Washington papers written by Raymond Clapper:

"They tell us that Roosevelt, the insidious Communist, is deliberately prolonging the depression. His reckless legislation is ruining the country. He has us hopelessly in debt. Business men are persecuted, harassed, afraid to make a move. Roosevelt has them down with his hands at their throats, and he won't let them get up. Things never will be right until he is thrown out, and along with him his dictatorship and regimentation.

"By the time you have read back to the financial pages, your flesh is creeping and you wonder how it happens that you are still spared from these things.

"If you glance at those business columns of dull statistics, reports to stockholders, trade reports, market tables, you will be able to discern what is happening under this oppressive regime of the camouflaged socialistic dictatorship. Automobile production is higher than in 1928, two and a half times as high as in 1932. Bank clearings for the country are a fourth higher than last year and in New York City they are up almost a third. Building contracts are up almost 20 percent above last year. On the west coast the Pacific Lighting Co. has current earnings of $4.05 a share instead of the $2.27 of last year. From Minnesota, where the United States Supreme Court let them have a farm moratorium, the Northwestern National Life Insurance Co. reports that among 10,000 of its policyholders the average mortgage load has gone down 10 percent in 2 years, and the average wealth of the families has gone up 16 percent. Power production passes the 1929 all-time peak. Steel is doing better than the summer average. Plate mills hit 85 percent capacity. Heavy industry is cheering for the first time in years. Farm prices soared to new highs of many years.

"It is all very confusing. One feels as bewildered as a pup with a flea on each ear."

It seems as though the battle cry of the enemy next year, for lack of any other issue, will be "Back to the Constitution", "Support the Supreme Court of the United States." Is there anyone who believes in the principles of the Democratic Party, who believes in Franklin D. Roosevelt, thinks that an attack is going to be made on the basic law of our land, tearing the work of a century and a half asunder, that the Government of the United States is to be changed from a democracy to an autocracy or even a socialized state, or that the Supreme Court will be abolished? It is interesting to the American people that a few weeks ago the great Republican Party held what was widely advertised as a "grass roots conference" in our neighbor State, in the city where lies all that is mortal of the Great Emancipator and the first Republican President of the United States, Abraham Lincoln, a man whose memory is sacred and whose name is revered by men of all political beliefs. It has seemed queer to me that it was necessary for the Republican Party to go back 74 years before it could find any member of its party who seemed to represent all that was high and noble of that party.

They seemed to have relegated to the scrap heap the doctrines and principles of all of those men who have held high positions and bore the emblem of the Republican Party, and among these I include the indomitable, trust-busting Theodore Roosevelt. I am wondering if these same people who worshiped at the shrine of the Great Emancipator a few weeks ago recalled to mind any utterance which Lincoln might have made bearing on the questions of the day. In order to refresh their memory let me repeat a few words from Lincoln's first inaugural address delivered March 4, 1861, at Washington:

"I do not forget the position assumed by some that constitutional questions are to be decided by the Supreme Court, nor do I deny that such decisions must be binding in any case upon the parties to a suit, as to the object of that suit, while they are also entitled to a very high respect and consideration in all parallel cases by all other departments of the Government; and, while it is obviously possible that such decision may be erroneous in any given case, still the evil effect following it, being limited to that particular case, with the chance that it may be overruled and never become a precedent for other cases, can better be borne than could the evils of a different practice.

"At the same time the candid citizen must confess that, if the policy of the Government upon the vital question affecting the whole people is to be irrevocably fixed by the decisions of the Supreme Court, the instant they are made, as in ordinary litigation between parties in personal action, the people will have ceased to be their own masters, unless having to that extent practically resigned their Government into the hands of that eminent tribunal."

I quote this statement to show that the Constitution of the United States is now, as it always has been, in the hands of its friends, the people of the United States, and is not the possession of a proud but prostrate political party that seeks its own resurrection through the demagoguery of some of its prominent adherents.

Next year will be an election year. Between now and then vituperation of the vilest sort will be heaped upon the President of the United States and those who believe in him. As was stated in an editorial of a leading newspaper not so long ago—

"We may like him, or we may not like him. We may think him all-wise, or we may think him blundering. Anyway, he is at the wheel—put there by the greatest national vote ever given an American President. To try to wreck Roosevelt now is insanity. He cannot be wrecked without wrecking the Nation. Run him into the ditch and American industry and labor go with him. Then we are all through—for a longer time than is pleasant to contemplate."

The people elected Franklin D. Roosevelt in 1932 under an overwhelming mandate to reverse the Bourbon policy of his predecessors. In 1934, with an even greater unanimity, they endorsed what he had done and they demanded that he continue. The Democrats of Indiana will not desert the leader of their party and the leader of the people, and will return him and all of his supporters in 1936; and in this battle you, as Democratic editors, will be in the first line of trenches, not defending but going forward with those who have made progress possible in these United States.

WHITMAN NATIONAL MONUMENT

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 7736) to provide for the establishment of the Whitman National Monument, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

The SPEAKER. Under the rule, the House will automatically resolve itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. RAMSPECK in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. DEROUEN. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. KNUTE HILL].

Mr. KNUTE HILL. Mr. Chairman, this is a bill to change a local park near Walla Walla in the State of Washington in commemoration of Marcus Whitman, who came out there in 1836, to a national monument. The people are willing to donate the land and the monument now there. It does not cost the Government a cent.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KNUTE HILL. Yes.

Mr. MARTIN of Massachusetts. This is land to be donated to the Government?

Mr. KNUTE HILL. Yes.

Mr. MARTIN of Massachusetts. How much will the maintenance cost?

Mr. KNUTE HILL. It will probably amount to very little.

Mr. MARTIN of Massachusetts. Of course, there will be some expenditure of money or the bill would not be here. How much is it to be?

Mr. KNUTE HILL. I could not say how much that would be; but the gentleman will agree that Marcus Whitman is one of our outstanding historical characters.

Mr. MARTIN of Massachusetts. How many jobs will be created by virtue of this bill?

Mr. KNUTE HILL. I do not think there will be any.

Mr. MARTIN of Massachusetts. Somebody has to take care of the place.

Mr. KNUTE HILL. Probably a caretaker there.

Mr. SNELL. Is not it the intention that eventually the Government will do something to develop this property or put up a monument?

Mr. KNUTE HILL. The monument is already there.

Mr. SNELL. What is the purpose of transferring it to the Federal Government?

Mr. KNUTE HILL. To make a national monument instead of a local affair.

Mr. SNELL. It seems to me that by taking over all of these various monuments in different parts of the country we are cheapening the whole national monument park service.

Mr. KNUTE HILL. You have been doing it in the East and are not we entitled to do it in the West?

Mr. SNELL. I think you are, if we have been doing it in the East, but I am opposed to all such things. I opposed one in my own State today. I am against that policy. I do not think we ought to take care of these parks all over the United States. There are at least a dozen on the calendar at the present time. Various Members come here asking us to take over this or that park or monument. I think it is a wrong policy, and it is cheapening the National Park Service. Individually I am opposed to it in every part of the country, not alone in my own State but in other States of the Union.

Mr. KNUTE HILL. I believe Marcus Whitman was an outstanding historical character, and without him we would not have the Northwest.

Mr. SNELL. I cannot see any reason why the Federal Government should take over all of these and assume the expense of taking care of them. It has never been the policy of the Government up to the past few months.

Mr. KNUTE HILL. I repeat, you have been doing it in the East and I think we are entitled to it in the West.

Mr. SNELL. But the gentleman knows that I am consistent in my opposition. I am opposed to all of them.

Mr. CARLSON. The gentleman stated that it would not cost anything. I read from page 1, line 10, of the bill:

In the event the Secretary is unable to acquire such property, or any part thereof, at a reasonable price, he is authorized and directed to condemn such property or any part thereof, in the manner provided by law.

Mr. KNUTE HILL. I think that has been changed.

Mr. DEROUEN. There is an amendment to that.

Mr. KNUTE HILL. There is no cost to the Government except the maintenance afterward.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. KNUTE HILL. Yes.

Mr. PIERCE. Is it not true that this commemorates the life and character of two of the most wonderful of all of the explorers of America, Marcus Whitman and his wife? It is a little matter.

Mr. SNELL. But does not the gentleman know that there are thousands of people in the United States who perhaps might be entitled to have their life and character memorialized by the Federal Government?

Mr. PIERCE. The park is there; it is a national monument, or should be; not a State or local monument. Unparalleled was the ride of Whitman and his wife from the Missouri River into that great Northwest, with nothing except their religious zeal to convert the Indians and civilize them. Then, when they learned of the movement of the British to acquire the Northwest Territory, back Dr. Whitman rode in the wintertime clear into the city of Washington, and it was his influence that probably did more than anything else to save Oregon to the National Union.

Mr. SNELL. Each one in itself is small, but, taken all together, we are making a terrific load for the Federal Government. I appreciate that if you gentlemen decide to put it through you can do it. I am not going to ask for a roll call, but I want to definitely go on record as against this policy.

Mr. TABER. Mr. Chairman, I ask for recognition.

The CHAIRMAN. Is there any member of the committee who desires recognition in opposition to the bill? [After a pause.] If not, the gentleman from New York [Mr. TABER] is recognized.

Mr. TABER. Mr. Chairman, it seems to me it is time for us to stop spending money continuously. We are going to have monuments all over the United States. We are going ahead so fast now that when the committee reports on these bills they do not even ask the Secretary of the Interior, as they did 2 or 3 months ago, whether he would approve the bills or not. There is nothing said about the thing in the report. Under all the circumstances, I hope this House will not approve of this bill. I presume that Marcus Whitman was a great character. I presume that his wife was a great character, but I do not believe it is fair to the people of the United States who have to pay the taxes to put this additional burden on their shoulders. They already have this monument. It is going along all right. It is being maintained all right. Why should we not let it go at that?

Mr. DEROUEN. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, one of the most impressive addresses I ever had the privilege of reading was a speech made by President Harding memorializing the life and services of Marcus Whitman. Out in the three great northwestern States of Oregon, Idaho, and Washington there are very few historical monuments. In the East we find them everywhere. They are maintained by the Government. The site of Marcus Whitman's mission and the place where he trained the Indians is now owned partly by the State of Washington. If we can turn this into a national monument it will be a source of pride to the people of the country and an inspiration to the rising generation.

I certainly think it would be a serious mistake on the part of this House to deny the people of the Northwest the privilege of commemorating the achievements of Marcus Whitman, to whom President Harding in his memorial address gave credit for saving the great Northwest Territory to the Nation.

I hope you will vote for this bill.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to acquire, on behalf of the United States, by gift or purchase, the site of the Indian mission established in 1836 by Marcus Whitman on the Walla Walla River in what is now Walla Walla County, Wash., together with such additional land, including a right-of-way to the nearest highway, as the Secretary may deem necessary to carry out the purposes of this act. In the event the Secretary is unable to acquire such property, or any part thereof, at a reasonable price, he is authorized, and directed to condemn such property, or any part thereof, in the manner provided by law.

SEC. 2. The property acquired under the provisions of section 1 of this act shall constitute the Whitman National Monument and shall be a public national memorial to Marcus Whitman and his wife, Narcissa Prentiss Whitman, who here established their Indian mission and school, and ministered to the physical and spiritual needs of the Indians until massacred with 12 other persons in 1847. The Director of the National Park Service, under the direction of the Secretary of the Interior, shall have the supervision, management, and control of such national monument, and shall maintain and preserve it for the benefit and enjoyment of the people of the United States.

SEC. 3. The Secretary of the Interior is authorized, in his discretion, to construct roads, and mark with monuments, tablets, or otherwise, historical points of interest within the boundaries of the Whitman National Monument.

SEC. 4. Any State, or political subdivision thereof, organization, or individual may, with the approval of the Secretary of the Interior, erect monuments or place tablets within the boundaries of the Whitman National Monument.

SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

With the following committee amendment:

On page 1, line 4, strike out the words "or purchase."

The committee amendment was agreed to.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 2, line 16, strike out all of section 3.

Mr. TABER. Mr. Chairman, this bill authorizes the Secretary of the Interior in his discretion to construct roads and mark with monuments, tablets, or otherwise, historical points of interest.

Mr. ROBINSON of Utah. I think the committee will consent that that section may go out.

Mr. TABER. The committee will accept the amendment?

Mr. ROBINSON of Utah. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER.]

The amendment was agreed to.

Mr. TABER. Mr. Chairman, I move to strike out the last word of section 1 for the purpose of asking a question.

Page 1, lines 7 to 10, read:

Together with such additional land, including a right-of-way to the nearest highway, as the Secretary may deem necessary to carry out the purposes of this act.

Does that mean to imply that we are expecting a road to be built there?

Mr. KNUTE HILL. There is already a road built out to the main road going to Walla Walla.

Mr. TABER. The road is already there?

Mr. KNUTE HILL. Yes. It is a country road.

Mr. TABER. Then the bill goes on to state:

In the event the Secretary is unable to acquire such property, or any part thereof, at a reasonable price, he is authorized and directed to condemn such property or any part thereof, in the manner provided by law.

In view of the committee amendment which takes out the words "or purchase", it seems to me that that sentence beginning with "In the event" ought to go out.

Mr. ROBINSON of Utah. The committee has no objection to that.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 1, line 10, beginning with the word "In", strike out the balance of the paragraph.

The amendment was agreed to.

Mr. DEROUEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RAMSPECK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 7736, and directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. DEROUEN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. Without objection, the section numbers of the bill will be corrected by the Clerk.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

MEDICINE BOW NATIONAL FOREST

Mr. DEROUEN. Mr. Speaker, I call up the bill (S. 2695) to add certain lands to the Medicine Bow National Forest, Wyo.

The Clerk read the title of the bill.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following-described lands are hereby added to the Medicine Bow National Forest, Wyo., and made subject to all laws and regulations applicable to such forest, and subject to all valid existing rights:

Sections 4 to 9, inclusive; sections 17 to 19, inclusive, township 24 north, range 70 west, sixth principal meridian.

Sections 4 to 9, inclusive; section 18, township 25 north, range 70 west, sixth principal meridian.

Sections 6 and 7; sections 19 to 21, inclusive; sections 28 to 33, inclusive, township 26 north, range 70 west, sixth principal meridian.

South half section 7; south half section 8; south half section 9; sections 16 to 19, inclusive; sections 30 and 31, township 27 north, range 70 west, sixth principal meridian.

Sections 6, 7, 18, 19, and 30, township 28 north, range 70 west, sixth principal meridian.

Sections 1 to 4, inclusive; sections 8 to 17, inclusive; sections 20 to 28, inclusive; sections 33 to 36, inclusive, township 24 north, range 71 west, sixth principal meridian.

Sections 1 to 5, inclusive; east half section 6; east half section 7; sections 8 to 16, inclusive; sections 21 to 28, inclusive; sections 33 to 36, inclusive, township 25 north, range 71 west, sixth principal meridian.

Sections 1 to 30, inclusive; east half and east half west half section 31; sections 32 to 36, inclusive, township 26 north, range 71 west, sixth principal meridian.

Sections 3 to 10, inclusive; sections 13 to 36, inclusive, township 27 north, range 71 west, sixth principal meridian.

Sections 1 to 5, inclusive; sections 8 to 15, inclusive; sections 21 to 34, inclusive, township 28 north, range 71 west, sixth principal meridian.

Sections 35 and 36, township 29 north, range 71 west, sixth principal meridian.

Sections 1 to 31, inclusive, township 26 north, range 72 west, sixth principal meridian.

Entire township, township 27 north, range 72 west, sixth principal meridian.

Sections 7 to 10, inclusive; sections 15 to 23, inclusive; sections 25 to 36, inclusive, township 28 north, range 72 west, sixth principal meridian.

Sections 2 and 3, township 25 north, range 73 west, sixth principal meridian.

Entire township, township 26 north, range 73 west, sixth principal meridian.

Entire township, township 27 north, range 73 west, sixth principal meridian.

Entire township, township 28 north, range 73 west, sixth principal meridian.

Sections 5 to 10, inclusive; sections 15 to 22, inclusive; sections 26 to 36, inclusive, township 29 north, range 73 west, sixth principal meridian.

Section 31, township 30 north, range 73 west, sixth principal meridian.

Sections 1, 12, 13, 24, 25, and 36, township 26 north, range 74 west, sixth principal meridian.

Section 1; east half section 11; sections 12 to 14, inclusive; sections 23 to 26, inclusive; north half section 35; section 36, township 27 north, range 74 west, sixth principal meridian.

Section 1; sections 5 to 8, inclusive; sections 12 to 25, inclusive; sections 27 to 31, inclusive; section 36, township 28 north, range 74 west, sixth principal meridian.

Section 1; east half section 2; sections 11 to 14, inclusive; sections 18 and 19; east half section 23; sections 24 and 25; sections 29 to 32, inclusive; section 36, township 29 north, range 74 west, sixth principal meridian.

Section 36, township 30 north, range 74 west, sixth principal meridian.

Sections 1 to 18, inclusive; sections 20 to 28, inclusive; sections 34 to 36, inclusive, township 28 north, range 75 west, sixth principal meridian.

Sections 2 to 36, inclusive, township 29 north, range 75 west, sixth principal meridian.

Sections 3 to 5, inclusive; sections 8 to 11, inclusive; sections 13 to 24, inclusive; sections 26 to 35, inclusive, township 30 north, range 75 west, sixth principal meridian.

Sections 1 to 28, inclusive; sections 35 and 36, township 29 north, range 76 west, sixth principal meridian.

Sections 2 to 10, inclusive; sections 15 to 36, inclusive, township 30 north, range 76 west, sixth principal meridian.

Sections 20 to 22, inclusive; sections 27 to 35, inclusive, township 31 north, range 76 west, sixth principal meridian.

Sections 1 to 3, inclusive; section 12; east half section 13, township 29 north, range 77 west, sixth principal meridian.

Sections 1 to 3, inclusive; east half section 4; east half section 9; sections 10 to 36, inclusive, township 30 north, range 77 west, sixth principal meridian.

East half section 16; east half section 21; east half section 28; east half section 33; sections 15, 22, 26, 27, 34, 35, 36, township 31 north, range 77 west, sixth principal meridian.

Sections 13, 14, 23, and 24, township 30 north, range 78 west, sixth principal meridian.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROGUE RIVER NATIONAL FOREST, OREG.

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 8312) to add certain lands to the Rogue River National Forest in the State of Oregon.

The Clerk read the title of the bill.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of forest management and municipal watershed protection, the following-described lands are hereby added to and made a part of the Rogue River National Forest in the State of Oregon and shall hereafter be administered subject to all the laws and regulations governing the national forests: Sections 31 to 35, inclusive, township 39 south, range 1 west; sections 2 to 11, inclusive, and sections 14 to 36,

inclusive, township 40 south, range 1 west; section 1, and sections 11 to 36, inclusive, township 40 south, range 2 west, all Willamette base and meridian: *Provided*, That this action shall, as to all lands which are at this date legally appropriated under the public-land laws or reserved for any purpose, be subject to and shall not interfere with or defeat legal rights under such appropriation, nor prevent the use for such public purposes of lands so reserved so long as such appropriation is legally maintained or such reservation remains in force.

SEC. 2. The Secretaries of the Interior and Agriculture shall jointly appraise and agree on the value of all of the above-described lands which were formerly a part of the Oregon & California Railroad land grant and title to which revested in the United States under the provisions of the act of June 9, 1916 (39 Stat. 218), and shall certify such value to the Secretary of the Treasury.

SEC. 3. That the Secretary of the Treasury be, and is authorized, upon receipt of the certificate from the Secretaries of the Interior and Agriculture provided in section 2 hereof, to transfer from the national forest receipts and credit to the Oregon & California land-grant fund as defined by section 10, said act of June 9, 1916, an amount of money equal to the amount certified by the Secretaries of the Interior and Agriculture as being the value of the former Oregon & California Railroad grant lands given a national forest status by the provisions of this act: *Provided*, That the money transferred to the Oregon & California land-grant fund shall be subject to all the laws and regulations governing the disposal of money received from the Oregon & California land-grant lands.

With the following committee amendment:

Page 2, strike out sections 2 and 3; and on page 3, strike out the first five lines and insert in lieu thereof the following:

"SEC. 2. That when the Secretary of Agriculture finds that merchantable timber may be cut without detriment to the purity or depletion of the water supply from such of the above-described lands title to which has been revested in the United States under the act of Congress approved June 9, 1916 (39 Stat. 218), said Secretary is hereby authorized to dispose of such merchantable timber on such lands in accordance with the rules and regulations of the Secretary of Agriculture for the national forests and the entire proceeds of any such sale shall be deposited in the Treasury of the United States in a special fund designated 'The Oregon and California Land Grant Fund', referred to in section 10 of the said act of June 9, 1916, and be disposed of in the manner therein designated."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOMESTEAD SETTLERS

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 8133) to authorize certain homestead settlers or entrymen who are disabled World War veterans to make final proof of their entries, and for other purposes.

The Clerk read the title of the bill.

Mr. MILLARD. Mr. Speaker, I suggest the absence of a quorum. We have been here since 11 o'clock, 6 hours and 5 minutes. Not more than 50 Members of the House are present. I suggest the absence of a quorum.

Mr. BURDICK. Mr. Speaker, will the gentleman withdraw his point of order?

Mr. MILLARD. No; I cannot.

Mrs. GREENWAY. Mr. Speaker, will not the gentleman withdraw his point of order?

Mr. MILLARD. Mr. Speaker, I give way to my friend from Arizona. Mr. Speaker, I withdraw the point of order.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any settler or entryman under the homestead laws of the United States who on or after April 6, 1917, and prior to November 12, 1918, enlisted or was actually engaged in the United States Army, Navy, or Marine Corps during the war with Germany, who was honorably discharged from such service, who settled, entered upon, or applied for public lands and who because of physical incapacities is unable to perform the prescribed residential and improvement and other requirements may make proof without further residence, improvement, or cultivation, at such time and place as may be authorized and under such regulations to be issued by the Secretary of the Interior, and receive patent to the land by him so entered or settled upon.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GILLETTE, indefinitely, on account of serious illness in family.

To Mr. MAY (at the request of Mr. SPENCE), indefinitely, on account of illness.

To Mr. MITCHELL of Illinois, for 1 week, on account of urgent business.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly an enrolled joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 290. A joint resolution to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 6453. An act to amend the act of May 13, 1934, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", etc., as amended by the public resolution of March 3, 1927; and

H. R. 8963. An act granting the consent of Congress to the State of Connecticut and Middlesex County to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Middletown, Conn.

Mr. MILLARD. Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. Evidently there is not a quorum present.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask the gentleman from New York to withdraw his point of order for a moment to permit me to submit a unanimous-consent request.

The SPEAKER. The gentleman cannot withdraw the point of order, for the Chair has already declared the absence of a quorum and the record so shows.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Thursday, August 15, 1935, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MURDOCK: Committee on Indian Affairs. H. R. 8655. A bill providing for the transfer of certain Government property in Wisconsin to the State; with amendment (Rept. No. 1795). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 2148. An act to provide for the leasing of restricted Indian lands of Indians of the Five Civilized Tribes in Oklahoma; without amendment (Rept. No. 1796). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 9114. A bill to abolish the oath required of customs and internal revenue employees prior to the receipt of compensation, and for other purposes; without amendment (Rept. No. 1797). Referred to the Committee of the Whole House on the state of the Union.

Mr. CITRON: Committee on the Judiciary. H. R. 7293. A bill to amend the act approved June 16, 1934, entitled "An

act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes"; with amendment (Rept. No. 1798). Referred to the Committee of the Whole House on the state of the Union.

Mr. CALDWELL: Committee on Foreign Affairs. House Joint Resolution 365. Joint resolution providing for participation by the United States in the Pan American Exposition to be held in Tampa, Fla., in the year 1939 in commemoration of the four-hundredth anniversary of the landing of Hernando De Soto in Tampa Bay, and for other purposes; without amendment (Rept. No. 1799). Referred to the Committee of the Whole House on the state of the Union.

Mr. SAMUEL B. HILL: Committee on Ways and Means. H. R. 9100. A bill to stabilize the bituminous-coal mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous-coal resources of the United States; to provide for the general welfare, and for other purposes; and providing penalties; without amendment (Rept. No. 1800). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of Maryland: Committee on Interstate and Foreign Commerce. H. R. 9053. A bill to regulate interstate and foreign commerce in petroleum and petroleum products, to establish the Petroleum Administrative Board, and for other purposes; with amendment (Rept. No. 1801). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND: A bill (H. R. 9130) to authorize the incorporated city of Skagway, Alaska, to undertake certain municipal public works, and for such purpose to issue bonds in any sum not exceeding $12,000, and for other purposes; to the Committee on the Territories.

By Mr. McSWAIN: A bill (H. R. 9131) to promote the efficiency of the Air Corps; to the Committee on Military Affairs.

By Mr. ZIONCHECK: A bill (H. R. 9132) to amend the act granting the consent of Congress for the construction of a bridge across Port Washington Narrows in the State of Washington; to the Committee on Interstate and Foreign Commerce.

By Mr. DEAR: A bill (H. R. 9133) to amend an act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928; to the Committee on Flood Control.

By Mr. BOILEAU: A bill (H. R. 9134) to establish the Department of National Defense, to limit the activities of the national-defense establishments to defense purposes only, to make such establishments instruments of national peace, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. SIROVICH: Resolution (H. Res. 339) for the investigation of financial, operative, and business irregularities and illegal actions by interests inside and outside the motion- and sonant-picture industry; to the Committee on Rules.

By Mr. FADDIS: Joint resolution (H. J. Res. 379) to prevent the importation of certain products; to the Committee on Ways and Means.

By Mr. MARTIN of Massachusetts: Joint resolution (H. J. Res. 380) to suspend the payment of cotton processing taxes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Br. BOILEAU: A bill (H. R. 9135) granting a pension to Edwin H. Tarbox; to the Committee on Pensions.

By Mr. CULKIN: A bill (H. R. 9136) granting an increase of pension to Ella E. Terryll; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9137) granting an increase of pension to Ann J. Gregg; to the Committee on Invalid Pensions.

By Mr. JENKINS of Ohio: A bill (H. R. 9138) granting a pension to John Henry; to the Committee on Pensions.

By Mr. KRAMER: A bill (H. R. 9139) granting a pension to Lily F. Cunningham; to the Committee on Pensions.

By Mr. PETERSON of Florida: A bill (H. R. 9140) granting a pension to Huldah M. Martin; to the Committee on Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 9141) for the relief of James Reed; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9309. By Mr. CULKIN: Petition of the Department of Labor of the State of New York, urging that a joint resolution be passed authorizing the several States to negotiate compacts or agreements to promote greater uniformity in the laws of such States affecting labor and industries; to the Committee on Labor.

9310. By Mr. O'CONNELL: Petition appealing to secure action by Congress and the President to express to the German Government the abhorrence and condemnation of the American people of its policy of oppression and persecution of Jews, Catholics, Protestants, and all minor groups in that country; to the Committee on Foreign Affairs.

SENATE

THURSDAY, AUGUST 15, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, August 14, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Logan	Robinson
Ashurst	Connally	Lonergan	Russell
Austin	Copeland	McAdoo	Schall
Bachman	Costigan	McCarran	Schwellenbach
Bailey	Davis	McGill	Sheppard
Bankhead	Dieterich	McKellar	Shipstead
Barbour	Fletcher	McNary	Smith
Barkley	Frazier	Maloney	Steiwer
Bilbo	George	Metcalf	Thomas, Okla.
Black	Gerry	Minton	Thomas, Utah
Bone	Gibson	Moore	Townsend
Borah	Glass	Murphy	Trammell
Brown	Gore	Murray	Truman
Bulkley	Guffey	Neely	Tydings
Bulow	Hale	Norbeck	Vandenberg
Burke	Harrison	Norris	Van Nuys
Byrd	Hatch	Nye	Wagner
Byrnes	Hayden	O'Mahoney	Walsh
Capper	Johnson	Overton	Wheeler
Caraway	King	Pittman	White
Carey	La Follette	Radcliffe	
Chavez	Lewis	Reynolds	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. HOLT] is absent because of illness, and that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE] are necessarily detained from the Senate.

Mr. VANDENBERG. I announce that my colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. KEYES], the Senator from Delaware [Mr. HASTINGS], and the Senator from Iowa [Mr. DICKINSON] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

REGULATION OF COMMERCE IN PETROLEUM—MOTION TO RECONSIDER WITHDRAWN

Mr. GEORGE. Mr. President, yesterday I gave notice of a motion to reconsider the vote by which Senate bill 2027, to regulate commerce in petroleum, was passed. I desire to withdraw the notice.

The VICE PRESIDENT. The notice is withdrawn.

PETITION

Mr. COPELAND presented resolutions adopted by the Steuben County (N. Y.) Bar Association, favoring the enactment of the bill (S. 2944) to prevent and make unlawful the practice of law before Government departments, bureaus, commissions, and their agencies by those other than duly licensed attorneys at law, which were ordered to lie on the table.

DEPORTATION OF ALIENS

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution of Commune 67, P. N. A., of Utica, N. Y., protesting against the proposal to deport certain aliens from the United States.

There being no objection, the resolution was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Resolution of Commune 67, P. N. A., Utica, N. Y.

We, delegates of Commune No. 67 of P. N. A., of Utica, N. Y., at a regular meeting held on the 28th day of July 1935 at Polish Community Home, having heard read to us a news item about a proposed bill to deport 6,000,000 foreigners from this country, and having heard several delegates concerning said proposed bill, and having given the subject matter due and serious consideration, we do hereby resolve as follows:

Whereas Commune 67 of P. N. A. represents over 2,300 members, who once were all foreigners and now about 80 percent of them are naturalized citizens; and

Whereas the foreigners in this country played a major part in developing our cities, railways, highways, and natural resources, particularly along the lines of manual labor; and

Whereas said foreigners have spent their vigor, youth, strength, and spirit for the betterment of this country; and

Whereas we feel that it would be an inhuman and brutal act to deport these wasted foreign humans, who gave everything for this country: Now, therefore, from a sense of human justice to said foreigners, be it

Resolved, That the honorable Senators of this State and the honorable Congressman from this district be, and they hereby are, heartily invited to oppose such proposed legislation, both in argument and in act; and be it further

Resolved, That a copy of this resolution be at once transmitted to honorable Senators Mr. COPELAND and Mr. WAGNER and to our honorable Congressman, Mr. F. SISSON.

STANLEY W. SZLOSEK,
S. SKUESKI.
A. W. ALEKOWSKI,
Committee on Resolutions.
J. SAMEL,
Recording Secretary.

LICENSED CUSTOMS BROKERS

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I have received from the New York Customs Brokers' Association, Inc., of New York, with an accompanying resolution, disapproving sections 6, 7, and 8 of Senate bill 3286, affecting licensed customs brokers.

There being no objection, the letter, with the accompanying paper, was ordered to lie on the table and to be printed in the RECORD, as follows:

THE NEW YORK CUSTOMS BROKERS ASSOCIATION, INC.,
New York, August 12, 1935.

Hon. ROYAL S. COPELAND,
United States Senator, Senate Office Building,
Washington, D. C.

DEAR SENATOR: I am enclosing herewith a copy of a resolution passed in an open meeting of all the customs brokers located in the port of New York, held on August 8, 1935, which was unanimously adopted, disapproving sections 6, 7, and 8 of Senate bill S. 3286, affecting licensed customs brokers and depriving them of the right of appeal to the United States courts, as is now granted under section 641 of the Tariff Act of 1930.

The law as it now stands is fair and protects the interests of both the Government and the customs brokers, and there is, therefore, no need of any amendments to the law as it now stands. Since section 641 (supra) was adopted there have been only about five suspensions of customs brokers which in itself is absolute proof that the present law is sufficient for the protection of all concerned.

We trust that you will see the fairness of this plea and that you will put forth your efforts to maintain the right of appeal to the customs brokers which is the constitutional right of every American citizen, and would affect the livelihood of the customs brokers and their many employees and their families.

Yours respectfully,

NEW YORK CUSTOMS BROKERS ASSOCIATION, INC.,
By H. H. ROESE, *Secretary.*

Resolution unanimously adopted at an open meeting of the customs brokers held in the city of New York on August 8, 1935

Resolved, That the New York Customs' Brokers Association for the following reasons strongly disapprove sections 6, 7, and 8 of Senate bill 3286 and H. R. 8834, now pending in Congress, by which section 641 of the Tariff Act of 1930 is proposed to be amended:

1. Because the bills as drawn seek to make the livelihood of a customs broker entirely dependent upon the will of the Secretary of the Treasury by the suspension or revocation of his license without the right of an accused broker to a specific statement of such charges as may be made against him; without the right of representation by counsel; the right to have presented at such hearing all proceedings, including the proof of the charges; the right of cross-examination; the right to a copy of the stenographic record of the hearing, all of which safeguards are now provided for by law and which the bills seek to destroy.

2. Because the bills also seek to deprive him of his constitutional and inherent right to an appeal from the Secretary's decision to a court of law by repealing the section under which he now has that right.

3. Because the bills as drawn, if, indeed, not depriving him of his common-law right to his day in court through the repeal of the right now given him, would permit the Secretary to destroy at once his business by arbitrary suspension or revocation, causing irreparable injury which could not be redressed even by a common-law application to the courts, inasmuch as he would be barred from pursuing his vocation during the pendency of his application. If successful after litigation, his would be an empty victory, since the nature of his business is such that his clients would be forced to turn their business, involving entering their goods at the customhouse, to others.

4. That according to the reports of Senator WALSH and of the Acting Secretary of the Treasury the ostensible purpose is to place brokers practicing before the Treasury Department on the same footing as agents, attorneys, and others there practicing and it is the fact well known to the instigators of the bills that very few brokers really practice before the Department and those that do are already on the exact footing of agents, attorneys, and others by regulation of the Department itself (Department Circular No. 230, sec. 5, T. D. 48321) under which he is subject to all the provisions and must abide by the rules and regulations of the Department exactly the same as agents, attorneys, and others.

5. Because the present law has been found most satisfactory and sufficient and in the belief of the association is so considered by experienced administrators in the Bureau of Customs at Washington and by collectors and other administrators of the customs law throughout the country; be it further

Resolved, That a copy of this resolution be forwarded to Senators DAVID I. WALSH, ROBERT WAGNER, and ROYAL COPELAND, to Congressman JOHN W. MCCORMACK, to every Congressman of New York City, and to such other officials as the board of directors may deem necessary or expedient.

REPORTS OF COMMITTEES

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 3092) to provide funds for cooperation with White Bird School District, Sioux County, N. Dak., for extension of public-school buildings to be available for Indian children, reported it with amendments and submitted a report (No. 1300) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 258. A bill for the relief of Emma B. Hine (Rept. No. 1301);

H. R. 704. A bill for the relief of Thelbert Davis (Rept. No. 1302);

H. R. 1437. A bill for the relief of August A. Carminati (Rept. No. 1303);

H. R. 2319. A bill for the relief of Oswald Orlando (Rept. No. 1304);

H. R. 2411. A bill for the relief of E. F. Purvis (Rept. No. 1305);

H. R. 2432. A bill for the relief of the Weis-Patterson Lumber Co., Inc. (Rept. No. 1306);

H. R. 2730. A bill for the relief of Thomas Harris McLaughlin (Rept. No. 1307);

H. R. 2970. A bill for the relief of Jose Munden (Rept. No. 1308);

H. R. 3202. A bill for the relief of W. H. Greene (Rept. No. 1309);

H. R. 3282. A bill for the relief of Nina Drips (Rept. No. 1310);

H. R. 3509. A bill for the relief of the legal guardian of Nick Vasilzevic (Rept. No. 1311);

H. R. 3546. A bill for the relief of Sarah Elizabeth Ballentyne (Rept. No. 1312);

H. R. 4568. A bill for the relief of Forrest D. Stout (Rept. No. 1313);

H. R. 5347. A bill for the relief of Bertha Moseley Bottoms (Rept. No. 1314);

H. R. 5492. A bill for the relief of Henry Scipper (Rept. No. 1315);

H. R. 5550. A bill for the relief of Malachy Ryan (Rept. No. 1316);

H. R. 5816. A bill for the relief of May C. Gustin (Rept. No. 1317); and

H. R. 5971. A bill for the relief of Charles Pine (Rept. No. 1318).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2040) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof, reported it with amendments and submitted a report (No. 1319) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 2469) for the relief of E. L. Hice and Lucy Hice, reported it with an amendment and submitted a report (No. 1320) thereon.

He also, from the same committee, to which was referred the bill (S. 1358) for the relief of Irene Magnuson and Oscar L. Magnuson, her husband, reported it with amendments and submitted a report (No. 1321) thereon.

Mr. WHITE, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1827. A bill for the relief of Lucille McClure (Rept. No. 1322); and

S. 3088. A bill for the relief of Mearon Perkins (Rept. No. 1323).

Mr. WHITE also, from the Committee on Claims, to which was referred the bill (S. 2980) for the relief of Ruby Rardon, reported it with amendments and submitted a report (No. 1324) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 1837) for the relief of W. W. Cook, reported it without amendment and submitted a report (No. 1325) thereon.

He also, from the same committee, to which was referred the bill (S. 657) for the relief of J. R. Osgood, reported it with amendments and submitted a report (No. 1326) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 2519) directing the Court of Claims to adjudicate the claims of the F. Mansfield & Sons Co. and others for compensation for injuries to oyster beds, reported it with amendments and submitted a report (No. 1327) thereon.

Mr. SCHWELLENBACH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2983) to amend the Plant Quarantine Act of August 20, 1912, reported it with an amendment and submitted a report (No. 1328) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 3336) to repeal titles I and II of the National Prohibition Act, to reenact certain provisions of title II thereof, to amend or repeal various liquor laws, and for other purposes, reported it without amendment and submitted a report (No. 1330) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 8790) to amend section 6 of the act of February 28, 1925, reported it without amendment and submitted a report (No. 1332) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which were referred the following joint resolutions, reported them each without amendment and submitted reports thereon:

H. J. Res. 129. Joint resolution to amend the joint resolution entitled "Joint resolution for the relief of Puerto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution (Rept. No. 1333); and

H. J. Res. 257. Joint resolution to amend a joint resolution entitled "Joint resolution for the relief of Puerto Rico", approved December 21, 1928, as amended by the Second Deficiency Act, fiscal year 1929, approved March 4, 1929 (Rept. No. 1334).

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 2127) to amend section 4471 of the Revised Statutes of the United States, as amended, reported it without amendment and submitted a report (No. 1335) thereon.

EXPENDITURES BY THE GOVERNMENT FOR COTTON COOPERATIVES

Mr. McKELLAR, from the Committee on Appropriations, to which was referred the resolution (S. Res. 185) concerning expenditures by the Federal Government for cotton cooperatives, etc., reported it without amendment and submitted a report (No. 1331) thereon, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

A bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes; to the Committee on Interstate Commerce.

By Mr. GEORGE:

A bill (S. 3421) to provide for the establishment of the Fort Frederica National Monument, at St. Simon Island, Ga., and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. NEELY:

A bill (S. 3422) granting an increase of pension to John Flanagan; to the Committee on Pensions.

By Mr. GUFFEY:

A bill (S. 3423) granting a pension to Flora Turner; to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 3424) to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes; to the Committee on the Judiciary.

By Mr. SHIPSTEAD:

A bill (S. 3425) authorizing an appropriation for payment to the Government of Norway in settlement of all claims for reimbursement on account of losses sustained by the owner and crew of the Norwegian steamer *Tampen* (with an accompanying paper); to the Committee on Foreign Relations.

By Mr. BONE and Mr. SCHWELLENBACH:

A bill (S. 3426) authorizing the States of Oregon and Washington to institute suit against the United States to determine title to certain land in the Columbia River; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

A bill (S. 3427) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates, and to extend the time for filing applications for benefits under the World War Adjusted Compensation Act, and for other purposes; to the Committee on Finance.

AIR CORPS TECHNICAL SCHOOL—AMENDMENT

Mr. DIETERICH submitted an amendment intended to be proposed by him to the bill (S. 3398) to establish the Air Corps Technical School and to acquire certain land in the State of Colorado for use as a site for said Air Corps Technical School and as an aerial gunnery and bombing range for the Army Air Corps, which was referred to the Committee on Military Affairs and ordered to be printed.

REGULATION OF TRANSPORTATION BY AIRCRAFT—REPORT OF INTERSTATE COMMERCE COMMITTEE

Mr. TRUMAN, from the Committee on Interstate Commerce, to which was referred the bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes, reported it without amendment and submitted a report (No. 1329) thereon.

ADMINISTRATION AND EFFECT OF SILVER PURCHASE ACT OF 1934

Mr. PITTMAN. I submit a resolution which I ask to have referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Without objection, the resolution will be received and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 187) is as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to confer with the Secretary of the Treasury relative to the administration, and the economic and commercial effect in the United States and abroad, of the Silver Purchase Act of 1934, Public, No. 438, Seventy-third Congress, approved June 19, 1934 (48 Stat. 1178).

The said special committee, or any subcommittee thereof duly authorized by the special committee, is further authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses, to employ and to call upon the executive departments for clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

The said special committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations.

BANKING LEGISLATION OF THE PRESENT SESSION

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of a letter I have written to former Gov. Edward C. Stokes, chairman of the board of the First Mechanics National Bank, Trenton, N. J., on the banking legislation of the present session.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 15, 1935

Hon. EDWARD C. STOKES,
Chairman of the Board,
The First Mechanics National Bank, Trenton, N. J.

DEAR GOVERNOR STOKES: Emphasizing the value of the stubborn fight that has been made throughout this session of the Congress against overwhelming odds by the Republican minorities in both Houses, joined from time to time by such Democratic Members who have had the courage and the public interest to do so, I want to bring attention again now to the so-called "banking bill", which, while finally passed in a completely changed and improved form, was indeed a harmful and politically inspired piece of legislation when originally foisted on the Congress by the administration. Because of this I was able gladly to vote for the banking bill on its passage, though, with others who opposed it as originally drafted, I fought bitterly to bring about the changes which were effected. And the purpose of this letter is to give my reasons for my opposition to the bill as originally drawn.

I opposed the Eccles banking bill not because I believed that our present banking system is without flaws and does not need certain adjustments, but because I believed that the Eccles proposal was a direct approach to monetary socialism and would have made a political plaything of an instrument which should not only be above politics but should be absolutely and impregnably immune to all political influence.

If this legislation had become law, it would have been possible for any administration, this present administration, or any future administration which comes to power, to elbow aside the natural and normal restraint upon borrowing which is such a necessary check in public life as well as in private life, and dissipate and waste funds and bring about eventual national bankruptcy. This proposal would have made it possible for the present administration and any administration in the future which is not dedicated to sound and sensible financial policies, to embark on vast programs of spending and borrowing with the removal of the necessary restraint upon excessive borrowing—borrowing that is far beyond the safe limits of governmental finance, and far beyond the ability of the people to sustain the debt thus incurred. Artificial markets for Government bonds would be created, and whether or not it is the purpose of the present administration to finance its present huge spending program through this medium which is conveniently suggested at a time when all sober-minded men and women are beginning to give thought as to how this huge debt will be amortized, the fact remains that some administration can and probably would avail itself of the spending possibilities through the artificial, deceptive, and economically unsound means of payment which this legislation proposed.

I opposed this bill, not because it was a Democratic measure; I would oppose it just as emphatically if it were a Republican measure. I do not want my party to have this power any more than I want the Democratic Party to have this power. I do not want any party or any administration to have power which is so un-American, unsound, and dangerous.

I am sure that every sober-minded citizen should think twice before bestowing any such power upon any political administration. The complexion of future administrations is always unknown; and while possibly it is not the intention in the first instance of a President to use powers bestowed under the original title 2, either for political purposes or for the purpose of amortizing the huge national debt, there is insufficient assurance to the contrary, and it is impossible to give sufficient assurance to the contrary, for we do not know that some future administration will not willingly or will not be forced by political pressure to wield this power for purposes destructive to our national life and our economic soundness.

To take up specifically the points in this measure to which I primarily objected, I would cite in the first instance that this bill provided that the Governor of the Reserve Board serve only at the pleasure of Mr. Roosevelt or his successors. The Reserve Board, all of its members appointees of the President, were to be subject to removal at any time the President saw fit. If this is not political control, then I do not know what political control is. It is just as blatant a form of political control as if we were to bestow upon the President the power to remove justices of our courts at will and to appoint in the vacancies those upon whom he could depend for a favorable verdict in cases rich in political potentialities and gain.

I objected also to the fact that a politically dominated banking board thus created could gain virtual control over the entire economic life of the Nation. This, obviously, links up with my first objection but, in addition, it makes possible loosening the floodgates to unlimited Federal financing. It would be possible to decide at will what reserve banks would be required to hold and thus, at an administration's pleasure, and in this instance the present President's pleasure, inflation of the currency with consequential ruination of the banking structure would not only be possible but might be probable. This legislation also would permit a politically controlled Reserve Board to lend to banks on "any sound asset"—"any sound asset", I repeat—which in other words means any assets that the politically controlled Reserve Board considers as sound. It does not require a great stretch of the imagination to conceive of whole geographical areas either in displeasure with the President personally or in discord with the social and economic views, suddenly finding themselves without—and I again quote the words—without "any sound assets", or an insufficient amount of so-called "sound assets" to enable them to secure the loans necessary for that geographic section to carry on its proper and legitimate commercial, industrial, and agricultural functions.

This bill was of the utmost vital concern to every citizen of the United States who has any savings or investments. It was of direct personal concern to every salaried man and every wage earner from the Atlantic coast to the Pacific coast and from the Great Lakes to the Gulf of Mexico. Under our present system of banking—and I want to say right here that I consider that there are many points in our present banking system which need improvement—the deposits of the individuals who patronize these banks are not owned by the banks. They are owned by the individual depositors and they should be owned by the depositors. The banks owe the depositors the amounts which they have intrusted to the banks' care. The bank is the guardian of his money and the money is payable on demand by the depositor. I, for one, will never vote for the grabbing by the Federal Government of the deposits of the individual, compelling him to take political promises in return. I will not vote for a system which tends to make of our monetary system a cheap and ordinary political football.

I should like to touch briefly upon another subject which I consider is closely related to the Eccles bill. I refer to the place of silver in the monetary scheme and the policy of the administration toward the use of silver as a monetary base.

Proponents of the legislation when it was being considered promised us that its results would be of assistance to China and allow the Chinese to buy more wheat, cotton, flour, and oil from the United States. They promised us that by raising the purchasing power of the silver-using countries these countries likewise would purchase more American commodities. They promised us that a rise in price of silver would cause a much desired price rise in the

United States. They promised that the program would offer encouragement to other countries to increase their use of silver.

It is time for the United States Senate to review what has happened as a result of the Treasury's silver buying and to see whether the prophecies of the silver advocates have been fulfilled.

China, Manchukuo, and Abyssinia were the only countries on a strict silver standard at the time our silver buying began. China in world trade was by far the most important of these countries. China produces no silver but is normally a buyer of silver in world markets. It is, therefore, obvious that if China was to continue to buy silver in world markets and if the price of silver advanced, it was necessary for China to exchange a greater quantity of her exports per ounce of silver than was true before the advance in the silver price. As a matter of fact, during the first 9 months of 1934 China exported $180,000,000 of silver from her stocks. This export of silver reduced the money supply of China and caused deflation of the prices and general economic hardship in that country. China was finally forced to abandon the silver standard after, like a good neighbor, asking for relief from the United States, who refused it. The result of this has certainly not been to increase the friendliness of the Chinese toward the United States. The Chinese probably have only three courses open—they may be forced into an alliance with Japan in return for loans; they may be forced into an alliance with the sterling bloc, thereby increasing England's economic power over China; or they may be forced to adopt some form of a gold standard. At least two of these courses would have unfortunate consequences to the international relations of the United States.

Chinese trade which was supposed to be increased by our buying of silver has decreased. In the first 10 months of 1933 American products shipped to China amounted to about $250,000,000; in the first 10 months of 1934, $233,000,000; in the 3 months, July to October 1933 American exports to China amounted to $92,500,000, and in the same period 1934 only $71,600,000; and it is to be emphasized that the principal declines in our exports are to be found in oil, wheat, flour, and cotton.

Certainly it cannot be said that our silver buying has either helped China nor has it increased our foreign trade with this vast market. On the contrary, it has harmed China and decreased our foreign trade.

Prices in the United States have, it is true, shown some increases since the silver program was inaugurated. The increase, however, compared to the increase of about 50 percent in the price of silver is comparatively small. It is also to be realized that practically all of the price increases were represented by food and textiles. If any of the increase can be credited to the silver-buying policy, such credit is far from apparent. What would have been the price of wheat had there been no drought? What would the price of pork be had it not been for the wanton destruction of growing pigs under the encouragement of the Agricultural Adjustment Act? What would the price of cotton be today were it not for the processing tax and were it not possible to turn it over to the Government and obtain a loan of 12 cents per pound? These are the causes for the rise in the price of food for the people of the United States and clothing for them to wear and not the fantastical buying of silver.

Our silver buying has had other effects which were apparently not foreseen by the silver advocates a year ago, or, if foreseen, were not promised as one of the benefits to be expected. Mexico, our southern neighbor and a purchaser of a large amount of American goods, has been forced to send a Government official to the United States because of the effect that our silver buying was having on the friendly neighbor. Mexico produces silver just as the United States produces cotton, and naturally a rise in price was of benefit to Mexico. Mexico could obtain more goods per ounce of silver than before. In spite of these advances, however, the rise in price of silver made it necessary to close the banks of Mexico and caused currency chaos and hardship on her population. The result was that Mexico has been forced to stop using silver for currency and to substitute paper. Recently Austria has done the same thing, and it is only a matter of time, if the price continues to rise, that India will be forced over the same path. It is even not inconceivable that the coins used currently by the people of the United States, their quarters and dimes, will have to be recalled and substituted by some other metal or paper. This is the way that the silver buying has operated to increase the monetary use of silver in the world.

For some people the Treasury's silver buying has been a great benefit. The international silver speculators of all nationalities through London have reaped a harvest. The United States Government has, in effect, said to them, "Buy all the silver you can at 50 or 60 and at 70 cents an ounce—we must buy over 1,000,000,000 ounces and can pay almost any price for it." Speculators naturally looked to see where the silver was coming from which was to be bought by the United States. The Bank of England figures showed that the total visible supply of silver was about 650,000,000 ounces. This figure included the entire silver reserves of Shanghai and the currency reserve of the Indian Government. Even though were these pools sucked dry there did not seem to be enough silver to meet the demand. The answer was obvious and the international speculator did exactly what any sane speculator would do. He bought silver and he will hoard silver as long as he is assured that it will be taken over from him at a profit by the United States. He well realizes that the silver is of no use to him and his one purpose, therefore, in holding it is to unload it on the Treasury of the United States.

The only elements in the world that would be harmed if the Treasury ceased its silver buying are those hoarders of the metal for speculative purposes, who want the United States to continue to hold an umbrella over their gambling operations.

To revert in conclusion to my opening observations, the purpose of this letter is to make clear that I feel too often, particularly in this session of the Congress, we are apt to lose sight as time passes of the changes wrought in certain instances anyway in legislation that was foisted on the Congress by the administration, in the first instance, in quite different form. Certainly in the instance of the banking bill particularly, largely due to the untiring and able efforts and leadership of the distinguished Senator from Virginia, Mr. GLASS, a helpful and beneficial bill was finally passed to meet in each instance the objections I have tried to describe.

Most sincerely,

W. WARREN BARBOUR.

H. C. HOPSON AND W. A. HILL

Mr. LA FOLLETTE obtained the floor.

Mr. HARRISON. Mr. President, I understand the Senator from Wisconsin has an amendment he desires to offer to the unfinished business.

Mr. LA FOLLETTE. Mr. President, may I ask whether it is expected that the Senate will now proceed with the bill for some little time?

Mr. HARRISON. I hope so. I hope that the Senate may proceed right along with the bill, and that its consideration may be expedited in every possible way.

Mr. LA FOLLETTE. I may say to the Senator I understood some privileged matter was to be taken up this morning, and when I take the floor I should like to proceed uninterruptedly.

Mr. HARRISON. I hope we may proceed with the bill now.

Mr. LA FOLLETTE. I am very anxious to proceed, but I do not wish to be immediately interrupted by some privileged matter. If the Senator from Alabama could inform me as to what is expected, I would appreciate it.

The VICE PRESIDENT. The Chair is informed that the Sergeant at Arms of the Senate has a report to submit, but the Chair hesitates to order him to present his report unless some Senator makes such a request.

Mr. BLACK. I should like to have the report submitted at this time.

The VICE PRESIDENT. Does the Senator from Wisconsin yield for that purpose?

Mr. LA FOLLETTE. I yield for that purpose.

The VICE PRESIDENT. The Sergeant at Arms will submit his report.

The Sergeant at Arms (Chesley W. Jurney) submitted the following report:

AUGUST 15, 1935.

To the PRESIDENT OF THE SENATE:

I beg to report that, pursuant to the instructions contained in the order issued on August 14, 1935, by the President of the Senate to the Sergeant at Arms, I made service of the citation therein contained on W. A. Hill on said day, and that said W. A. Hill is now present in response to such citation.

I beg to report further that after diligent search H. C. Hopson could not be found in person nor was it possible to obtain his present address.

H. C. Hopson is not registered at the Mayflower Hotel. I was informed by W. A. Hill that he had not been in communication with H. C. Hopson, directly or indirectly, for a couple of days and that he did not know his present whereabouts.

At the George Mason Hotel, Alexandria, Va., I was informed by the manager that a party answering the description of H. C. Hopson registered about midnight of Tuesday, August 13, 1935, in the name of "J. Schmitt and party, 1875 Broadway, New York", but that all members of the party checked out of the hotel the morning of August 13, 1935.

At the Wardman Park Hotel H. C. Hopson was not registered.

At the residence of G. Kibby Munson, Chevy Chase, Md., where H. C. Hopson is presumed to have spent the night of August 13, 1935, Mr. Munson was not at home. Mr. Munson later reported to me that he did not know the whereabouts of Mr. H. C. Hopson and that he was not in his home.

At the Shoreham Hotel H. C. Hopson was not registered, but in the lobby thereof I met Representative JOHN J. O'CONNOR, Member of Congress from the State of New York and Chairman of the House Committee Investigating the Utility Lobby, who informed me he did not know H. C. Hopson's present whereabouts but that Hopson was in his custody now and that he did not intend to permit him to be surrendered to the Senate until the House committee had finished its investigation.

CHESLEY W. JURNEY,
Sergeant at Arms Senate of the United States.

The VICE PRESIDENT. The report submitted by the Sergeant at Arms will lie on the table.

Mr. BLACK. Mr. President, in view of the fact that Mr. Hill has been served, and that Mr. Hopson has not been served for the reasons stated, I think it is necessary, after conference with the members of the special committee, to make a brief statement as preliminary to the action which will be asked by the committee.

In the first place, I desire to say it would be an unnecessary duplication of effort to proceed with reference to Mr. Hill until Mr. Hopson has been found and brought before the Senate. Since there has been a question raised by reason of the return as shown by that which has been read by the Sergeant at Arms, it is thought proper to make a brief statement to the Senate as to the attitude of the committee and as to what should be done and can be done.

The evidence shows that for about a month Mr. H. C. Hopson has been dodging, hiding, and running to avoid appearing before the special committee of the Senate as a witness. During all the time that he was fleeing he was fully and completely informed that the Senate committee wanted him to appear as a witness. He has admitted under oath that he sought to escape appearing before the Senate committee, but that he had intended to appear before the Rules Committee of the House. Thus admitting his intention to attempt to evade appearance before your committee and his desire to appear before the committee of another body, we have found him slipped into Washington.

By prearrangement he appeared at the Capitol and approached another committee under guard supplied by the chairman of that committee. After testifying before another committee he left under guard. While under such guard he refused to accept a subpena to appear before the Senate committee. At the time an effort was made to serve this subpena Hopson was surrounded by and aided by officers in making his running escape. It later developed in evidence before your committee under oath that some of those who were thus guarding Hopson and thus prevented the service of the Senate subpena were actual employees of the committee of another body and were working under its chairman, and that certain Washington policemen were present at his request. These policemen aided and assisted Mr. Hopson to flee, and thus Mr. Hopson again eluded, evaded, and dodged actual physical service of the Senate subpena.

Yesterday, August 14, after a month of dodging in and around Washington by Hopson, he was physically served with a subpena about 11:30 a. m. This subpena required him to appear instanter before the Senate special committee. The Senate special committee waited for his appearance from 11:30 o'clock a. m. until about 3 p. m. The Senate committee, by message received from his attorney, was asked to wait until 4 p. m. The Senate committee then waited until 4 o'clock p. m., but he did not appear in response to such subpena. He continued to act in accordance with his previous practice.

The Senate special committee has not tried to protect or guard Mr. Hopson in dodging and evading any other committee. The Senate committee stands ready to aid in preventing any witness from defying a committee of the coordinate legislative branch of the Government. The Senate committee does not and has not sought in any way to interfere with any other committee in the examination of Hopson or any other witness, but stands ready to assist any other committee to examine Hopson or any other witness. The Senate committee does insist that neither Hopson nor any other witness should be permitted to ignore, evade, and resist a Senate process, nor should he be permitted to decide for himself when, where, under what circumstances, under what conditions, and before what committee he chooses to present himself.

The Senate and House are coordinate legislative branches. The rules of comity require that each shall recognize the rights and prerogatives of the other. This rule goes far enough that the public interests might actually require one legislative body to accept the formal action of another body even when the assumed prerogatives were beyond the authorized prerogatives.

In the matter under discussion the Senate committee recognizes and protects the rights of all committees, House and Senate, to require observance of and obedience to their proper orders. Certainly no court and no legislative committee has any legal right to prevent a witness from testifying before another committee or court. The Senate committee has never sought to require Hopson to testify before it when it would interfere with the action of any other committee of any other body, and does not do so now, and will not do so.

It now appears from the return submitted by the Sergeant at Arms that the chairman of the House committee has asserted the new and unprecedented right to retain a witness under his custody even when such witness is not testifying, and which such witness has been dodging another legislative committee for more than a month. Of course, without a legal order of attachment I assume this body and no body would have any right to keep any person from appearance before any authorized tribunal whenever he was summoned, unless the other tribunal needed his testimony at that particular time.

The simple situation with reference to the witness Hopson is that he has dodged, evaded, and fled from Senate appearance, and under all rules of law and procedure he is in contempt of the Senate. Even so, if the coordinate legislative branch assumes the power for any reason, whatever reason may be assigned, to guard and protect Hopson from Senate process, I recommend that the rules of comity be recognized by the Senate. It is not believed by your committee that either one of the two coordinate legislative branches of the Government will by any formal action of any kind take any such step, but even so, if the majority of the members of another committee desire to uphold the responsibility assumed, as shown by the report, by the chairman of that committee, acting as the regular organized committee of a coordinate branch of the two legislative bodies of the Government, I should think there would be nothing whatever for this body to do except to recognize, under the principles of comity, such action as binding upon us.

However, your committee desire to state that if, for any reason, any person anywhere or any organization anywhere assumes such responsibility in order to prevent the appearance of a witness before a committee of this body, it is their responsibility and not ours. If such guardianship be exercised for a time and then withdrawn, this body may still proceed.

Mr. JOHNSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from California?

Mr. BLACK. I yield to the Senator.

Mr. JOHNSON. Has the Senator before him that portion of the report which was read this morning in which, as I understand, it was asserted that some coordinate branch of the Government now had jurisdiction of the person of this particular recalcitrant witness?

Mr. BLACK. The report is at the desk.

Mr. JOHNSON. I will read it, then, instead of asking the clerk to read it.

Mr. BLACK. Whatever may be the reasons assigned or the arguments advanced by anyone, if a coordinate legislative branch should decide to retain the custody of this recalcitrant and dodging and fleeing witness, and thus prevent his appearance before the Senate committee, under the rules of comity which I have set out, in my judgment, such protection can be given to Hopson, and should be recognized by us. Certainly, I think it only proper to state, however, that it was never intended that either one of the coordinate legislative bodies should ever become a city of refuge for evasive and fleeing holding-company officials, thus enabling them to escape from testifying before the other body.

Under the conditions as they are, on behalf of the committee I request that the proceedings with reference to Mr.

Hill may be postponed, not to a definite date, but to a time of which notice will be given him later, with a view of taking up the matter at the time it becomes possible, in a due and orderly way, to obtain the presence of Mr. Hopson.

The VICE PRESIDENT. The Senator from Alabama asks unanimous consent to postpone temporarily the proceedings with reference to Mr. Hill. Is there objection? The Chair hears none, and it is so ordered.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

Mr. LA FOLLETTE. Mr. President, I offer an amendment in the nature of a substitute for the committee amendment relating to surtaxes.

The VICE PRESIDENT. The amendment to the amendment will be stated.

Mr. LA FOLLETTE. Mr. President, unless some Senator desires to have the amendment read, I think I can explain it, when I come to it in the course of my remarks, with less consumption of time than would be taken by reading all the various brackets provided by the amendment.

Mr. JOHNSON. I inquire if the amendment has been printed?

Mr. LA FOLLETTE. The amendment has been printed.

The VICE PRESIDENT. Without objection, the reading of the amendment offered by the Senator from Wisconsin to the committee amendment will be dispensed with and the proposed amendment will be printed at this point in the RECORD.

The amendment submitted by Mr. LA FOLLETTE in the nature of a substitute for the first committee amendment is as follows:

On page 4, to strike out lines 18 to 24, inclusive, and all of page 5 and insert:

"Section 12 (b) of the Revenue Act of 1934 is amended to read as follows:

"'(b) Rates of surtax: There shall be levied, collected, and paid for each taxable year upon the surtax net income of every individual a surtax as follows:

"'Upon a surtax net income of $3,000 there shall be no surtax; upon surtax net incomes in excess of $3,000 and not in excess of $4,000, 4 percent of such excess.

"'$40 upon surtax net incomes of $4,000; and upon surtax net incomes in excess of $4,000 and not in excess of $6,000, 6 percent in addition of such excess.

"'$160 upon surtax net incomes of $6,000; and upon surtax net incomes in excess of $6,000 and not in excess of $8,000, 8 percent in addition of such excess.

"'$320 upon surtax net incomes of $8,000; and upon surtax net incomes in excess of $8,000 and not in excess of $10,000, 10 percent in addition of such excess.

"'$520 upon surtax net incomes of $10,000; and upon surtax net incomes in excess of $10,000 and not in excess of $12,000, 12 percent in addition of such excess.

"'$760 upon surtax net incomes of $12,000; and upon surtax net incomes in excess of $12,000 and not in excess of $14,000, 14 percent in addition of such excess.

"'$1,040 upon surtax net incomes of $14,000; and upon surtax net incomes in excess of $14,000 and not in excess of $16,000, 16 percent in addition of such excess.

"'$1,360 upon surtax net incomes of $16,000; and upon surtax net incomes in excess of $16,000 and not in excess of $18,000, 18 percent in addition of such excess.

"'$1,720 upon surtax net incomes of $18,000; and upon surtax net incomes in excess of $18,000 and not in excess of $20,000, 20 percent in addition of such excess.

"'$2,120 upon surtax net incomes of $20,000; and upon surtax net incomes in excess of $20,000 and not in excess of $22,000, 22 percent in addition of such excess.

"'$2,560 upon surtax net incomes of $22,000; and upon surtax net incomes in excess of $22,000 and not in excess of $26,000, 24 percent in addition of such excess.

"'$3,520 upon surtax net incomes of $26,000; and upon surtax net incomes in excess of $26,000 and not in excess of $32,000, 27 percent in addition of such excess.

"'$5,140 upon surtax net incomes of $32,000; and upon surtax net incomes in excess of $32,000 and not in excess of $38,000, 30 percent in addition of such excess.

"'$6,940 upon surtax net incomes of $38,000; and upon surtax net incomes in excess of $38,000 and not in excess of $44,000, 33 percent in addition of such excess.

"'$8,920 upon surtax net incomes of $44,000; and upon surtax net incomes in excess of $44,000 and not in excess of $50,000, 36 percent in addition of such excess.

"'$11,080 upon surtax net incomes of $50,000; and upon surtax net incomes in excess of $50,000 and not in excess of $60,000, 40 percent in addition of such excess.

"'$15,080 upon surtax net incomes of $60,000; and upon surtax net incomes in excess of $60,000 and not in excess of $70,000, 44 percent in addition of such excess.

"'$19,480 upon surtax net incomes of $70,000; and upon surtax net incomes in excess of $70,000 and not in excess of $80,000, 48 percent in addition of such excess.

"'$24,280 upon surtax net incomes of $80,000; and upon surtax net incomes in excess of $80,000 and not in excess of $90,000, 52 percent in addition of such excess.

"'$29,480 upon surtax net incomes of $90,000; and upon surtax net incomes in excess of $90,000 and not in excess of $100,000, 56 percent in addition of such excess.

"'$35,080 upon surtax net incomes of $100,000; and upon surtax net incomes in excess of $100,000 and not in excess of $150,000, 58 percent in addition of such excess.

"'$64,080 upon surtax net incomes of $150,000; and upon surtax net incomes in excess of $150,000 and not in excess of $200,000, 60 percent in addition of such excess.

"'$94,080 upon surtax net incomes of $200,000; and upon surtax net incomes in excess of $200,000 and not in excess of $250,000, 62 percent in addition of such excess.

"'$125,080 upon surtax net incomes of $250,000; and upon surtax net incomes in excess of $250,000 and not in excess of $300,000, 64 percent in addition of such excess.

"'$157,080 upon surtax net incomes of $300,000; and upon surtax net incomes in excess of $300,000 and not in excess of $400,000, 66 percent in addition of such excess.

"'$223,080 upon surtax net incomes of $400,000; and upon surtax net incomes in excess of $400,000 and not in excess of $500,000, 68 percent in addition of such excess.

"'$291,080 upon surtax net incomes of $500,000; and upon surtax net incomes in excess of $500,000 and not in excess of $750,000, 70 percent in addition of such excess.

"'$466,080 upon surtax net incomes of $750,000; and upon surtax net incomes in excess of $750,000 and not in excess of $1,000,000, 72 percent in addition of such excess.

"'$646,080 upon surtax net incomes of $1,000,000; and upon surtax net incomes in excess of $1,000,000 and not in excess of $2,000,000, 73 percent in addition of such excess.

"'$1,376,080 upon surtax net incomes of $2,000,000; and upon surtax net incomes in excess of $2,000,000 and not in excess of $5,000,000, 74 percent in addition of such excess.

"'$3,596,080 upon surtax net incomes of $5,000,000; and upon surtax net incomes in excess of $5,000,000, 75 percent in addition of such excess.'"

Mr. LA FOLLETTE. Mr. President, there was a long struggle in this country to secure the adoption by the Federal Government of the principle that a portion of its necessary revenues should be collected in accordance with the ability to pay taxes.

After the constitutional amendment was adopted giving the Federal Government power to levy taxes upon income in proportion to the ability of the taxpayer to carry the burden, there has been at each session of Congress when a revenue bill was under consideration a sharp conflict of opinion. On the one side have been those who believed that more and more of the burdens of government and the costs of war should be shifted over onto the taxpayers in accordance with the sound theory of their ability to pay. On the other side have been those who have resisted efforts to transfer the burdens of government and the costs of war in accordance with ability to pay, and have sought to place a larger share of the burden upon the taxpayer without regard to his ability to pay.

During the war there was a very historic legislative battle in this Chamber; and I am proud that history records the fact that my father led the fight during the war to finance it more largely from the profits of those who were profiting directly and indirectly as a result of the sacrifices being made by the people of the country to conduct the war instead of financing the war more largely through the issuance of bonds, thus imposing the burden upon the generation fighting the war, and their children, and their children's children. He was unsuccessful in his efforts, however; the war profiteers were too powerful; and it was determined that the war should be fought with the proceeds derived from the sale of bonds more largely than from the imposition of taxes.

As a result of that policy, even today a rough estimate indicates that there is a per capita debt upon every man, woman, and child in this country attributable to the costs of war of $150, as compared with a total per capita Federal

debt upon every man, woman, and child in the United States of $12.50 prior to the time we entered the war.

Therefore, whenever succeeding Congresses had under consideration the question of a revenue bill, and even at this late date, there has been in that consideration the question of whether or not we desired to levy more heavily upon those who profited from the war, and thus to shift some of that war-debt burden from the backs of the people of the country.

In 1921 Andrew W. Mellon became Secretary of the Treasury of the United States. He was hardly inducted into office until he began enunciating the theory that income taxes should be reduced and that the burden of taxation should be shifted over onto the masses of the citizens of the Republic without regard to their ability to carry and to meet the burden. In the year 1921 Mr. Mellon appeared before an executive session of the Finance Committee; and when asked by a member of that committee in executive session to reveal what he considered to be the ideal system of taxation he responded in the following language, which I do not attempt to quote verbatim, but of which I give the sense. He said, "I think if we could do away with all the taxes we now have"—and I pause long enough to point out that meant the income and the estate taxes—" and then if we could put a tax upon all sales of goods, all turnovers, it would shift the burden of taxation and spread it as much as it could be spread." He concluded by saying that he would regard a sales-tax system as his ideal.

In other words, Mr. President, from 1921 down to the 4th of March 1933, Mr. Mellon occupied the powerful and influential position of Secretary of the Treasury; and during all that time the influence and the power and the prestige of the Treasury Department were always behind the theory that these graduated taxes should be reduced; and, as a consequence, that more and more of the burden should be shifted to the backs of the masses.

Under the guidance and influence of Mr. Mellon taxes were continually reduced upon those who had ability to pay. They were reduced to such an extent that we entered this economic crisis with a tremendous burden of indebtedness, whereas if the rates contained in the 1921–22 Revenue Act had prevailed through those years we would have entered this economic crisis with no Federal debt.

The theory espoused by Mr. Mellon was predicated upon the premise that it stimulated industry and business, and that it was a very important factor in the rise of economic activity during the period of tremendous credit inflation. I submit that there never has been produced statistical information to verify the theory. Those who supported it relied most heavily upon the fact that with the reduction of taxes revenues increased. This is not a complete statement of the case, however, for it does not take into account the tremendous increase in the economic activity during the period of the boom.

Many distinguished students and experts who have studied this problem have come to the conclusion that the policy carried out under the regime of Secretary Mellon was a large contributing factor in bringing about the excesses of credit expansion and stock-market speculation. When the definitive history of this period finally comes to be written, those who espoused the Mellon theory and those who adopted it will have to bear a substantial share of the responsibility for creating the economic havoc which came in the wake of the boom.

Mr. President, when this economic crisis developed, following the stock-market crash of 1929, I began a fight in the Congress for the appropriation of Federal funds to meet the problem of direct relief and for the adoption of a huge program of Federal expenditure for the reemployment of the idle millions in the United States. I recognized at that early date that if the Federal Government was to adopt a policy to provide employment for citizens of the United States and to bring relief to the citizens, it would be absolutely essential for the Federal Government to increase its taxes and to provide more revenue.

In support of that statement I digress long enough to point out that the first public reemployment measure which I offered in the Senate, early in this depression, providing for a five and a half billion dollar program, contained, when it was introduced, a provision for a specific increase in the surtaxes, to be devoted to the purpose of servicing and retiring the indebtedness thus to be created.

This economic crisis, the gravest in the written history of the world, is very similar in its financial aspects and in the financial problems which it entails to the crisis which a government faces in time of war. In time of war, as in time of economic crisis, extraordinary expenditures must be made in the one case to carry on the war to a successful conclusion and in the other case to provide ways and means whereby the Government, representing the interests of all its citizens, may come to the aid of those citizens and assist them in meeting problems which are created by the economic crisis. Both in war and in a time of economic crisis it is impossible for the Government to balance its Budget, because extraordinary expenditures have to be made, and they have to be continued until the war, on the one hand, is successfully concluded, or, in the other instance, a solution has finally been found leading to a restoration of the economic welfare of the citizens.

During the last war we unbalanced the Budget during the first few weeks of the war to the extent of more than $7,000,000,000. We ultimately unbalanced the Budget to the extent of twenty-six and a half billion dollars.

As indicated a few moments ago, I think it would have been the part of wisdom, as well as of justice, that a larger proportion of the burden of war should have been carried by taxes and by the profits which were necessarily engendered as a result of the collective expenditures of the Government during the period of the war. So I have contended, and I contend now, that there is no man living who can predict the day when it will be possible for the Federal Government to curtail the extraordinary and collective expenditures made necessary in order to meet some of the problems of the citizens in the present economic crisis. Naturally each and every person, at least everyone in a position of responsibility, hopes that day will soon arrive; but after the experience which we have had every spring and fall since 1929, when those in positions of economic power have predicted, without reservation, that the depression was over, and that we were well on the way to prosperity, I shall believe that this depression and economic crisis have come to an end when we shall have more concrete evidence of it than the predictions issued by individuals who seem to believe they have prophetic vision.

Under those circumstances, and whether or not Senators have agreed with all or even any of the extraordinary expenditures made, the logic of the situation is compelling that we ought to provide at least a beginning in collecting increased revenues, not, as I said at the outset, for the purpose of balancing the Budget at this moment but for the purpose of maintaining the credit of the Government if it shall become necessary for continued expenditures to be made on the part of the Federal Government to meet the problems of the emergency.

I do not believe that individual Senators can relieve themselves of responsibility in the situation which confronts this body by taking the position that, inasmuch as they did not vote for these expenditures, they are thereby relieved from the duty to raise revenue to meet them in part, and to meet the situation created by the extraordinary expansion of the Federal debt. The fact is that the Congress shares an equal responsibility with the Executive for each and every dollar of money that has been expended under laws passed by the Congress, and therefore Congress shares the responsibility for taking action which is vital in order to meet the crisis.

Mr. President, I contend that we are amply justified in increasing the taxes in proportion to the ability to pay during the period when the Government's extraordinary expenditures are resulting in increased profits and increased benefits to the citizens of the country. Otherwise, unless we shall follow that policy, we will find ourselves in the

same situation in which we were after the war, because tax revenues are somewhat like water flowing over a potential water-power site. Until the water power is harnessed and turned into the turbines it is impossible to produce electricity. All the water which has gone down the river prior to the time when the works are completed is lost forever. So it is, to a large extent, so far as income taxes are concerned. Unless we impose the rates at the time when we are making the expenditures we shall not have an opportunity to tax in accordance with ability to pay those who are benefited, both directly and indirectly, by the expenditures made by the Government.

Mr. President, with this brief statement of the background upon which I take my position I wish to turn for a moment to the amendment now pending. The amendment creates new surtax brackets. Under the present law the surtax brackets start at $4,000. Under the amendment which is now pending the surtax brackets would begin at $3,000. In other words, the amendment proposes a surtax upon the net income between $3,000 and $4,000 of 4 percent, which of course is a 4-percent increase over the existing law and over the proposals of the House bill and the Senate committee bill, because a new bracket is created.

In the next bracket, $4,000 to $6,000, the rate would be 6 percent. The rates would go up by the usual graduated stages to a tax of 75 percent on incomes over $5,000,000.

Mr. BORAH. Mr. President, may I ask the Senator if he has figures showing the amount of revenue which would be raised by the surtax he proposes on incomes between $3,000 and $4,000?

Mr. LA FOLLETTE. I should say that, roughly, it would make a difference of about $15,000,000, but, of course, it would be paid by a large number of taxpayers. If the Senator from Idaho will bear with me I will cite a typical example in a moment. In connection with the question asked me by the Senator from Idaho I wish to point out and emphasize that the brackets under consideration are the surtax brackets, and that the tax would apply only after the first exemptions had been allowed, so that a married man with no dependents would not pay under the proposed new brackets until he had a net taxable income, without deductions, of $6,000.

Mr. President, I wish to make a few comparisons between the proposed rate and the rate under the existing law, as well as the tax in Great Britain as applied to the typical taxpayer. I am now taking the example of a married man with no dependents, and whose income is all earned income. The first instance when the proposed amendments would produce any increase of tax upon a married person would be when he had a net income of $6,000.

Let me cite several examples. A married person, with no dependents, under the existing law and under my amendment would pay $8 on an income of $3,000, whereas in Great Britain he would pay $247.50. Under my amendment, under the existing law and under the House bill and the Senate committee bill a person with $4,000 income would pay a tax of $44. In Great Britain he would pay $427.50.

Under the pending amendment, under the existing law and under the Senate committee and the House bills a married man with no dependents would pay $80 on an income of $5,000. In Great Britain he would pay $607.50.

On a net income of $6,000, under the pending amendment, the taxpayer would pay $136. Under the existing law he would pay $116.

A taxpayer with a net income of $7,000 under my amendment would pay $222. Under the existing law he would pay $172. In Great Britain he would pay $967.50.

I will skip now to an income of $10,000. A taxpayer with an income of $10,000 under the pending amendment would pay $540 tax. Under the existing law he would pay $415. In Great Britain he would pay $1,620.

On a net income of $25,000 the taxpayer under my proposed amendment would pay $3,524. Under the existing law he would pay $3,114. In Great Britain he would pay $6,679.33.

An individual with an income of $100,000 under my proposed amendment would pay $37,524. Under the House bill he would pay $32,469. Under the existing law he would pay $30,594. In Great Britain he would pay $45,279.

A taxpayer with a net taxable income of a million dollars under my proposed amendment would pay $684,124. Under the House bill he would pay $679,044. Under the existing law he would pay $571,394. In Great Britain he would pay $613,529.38.

A taxpayer with a net income of $5,000,000 under my proposed amendment would pay $3,794,074. Under the House bill he would pay $3,788,994. Under the existing law he would pay $3,091,000. In Great Britain he would pay $3,163,529.

It will be observed that my amendment begins at a very much higher net income than does the rate which now prevails in Great Britain. On the other hand, under my amendment the rate goes higher on the upper brackets than is the case under the law of Great Britain.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. Has the Senator any figures showing how much in local taxes the average citizen of Great Britain pays as compared to the amount paid in local taxes in the United States?

Mr. LA FOLLETTE. I can answer that question in part.

Mr. BORAH. They have no sales taxes in Great Britain.

Mr. LA FOLLETTE. Mr. President, I have a report made by the Joint Committee on Taxation, which made a study of the tax system in Great Britain in conjunction with some of the experts of the Treasury Department. I have the figures here, which show the total taxes per capita in Great Britain—that is, considering all taxes—and the total taxes in the United States, which takes into account all the local, county, and State taxes, as well as the Federal taxes. In Great Britain the per capita tax burden is $99.11, including all taxes, whereas in the United States the total per capita burden, taking into account all taxes, is $74.37. In response to the Senator's statement, I submit that we are justified in making the comparison, because it is clearly evident that, despite the common assumption to the contrary, the total taxes in Great Britain, considering every and all kinds of taxation, are higher per capita than they are in the United States.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. A larger proportion, however, of the $99 per capita tax in Great Britain goes into the national treasury than in the case of the $74 per capita tax in the United States, because the people of Great Britain do not have all the multiplied forms of local taxation which we have in this country.

Mr. LA FOLLETTE. But, Mr. President, if the total taxes in Great Britain—and they have other taxes aside from their income and death duties—are shown to be substantially higher per capita than are the total taxes in the United States, I think we are justified in making a comparison of their rates with ours.

Mr. BARKLEY. Can the Senator give us the comparative figures of the public debt of Great Britain and that of the United States?

Mr. LA FOLLETTE. I can give those figures to the Senator for 1933–34.

Mr. BARKLEY. I am speaking of the national debt, not local debts.

Mr. LA FOLLETTE. The total net debt of the United Kingdom on March 31, 1934, was $39,111,650,000, or a per capita debt of $850, whereas in the United States the total public national debt was $27,053,141,414, or a per capita of $215.

The report which I have goes on to say:

It further may be estimated from reliable sources that the debt of the local subdivisions in the United Kingdom amounts to about $6,505,000,000, and in the United States to about $19,600,000,000.

Accepting these figures as approximately correct, we may state the grand total of public debts per capita in the two countries as follows: United Kingdom (national and local), $991; United States (national and local), $370 per capita.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I inquire what is the report from which the Senator is reading?

Mr. LA FOLLETTE. I am reading from A Summary of the British Tax System with Special Reference to Its Administration, by Roswell Magill, L. H. Parker, Elden P. King, made after a careful study and comparison of the two systems.

Therefore, all suggestions about our not being able properly to make a comparison between the income and surtax rates in Great Britain and those in the United States are, I think, not well founded in fact, for we find that the people of Great Britain not only have a greater public debt, taking into consideration all national and local debts, but they also have a greater per capita tax burden, considering all taxes, than have we in the United States.

Mr. President, when we are expending extraordinary sums of money for the purpose of assisting our citizens to meet the exigencies of the economic depression and to solve some of their problems it does not seem to me that the pending amendment should be regarded as proposing excessive rates of taxation. The amendment starts in the case of a married person, having no dependents, at $6,000 of net taxable income, and would require such a person to contribute only $20 more to the Federal Government than he is now contributing under existing law.

When we consider the fact that there are about 20,000,000 men, women, and children in the United States who, through no fault of their own, have been forced through the cruel processes of pauperization and who now find themselves completely dependent upon the units of Government or upon local charity for their very subsistence, I do not think we can regard a married person having no dependents, who, after all deductions, has a net taxable income of $6,000 as being in a situation where he cannot well afford, and where he should not be willing, to help meet the problems of the present national economic emergency by an increase in his tax of $20.

No one can convince me that the patriotism of the American citizen has descended to the point where, confronted with an emergency which he knows is greater even than the emergency of war, he would protest paying upon $6,000 of net taxable income $20 more to help his Government meet the economic situation.

It follows, however, if we are to tax those in the so-called "lower brackets" in proportion to their ability to pay, we should increase the taxes upon those in the upper brackets. As the figures which I have cited will demonstrate, the rates provided by this amendment go higher than the rates in effect in Great Britain upon those who are in the upper brackets.

The amendment submitted by me, if it shall be agreed to, will, it is estimated, produce $175,000,000 additional revenue from the individual income taxes alone.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Maryland.

Mr. TYDINGS. Has the Senator any figures to show what additional taxes would be required for what might be called the "normal operations" of the Government in order to raise sufficient money to balance the Budget?

Mr. LA FOLLETTE. It is my understanding that the present revenue is sufficient to balance the Budget for what are considered to be the ordinary operating expenses of the Government.

Mr. TYDINGS. Following that question, then, this revenue would be applied, in part, to what might be called "the reduction of the debt caused by the abnormal expenditures of the Government"?

Mr. LA FOLLETTE. If we obtain additional revenue of a substantial character under this bill, it will accomplish three purposes. First, it will increase the taxes in proportion to the ability to pay, after very liberal deductions and exemptions, of those who are the indirect and the direct beneficiaries of the extraordinary expenditures which have been made; and the time to tax those who have benefited directly or indirectly is when the expenditures are being made and when they are receiving such benefits.

In the second place, the effort to provide a substantial increase in the revenue, in my opinion, is sound financially, even though we do not contemplate—and some of us feel it is not possible at this time—balancing the actual Budget in the technical sense. Before the Senator came into the Chamber, I suggested that, regardless of the attitude of Senators toward these expenditures and their wisdom, the Congress, after all, passed the legislation that made them possible. I supported all of them, and, so far as I was concerned, I tried to double them in some instances. However, I have felt, as I now feel and have advocated consistently that the time to increase taxes and to raise more revenue was while we were making the expenditures against the day, which we all hope to see come sometime, when we may absolutely balance the Budget and to fortify us against extraordinary expenditures, if it shall be necessary to continue them, by strengthening the credit position of the Government.

Mr. TYDINGS. As I recall, the average deficit since the Government has been incurring deficits is around $3,000,000,000 a year. I do not state the figure accurately, perhaps, but simply upon general information. As I understand, the amendment of the Senator from Wisconsin would go, of course, further toward meeting that deficit than would the pending bill?

Mr. LA FOLLETTE. Mr. President, do Senators know what the pending bill, as reported by the committee, would raise in additional revenue from individual income-tax payers? It would raise $4,000,000 more than the Government is now receiving, and that money would be obtained, if the returns should remain the same as now, from 48 taxpayers in the United States.

Mr. TYDINGS. In other words, the Senator's amendment, if adopted, together with the other provisions of the bill, would raise around $500,000,000 a year, and that would be about one-sixth of the normal deficit over the period of the depression per year. I am wondering where we are going to get the revenue to liquidate these deficits, because the income-tax field will largely be exhausted by amendments similar to that of the Senator from Wisconsin. Where are we going to get the remaining five-sixths of the annual deficit?

Mr. LA FOLLETTE. I do not agree with that statement. The amount of revenue that is yielded by graduated taxation depends upon two factors; first, upon the rates which are applied, and, secondly, upon the national income which is produced in the year in which the taxes are laid.

We are not exhausting the sources of revenue from income taxation by increasing the rates at this time, because if the so-called "recovery", which many individuals have been predicting, should take place, there would be a tremendous increase in the production of national income, and therefore a corresponding increase in the amount of revenue derived under any given set of rates.

Mr. TYDINGS. I am only desirous of eliciting information and am not taking issue with the Senator's philosophy or his amendment; but suppose the recovery should not come to the extent that many people hope it will come. There is bound to be some recovery of course, after a bank collapse, but suppose the recovery should not come, where would we then get the money to balance the Budget in addition to these high income-tax rates?

Mr. LA FOLLETTE. My position is that if recovery shall not come we shall be confronted with a continuation of these extraordinary expenditures, because I think those who are talking about balancing the Budget, when 20,000,000 men,

women, and children are totally dependent upon agencies of the Government and local charity for their existence, surely must understand that we cannot stop such extraordinary expenditures.

The theory upon which I have proceeded since this economic crisis hit us has been that if we would create more wealth by putting people to work upon useful projects we could, by increasing taxes, carry on those expenditures and produce a tremendous increase in the national income. The difficulty with the theory of those who talk about balancing the Budget is that they do not seem to recognize the fact that the expenditure of some $8,631,000,000 since the 4th of March 1933 has contributed to the increased earnings of corporations, has contributed to the rise in the stock-market values during the past few months to the extent of something like $15,000,000,000.

Most people seem to regard the Federal expenditure of money as though it were dumped into the middle of the Atlantic Ocean, never to return. Where have those dollars gone after they have been expended by the Federal Government? They have gone into the normal channels of trade, into cash registers; they have appeared upon the books of individuals and corporations doing business; and that, in my opinion, is one of the justifications for increasing taxes at the time the expenditures are made.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. Certainly.

Mr. TYDINGS. It is true, as the Senator has said, that the expenditure of all this money is conducive to business recovery; but the Senator must not lose sight of the fact, and I am sure he does not lose sight of the fact, that all the money which is being expended has to be repaid, not only in principal but with interest.

Mr. LA FOLLETTE. Certainly it has.

Mr. TYDINGS. Therefore, while the temporary gain may be beneficial, the ultimate result is that whatever gain there is must be taken in larger extent to repay the money expended to which the Senator has alluded.

Mr. LA FOLLETTE. But if we are able to achieve a return to the point where we are producing not somewhere near total capacity, but somewhere near what we produced prior to this crisis in the form of annual income, we need not worry about the ability of the United States Government to retire whatever indebtedness it may be necessary to incur.

The figures which I have just stated of the total indebtedness of this country and of Great Britain are a clear indication that my statement is correct. What I am driving at is that at the time we are making expenditures, just as in time of war, we ought to collect as large an amount of revenue as possible in order that we may accomplish two purposes: First, the maintenance of our national credit; and, secondly, insofar as it is possible, that we may finance a portion of those expenditures out of taxes instead of out of obligations of the Government in the form of bonds.

Mr. TYDINGS. Mr. President, will the Senator yield again?

Mr. LA FOLLETTE. Certainly.

Mr. TYDINGS. I am not taking issue with the Senator's philosophy, particularly that which he has just expressed, but, because recovery may not be so complete as many of us hope, although there has already been very great visible recovery, I think it is the part of prudence that we should look at the other end as well as the taxation end a little more keenly, and scrutinize a little more closely all the huge appropriations, which may contribute something to recovery, rather than to increase the large indebtedness of the Government which it will be increasingly difficult for the people to pay even with the increased business which we hope may come.

Mr. LA FOLLETTE. I know that is the Senator's position, and I know he has voted against many of the extraordinary expenditures; but, in answer to the Senator, the point is that if the recovery which some have predicted does not take place, we are all the more justified in increasing the taxes at a time where there is indication that increased income has accrued to individuals and corporations as a result of the Government's expenditures.

Mr. SMITH. Mr. President, will the Senator from Wisconsin yield to enable me to submit a conference report?

Mr. LA FOLLETTE. Not on what is called the "triple A" conference report bill. I beg the Senator to let me finish with my amendment first, because the conference report will lead to much discussion, and I am anxious to have a vote on my amendment before anything else intervenes.

Mr. SMITH. I am not aware of any discussion that may be involved, because the report has been agreed upon by the conferees of both Houses.

Mr. LA FOLLETTE. I know there will be an insistence upon a quorum call. I know it will lead to debate through the asking of questions. If the Senator will bear with me until I conclude, and until we may have a vote on my amendment, I shall be glad to withhold my second amendment, in case the pending one should be defeated, until he shall have disposed of the report. I would appreciate it very much if the Senator would permit me to proceed.

Mr. SMITH. Very well. I shall not insist.

Mr. LA FOLLETTE. I thank the Senator.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Illinois?

Mr. LA FOLLETTE. I yield.

Mr. LEWIS. I should like the Senator from Wisconsin to do me the compliment of advising me, though business has increased, if we should increase the amount of the taxes to a very considerable degree, how far that extra increase of taxes, which would wholly consume the new and multiplied individual income, would restrain the individual from any further effort to increase his income upon the theory that whatever additional earnings he might make would be consumed by governmental taxes?

Mr. LA FOLLETTE. No such rates have been suggested by anyone. Even the House excess-profits tax on corporations would allow a very substantial profit before the tax went into effect, but the Senate committee has changed that section.

I may say to the Senator that I do not think a married man with no dependents, with a net taxable income of $6,000 after all deductions are made, is going to resign his job because the Government asks him to pay $20 more a year to help meet the extraordinary emergency.

Mr. LEWIS. I concur in the statement of the able Senator.

Mr. LA FOLLETTE. Nor do I think that an individual who has a net taxable income of $2,000,000 a year is going to refuse to collect that income if in an extraordinary emergency of this kind he should be asked under my amendment to contribute $254,000 of increased income taxes. I think the average person who has a net taxable income of $2,000,000 after all his exemptions and deductions is in a very fortunate position if, after all of the activity upon the part of the Government to meet the emergencies of this crisis, he is asked to contribute only $250,000 a year more. If he is going to retire from his position, if he is going to lose his initiative, I submit there are millions of people in the United States who would be very glad to change places with him and thus enjoy the privilege of paying $250,000 a year of increased taxes on $2,000,000 of net taxable income.

Mr. LEWIS. I fear the able Senator either misconceives my question or I misunderstand his philosophy. This is what I asked the Senator, because it is asked by the constituents of many of us:

I am not referring to an individual who may draw a salary. I ask the Senator to contemplate a business house rising out of what has been gloom, and in some cases despair, or, to use his own words, the depression. Prosperity now seems to be on its way, and the business house now begins to realize some profit. If we put upon it a tax which it feels will consume all the excess it makes, will not that serve to discourage it from any further effort, on the ground that the proceeds of its efforts are being confiscated, from its point of view?

Mr. LA FOLLETTE. As I said a moment ago, no such tax has been proposed by anyone so far as I know. Further-

more, we are not now discussing corporate income taxes. I have not offered any amendment to the corporation income tax section. I am discussing the taxes upon individual incomes. There is much "bunk" peddled around the country to the effect that persons who are enjoying huge incomes are going to cease their activities and are going to stop collecting those incomes because they do not like the tax. I repeat that if there is anybody in the upper brackets who feels that a $250,000 increase upon a net taxable income of $2,000,000 is excessive, and he wishes to retire and go to some isolated island in the Pacific, there will be many persons in the United States who will volunteer to take his place and to pay the tax.

Mr. LEWIS. If I may again answer the Senator——

Mr. LA FOLLETTE. Just one other point.

There has been much talk about high rates of taxation retarding business activity.

Mr. LEWIS. That was the matter which I wished to present to the Senator.

Mr. LA FOLLETTE. We get this argument about high taxes coming and going. On the one hand, those in positions of strategic economic power shout for a balanced Budget; they demand that we follow and emulate the policies of Great Britain; but the moment it is suggested that we even take a step in that direction, they all throw up their hands and say they do not want the taxes imposed.

I desire to point out to the Senator that with half the population and considerably less wealth than the United States, and with very much higher taxes than I have proposed so far as the average tax in the brackets is concerned, Great Britain's national income has been mounting each successive year during the past several years. If there were anything to the argument that a reasonable increase in taxes is going to retard business activity and destroy initiative, I submit that the very example which those making the argument are most fond of quoting—namely, the example of Great Britain—gives a complete answer to the contention that these increases in rates, moderate compared to the rates imposed by the British law, would produce any such result as they claim.

Mr. LEWIS. Mr. President, I respond to the Senator by saying that I have often listened to such arguments, seeking to make comparison of the Government of Great Britain, and also the Government of England, with our own; and it has often been used on the floor to demonstrate the superiority of some foreign nation to our own home Government. Of course, two considerations are ever omitted in the discussion, namely, that in England and in Great Britain there has been a general decrease of all salaries and decreases of all payments in wages, and there has been an increase of taxes. Their people seem to have endured it, and, I regret to have to say, with a patriotism wholly different and much to their credit beyond that which in America is now indulged.

But I ask the Senator this question——

Mr. LA FOLLETTE. Let me interrupt the Senator there to say that I do not believe that the American taxpayer, when in full possession of all the facts, will prove to be any less patriotic than is the taxpayer of Great Britain or any other nation.

Mr. LEWIS. I should like to feel that all our taxpayers were wholly patriotic; but when I observe the absolute opposition in this country to any form of tax, of any kind or of any nature, despite the need of it, and from sources which are well able to pay the tax, I cannot accept the thought that there is much patriotism behind the large taxpayer in certain quarters of our country.

I allude specifically to an element which we might term the stock-exchange income-tax payer, but knowing the Senator's work on this problem, I come back to the question, How far does the Senator feel that we would restrict new industries in the rising prosperity if we should leave the impression that as largely as they gather and multiply, more largely will we gather and multiply taxes which may consume the proceeds of their efforts?

Mr. LA FOLLETTE. I make the same reply which I made to the Senator's first suggestion. So far as I know, no one has yet proposed any taxes which contemplate taking all the profits of a corporation over a certain amount. I contend that I have already demonstrated that, so far as the rates contained in the pending amendment are concerned, there are no increases in it which anyone can show under similar conditions elsewhere have produced any results such as the Senator has indicated, in the way of a lack of initiative and failure of business to expand.

Mr. President, resuming my remarks at the point where I was interrupted, I desire to make a brief summary of the extraordinary expenditures which have been made by the Government to meet the problems of its citizens during this economic crisis, from March 4, 1933, to August 13, 1935:

Agricultural aid, $1,173,000,000.

Relief and employment, $5,024,000,000.

Public works, $1,738,000,000; with the qualification that in the category of public works there are public highways, rivers, and harbors. To some extent, of course, concerning those items, expenditures would have been made under any circumstances.

Aid to home owners, $358,000,000.

Federal Deposit Insurance Corporation, $150,000,000.

Reconstruction Finance Corporation, $114,000,000. Of course, during this period the Reconstruction Finance Corporation received payments of interest and principal on its loans aggregating approximately $2,370,000,000, which have been expended by the Reconstruction Finance Corporation in further loans. The figure I have given is the net figure.

Tennessee Valley Authority, $53,000,000.

National Industrial Recovery Administration, $21,000,000.

Or a total of $8,631,000,000.

Mr. President, the argument is made by the committee that we should increase the taxes only in the brackets of the very large income-tax payers. I think the only basis upon which we can justify any increase in taxes is the fact that we have been confronted by a national emergency, and that billions of dollars have been spent by the Government to meet the situation. If that premise be sound, how can we justify increasing the taxes in the higher brackets and refusing to increase the taxes upon those in the moderate-income brackets? Let me say again this amendment does not reach down into the very low brackets.

Where have these expenditures gone? Whom have they most directly benefited? They certainly have most directly benefited the masses of the people of the country. They have served to refinance the homes of individuals who were in danger of losing them. They have served to refinance the farms of some of those who were threatened with the loss of their farms. They have been used for the purpose of providing employment and relief and of taking the burden of caring for individuals off the backs of other individuals in more fortunate circumstances who otherwise would have had to meet that burden.

So I come back again to the situation of the income-tax payer, a married person with no dependents. He would be reached under my amendment only when he had a net taxable income of $6,000, and he would be asked to contribute only an additional $20 to meet the problems and the burdens of this emergency.

I say that this schedule of rates is sound, that it is justified, that it does not touch the incomes of those who are not in a position, in accordance with their ability, to meet a small additional increase; that it rises up through the brackets of income until it reaches the highest level, 75 percent on $5,000,000 of net taxable income or more. In other words, in complete conformity with the principle of graduated taxation, in complete conformity with the principle that taxes should be levied in proportion to the ability of the taxpayer to carry the burden, I say these rates are justified in this emergency.

Mr. President, I recognize that probably it is futile to debate this question any further, since I have covered

most of the ground. I shall be glad to answer any questions concerning the amendment, and at the appropriate time I desire a record vote upon it.

I ask unanimous consent to insert in the RECORD a table which shows the various amendments I shall offer and compare them with the present law, the House bill, the Senate bill, and the British rates.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Comparison of income tax on specimen net incomes under Finance Committee bill, La Follette rates, House bill, Revenue Act of 1934, and British income tax

MARRIED MAN, NO DEPENDENTS, ALL EARNED INCOME

Net income	Total tax, Finance Committee bill	Total tax, La Follette plan no. 1 [1]	Total tax, La Follette plan no. 2 [2]	Total tax, La Follette plan no. 3 [3]	Total tax, House bill	Total tax, existing law, Revenue Act of 1934	Total tax, Great Britain [4]
$1,000	0	0	0	0	0	0	0
$1,500	0	0	0	0	0	0	$30.25
$2,000	0	0	0	0	0	0	67.50
$2,500	0	$10	0	0	0	0	157.50
$3,000	$8	28	$8	$8	$8	$8	247.50
$4,000	44	64	44	44	44	44	427.50
$5,000	80	100	80	80	80	80	607.50
$6,000	116	176	136	116	116	116	787.50
$7,000	172	272	222	172	172	172	967.50
$8,000	248	368	318	248	248	248	1,170.50
$10,000	415	600	540	430	415	415	1,630.00
$12,000	602	872	802	652	602	602	2,180.00
$14,000	809	1,184	1,104	914	809	809	2,769.63
$16,000	1,044	1,544	1,454	1,224	1,044	1,044	3,389.38
$18,000	1,299	1,944	1,844	1,574	1,299	1,299	4,059.38
$20,000	1,589	2,384	2,274	1,964	1,589	1,589	4,729.38
$25,000	2,489	3,664	3,524	3,114	2,489	2,489	6,679.38
$30,000	3,569	5,124	4,969	4,450	3,569	3,569	8,766.88
$40,000	5,979	8,404	8,234	7,524	5,979	5,979	13,216.88
$50,000	8,869	12,224	12,024	11,114	8,869	8,869	18,216.88
$60,000	12,239	16,544	16,324	15,214	12,329	12,239	23,491.88
$70,000	16,104	21,304	21,024	19,714	16,449	16,104	28,766.88
$80,000	20,494	26,384	26,124	24,614	21,269	20,494	34,179.38
$100,000	30,594	37,824	37,524	35,614	32,469	30,594	45,279.38
$150,000	58,544	68,784	68,474	65,584	63,394	58,544	74,404.38
$200,000	87,019	100,744	100,424	96,514	95,344	87,019	104,904.38
$300,000	144,994	167,664	167,324	161,414	162,244	144,994	167,279.38
$500,000	263,944	309,584	309,224	299,314	304,144	263,944	294,779.38
$1,000,000	571,394	684,504	684,124	664,214	679,044	571,394	613,529.38
$2,000,000	1,221,294	1,454,484	1,454,080	1,424,164	1,449,019	1,201,394	1,251,029.38
$5,000,000	3,350,844	3,794,464	3,794,074	3,764,014	3,788,994	3,091,369	3,163,529.38
$10,000,000	7,190,994	7,744,444	7,744,049	7,714,089	7,738,969	6,241,394	6,351,029.38
$20,000,000	15,090,969	15,644,444	15,644,049	15,614,089	15,638,969	12,541,394	12,726,029.38

[1] Plan no. 1 includes reduction in exemptions from $2,500 to $2,000 for married persons and from $1,000 to $800 for single persons. Estimated to raise $215,000,000 additional revenue.
[2] Plan no. 2 grants exemptions as in existing law and starts surtax at $3,000. Estimated to raise $175,000,000 additional revenue.
[3] Plan no. 3 starts surtax at $4,000, as in present law. Estimated to raise $96,000,000 additional revenue.
[4] Conversion unit—1 pound equals $5.

Mr. BARKLEY. Mr. President, I have no desire to consume much of the time of the Senate on the amendment offered by the Senator from Wisconsin. I regret exceedingly to find myself in opposition to the amendment of my good friend. I recognize the utter sincerity with which he has offered it and discussed it. There is not so much a difference of philosophy between him and me and between him and others, as I conceive it, although the question of philosophy may enter into the question of justice and injustice as it relates to the question of taxation.

I do not oppose the amendment of the Senator from Wisconsin because I do not wish everybody in this country to pay his just share of the burden of taxation, whether that burden be imposed by the National Government or by local governments, of which we have probably more and in different forms than any other nation in existence.

It is hardly fair to compare our taxes with those of Great Britain. I do not think our people are less patriotic than those of any other country, but I think they have probably more just cause to object to constant increase of Federal taxes until and unless they are able in some respect to reduce taxes which they pay in support of local governments.

I oppose the amendment offered by the Senator from Wisconsin because already from 60 to 65 percent of the total burden of national taxation is borne by those who would fall in the lower brackets of the Senator's amendment, and for the additional reason that anywhere from 75 to 90 percent of all taxation in support of local governments—by which I mean city, county, district, and State governments—is borne by those who would fall in the lower brackets of the Senator's amendment.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Kentucky yield to the Senator from Wisconsin?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. Is this an estimate the Senator has made or has he any reports or any data to support his statement?

Mr. BARKLEY. I have some figures here, which are not altogether conclusive, because I have found it difficult to find any compilations. Even the Census Bureau has compiled these figures only by geographic units, and it has been difficult to assemble them so as to show the picture for the whole country.

However, it might be interesting to call attention to the fact that for the year 1929, which was the peak year, we had an estimated national income of about $90,000,000,000. Those who received less than a thousand dollars a year represented about 6,000,000 families in the country, representing anywhere from twenty-five to thirty million of our people and constituted 21 percent of all the families in the United States. Twenty-one percent of all the families in the United States, even in the peak year of prosperity, so-called, 1929, received incomes of less than a thousand dollars a year.

Mr. LA FOLLETTE. Mr. President, if the Senator will permit me to interrupt him, under the amendment I have proposed not a single one of the families just referred to by the Senator would be asked to pay any increase in taxes.

Mr. BARKLEY. I realize that, but I am giving these figures in order that the Senate may have the complete picture. I do not contend that the Senator's amendment would reach those families.

Those with incomes of less than $1,500 represented over eleven and a half million families in the United States.

Those with incomes of less than $2,000 a year represented 16,345,000 families, or about 60 percent of our total population.

Those with incomes of less than $2,500 a year represented 19,558,000 families, or 71 percent of our total population.

Those with incomes of less than $3,000 a year represented 21,546,000 families, or 78.4 percent of our total population.

Those with incomes of less than $3,500 a year represented 23,986,000 families, or 83.7 percent of our total population.

Those with incomes of less than $4,500 a year represented 24,704,000 families, or 90 percent of the total population of the United States.

Those with incomes of less than $5,000 per annum represented 25,218,000 families, or 91.8 percent of the total population of the United States.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. In just a moment. Those receiving incomes of more than $10,000 a year represented only 631,000 families, or 2.3 percent of the total population of the United States. I yield to the Senator.

Mr. LA FOLLETTE. The comparison I am about to make is very liberal, because it does not contain any provision for dependents.

The Senator is talking about heads of families. Not a single one of the 91 percent of the families in the United States the Senator mentioned as having incomes of $5,000 a year or less would be asked to pay an additional nickel under the amendment I have offered. My amendment would not tax the head of a family unless he had a net income of $6,000 a year, and he would be asked to pay an increase of only $20.

Mr. BARKLEY. The Senator's amendment begins the increase at $3,000 net income.

Mr. LA FOLLETTE. Yes; but it does not produce any increase in taxes upon the married man until his net taxable income is $6,000 or above.

Mr. BARKLEY. It would affect all those having incomes between three thousand and five thousand dollars a year, and, to a large extent, all those having incomes above $5,000.

Mr. LA FOLLETTE. The Senator is mistaken. He is talking about families. The situation is, as I have just stated, that if a person is married and has no dependents, which would be an unusual case, in considering all the families to which the Senator has been referring, there would have to be a net taxable income of $6,000 before the taxpayer would be asked to pay any additional taxes under my amendment. Then the increase would be only $20 over what he now pays. So that 91 percent of the families in the United States about whom the Senator is talking would not be asked to contribute one additional penny, under the amendment now pending.

Mr. BARKLEY. Mr. President, the relation of the figures which I have read to the debate and the amendment it seems to me revolves around the proposal to increase the income taxes of the average man and the average woman throughout the United States. My contention is that not only is the larger proportion of our national income paid by these average men and women and these average families, but that a very much greater proportion of all local taxation is paid by these same people who would be called upon, under the Senator's amendment, to bear at least a considerable portion of the increases for which his amendment provides.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. The figures the Senator has himself quoted demonstrate that 91 percent of the families would not be affected by my amendment, and it certainly does not seem to me that we can denominate as "average citizens" the 9 percent who are married and have no dependents, or have dependents and who have net taxable incomes of $6,000 a year.

Mr. BARKLEY. The Senator has referred to the situation in Great Britain. I have great admiration and respect for the British people and for the wisdom of the British Government, but I do not necessarily have to take Great Britain as a model for our own Government either in matters of taxation or in any other respect.

The total indebtedness of the British Empire, which includes national and local debts, is $39,726,000,000, or, by deduction, they arrive at a total net debt of $39,111,000,000. Our total national debt is $27,053,000,000 according to the figures for 1934.

Mr. LA FOLLETTE. Mr. President, $39,111,000,000 is the national debt in Great Britain; it does not include local debts.

Mr. BARKLEY. I was mistaken; it is internal and external debts.

Mr. LA FOLLETTE. It does not include the indebtedness of local subdivisions, which amount approximately, according to this same report, to $6,505,000,000.

Mr. BARKLEY. There are some other interesting figures of comparison between Great Britain and the United States.

The total expenditures of the National Government of Great Britain for 1933–34 were $3,467,000,000. The total local governmental expenditures in Great Britain for the same year were $1,840,000,000.

In the United States for the same period the total national expenditures were $7,105,000,000 and the total for local governments was $9,679,000,000.

So that while the expenditures of Great Britain for national and local governments were only $5,307,000,000, for 1934 the total expenditures for governments in the United States of all sorts, local and national, were $16,784,000,000.

The per capita expenditure in Great Britain for all purposes of government was $115, while ours was $133. We know that in the past 10 years not only have the expenditures of our National Government been vastly multiplied and increased, but for all our local governments, including cities, counties, school districts, and States the expenditures of the people have mounted by more than 100 percent. I think it may be truthfully and conservatively stated that more than 75 percent of all this increase, of all the multiplication of taxes in local communities, in cities, and counties, and States, has been borne by the average home owner, the average wage earner, the average professional man, the average business man—the great bulk of the people, made up of what we call not necessarily the small fellow or the little fellow, but the "average taxpayer" in a county or in a city or in any State in the United States.

If it be true, and I do not think it can be gainsaid, that this large proportion of the burden of local taxation is borne by the average man, whether we consider the average man as the one who receives less than $5,000 a year or the one who receives less than $10,000 a year—we can make up our own average to suit our own view of what an average ought to be—then I do not believe that by the pending amendment or by any other amendment we ought to increase the taxes which are now levied upon the average citizens and the average families in our country in order that we may make them tax-conscious. Not only have they been bearing a disproportionate part of the burden of all local taxation, insofar as the assessments of property for local purposes are concerned, but in the past 2 or 3 years more than a majority of the States of the Union—some 30 in number—have levied sales taxes in all forms, which have been paid by the same people who are now paying more than 75 percent of the taxes in support of local government and more than 60 percent of taxes in support of the Government of the United States.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. I merely wish to suggest at this point in the Senator's argument that deductions from net taxable income for all taxes paid to local, county, and State governments are now permitted.

Mr. BARKLEY. I realize that; but that does not make a great amount of difference, except in the higher brackets. It does not make much difference to the average man. By reason of the tax he has paid in his local community, a deduction of $15, $20, $50, or $100 from the rate of taxation which he would have to pay on his income for national purposes makes very little difference in the amount of actual income tax which he pays into the Treasury.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LEWIS. I suggest to the able Senator from Kentucky that in addition to the computation he has just expressed of those who pay the taxes, the great middle class, he may with safety add the fact that the tariff act, as it lays its weight upon the citizen, also falls upon the very same persons he has described.

Mr. BARKLEY. Undoubtedly; and I thank the Senator from Illinois for the suggestion. There is no way in which we can compute the amount of taxes the citizen pays in that indirect way, because we cannot compute the amount which is added when the article finally reaches the consumer, in addition to the actual tax which is paid at the ports of customs throughout the country. The citizen has made his contribution in that form of tax.

Mr. President, it is not my desire to consume any more time in discussing this matter. I desired to submit these observations to the Senate in support of my opposition to the amendment of the Senator from Wisconsin, much as I dislike and regret to oppose any amendment he offers, on account of my great affection and admiration for him as a man and a Senator. Therefore, I hope the amendment will be defeated by the Senate when it is voted upon, either by roll call or otherwise.

Mr. LA FOLLETTE. Mr. President, I received the impression from the Senator's remarks that he held that view. I wish to say only a few words in reply to the Senator from Kentucky.

It seems to me the Senator from Kentucky has completely answered the critics of this amendment who say it imposes taxes upon those who have no ability to meet them. His own figures demonstrate that only 9 percent, at the outside—and that is a very liberal estimate—of the families of the United States will be asked to pay any increase under the amendment which I propose; and all his argument concerning the average citizen falls to the ground in the face of those statistics. They are not the average citizens.

Furthermore, Mr. President, as I said in the course of my original statement, in the case of a taxpayer, a married man with no dependents, who is getting a net taxable income of $6,000 a year, after all his deductions for all the items which we permit under our income-tax law—and, in relation to deductions, we have a very liberal statute—it seems to me that under all the circumstances such an individual might be asked to contribute $20 additional each year to the Federal Government to meet the extraordinary emergency which this country faces.

In the second place, Mr. President, I wish to suggest that it is very important, from the point of view of the continuity of revenue, that we should begin our increases at a point not unfair, not harsh, but at a point where the taxpayer may, in proportion to his ability, assume part of the load; and in that connection I wish to point out the extraordinary difference in the consistency of our revenue acts.

In 1929 the revenue from individual income tax in this country was $1,000,000,000. In 1932, with rates two and one-half times higher, the revenue was only $329,000,000. I am referring now to the individual income tax. No such drastic fluctuations have taken place in the British revenue, for the simple reason that their base is broader than ours, and for that reason the continuity of yield is very much steadier.

In all justice, Mr. President, with 20,000,000 men, women, and children who have nothing, is it an excessive contribution to ask of a married man with no dependents receiving a net income of $6,000 a year that he contribute $20 additional tax each year to meet the problems which have been created by this emergency? I answer that question without hesitation in the negative. I also believe that if the people of the United States are put in full possession of all the facts, the overwhelming majority of them will be willing to pay, in accordance with their ability, their fair share of the extraordinary expenditures which the Government has been forced to make.

Mr. VANDENBERG. Mr. President, I ask for just a moment to present one factual exhibit indicating why it is necesary for us to contemplate putting a tremendously increased tax burden upon the American people.

Expenditures are the fudamental measure of the necessities for taxation. I wish to call attention to one exhibit. The N. R. A. died May 27, 1935. I concede that it would take the coroner and other officials a short while to conduct the interment services. But, Mr. President, I wish to point out from official figures that N. R. A.'s administrative expenses for the month of July 1935—6 weeks after it was supposed to be through—were nearly $200,000 more than they were in July 1934 when the institution was running at full speed. The administrative expense of N. R. A. in July 1935, 6 weeks after it is supposed to have been finished, is $1,017,000. The administrative expense of N. R. A. in July 1934, when it was operating 100 percent, was only $887,046.

Mr. President, I ask that a break-down of these figures be printed in the RECORD at this point; and I wish to suggest that if we would show half as much zeal in demobilizing dead bureaus as we do in taxing dead citizens, it would be better for all concerned.

The PRESIDING OFICER. Without objection, the table will be printed in the RECORD.

The table referred to is as follows:

N. R. A. personnel

July 1934:	
Per diem employees	449
Per annum employees	4,229
July 1935:	
Per diem employees	351
Per annum employees	3,692

(Between 300 and 350 of the above per annum employees have received notices of the termination of their employment but are now taking their leave.)

N. R. A. expenses

July 1934:	
Per diem employees	$64,203.99
Per annum employees	650,561.95
Total administrative expense	887,046.14
July 1935:	
Per diem employees	52,692.25
Per annum employees	792,561.95
Total administrative expense	1,017,127.86

Mr. HARRISON. Mr. President, I ask for a vote on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE] and will vote. I vote "nay."

The roll call was concluded.

Mr. BILBO. I have a general pair with the Senator from Iowa [Mr. DICKINSON]. I transfer that pair to the Senator from Ohio [Mr. DONAHEY] and will vote. I vote "nay." I am not advised how either the Senator from Iowa or the Senator from Ohio would vote if present.

Mr. LEWIS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from California [Mr. MCADOO], the Senator from Montana [Mr. WHEELER] are detained in a committee meeting; that the Senator from Oklahoma [Mr. GORE] is detained on departmental business; that the Senator from West Virginia [Mr. HOLT] is absent because of illness, and that the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE] are necessarily detained from the Senate.

Mr. WALSH. I announce that my colleague [Mr. COOLIDGE] is necessarily absent. If present, he would vote "nay."

Mr. TYDINGS (after having voted in the negative). On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF], who is absent from the Chamber. I transfer that pair to the junior Senator from Oklahoma [Mr. GORE], and allow my vote to stand. I am not in a position to say how either the Senator from Rhode Island or the Senator from Oklahoma would vote were they present.

Mr. AUSTIN. On this question I announce that the Senator from Delaware [Mr. HASTINGS] has a pair with the Senator

from Idaho [Mr. POPE]. If present, the Senator from Delaware would vote "yea" and the Senator from Idaho, if present, would vote "nay."

I also announce that the Senator from Iowa [Mr. DICKINSON], the Senator from New Hampshire [Mr. KEYES], and the Senator from Delaware [Mr. HASTINGS] are necessarily absent, and that the Senator from Rhode Island [Mr. METCALF] is detained on official business.

The result was announced—yeas 19, nays 62, as follows:

YEAS—19

Austin	Frazier	Maloney	Steiwer
Black	Gerry	Norbeck	Thomas, Okla.
Bulkley	Gibson	Nye	Vandenberg
Clark	Hale	Russell	White
Costigan	La Follette	Shipstead	

NAYS—62

Adams	Carey	Logan	Reynolds
Ashurst	Chavez	Lonergan	Robinson
Bachman	Connally	McCarran	Schall
Bailey	Copeland	McGill	Schwellenbach
Bankhead	Davis	McKellar	Sheppard
Barbour	Dieterich	McNary	Smith
Barkley	Fletcher	Minton	Thomas, Utah
Bilbo	George	Moore	Townsend
Bone	Glass	Murphy	Trammell
Borah	Guffey	Murray	Truman
Brown	Harrison	Neely	Tydings
Bulow	Hatch	Norris	Van Nuys
Burke	Hayden	O'Mahoney	Wagner
Byrnes	Johnson	Overton	Walsh
Capper	King	Pittman	
Caraway	Lewis	Radcliffe	

NOT VOTING—15

Byrd	Donahey	Holt	Metcalf
Coolidge	Duffy	Keyes	Pope
Couzens	Gore	Long	Wheeler
Dickinson	Hastings	McAdoo	

So Mr. LA FOLLETTE's amendment to the amendment reported by the committee was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2247. An act directing the conveyance of certain lands to the regents of the University of New Mexico;

S. 2361. An act to fix the compensation of registers of district land offices;

S. 2577. An act to eliminate the requirement of cultivation in connection with certain homestead entries; and

S. 2695. An act to add certain lands to the Medicine Bow National Forest, Wyo.

The message also announced that the House had passed the bill (S. 578) authorizing the Secretary of the Interior to permit citizens of Bear Lake County, Idaho, to obtain timber from Lincoln County, Wyo., for domestic purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6678. An act to add certain lands to the Rogue River National Forest in the State of Oregon;

H. R. 7024. An act to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., the northeast half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, Hot Springs, N. Mex.;

H. R. 7736. An act to provide for the establishment of the Whitman National Monument;

H. R. 7930. An act to eliminate certain lands from the Craters of the Moon National Monument, Idaho;

H. R. 7938. An act to authorize the transfer of the Otter Cliffs Radio Station on Mount Desert Island in the State of Maine as an addition to the Acadia National Park, and for other purposes;

H. R. 8133. An act to authorize certain homestead settlers or entrymen who are disabled World War veterans to make final proof of their entries, and for other purposes; and

H. R. 8312. An act to add certain lands to the Rogue River National Forest in the State of Oregon.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Public Lands and Surveys:

H. R. 6678. An act to add certain lands to the Rogue River National Forest in the State of Oregon;

H. R. 7024. An act to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., the northeast half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, Hot Springs, N. Mex.;

H. R. 7736. An act to provide for the establishment of the Whitman National Monument;

H. R. 7930. An act to eliminate certain lands from the Craters of the Moon National Monument, Idaho;

H. R. 7938. An act to authorize the transfer of the Otter Cliffs Radio Station on Mount Desert Island in the State of Maine as an addition to the Acadia National Park, and for other purposes;

H. R. 8133. An act to authorize certain homestead settlers or entrymen who are disabled World War veterans to make final proof of their entries, and for other purposes; and

H. R. 8312. An act to add certain lands to the Rogue River National Forest in the State of Oregon.

CUTTING OF TIMBER IN LINCOLN COUNTY, WYO.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 578) authorizing the Secretary of the Interior to permit citizens of Bear Lake County, Idaho, to obtain timber from Lincoln County, Wyo., for domestic purposes, which was, on page 1, line 11, after the name "Idaho", to insert a colon and the following proviso:

Provided, That no live standing timber shall be taken without compensation.

Mr. BORAH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

Mr. McCARRAN obtained the floor.

Mr. HARRISON. Mr. President, will the Senator yield for a moment?

Mr. McCARRAN. I yield to the Senator from Mississippi.

Mr. HARRISON. I wish merely to express the hope that we may vote on the other amendment which the Senator from Wisconsin desires to offer.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Wisconsin?

Mr. McCARRAN. I yield.

Mr. LA FOLLETTE. Mr. President, I do not wish to interfere in any way with what the Senator from Nevada has in mind, but I have another amendment which is somewhat different from the one just voted on. I do not think it will lead to very much debate; and if it would be agreeable to the Senator to dispose of my amendment before he proceeds, it would come more consecutively in the RECORD.

Mr. SMITH rose.

Mr. LA FOLLETTE. Is that suggestion agreeable to the Senator from Nevada and the Senator from South Carolina?

Mr. SMITH. Yes, Mr. President; it is agreeable if the proposal does not lead to extended debate, because the conference report which I have in charge should be acted upon.

Mr. LA FOLLETTE. I agree with the Senator about that. So far as I am concerned, I want only a few minutes to explain the difference between the amendment I now wish to offer and the one just voted on. I shall not argue the question at all, resting my case upon the argument which I made on the last amendment.

Mr. McCARRAN. I yield to the Senator from Wisconsin for the purpose he has designated. Then I will yield to the Senator from South Carolina to enable him to bring before the Senate the conference report which he has in charge.

Mr. BORAH. Mr. President, before the yielding starts, I should like to know whether the conference report has been printed? I have not been able to ascertain the nature of the report and it affects a very important measure.

Mr. SMITH. I may say to the Senator from Idaho that according to the terms of the conference report the bill is practically in the shape in which it passed the Senate. So, of course, the Senator is thoroughly familiar with it. Hardly any changes have been made in the form of the bill as it left the Senate.

Mr. HARRISON. Mr. President, if the Senator from South Carolina will yield, I assume there will be no debate on the conference report.

Mr. SMITH. None that I know of, but, of course, it is impossible to tell in this body what is going to happen. [Laughter in the galleries.]

Mr. BORAH. I have no intention of indulging in debate.

The PRESIDING OFFICER. The Chair reminds the occupants of the galleries that they are here as guests of the Senate and must obey the rules of the Senate and maintain order. The Senator from Nevada has the floor.

Mr. McCARRAN. I have yielded first to the Senator from Wisconsin, and then I will yield to the Senator from South Carolina to conclude the matter which he has in charge. I desire, however, to retain the floor.

Mr. LA FOLLETTE. Mr. President, I offer an amendment in the nature of a substitute for the committee amendment relating to surtaxes.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

Mr. LA FOLLETTE. I ask unanimous consent that the amendment to the amendment may be printed without reading, because I can explain very much more briefly what it provides.

The PRESIDING OFFICER. Without objection, the reading of the amendment offered by the Senator from Wisconsin to the committee amendment will be dispensed with, and the proposed amendment will be printed at this point in the RECORD.

The amendment submitted by Mr. LA FOLLETTE to the committee amendment is as follows: On page 4, to strike out all after line 17 through line 23 on page 5 and insert in lieu thereof the following:

Section 12 (b) of the Revenue Act of 1934 is amended to read as follows:

"(b) RATES OF SURTAX.—There shall be levied, collected, and paid for each taxable year upon the surtax net income of every individual a surtax as follows:

"Upon a surtax net income of $4,000 there shall be no surtax; upon surtax net incomes in excess of $4,000 and not in excess of $6,000, 4 percent of each excess.

"$80 upon surtax net incomes of $6,000; and upon surtax net incomes in excess of $6,000 and not in excess of $8,000, 6 percent in addition of such excess.

"$200 upon surtax net incomes of $8,000; and upon surtax net incomes in excess of $8,000 and not in excess of $10,000, 8 percent in addition of such excess.

"$360 upon surtax net incomes of $10,000; and upon surtax net incomes in excess of $10,000 and not in excess of $12,000, 10 percent in addition of such excess.

"$560 upon surtax net incomes of $12,000; and upon surtax net incomes in excess of $12,000 and not in excess of $14,000, 12 percent in addition of such excess.

"$800 upon surtax net incomes of $14,000; and upon surtax net incomes in excess of $14,000 and not in excess of $16,000, 14 percent in addition of such excess.

"$1,080 upon surtax net incomes of $16,000; and upon surtax net incomes in excess of $16,000 and not in excess of $18,000, 16 percent in addition of such excess.

"$1,400 upon surtax net incomes of $18,000; and upon surtax net incomes in excess of $18,000 and not in excess of $20,000, 18 percent in addition of such excess.

"$1,760 upon surtax net incomes of $20,000; and upon surtax net incomes in excess of $20,000 and not in excess of $22,000, 20 percent in addition of such excess.

"$2,160 upon surtax net incomes of $22,000; and upon surtax net incomes in excess of $22,000 and not in excess of $26,000, 22 percent in addition of such excess.

"$3,040 upon surtax net incomes of $26,000; and upon surtax net incomes in excess of $26,000 and not in excess of $32,000, 25 percent in addition of such excess.

"$4,540 upon surtax net incomes of $32,000; and upon surtax net incomes in excess of $32,000 and not in excess of $38,000, 28 percent in addition of such excess.

"$6,220 upon surtax net incomes of $38,000; and upon surtax net incomes in excess of $38,000 and not in excess of $44,000, 31 percent in addition of such excess.

"$8,080 upon surtax net incomes of $44,000; and upon surtax net incomes in excess of $44,000 and not in excess of $50,000, 34 percent in addition of such excess.

"$10,120 upon surtax net incomes of $50,000; and upon surtax net incomes in excess of $50,000 and not in excess of $60,000, 38 percent in addition of such excess.

"$13,920 upon surtax net incomes of $60,000; and upon surtax net incomes in excess of $60,000 and not in excess of $70,000, 42 percent in addition of such excess.

"$18,120 upon surtax net incomes of $70,000; and upon surtax net incomes in excess of $70,000 and not in excess of $80,000, 46 percent in addition of such excess.

"$22,720 upon surtax net incomes of $80,000; and upon surtax net incomes in excess of $80,000 and not in excess of $90,000, 50 percent in addition of such excess.

"$27,720 upon surtax net incomes of $90,000; and upon surtax net incomes in excess of $90,000 and not in excess of $100,000, 54 percent in addition of such excess.

"$33,120 upon surtax net incomes of $100,000; and upon surtax net incomes in excess of $100,000 and not in excess of $150,000, 56 percent in addition of such excess.

"$61,120 upon surtax net incomes of $150,000; and upon surtax net incomes in excess of $150,000 and not in excess of $200,000, 58 percent in addition of such excess.

"$90,120 upon surtax net incomes of $200,000; and upon surtax net incomes in excess of $200,000 and not in excess of $250,000, 60 percent in addition of such excess.

"$120,120 upon surtax net incomes of $250,000; and upon surtax net incomes in excess of $250,000 and not in excess of $300,000, 62 percent in addition of such excess.

"$151,120 upon surtax net incomes of $300,000; and upon surtax net incomes in excess of $300,000 and not in excess of $400,000, 64 percent in addition of such excess.

"$215,120 upon surtax net incomes of $400,000; and upon surtax net incomes in excess of $400,000 and not in excess of $500,000, 66 percent in addition of such excess.

"$281,120 upon surtax net incomes of $500,000; and upon surtax net incomes in excess of $500,000 and not in excess of $750,000, 68 percent in addition of such excess.

"$451,120 upon surtax net incomes of $750,000; and upon surtax net incomes in excess of $750,000 and not in excess of $1,000,000, 70 percent in addition of such excess.

"$626,120 upon surtax net incomes of $1,000,000; and upon surtax net incomes in excess of $1,000,000 and not in excess of $2,000,000, 72 percent in addition of such excess.

"$1,346,120 upon surtax net incomes of $2,000,000; and upon surtax net incomes in excess of $2,000,000 and not in excess of $5,000,000, 74 percent in addition of such excess.

"$3,566,120 upon surtax net incomes of $5,000,000; and upon surtax net incomes in excess of $5,000,000, 75 percent in addition of such excess."

Mr. LA FOLLETTE. Mr. President, my amendment, if adopted, would not establish any new surtax brackets. It accepts the existing law in that regard. It affects only surtaxes and has nothing to do with exemptions or any other feature of the existing law.

The amendment would not start to increase the taxes upon a married man with no dependents until his net taxable income was in excess of $8,000, and in that bracket upon $8,000 taxable income the increase under the pending amendment would be only $15.

If there are any Senators who were persuaded by the figures submitted by the Senator from Kentucky [Mr. BARKLEY] that starting at $6,000 was excessive, permit me to repeat that my amendment would not touch a married man with or without dependents until he had a net taxable income of $8,000, and upon such income between $8,000 and $10,000 there would be imposed an additional tax under my amendment of only $15.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Certainly.

Mr. FLETCHER. How does that compare with the provisions of the bill?

Mr. LA FOLLETTE. I am comparing it with the provisions of the bill. Under my amendment a married man with no dependents would pay the same tax at $8,000 and below that figure as he would pay under existing law and under the bill as reported by the committee; but when his income

reaches $10,000, that is, the bracket between $8,000 and $10,000, there would be an increase of only $15.

Is there any Senator who thinks a married man with no dependents who has a net taxable income after all deductions and exemptions above $8,000, cannot afford, in this grave national emergency, to pay $15 in addition to what he is paying under existing law?

Mr. MURPHY. Mr. President——

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. I yield.

Mr. MURPHY. May I ask the Senator from Wisconsin if he will state the progressive increases which would be made by his amendment?

Mr. LA FOLLETTE. There are progressive increases in the taxes going up in a steady curve to the top bracket where the rate is the same as the committee's, namely, 75 percent on net taxable incomes of over $5,000,000.

Mr. MURPHY. As I understand, the Senator's amendment provides that on incomes between $8,000 and $10,000 the increase in tax is 2 percent?

Mr. LA FOLLETTE. The rates are as follows: $8,000 to $10,000, the present rate of surtax is 6 percent. Under my amendment it would be 2 percent more, or 8 percent.

Mr. MURPHY. Will the Senator detail the increases proposed from that point on?

Mr. LA FOLLETTE. Between $10,000 and $12,000 the present rate is 7 percent. The rate under my amendment would be 10 percent. Does the Senator wish that in consecutive brackets?

Mr. MURPHY. Will the Senator carry it further?

Mr. LA FOLLETTE. From $12,000 to $14,000 of net taxable income the surtax under the pending amendment would be 12 percent.

I hope the Senator from Iowa will pardon me. I thought I had the figures here on my desk, but I find that I do not have them. I have sent for them and shall return to his inquiry in a moment.

Let me continue with the statement concerning a married man with no dependents. As I stated, there will be no increase up to $8,000. With a taxable income of $10,000, the taxpayer in a similar situation would pay $430 under the pending amendment and $415 under existing law.

With an income of $20,000, the taxpayer similarly situated would pay $1,964 under the pending amendment and $1,589 under the existing law.

With $100,000 of taxable income, the taxpayer similarly situated would pay $35,614 under the pending amendment, $32,469 under the bill as it passed the House, and $30,594 under the existing law and under the Senate committee proposal.

The taxpayer with $1,000,000 taxable income would pay $664,214 under my amendment, $571,394 under existing law, and $679,044 under the House rate.

Recurring to the question of the Senator from Iowa [Mr. MURPHY], who asked for a comparison of the surtax rates under the pending amendment and the existing law, I am now able to further answer his question.

On an income from $4,000 to $6,000, under the pending amendment the rate would be 4 percent, the same as under the present law.

On incomes from $6,000 to $8,000, under the pending amendment the rate would be 6 percent, while under the present law it is 5 percent.

On incomes between $8,000 and $10,000, under the pending amendment the surtax rate would be 8 percent. Under the present law it is 6 percent.

On incomes from $10,000 to $12,000, under the pending amendment the rate would be 10 percent. Under the existing law it is 7 percent.

On incomes from $12,000 to $14,000, under the pending amendment the rate would be 12 percent. Under the existing law the rate is 8 percent.

On incomes from $14,000 to $16,000, the surtax rate under the pending amendment would be 14 percent, while under the existing law it is 9 percent.

On incomes from $16,000 to $18,000, under the pending amendment the rate would be 16 percent, and under the existing law it is 11 percent.

On incomes from $18,000 to $20,000, under the pending amendment the rate would be 18 percent. Under the existing law it is 13 percent.

On incomes from $20,000 to $22,000, under the pending amendment the rate would be 20 percent. Under the existing law the rate is 15 percent.

On incomes from $22,000 to $26,000, under the pending amendment the rate would be 22 percent, and under the existing law it is 17 percent.

On incomes from $26,000 to $32,000, under the pending amendment 25 percent; under existing law 19 percent.

On incomes from $32,000 to $38,000, under the pending amendment 28 percent; under the existing law 21 percent.

With the Senator's permission, I shall skip some of the brackets.

On incomes from $50,000 to $60,000, under the pending amendment 38 percent would be the surtax rate. Under the existing law it would be 30 percent.

On incomes from $100,000 to $150,000: Under this amendment the surtax rate would be 56 percent. Under the existing law it is 52 percent.

On incomes from $500,000 to $750,000: Under this amendment the surtax rate would be 68 percent. Under the existing law it is 57 percent.

On incomes from $1,000,000 to $2,000,000: Under this amendment the surtax rate would be 72 percent. Under the existing law it is 59 percent.

Then it goes on in two more brackets to $5,000,000 or over, with a tax of 75 percent, as compared with 59 percent under the existing law.

Mr. BORAH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LA FOLLETTE. I shall be glad to yield.

Mr. BORAH. What is the difference between the amount estimated to be raised by the amendment offered by the Senator and the amount which would be raised by the bill?

Mr. LA FOLLETTE. The pending amendment is estimated by both the Treasury and the experts of the joint committee to yield about $96,000,000 of additional revenue from the individual income tax, while the committee's recommendation would yield about $4,000,000 of additional revenue from the individual income tax.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the amendment, in the nature of a substitute, offered by the Senator from Wisconsin [Mr. LA FOLLETTE] to the amendment of the committee. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE] and will vote. I vote "nay."

The roll call was concluded.

Mr. NYE (after having voted in the affirmative). I have a general pair with the senior Senator from Virginia [Mr. GLASS], who evidently is not present. I am therefore obliged to withdraw my vote.

Mr. McKELLAR (after having voted in the negative). Has the junior Senator from Delaware [Mr. TOWNSEND] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. McKELLAR. I have a pair with the Senator from Delaware, which I transfer to the junior Senator from Oklahoma [Mr. GORE], and will allow my vote to stand.

Mr. BILBO (after having voted in the negative). Repeating my announcement as on the previous roll call with reference to my general pair, I will allow my vote to stand.

Mr. WALSH. I announce the necessary absence of my colleague [Mr. COOLIDGE]. If present, he would vote "nay."

Mr. LEWIS. I announce the necessary absence of the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE].

I also announce that the Senator from Virginia [Mr. GLASS], the Senator from Utah [Mr. KING], the Senator from California [Mr. MCADOO], and the Senator from Montana [Mr. WHEELER] are in attendance upon important committee meetings.

The Senator from West Virginia [Mr. HOLT] is detained on account of illness.

The Senator from Oklahoma [Mr. GORE] is detained on departmental matters.

Mr. AUSTIN. I repeat the announcement made on the previous roll call with regard to the pair between the Senator from Delaware [Mr. HASTINGS] and the Senator from Idaho [Mr. POPE].

The result was announced—yeas 22, nays 56, as follows:

YEAS—22

Austin	Clark	La Follette	Thomas, Okla.
Black	Costigan	Maloney	Vandenberg
Bone	Frazier	Russell	Walsh
Brown	Gerry	Schwellenbach	White
Bulkley	Gibson	Shipstead	
Byrd	Hale	Steiwer	

NAYS—56

Adams	Carey	Logan	Overton
Ashurst	Chavez	Lonergan	Pittman
Bachman	Connally	McCarran	Radcliffe
Bailey	Copeland	McGill	Reynolds
Bankhead	Davis	McKellar	Robinson
Barbour	Dieterich	McNary	Schall
Barkley	Fletcher	Metcalf	Sheppard
Bilbo	George	Minton	Smith
Borah	Guffey	Moore	Thomas, Utah
Bulow	Harrison	Murphy	Trammell
Burke	Hatch	Murray	Truman
Byrnes	Hayden	Neely	Tydings
Capper	Johnson	Norris	Van Nuys
Caraway	Lewis	O'Mahoney	Wagner

NOT VOTING—18

Coolidge	Glass	King	Pope
Couzens	Gore	Long	Townsend
Dickinson	Hastings	McAdoo	Wheeler
Donahey	Holt	Norbeck	
Duffy	Keyes	Nye	

So Mr. LA FOLLETTE's amendment, in the nature of a substitute for the committee amendment, was rejected.

AGRICULTURAL ADJUSTMENT ADMINISTRATION—CONFERENCE REPORT

Mr. SMITH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 36, 37, 38, 65, 66, 67, 94, 95, 120, 133, 156, and 157.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 17, 18, 19, 20, 21, 25, 26, 27, 28, 32, 33, 34, 40, 41, 44, 46, 47, 49, 50, 51, 54, 55, 56, 58, 61, 62, 63, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 86, 87, 88, 89, 90, 92, 93, 97, 98, 101, 103, 106, 107, 108, 109, 110, 111, 112, 116, 117, 118, 121, 130, 131, 134, 136, 137, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 153, and 154, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: On page 3 of the House bill, line 19, strike out "such" and insert "an"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "which directly burdens, obstructs, or affects"; and on page 9 of the House bill, line 9, after "commerce" strike out the comma; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "only such handling of such agricultural commodity, or product thereof, as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects, interstate or foreign commerce in such commodity or product thereof"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: On page 14 of the House bill, line 18, after "fruits", insert ", other than olives" and a comma; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(not including vegetables, other than asparagus, for canning), soybeans"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(D) Providing that, in the case of all milk purchased by handlers from any producer who did not regularly sell milk during a period of 30 days next preceding the effective date of such order for consumption in the area covered thereby, payments to such producer, for the period beginning with the first regular delivery by such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month, shall be made at the price for the lowest use classification specified in such order, subject to the adjustments specified in paragraph (B) of this subsection (5)."

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(E) Providing (i) except as to producers for whom such services are being rendered by a cooperative marketing association, qualified as provided in paragraph (F) of this subsection (5), for market information to producers and for the verification of weights, sampling, and testing of milk purchased from producers, and for making appropriate deductions therefor from payments to producers, and (ii) for assurance of, and security for, the payment by handlers for milk purchased."

And the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "or in any manner limit, in the case of the products of milk" and a comma; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "marketed in or transported to any or all markets in the current of interstate or foreign commerce or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity or product thereof" and a comma; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "market in or transport to any or all markets in the current of interstate or foreign commerce or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity or product thereof"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "marketed in or transported to any or all markets in the current of interstate or foreign commerce or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity or product thereof" and a comma; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: On page 17 of the House bill, line 17, strike out "(B)" and insert "(C)"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: On page 17 of the House bill, line 5, strike out the comma following "which"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "except that as to citrus fruits produced in any area producing what is known as California citrus fruits no order issued pursuant to this subsection (8) shall become effective until the handlers of not less than 80 per centum of the volume of such commodity or product thereof covered by such order have signed such a marketing agreement"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "*Provided*, That no order issued pursuant to this subsection shall be effective unless the Secretary of Agriculture determines that the issuance of such order is approved or favored:

"(A) By at least two-thirds of the producers who (except that as to citrus fruits produced in any area producing what is known as California citrus fruits said order must be approved or favored by three-fourths of the producers), during a representative period determined by the Secretary, have been engaged, within the production area specified in such marketing agreement or order, in the production for market of the commodity specified therein, or who, during such representative period, have been engaged in the production of such commodity for sale in the marketing areas specified in such marketing agreement, or order, or

"(B) By producers who, during such representative period, have produced for market at least two-thirds of the volume of such commodity produced for market within the production area specified in such marketing agreement or order, or who, during such representative period, have produced at least two-thirds of the volume of such commodity sold within the marketing area specified in such marketing agreement or order."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(except that as to citrus fruits produced in any area producing what is known as California citrus fruits said per centum shall be 80 per centum)"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(except that as to citrus fruits produced in any area producing what is known as California citrus fruits said per centum shall be 80 per centum)"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(i) By at least two-thirds of the producers (except that as to citrus fruits produced in any area producing what is known as California citrus fruits said order must be approved or favored by three-fourths of the producers) who, during a representative period determined by the Secretary, have been engaged, within the production area specified in such marketing agreement or order, in the production for market of the commodity specified therein, or who, during such representative period, have been engaged in the production of such commodity for sale in the marketing area specified in such marketing agreement, or order, or

"(ii) By producers who, during such representative period, have produced for market at least two-thirds of the volume of such commodity produced for market within the production area specified in such marketing agreement or order, or who, during such representative period, have produced at least two-thirds of the volume of such commodity sold within the marketing area specified in such marketing agreement or order."

And the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "No order shall be issued under this title prohibiting, regulating, or restricting the advertising of any commodity or product covered thereby, nor shall any marketing agreement contain any provision prohibiting, regulating, or restricting the advertising of any commodity or product covered by such marketing agreement"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: On page 23 of the House bill, line 6, strike out "is" and insert "are"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "within the production area specified in such marketing agreement or order, or who, during such representative period, have been engaged in the production of such commodity for sale within the marketing area specified in such marketing agreement or order: *Provided*, That such majority have, during such representative period, produced for market more than 50 per centum of the volume of such commodity produced for market within the production area specified in such marketing agreement or order, or have, during such representative period, produced more than 50 per centum of the volume of such commodity sold in the marketing area specified in such marketing agreement or order"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In the matter proposed to be inserted by said amendment strike out "8(c)" and insert in lieu thereof "8c"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert:

"SPECIFIC TAX RATE—FLOOR STOCKS—BARLEY

"(5) If at any time prior to December 31, 1937, a tax with respect to barley becomes effective pursuant to proclamation as provided in subsection (a) of this section, such tax shall be levied, assessed, collected, and paid during the period from the date upon which such tax becomes effective to December 31, 1937, both inclusive, at the rate of 25 cents per bushel of forty-eight pounds. The provisions of section 16 of this title shall not apply in the case of barley."

And the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(6) (A) Any rate of tax which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or which is established pursuant to this paragraph (6) on the processing of any commodity generally or for any designated use or uses, or on the processing of the commodity in the production of any designated product or products thereof for any designated use or uses, shall be decreased (including a decrease to zero) in accordance with the formulae, standards, and requirements of paragraph (1) of this subsection, in order to prevent such reduction in the quantity of such commodity or the products thereof domestically consumed as will result in the accumulation of surplus stocks of such commodity or the products thereof or in the depression of the farm price of the commodity, and shall thereafter be increased in accordance with the provisions of paragraph (1) of this subsection but subject to the provisions of subdivision (B) of this paragraph (6).

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any twelve months period ending after the date of the adoption of this amendment consisting of the two months immediately preceding and the first ten months of any marketing year—

"(i) is equal to, or exceeds by 10 per centum or less, the fair exchange value thereof, or, in the case of tobacco, is less than the fair exchange value by not more than 10 per centum, the rate of such tax shall (subject to the provisions of subdivision (A) of this paragraph (6)) be adjusted, at the beginning of the next succeeding marketing year, to such rate as equals 20 per centum of the fair exchange value thereof.

"(ii) exceeds by more than 10 per centum, but not more than 20 per centum, the fair exchange value thereof, the rate of such tax shall (subject to the provisions of subdivision (A) of this paragraph (6)) be adjusted, at the beginning of the next succeeding marketing year, to such rate as equals 15 per centum of the fair exchange value thereof.

"(iii) exceeds by more than 20 per centum the fair exchange value thereof, the rate of such tax shall (subject to the provisions of subdivision (A) of this paragraph (6)) be adjusted, at the beginning of the next succeeding marketing year, to such rate as equals 10 per centum of the fair exchange value thereof.

"(C) Any rate of tax which has been adjusted pursuant to this paragraph (6) shall remain at such adjusted rate unless further adjusted or terminated pursuant to this paragraph (6), until December 31, 1937, or until July 31, 1936, in the case of rice.

"(D) In accordance with the formulae, standards, and requirements prescribed in this title, any rate of tax prescribed in paragraph (2), (3), (4), or (5) of this subsection or which is established pursuant to this paragraph (6) shall be increased.

"(E) Any tax, the rate of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or which is established pursuant to this paragraph (6), shall terminate pursuant to proclamation as provided in section 9 (a) of this title or pursuant to section 13 of this title. Any such tax with respect to any basic commodity which terminates pursuant to proclamation as provided in section 9 (a) of this title shall again become effective at the rate prescribed in paragraph (2), (3), (4), or (5) of this subsection, subject however to the provisions of subdivisions (A) and (B) of this paragraph (6), from the beginning of the marketing year for such commodity next following the date of a new proclamation by the Secretary as provided in section 9 (a) of this title, if such marketing year begins prior to December 31, 1937, or prior to July 31, 1936, in the case of rice, and shall remain at such rate until altered or terminated pursuant to the provisions of section 9 or terminated pursuant to section 13 of this title.

"(F) After December 31, 1937 (in the case of the commodities specified in paragraphs (2), (4), and (5) of this subsection), and after July 31, 1936 (in the case of rice), rates of tax shall be determined by the Secretary of Agriculture in accordance with the formulae, standards, and requirements prescribed in this title but not in this paragraph (6), and shall, subject to such formulae, standards, and requirements, thereafter be effective.

"(G) If the applicability to any person or circumstances of any tax, the rate of which is fixed in pursuance of this paragraph (6), is finally held invalid by reason of any provision of the Constitu-

tion, or is finally held invalid by reason of the Secretary of Agriculture's exercise or failure to exercise any power conferred on him under this title, there shall be levied, assessed, collected, and paid (in lieu of all rates of tax fixed in pursuance of this paragraph (6) with respect to all tax liabilities incurred under this title on or after the effective date of each of the rates of tax fixed in pursuance of this paragraph (6)), rates of tax fixed under paragraph (2), (3), (4), or (5), and such rates shall be in effect (unless the particular tax is terminated pursuant to proclamation, as provided in section 9 (a) or pursuant to section 13) until altered by Act of Congress; except that, for any period prior to the effective date of such holding of invalidity, the amount of tax which represents the difference between the tax at the rate fixed in pursuance of this paragraph (6) and the tax at the rate fixed under paragraphs (2), (3), (4), and (5) shall not be levied, assessed, collected, or paid.

And the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by said amendment, and on page 53 of the House bill, after line 10, after the matter proposed to be inserted by Senate amendment numbered 139, insert the following:

"SEC. 42. Section 4 of such act of April 21, 1934, as amended, is amended by inserting at the end thereof the following new subsection:

"'(h) The Secretary of Agriculture is directed to exempt by regulation from the payment of the tax on the ginning of cotton as levied under authority of this act, an amount of lint cotton not in excess of one hundred and ten pounds, produced by or for any producer and retained for domestic use in his household.'"

And the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "as to flour and prepared flour, and cereal preparations made chiefly from wheat, as classified in Wheat Regulations, Series 1, Supplement 1, and "; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "27"; and the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) Section 16 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following new subsection:

"(g) No refund, credit, or abatement of any amount of any tax shall be made or allowed under this section, unless, within one hundred and twenty days after the right to such refund, credit, or abatement accrued, or within one hundred and twenty days after the date of the adoption of this amendment, whichever is the later, a claim for such refund, credit, or abatement (conforming to such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe) is filed by the person entitled to such refund, credit, or abatement, and no such claim shall be allowed for an amount less than $10."

And the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "28"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "29"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment as follows: In the matter proposed to be inserted by said amendment strike out "(c)" and insert "(d)"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "30"; and the Senate agree to the same.

Amendment numbered 113: That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(c) The making of rental and benefit payments under this title, prior to the date of the adoption of this amendment, as determined, prescribed, proclaimed and made effective by the proclamations of the Secretary of Agriculture or of the President or by regulations of the Secretary, and the initiation, if formally approved by the Secretary of Agriculture prior to such date of adjustment programs under section 8 (1) of this title, and the making of agreements with producers prior to such date, and the adoption of other voluntary methods prior to such date, by the Secretary of Agriculture under this title, and rental and benefit payments made pursuant thereto, are hereby legalized and ratified, and the making of all such agreements and payments, the initiation of such programs, and the adoption of all such methods prior to such date are hereby legalized, ratified, and confirmed as fully to all intents and purposes as if each such agreement, program, method, and payment had been specifically authorized and made effective and the rate and amount thereof fixed specifically by prior Act of Congress."

And the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d)(1) No recovery, recoupment, set-off, refund, or credit shall be made or allowed of, nor shall any counter claim be allowed for, any amount of any tax, penalty, or interest which accrued before, on, or after the date of the adoption of this amendment under this title (including any overpayment of such tax), unless, after a claim has been duly filed, it shall be established, in addition to all other facts required to be established, to the satisfaction of the Commissioner of Internal Revenue, and the Commissioner shall find and declare of record, after due notice by the Commissioner to such claimant and opportunity for hearing, that neither the claimant nor any person directly or indirectly under his control or having control over him, has, directly or indirectly, included such amount in the price of the article with respect to which it was imposed or of any article processed from the commodity with respect to which it was imposed, or passed on any part of such amount to the vendee or to any other person in any manner, or included any part of such amount in the charge or fee for processing, and that the price paid by the claimant or such person was not reduced by any part of such amount. In any judicial proceeding relating to such claim, a transcript of the hearing before the Commissioner shall be duly certified and filed as the record in the case and shall be so considered by the court. The provisions of this subsection shall not apply to any refund or credit authorized by subsection (a) or (c) of section 15, section 16, or section 17 of this title, or to any refund or credit to the processor of any tax paid by him with respect to the provisions of section 317 of the Tariff Act of 1930.

"(2) In the event that any tax imposed by this title is finally held invalid by reason of any provision of the Constitution, or is finally held invalid by reason of the Secretary of Agriculture's exercise or failure to exercise any power conferred on him under this title, there shall be refunded or credited to any person (not a processor or other person who paid the tax) who would have been entitled to a refund or credit pursuant to the provisions of subsections (a) and (b) of section 16, had the tax terminated by proclamation pursuant to the provisions of section 13, and in lieu thereof, a sum in an amount equivalent to the amount to which such person would have been entitled had the act been valid and had the tax with respect to the particular commodity terminated immediately prior to the effective date of such holding of invalidity, subject, however, to the following condition: Such claimant shall establish to the satisfaction of the Commissioner, and the Commissioner shall find and declare of record, after due notice by the Commissioner to the claimant and opportunity for hearing, that the amount of the tax paid upon the processing of the commodity used in the floor stocks with respect to which the claim is made was included by the processor or other person who paid the tax in the price of such stocks (or of the material from which such stocks were made). In any judicial proceeding relating to such claim, a transcript of the hearing before the Commissioner shall be duly certified and filed as the record in the case and shall be so considered by the court. Notwithstanding any other provision of law: (1) no suit or proceeding for the recovery, recoupment, set-off, refund or credit of any tax imposed by this title, or of any penalty or interest, which is based upon the invalidity of such tax by reason of any provision of the Constitution or by reason of the Secretary of Agriculture's exercise or failure to exercise any power conferred on him under this title, shall be maintained in any court, unless prior to the expiration of six months after the date on which such tax imposed by this title has been finally held invalid a claim therefor (conforming to such regulations as the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, may prescribe) is filed by the person entitled thereto; (2) no such suit or proceeding shall be begun before the expiration of one year from the date of filing such claim unless the Commissioner renders a decision thereon within that time, nor after the expiration of five years from the date of the payment of such tax, penalty, or sum, unless suit or proceeding is begun within two years after the disallowance of the part of such claim to which such suit or proceeding relates. The Commissioner shall within 90 days after such disallowance notify the taxpayer thereof by mail.

"(3) The District Courts of the United States shall have jurisdiction of cases to which this subsection applies, regardless of the amount in controversy, if such courts would have had jurisdiction of such cases but for limitations under the Judicial Code, as amended, on jurisdiction of such courts based upon the amount in controversy."

And the Senate agree to the same.

Amendment numbered 115: That the House recede from its disagreement to the amendment of the Senate numbered 115, and

agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(e) In connection with the establishment, by any claimant, of the facts required to be established in subsection (d) of this section, the Commissioner of Internal Revenue is hereby authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda, relative to any matter affecting the findings to be made by the Commissioner pursuant to subsection (d) of this section, to require the attendance of the claimant or of any officer or employee of the claimant, or the attendance of any other person having knowledge in the premises, and to take, or cause to be taken, his testimony with reference to any such matter, with power to administer oaths to such person or persons. It shall be lawful for the Commissioner, or any collector designated by him, to summon witnesses on behalf of the United States or of any claimant to appear before the Commissioner, or before any person designated by him, at a time and place named in the summons, and to produce such books, papers, correspondence, memoranda, or other records as the Commissioner may deem relevant or material, and to give testimony or answer interrogatories, under oath, relating to any matter affecting the findings to be made by the Commissioner pursuant to subsection (d) of this section. The provisions of Revised Statutes 3174 and of Revised Statutes 3175 shall be applicable with respect to any summons issued pursuant to the provisions of this subsection. Any witness summoned under this subsection shall be paid, by the party on whose behalf such witness was summoned, the same fees and mileage as are paid witnesses in the courts of the United States. All information obtained by the Commissioner pursuant to this subsection shall be available to the Secretary of Agriculture upon written request therefor. Such information shall be kept confidential by all officers and employees of the Department of Agriculture, and any such officer or employee who violates this requirement shall, upon conviction, be subject to a fine of not more than $1,000 or to imprisonment for not more than one year, or both, and shall be removed from office."

And the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(g) The provisions of section 3226, Revised Statutes, as amended, are hereby extended to apply to any suit for the recovery of any amount of any tax, penalty, or interest, which accrued, before, on, or after the date of the adoption of this amendment under this title (whether an overpayment or otherwise) and to any suit for the recovery of any amount of tax which results from an error in the computation of the tax or from duplicate payments of any tax, or any refund or credit authorized by subsection (a) or (c) of section 15, section 16, or section 17 of this title or any refund or credit to the processor or any tax paid by him with respect to articles exported pursuant to the provisions of section 317 of the Tariff Act of 1930."

And the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 31. The Agricultural Adjustment Act, as amended, is amended by inserting after section 21 the following:

"'IMPORTS

"'SEC. 22. (a) Whenever the President has reason to believe that any one or more articles are being imported into the United States under such conditions and in sufficient quantities as to render or tend to render ineffective or materially interfere with any program or operation undertaken, or to reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which an adjustment program is in operation, under this title, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties and shall be conducted subject to such regulations as the President shall specify.

"'(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such limitations on the total quantities of any article or articles which may be imported as he finds and declares shown by such investigation to be necessary to prescribe in order that the entry of such article or articles will not render or tend to render ineffective or materially interfere with any program or operation undertaken, or will not reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which an adjustment program is in operation, under this title: *Provided*, That no limitation shall be imposed on the total quantity of any article which may be imported from any country which reduces such permissible total quantity to less than 50 per centum of the average annual quantity of such article which was imported from such country during the period from July 1, 1928, to June 30, 1933, both dates inclusive.

"'(c) No import restriction proclaimed by the President under this section nor any revocation, suspension, or modification thereof shall become effective until 15 days after the date of such proclamation, revocation, suspension, or modification.

"'(d) Any decision of the President as to facts under this section shall be final.

"'(e) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended by the President whenever he finds that the circumstances requiring the proclamation or provision thereof no longer exist, or may be modified by the President whenever he finds that changed circumstances require such modification to carry out the purposes of this section.'"

And the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year. Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce; and (3) finance adjustments in the quantity planted or produced for market of agricultural commodities. The amounts appropriated under this section shall be expended for such of the above-specified purposes, and at such times, in such manner, and in such amounts as the Secretary of Agriculture finds will tend to increase the exportation of agricultural commodities and products thereof, and increase the domestic consumption of agricultural commodities and products thereof: *Provided*, That no part of the funds appropriated by this section shall be expended pursuant to clause (3) hereof unless the Secretary of Agriculture determines that the expenditure of such part pursuant to clauses (1) and (2) is not necessary to effectuate the purposes of this section: *Provided further*, That no part of the funds appropriated by this section shall be used for the payment of benefits in connection with the exportation of unmanufactured cotton."

And the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "34" and insert "33"; and the Senate agree to the same.

Amendment numbered 125: That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "35" and insert "34"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "36" and insert "35"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "37" and insert "36"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "38"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "or (c) invalidate any agreement entered into pursuant to section 8 (1) of the Agricultural Adjustment Act prior to the enactment of this act, or subsequent to the enactment of this act in connection with a program the initiation of which has been formally approved by the Secretary of Agriculture under such section 8 (1) prior to the enactment of this act, or any act done or agreed to be done or any payment made or agreed to be made in pursuance of any such agreement, either before or after the enactment of this act, or any change in the terms and conditions of any such agreement, or any voluntary arrangements or further agreements which the Secretary finds necessary or desirable in order to complete or terminate such program pursuant to the declared policy of the Agricultural Adjustment Act: *Provided*, That the Secretary shall not prescribe, pursuant to any such agreement or voluntary arrangement, any adjustment in the acreage or in the production for market of any basic agricultural commodity to be made after July 1, 1937 except pursuant to the provisions of section 8 of the Agricultural

Adjustment Act as amended by this act"; and the Senate agree to the same.

Amendment numbered 135: That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "41" and insert "39"; and the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) The action of the Secretary of Agriculture in ascertaining and proclaiming, pursuant to section 3 (a) and (b) of such act, as amended, 10,500,000 bales as the maximum amount of cotton of the crop harvested in the crop year 1935–1936 that may be marketed exempt from payment of the tax levied by such act, as amended, is hereby legalized and ratified, and all apportionments and other action taken pursuant to such ascertainment and proclamation are legalized and ratified and confirmed as fully to all intents and purposes as if such amount had been fixed and such apportionments and action had been authorized and made effective specifically by Act of Congress.

"(e) Section 7 of such act, as amended, is amended by adding at the end thereof the following new subsection:

"'(d) For each crop year subsequent to the crop year 1934–1935 in which this act is in effect the Secretary of Agriculture shall make (1) to each farm with an established average production for the applicable base period of 956 pounds or less of lint cotton an allotment equal to the full amount of such production and (2) to each farm with an established average production for such base period of more than 956 pounds of lint cotton an allotment of not less than 956 pounds. For each crop year subsequent to the crop year 1935–1936, the amount of each such allotment (and for the crop year 1935–1936 and subsequent crop years, the additional amount required for apportionment under the provisions of the Public Resolution entitled "Public Resolution To provide for certain State allotments under the Cotton Control Act") which is in excess of the allotment which, without regard to this subsection or such Public Resolution, would have been made to any farm, shall be in addition to the national allotment and the allotments to the State and county in which such farm is situated. The first sentence of this subsection shall not be held to increase any allotment to any farm for the crop year 1935–1936 which allotment was made under regulations of the Secretary of Agriculture prior to the date of the adoption of this amendment, or to require any reallotment.'"

And the Senate agree to the same.

Amendment numbered 139: That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 40. Section 17 of such act of April 21, 1934, as amended, is amended by inserting '(a)' before the first sentence thereof and by inserting at the end thereof the following new subsection:

"'(b) Appropriations for administrative expenses under this act are authorized to be made available to enable the Secretary of Agriculture to pay any person, who, in connection with the operation of any cotton gin, incurred additional expenses in connection with the administration of this act with respect to cotton ginned during the crop year 1935–1936 or any subsequent crop year in which this act is in effect, and who applies to the Secretary therefor, compensation in the amount of such additional expenses, but not in excess of the rate of 25 cents per bale of such cotton ginned by such person, provided proof satisfactory to the Secretary of Agriculture is furnished that the additional expenses for which such person makes application have not been passed on in any manner whatsoever.'

"SEC. 41. Section 9 (d) of such act of April 21, 1934, as amended (relating to transfer of exemption certificates), is amended by inserting after the first sentence thereof the following new sentence, 'No rule or regulation of the Secretary of Agriculture shall prohibit the transfer or assignment by a cotton producer of certificates issued or reissued to him if such transfer or assignment is to another cotton producer who is a resident of the same State.'"

And the Senate agree to the same.

Amendment numbered 158: That the House recede from its disagreement to the amendment of the Senate numbered 158, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "57" and insert "56"; and the Senate agree to the same.

Amendment numbered 159: That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 57. In order to effectuate the policy declared in section 56 of this act the Secretary of Agriculture shall have the power, after due notice and opportunity for hearing, to enter into marketing agreements with manufacturers and others engaged in the handling of anti hog-cholera serum and hog-cholera virus only with respect to such handling as is in the current of interstate or foreign commerce or which directly burdens, obstructs, or affects interstate or foreign commerce in such serum and virus. Such persons are hereafter in this Act referred to as 'handlers.' The making of any such agreement shall not be held to be in violation of any of the anti-trust laws of the United States, and any such agreement shall be deemed to be lawful."

And the Senate agree to the same.

Amendment numbered 160: That the House recede from its disagreement to the amendment of the Senate numbered 160, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "59" and insert "58"; strike out "58" wherever it appears and insert "57"; and strike out "57" and insert "56"; and the Senate agree to the same.

Amendment numbered 161: That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out "60" and insert "59"; and strike out "58" and insert "57"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 60. Subject to the policy declared in section 56 of this act, the provisions of subsections (6), (7), (8), and (9) of section 8a and of subsections (14) and (15) of section 8c of the Agricultural Adjustment Act, as amended, are hereby made applicable in connection with orders issued pursuant to section 59 of this act, and the provisions of section 8d of the Agricultural Adjustment Act, as amended, are hereby made applicable in connection with marketing agreements entered into pursuant to section 57 and orders issued pursuant to section 59 of this act. The provisions of subsections (a), (b) (2), (c), (f), (h), and (l) of section 10 of the Agricultural Adjustment Act, as amended, are hereby made applicable in connection with the administration of sections 56 to 60, inclusive, of this act."

And the Senate agree to the same.

The committee of conference report the following amendments in disagreement:

Amendments nos. 128, 152, 155, and 163.

E. D. SMITH,
J. H. BANKHEAD,
CHAS. L. MCNARY,
LOUIS MURPHY,
Managers on the part of the Senate.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the part of the House.

Mr. SMITH. I move the adoption of the report.

Mr. BORAH. Mr. President, before the report is acted upon, I desire to see if I understand it.

Referring to amendment no. 114, the House has receded from its disagreement to the Senate amendment, and has agreed to it with an amendment, as follows:

(d) (1) No recovery, recoupment, set-off, refund, or credit shall be made or allowed of, nor shall any counterclaim be allowed for, any amount of any tax, penalty, or interest which accrued before, on, or after the date of the adoption of this amendment under this title (including any overpayment of such tax) unless, after a claim has been duly filed, it shall be established, in addition to all other facts required to be established, to the satisfaction of the Commissioner of Internal Revenue, and the Commissioner shall find and declare of record, after due notice by the Commissioner to such claimant and opportunity for hearing, that neither the claimant nor any person directly or indirectly under his control or having control over him, has, directly or indirectly, included such amount in the price of the article with respect to which it was imposed or of any article processed from the commodity with respect to which it was imposed, or passed on any part of such amount to the vendee or to any other person in any manner, or included any part of such amount in the charge or fee for processing, and that the price paid by the claimant or such person was not reduced by any part of such amount. In any judicial proceeding relating to such claim, a transcript of the hearing before the Commissioner shall be duly certified and filed as the record in the case and shall be so considered by the court—

And so forth.

The question with me is, What is the modus operandi by which the party desiring to recover finally reaches court in case he desires to go to court?

Mr. SMITH. As it was discussed by the legal representatives, both of the Department and those who claim that distinction on the committee, wherever one had a claim, according to the custom under the law as it now prevails in reference to a rebate or refund of a tax, he goes before the internal-revenue collector and states his case. After the matter was discussed at some length, the members of the committee decided not to restrict the plaintiff to

matters upon which the Commissioner either allowed or rejected the claims, but the whole record as it appeared before him should be the basis of the claimant going into court. He can reject any finding of the Commissioner, unless it is in accordance with his claim, and go before a court of competent jurisdiction, and, upon the record as it is set up, he can prosecute his case.

Mr. BORAH. I understand that the claimant must go before the internal-revenue collector and make his case, and if the internal-revenue collector finds against the claimant that record and that finding against the claimant constitute the record upon which the court proceeds to hear the case?

Mr. SMITH. Yes; but he is not limited. In making his case he can bring in all the witnesses and all the facts, and under the proposed legislation the record as made by him shall be the record upon which he can go before the court to prosecute his claim.

Mr. BORAH. But it says here:

> In any judicial proceeding relating to such claim, a transcript of the hearing before the Commissioner shall be duly certified and filed as the record in the case and shall be so considered by the court.

Mr. SMITH. Yes; that is the method that is used now in income-tax cases. This being a case of taxes, we just followed the language of that law.

Mr. BORAH. Another question. Must the claimant go before the Commissioner of Internal Revenue here in Washington?

Mr. SMITH. No.

Mr. BORAH. It does not provide otherwise. It says Commissioner of Internal Revenue.

Mr. SMITH. Following the custom, he can go before the collector in any State in which his claim arises.

Mr. BORAH. Does the Senator feel that this language guarantees that right? I would like that to be explicit.

Mr. SMITH. We thought so. We discussed it, and I think it was conceded by all parties concerned. The fact is that, based on this very language, in my State right now a case is being held in abeyance awaiting the final decision as to this matter, and then the record will be made before Mr. Cooper in my State.

Mr. BORAH. What is the force and effect of this finding upon the part of the internal-revenue collector when the claimant goes into court?

Mr. SMITH. I do not know that it would have any, because the court would have ample jurisdiction to review all the record in the pending case, and then make its finding in the case.

Mr. BORAH. The court would have authority to take new evidence?

Mr. SMITH. I think the record in the case, as in all tax cases, is made up here.

Mr. BORAH. And that record would be conclusive?

Mr. SMITH. That record would be conclusive.

Mr. BORAH. That is just the same as denying a man any right to go into court. That really nullifies the Senate provision.

Mr. MURPHY. Mr. President, will the Senator yield to me?

Mr. BORAH. I yield.

Mr. MURPHY. Every opportunity is given a claimant, in a hearing conducted by the Commissioner of Internal Revenue, to present oral and documentary evidence. Everything he may have to present may be admitted in the hearing before the Commissioner of Internal Revenue.

Mr. BORAH. But the hearing is before a political appointee; that is, the Internal Revenue Commissioner. It is not before a judicial body but before a political body, and that political body, by its decision, determines whether or not the taxpayer is to have an opportunity in a judicial body.

Mr. SMITH. Oh, no.

Mr. MURPHY. Would the Senator regard the Board of Tax Appeals as a political body?

Mr. BORAH. This does not provide for a hearing by that body.

Mr. MURPHY. The income-tax payer's appeal now may be taken before the Board of Tax Appeals, and the Board of Tax Appeals will render judgment. The Commissioner of Internal Revenue, on a given state of facts, renders a judgment. The plaintiff before the Board of Tax Appeals may take the case into court. The plaintiff in the instant case may take the case into court. The Senator's objection that the Commissioner of Internal Revenue is a political appointee lies also against the Board of Tax Appeals, for its members are political appointees.

Mr. BORAH. There is no doubt that it is a political body, is there?

Mr. SMITH. Let me ask the Senator a question. I am not versed in court procedure, of course, but I am just as jealous to preserve the rights of claimants as is any other man. Under the law, in tax cases a claimant goes before the Commissioner, and he brings in all the evidence which he thinks is pertinent; he exhausts his evidence. If he is not satisfied with the findings of this political body, of which the Senator speaks, he is not foreclosed from taking his case to court, and when it goes to court, it goes upon the entire record in the case.

Mr. BORAH. Yes; he goes on the record which has been made up.

Mr. SMITH. Yes.

Mr. BORAH. But there may be a jury trial in a court, and that is a wholly different proposition.

Mr. LOGAN. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I yield.

Mr. LOGAN. I think the procedure provided here is the same procedure provided in many such cases. Take workmen's compensation cases, for instance. The workman's compensation court, which is a political body, hears all the facts and determines the question at issue. If the claimant is not satisfied, he submits the record to a court.

This goes a little further, is a little more liberal than most laws, because usually the finding in a case as to the facts is conclusive, but this does not make it so. So it goes before the court; the court takes the record as made up and determines whether the collector of internal revenue has erred as to the facts or as to the law and enters its judgment.

Mr. BORAH. He could not determine whether the internal-revenue collector had erred as to the facts unless he could hear original evidence on a question of the facts. When claimant goes into court there should be a trial de novo, if claimant so desires.

Mr. LOGAN. Original evidence would be taken down and made part of the record. The whole record is taken down; the evidence is all there; it is embodied in the record. Everything is there, and the court simply takes the case as made up before the collector and determines whether the facts would justify a different conclusion from that which was reached by the collector, or whether the law has been wrongly construed.

Mr. BORAH. Exactly; but as to the facts that record is conclusive?

Mr. LOGAN. It is conclusive. The claimant submits it upon the facts, not the interpretation of the facts. That is not conclusive at all, under the provision the Senator has just read, but the facts are all made a part of the record. All the evidence is taken down, and it is exactly the same procedure followed in nearly all appellate courts. The trial is had, the evidence is taken down, the errors, or the supposed errors, are noted, and then the case goes to the appellate court, and the appelate court simply takes the record and determines whether the lower court erred.

Mr. BORAH. May I ask the able Senator from Kentucky, who has evidently given some consideration to this matter, would a claimant in the State of Idaho, for instance, have a right to present his case to the internal-revenue collector in that State?

Mr. LOGAN. I think so, undoubtedly. I am not sure. I have not read the provision fully, but the usual procedure is to present all of his record there. Then the claimant could take his case to the Board of Tax Appeals in Washington

if he so desired. It seems to me that this provides that he shall make his record up in the office of the collector of internal revenue if he so desires.

Mr. BAILEY. Mr. President, this does not provide that. It provides that he shall make the record before the Commissioner of Internal Revenue, and that is not the collector.

Mr. LOGAN. Are not the collectors the agents of the Commissioner of Internal Revenue?

Mr. BAILEY. They are not; no. They are independent men, on their own responsibility.

Mr. LOGAN. I cannot see that it makes any difference.

Mr. BORAH. Mr. President, it makes a tremendous difference, for this reason. A claimant in a State as far away from Washington as is my State, would never come here and present his claim to the Commissioner of Internal Revenue. The costs, attorney's fees and expenses, and everything of that kind, would make it utterly impossible for him to do that.

Mr. LOGAN. I readily agree with the Senator that that would be true, but as I understand it, that is never necessary. They have their representatives who take the proof and have the hearings in the different States. The Board of Tax Appeals does that. They have their representatives who go out and hear the cases and make up the records, as I understand it.

Mr. MURPHY. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I yield.

Mr. MURPHY. The procedure before the Commissioner of Internal Revenue, I think, would be this: A claim would be filed with the collector of internal revenue and would be referred back to the office of the revenue agent in charge of that particular tax district. Originating in Iowa and Nebraska, it would be referred back to the revenue agent in charge at Omaha. He would make investigation of the claim, presumably, and, presumably, the Department would find it desirable to have the hearing conducted before him. The taxpayer, not being satisfied with the recommendation of the finding there, could have a hearing before the Commissioner in Washington. I assume some such procedure as that would be followed.

Mr. BORAH. Mr. President, I think this is a very serious matter, for the reason that, so far as people who live any distance whatever from Washington are concerned, the law would be utterly unavailable to them if they had to come to Washington to present their claims.

It ought to be made clear that any claim could be presented to the internal-revenue collector in the respective district or State, and then that the claimant may go into the Federal courts in the respective States.

Mr. BANKHEAD. Mr. President, will the Senator yield to me?

Mr. BORAH. I yield.

Mr. BANKHEAD. The procedure here is analogous to that in connection with the income-tax law, under which, as the Senator knows, claims are filed and proceedings are carried on in the local communities in the States.

The Senator referred to the conference report, and I call his attention to subsection (e) on page 11, where it is provided:

> The Commissioner of Internal Revenue is hereby authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service"—

And so forth.

Mr. BORAH. From what is the Senator reading?

Mr. BANKHEAD. From subsection (e), on page 11 of the conference report. The specific authorization is given for the hearings locally by any representative of the Department or any field agents. They can take the testimony and can conduct the hearings.

I further call the attention of the Senator to the fact that the provisions under the income-tax law require all suits above $10,000 to be filed in the Court of Claims in Washington. However, we have liberalized that provision and specifically provide that all claims, regardless of the amount involved, may be filed in the district courts of the several States. So this measure is really more localized and liberalized with reference to the convenience of the taxpayers than the existing law—either the income-tax law or the stockyard-tax law or any other laws which provide for claims for refunds and abatements.

Mr. BORAH. Let me ask the Senator this question. Assuming that a claimant in my State desires to file his claim, could he of his own initiative request, and have that request granted, that he file his claim before the internal-revenue collector of his State?

Mr. BANKHEAD. Yes. That is being done all the time under the income-tax law. Here is specific authority for it to be done, and here is specific authority for the claimant to bring suit in his own State, whereas under no other law at the present time can he do that. He is obliged, under all the laws, to come to Washington in a case where the amount involved is more than $10,000, but in this proposed law we provide for him to bring suit in the local courts.

Mr. BORAH. Suppose the Commissioner of Internal Revenue should prefer to have the case heard in Washington; he would have the power to enforce his preference, would he not?

Mr. BANKHEAD. I assume that the Commissioner of Internal Revenue is not going to be arbitrary about this matter. He has such authority now under the income-tax law, but he does not enforce it.

Mr. BORAH. Mr. President, will not the Senator from South Carolina permit this matter to go over for an hour? It may be my fault, but I did not get the printed report until about three-quarters of an hour ago.

Mr. SMITH. Mr. President, there are reasons which it is not necesary right now to state, why I could not yield to the Senator's request. There are pressing reasons for adopting the conference report. I think it would be very beneficial to a great number of farmers if we could get this conference report off our hands this afternoon.

Mr. BORAH. I do not desire to have it go over for the day. However, I am at the mercy of the Senator in whatever he wishes to do.

Mr. KING. Mr. President, I join in the request of the Senator from Idaho. May I call the attention of the Senator from Idaho to this language in the section to which the Senator referred, namely:

> Neither the claimant nor any person directly or indirectly under his control or having control over him, has, directly or indirectly, included such amount in the price of the article with respect to which it was imposed or of any article processed from the commodity with respect to which it was imposed, or passed on—

This is the point—

> any part of such amount to the vendee or to any other person in any manner, or included any part of such amount in the charge or fee for processing"—

And so forth. Which would mean that if the Government had, as he believed, illegally collected a thousand dollars, and he demonstrated that he had not passed on any part of it except $1, he then would be denied relief under the interpretation of that language.

Mr. BANKHEAD. There is but one answer, and a conclusive answer, to the statement of the Senator from Utah, which is that the language in question is the language adopted by the Senate when this amendment was originally before it.

Mr. SMITH. That is exactly the same language. Mr. President, every Senator knows that one could not go into the fractional part of any case to determine just how much had been passed on in respect to a processed article, or out of how much the original purchaser of the raw material had been chiseled.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. ROBINSON. If it appeared that the policy was to pass on the tax the presumption would be that as much of it as possible would be passed on.

Mr. SMITH. Certainly.

Mr. ROBINSON. And the likelihood that all of it was passed on would be very great.

Mr. BORAH. Mr. President, if I could feel reasonably sure that the claimant in the far-distant part of the country could undoubtedly have his hearing before the internal revenue collector of his district, I would feel better satisfied.

Mr. GEORGE. Mr. President, I desire to be heard on that point.

I do not wish to have an incorrect interpretation placed upon the bill. The interpretation placed upon it by the Senator from Utah is not correct. At first blush, it seemed to me to be the proper interpretation; and when we were considering this matter originally in the Senate that was my conclusion. A careful reading of the language, however, will disclose that the interpretation is not correct.

If the Senator will bear with me, I will read:

No recovery, recoupment, set-off, refund, or credit shall be made or allowed of, nor shall any counterclaim be allowed for, any amount of any tax—

The "amount of any tax" refers back to that original subject, and it is not subject to the interpretation which seems to be about to be accepted here. I wish the RECORD to show what is the correct interpretation of the language as I construe it.

With the permission of the Senator who has the floor, I wish to make another statement while I am on my feet.

I have no doubt that the Commissioner of Internal Revenue will take all the evidence and gather all the proof upon any question raised under this provision in the State where the cause of action arises, or where the claimant resides. It is almost the universal practice that by proper rule and regulation the case is heard by the collector of internal revenue, or by a special representative of the Commissioner of Internal Revenue in the State where the claimant actually resides. I have no doubt it would be found feasible and practicable for the Commissioner of Internal Revenue or the Secretary of the Treasury to promulgate a like rule with respect to the matter under consideration, and the hearings would be locally held. It is true that the final judgment would be made up by the collector of internal revenue; that is, the final approval or disapproval of the tax, as found or reported, would be made by him.

Mr. President, the amendment is not all that I desire, but I believe it preserves at least some legal rights of the claimant to a refund or to a credit for a tax illegally collected or a tax improperly collected. In my judgment, "the amount of any tax" refers back to the original language at the beginning of this particular section.

I desire to call attention to the fact that this is not a provision for authority for the claimant to sue. It is no grant of the right to sue. It is nothing but a limitation upon that right. In my judgment, it would not be strictly or technically construed by any court. It would be given a fair and a liberal interpretation. Therefore, if the claimant should make out a just case and secure a judgment of $500 for taxes illegally collected, I cannot believe the court would then deny a judgment simply because the claimant had passed on a small amount of the $500 to the ultimate consumer, because I think it would be construed as it properly is—merely a limitation upon a right otherwise existing, and merely a condition.

I myself wish very much that the broad, unrestricted right of the claimant to come into court might have been given without so many hedging phrases and so much language; but, looking to what the court would ultimately do with this section, I have no doubt that a substantial right is given. It is true that the claim must first be made before the Commissioner of Internal Revenue, but that is true now in many instances. That was true under the revenue act which permitted a claim for refund for unsold automobile parts, and it is also true even in the administration of veterans' legislation. Before any suit may be commenced or maintained upon a policy of insurance, the veteran must make out his case and obtain an affirmative approval or disapproval of his alleged cause of action by the Administrator of Veterans' Affairs.

Properly construed, the real purpose, whether it be always properly administered, is to give the Government opportunity to settle a just case when all of the facts have been made to appear. Although the Commissioner of Internal Revenue is a political officer, of course, and generally is disposed to construe an act favorably to the Government, nevertheless, in many instances the facts are found properly, correctly, and justly, and the Government is enabled to make refunds without the necessity of further court action upon the record actually made up.

I share the view of the Senator from Idaho. If I did not believe that rules and regulations such as have been commonly and generally adopted would be promulgated, under which the facts would be determined and the record, except the final conclusion, actually made up in the States, I would be disposed to think that this provision placed an intolerable and insuperable burden upon those who claim a refund of taxes.

Mr. McKELLAR. Mr. President, may I ask the Senator what was done with the Barkley tobacco amendment? Was it retained in the bill?

Mr. SMITH. That amendment was retained in the bill.

Mr. McKELLAR. Were any changes made in the Senate provision with reference to tobacco?

Mr. SMITH. No; except a clerical mistake was made in preparing the draft. When the conference report shall have been adopted I will offer a concurrent resolution to correct that mistake. In the print two or three sentences were rather confused in the provision relating to the times when the reduction should take place. That will be corrected, as I have said, by a concurrent resolution, with the consent of the conferees of the House.

Mr. McKELLAR. When will it take place, according to the concurrent resolution?

Mr. SMITH. It will take place in October next. That was the very point that we tried to make plain, but one or two words were confused.

Mr. COPELAND. Mr. President——

Mr. SMITH. I yield to the Senator from New York.

Mr. COPELAND. It was with regard to the same matter that I had risen to my feet, because of a protest received from New York regarding this particular feature of the bill. Of course, I refer to those who are interested in the tobacco business. As I understand, the Senator intends to request the adoption of a concurrent resolution in order to make the necessary correction?

Mr. SMITH. Yes; to correct the defect to which I have referred.

Mr. COPELAND. With that explanation, I shall not delay the Senator further.

Mr. McKELLAR. Was it a mere mistake in transcribing? How did it come about?

Mr. SMITH. I imagine the words became mixed up in dictating to the stenographer. At any rate, it was wrong as prepared and we propose to correct it. The provision was badly worded. It read "2 months of the year preceding and 10 months following." We propose to make it definite, now that the parity price has been reached, that it shall take place next October. That is what we desired.

Mr. BAILEY rose.

Mr. JOHNSON. Mr. President, will the Senator from South Carolina yield for a question?

Mr. SMITH. The Senator from North Carolina [Mr. BAILEY] first rose, and I yield first to him.

Mr. BAILEY. I yield to the Senator from California.

Mr. JOHNSON. What I wish to do is to appeal to the Senator to defer the further consideration of the conference report until 4 o'clock and take it up then, so that those of us who have not had an opportunity to examine it with the care we desire may have that very brief period in which to study the particular matter that has been adverted to.

It will be recalled that the question was considered by some of us as fundamental when it came before the Senate. We believed that the provision then in the bill interfered with rights that every American citizen ought to have. During the progress of the debate some of us retired to the

porch outside, and the result was an amendment presented by the Senator from Georgia to the bill and adopted by the Senate. That amendment has now been eliminated, and other language has been substituted. I do not undertake to say whether or not the language thus substituted preserves the fundamental rights which we believe Americans ought to have in appealing to the courts of the land; but I wish that the consideration of the report may be deferred for the very brief period I have suggested, so that we may have an opportunity to examine the new language and determine exactly our position respecting it. Meanwhile there is now before the Senate another matter of extraordinary importance which may be proceeded with. Why not delay the consideration of the conference report until 4 o'clock? None of us is at all disposed to delay it.

Mr. SMITH. So far as I am concerned, Mr. President, this matter is in the hands of the Senate. The particular point to which the Senator refers was covered by the explanation the Senator from Georgia has just given; it referred to precisely the same thing.

Mr. JOHNSON. No; it is not precisely the same thing.

Mr. SMITH. I mean the point he was discussing was the one the Senator is raising.

Mr. JOHNSON. Exactly.

Mr. SMITH. The conferees conformed the provision just as nearly as possible to similar provisions in existing tax laws, and even liberalized it.

I have no prejudice one way or another; all I am attempting to do is to get these amendments, which I think in this emergency are very essential to the welfare of thousands of farmers, finally disposed of.

Mr. JOHNSON. No one wishes to delay the conference report a second, so far as that is concerned, but the fact remains that the amendment, which was adopted after debate in the Senate, is not the amendment which has been agreed to by the conferees. I do not question the desire of the conferees to reach a solution which they thought appropriate, but I want the opportunity, in connection with my colleagues, of looking at that solution during the very brief period I have suggested. So I ask that action on the conference report be deferred until 4 o'clock.

Mr. SMITH. Could not the Senator obtain the information or interpretation he desires by 3:30 o'clock? There are certain contingencies that I am not at liberty to mention. Of course, the bill may not finally pass, but if it is to pass there are certain contingencies which are very vital, or I should not have pressed it at all. However, if the Senator so desires, I am willing to let the consideration of the report be deferred until 4 o'clock.

The PRESIDING OFFICER. Without objection, the consideration of the conference report will be deferred until 4 o'clock.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

The PRESIDING OFFICER. The Senator from Nevada [Mr. McCARRAN] had the floor before the matter laid aside came before the Senate.

Mr. HARRISON. I suggest that the Senate return to the first committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the first amendment reported by the committee, which will be stated.

The first amendment of the Committee on Finance was, under the heading "Title I—Income and excess-profits taxes", on page 1, after line 6, to strike out:

Section 12 (b) of the Revenue Act of 1934 is amended by striking out all after the bracket—

"$6,080 upon surtax net incomes of $44,000; and upon surtax net incomes in excess of $44,000 and not in excess of $50,000, 27 percent in addition of such excess."

and inserting in lieu thereof the following:

"$7,700 upon surtax net incomes of $50,000; and upon surtax net incomes in excess of $50,000 and not in excess of $56,000, 31 percent in addition of such excess.

"$9,560 upon surtax net incomes of $56,000; and upon surtax net incomes in excess of $56,000 and not in excess of $62,000, 35 percent in addition of such excess.

"$11,660 upon surtax net incomes of $62,000; and upon surtax net incomes in excess of $62,000 and not in excess of $68,000, 39 percent in addition of such excess.

"$14,000 upon surtax net incomes of $68,000; and upon surtax net incomes in excess of $68,000 and not in excess of $74,000, 43 percent in addition of such excess.

"$16,580 upon surtax net incomes of $74,000; and upon surtax net incomes in excess of $74,000 and not in excess of $80,000, 47 percent in addition of such excess.

"$19,400 upon surtax net incomes of $80,000; and upon surtax net incomes in excess of $80,000 and not in excess of $90,000, 51 percent in addition of such excess.

"$24,500 upon surtax net incomes of $90,000; and upon surtax net incomes in excess of $90,000 and not in excess of $100,000, 55 percent in addition of such excess.

"$30,000 upon surtax net incomes of $100,000; and upon surtax net incomes in excess of $100,000 and not in excess of $150,000, 58 percent in addition of such excess.

"$59,000 upon surtax net incomes of $150,000; and upon surtax net incomes in excess of $150,000 and not in excess of $200,000, 60 percent in addition of such excess.

"$89,000 upon surtax net incomes of $200,000; and upon surtax net incomes in excess of $200,000 and not in excess of $250,000, 62 percent in addition of such excess.

"$120,000 upon surtax net incomes of $250,000; and upon surtax net incomes in excess of $250,000 and not in excess of $300,000, 64 percent in addition of such excess.

"$152,000 upon surtax net incomes of $300,000; and upon surtax net incomes in excess of $300,000 and not in excess of $400,000, 66 percent in addition of such excess.

"$218,000 upon surtax net incomes of $400,000; and upon surtax net incomes in excess of $400,000 and not in excess of $500,000, 68 percent in addition of such excess.

"$286,000 upon surtax net incomes of $500,000; and upon surtax net incomes in excess of $500,000 and not in excess of $750,000, 70 percent in addition of such excess.

"$461,000 upon surtax net incomes of $750,000; and upon surtax net incomes in excess of $750,000 and not in excess of $1,000,000, 72 percent in addition of such excess.

"$641,000 upon surtax net incomes of $1,000,000; and upon surtax net incomes in excess of $1,000,000 and not in excess of $2,000,000, 73 percent in addition of such excess.

"$1,371,000 upon surtax net incomes of $2,000,000; and upon surtax net incomes in excess of $2,000,000 and not in excess of $5,000,000, 74 percent in addition of such excess.

"$3,591,000 upon surtax net incomes of $5,000,000; and upon surtax net incomes in excess of $5,000,000, 75 percent in addition of such excess."

And in lieu thereof to insert:

Section 12 (b) of the Revenue Act of 1934 is amended by striking out the last bracket thereof and inserting in lieu thereof the following:

"$533,000 upon surtax net incomes of $1,000,000; and upon surtax net incomes in excess of $1,000,000 and not in excess of $1,500,000, 60 percent in addition of such excess.

"$833,000 upon surtax net incomes of $1,500,000; and upon surtax net incomes in excess of $1,500,000 and not in excess of $2,000,000, 62 percent in addition of such excess.

"$1,143,000 upon surtax net incomes of $2,000,000; and upon surtax net incomes in excess of $2,000,000 and not in excess of $3,000,000, 65 percent in addition of such excess.

"$1,793,000 upon surtax net incomes of $3,000,000; and upon surtax net incomes in excess of $3,000,000 and not in excess of $5,000,000, 68 percent in addition of such excess.

"$3,153,000 upon surtax net incomes of $5,000,000; and upon surtax net incomes in excess of $5,000,000 and not in excess of $7,000,000, 71 percent in addition of such excess.

"$4,573,000 upon surtax net incomes of $7,000,000; and upon surtax net incomes in excess of $7,000,000 and not in excess of $10,000,000, 74 percent in addition of such excess.

"$6,793,000 upon surtax net incomes of $10,000,000; and upon surtax net incomes in excess of $10,000,000, 75 percent in addition of such excess."

Mr. LA FOLLETTE. Mr. President, I wish to urge upon the Senate the rejection of the pending committee amendment. When the House had under consideration the question of the income-tax schedules it determined to begin the increased rates in the surtax brackets on net taxable incomes of $50,000 and over. The Senate Finance Committee struck out the House provision, and, in lieu thereof, reported the amendment which is to be found on page 4 of the bill. The Finance Committee amendment instead of beginning the increased rates on surtax net incomes of $50,000 and above, as the House bill does, begins upon surtax net incomes of $533,000 to $1,000,000. It then breaks the brackets above that amount by rather large steps up to 75 percent upon incomes of $10,000,000 and over.

It was contended in the committee that the Finance Committee's action followed the recommendation of the President in his message. Of course every Senator will have to interpret the President's message according to his own reasoning, but all the President had to say about it is found on page 3 of the reprint of his message, under the roman numeral II, and reads as follows:

II

The disturbing effects upon our national life that come from great inheritances of wealth and power can in the future be reduced, not only through the method I have just described, but through a definite increase in the taxes now levied upon very great individual net incomes.

To illustrate: The application of the principle of a graduated tax now stops at $1,000,000 of annual income. In other words, while the rate for a man with a $6,000 income is double the rate for one with a $4,000 income, a man having a $5,000,000 annual income pays at the same rate as one whose income is $1,000,000.

Social unrest and deepening sense of unfairness are dangers to our national life which we must minimize by rigorous methods. People know that vast personal incomes come not only through the effort or ability or luck of those who receive them, but also because of the opportunities for advantage which the Government itself contributes. Therefore the duty rests upon the Government to restrict such incomes by very high taxes.

Mr. President, I do not interpret the illustration which the President saw fit to include in his message as any indication that it was his intention that the increase upon surtaxes should begin at incomes of $1,000,000 or more. Other Senators may take a different view, but, so far as I am concerned, I do not find anything in the text or context of the message to justify that assumption.

Senators have indicated their unwillingness to begin to tax in the lower brackets apparently upon some theory that even those with $8,000, $10,000, $15,000, or $20,000 of net taxable incomes should not be asked to contribute any more to the support of the Federal Government in this emergency than they are now doing. But in the controversy between the Senate Finance Committee and the House of Representatives we have a clear-cut issue as to whether we shall follow the recommendation of the Senate Finance Committee, which proposes to start the increase on net taxable incomes above $500,000, or whether we shall accept the House provision which begins the tax with incomes of $50,000.

I do not understand how any Senator can be concerned about gradual increases in surtax rates beginning at $50,000 or above. Certainly these are not the average citizens about whom the Senator from Kentucky [Mr. BARKLEY] was talking when he was opposing my previous amendment. There can be no doubt, it seems to me, in the mind of anyone that a man who has a net taxable income of $50,000 or above can afford in this emergency to carry a little larger proportion of the burden made necessary by the extraordinary expenditures.

The Senate Finance Committee amendment is estimated to yield $4,000,000 of additional revenue. If we have the same number of returns that we had in 1933 it would affect 48 taxpayers in the United States.

I recognize that it is impossible to argue with Senators who are opposed to any increases even in the substantial brackets below $50,000, but it seems to me that it ought to be possible to convince Senators that in these trying times those who enjoy net taxable incomes of $50,000 or more are in a position to bear a little bit heavier proportion of the extraordinary load.

So far as revenue is concerned, then, the issue comes down to this: If the Senate Finance Committee amendment should be rejected and the Senate should adopt the House text as a part of the bill, would we secure $41,000,000 more revenue from individual income taxes than we would secure if the Senate Finance Committee amendment should prevail. The issue is clear. I see no point in debating it further so far as I am concerned, but I want a record vote on the amendment.

Mr. HARRISON. Mr. President, I merely desire to say that the Committee on Finance tried as nearly as it could to carry out the suggestions contained in the President's message. We believe the recommendation of the Finance Committee in this instance conforms to the message of the President. I ask for the yeas and nays, and hope the committee amendment will be adopted.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE] and vote "yea."

The roll call was concluded.

Mr. NYE. I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I understand if he were present he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. McKELLAR (after having voted in the affirmative). I inquire if the junior Senator from Delaware [Mr. TOWNSEND] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. McKELLAR. I have a pair with that Senator, which I transfer to the junior Senator from Arizona [Mr. HAYDEN], and allow my vote to stand.

Mr. AUSTIN. I desire to announce that the Senator from Delaware [Mr. HASTINGS] has a general pair with the Senator from Idaho [Mr. POPE].

Mr. BILBO (after having voted in the affirmative). I have a general pair with the Senator from Iowa [Mr. DICKINSON]. I transfer that pair to the Senator from Ohio [Mr. DONAHEY] and allow my vote to stand.

Mr. LEWIS. I desire to announce that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE] are necessarily detained.

I announce also that the Senator from Virginia [Mr. GLASS], the Senator from Connecticut [Mr. MALONEY], the Senator from California [Mr. McADOO], and the junior Senator from Louisiana [Mr. OVERTON] are detained in committee meetings, and that the Senator from Oklahoma [Mr. GORE] and the Senator from Arizona [Mr. HAYDEN] are detained on departmental business. If present and voting, the Senator from Louisiana [Mr. OVERTON] would vote "yea."

I also announce that the junior Senator from West Virginia [Mr. HOLT] is detained on account of illness.

The result was announced—yeas 49, nays 28, as follows:

YEAS—49

Adams	Caraway	Hatch	Radcliffe
Ashurst	Carey	King	Reynolds
Bachman	Chavez	Lewis	Robinson
Bailey	Connally	Logan	Schwellenbach
Bankhead	Copeland	Lonergan	Sheppard
Barkley	Costigan	McGill	Smith
Bilbo	Davis	McKellar	Thomas, Utah
Bone	Dieterich	McNary	Truman
Brown	Fletcher	Minton	Van Nuys
Bulow	George	Murphy	Wheeler
Burke	Gerry	Murray	
Byrd	Guffey	O'Mahoney	
Byrnes	Harrison	Pittman	

NAYS—28

Austin	Frazier	Moore	Steiwer
Barbour	Gibson	Neely	Thomas, Okla.
Black	Hale	Norbeck	Trammell
Borah	Johnson	Norris	Vandenberg
Bulkley	La Follette	Russell	Wagner
Capper	McCarran	Schall	Walsh
Clark	Metcalf	Shipstead	White

NOT VOTING—19

Coolidge	Glass	Keyes	Overton
Couzens	Gore	Long	Pope
Dickinson	Hastings	Maloney	Townsend
Donahey	Hayden	McAdoo	Tydings
Duffy	Holt	Nye	

So the committee amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I offer an amendment which I ask unanimous consent to have printed in the RECORD; and I wish to make a brief statement concerning it.

The VICE PRESIDENT. Does the Senator desire the amendment read?

Mr. LA FOLLETTE. No, Mr. President.

The VICE PRESIDENT. Without objection, the amendment will be printed in the RECORD.

Mr. LA FOLLETTE's amendment is, on page 5, after line 23, to insert a new section, as follows:

SEC. 102. PERSONAL EXEMPTION AND CREDIT FOR DEPENDENTS

(a) The following sections of the Revenue Act of 1934, as amended, are amended, by striking out "$1,000" wherever it appears therein and inserting in lieu thereof "$800" and by striking out "$2,500" wherever it appears therein and inserting in lieu thereof "$2,000":

(1) Section 25 (b) (1) (relating to the personal exemption);
(2) Section 51 (relating to individual returns);
(3) Section 142 (relating to the filing of fiduciary returns);
(4) Section 147 (relating to information returns);
(5) Section 213 (relating to the personal exemption allowed nonresident alien individuals);
(6) Section 251 (e) (relating to the personal exemption allowed citizens of the United States in possessions of the United States).

(b) Section 25 (b) (2) of the Revenue Act of 1934 (relating to the credit for dependents) is amended by striking out "18 years of age" and inserting in lieu thereof "20 years of age."

Mr. LA FOLLETTE. Mr. President, the Senate having voted by an overwhelming majority not to touch the surtax net incomes of individuals unless they have not less than $533,000 of net taxable income, I recognize that it is perfectly futile to press an amendment which proposes to lower the exemptions. At the same time, believing the amendment to be sound in principle, I desire to make a statement concerning it. I offered this amendment in the committee, and at one time it was accepted there, before the committee jumped through the hoop and kicked out all the other amendments I had offered.

Mr. President, there is something wrong with a tax system which produces the results to which I am about to refer.

In 1932, the net income reported by the taxpayers of the United States before exemptions were allowed amounted to $11,500,000,000. Remember, that this is net taxable income before exemptions. In the same year the net income after exemptions had been taken advantage of amounted to $3,500,000,000. In other words, the exemptions reduced the net taxable income by $8,000,000,000. In other words, $11,500,000,000 of net income, after all deductions, was reported; but when the income-tax payers of the country then applied to that net taxable income their personal exemptions, it took out of the tax reported $8,500,000,000, and left only $3,000,000,000 of net taxable income upon which our tax rates could become effective. I say that any tax system which produces results of that kind is neither efficient nor just.

The amendment which has been printed is estimated to produce an additional $40,000,000 of revenue over and above what we are now collecting. It is estimated that if the exemptions were reduced from $2,500 for a married person to $2,000, and from $1,000 to $800 for a single person, it would bring into the group of taxpayers 1,400,000 new taxpayers. However—and this is the point I wish to emphasize—these 1,400,000 new taxpayers would produce only $7,000,000 of the total estimated increased revenue of $40,000,000.

I cite this because it emphasizes the fact that when flat exemptions are applied to all taxpayers in every tax bracket, the higher the tax, the greater the exemption it produces for the taxpayer.

I wish to cite just a few figures to bring out this point.

For instance, reducing the exemption upon married persons from $2,500 to $2,000 would have this effect: A married person with no dependents with $2,500 of net taxable income would be called upon to pay $10 as a result of the change in the exemptions; but a taxpayer with $10,000 net taxable income would be required to pay $60 more tax, or six times as much as the new taxpayer brought into the tax system by the reduction of the exemptions. In the case of a taxpayer with $1,000,000 net taxable income, the reduction of the exemption from $2,500 to $2,000 would result in his paying $390 more tax, or 39 times as much as the new taxpayer brought in who was in the bracket between $2,000 and $2,500.

In other words, the significant fact is that the net effect of these exemptions is the reverse of the theory of ability to pay.

Mr. WALSH. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. I do.

Mr. WALSH. What would be the increased revenue to the Government as a result of adopting the proposal of the Senator from Wisconsin?

Mr. LA FOLLETTE. Forty million dollars; but what I was bringing out was the fact that the 1,400,000 new taxpayers would provide only about $7,000,000 of that amount, while the rest of it would be produced in accordance with ability to pay by the taxpayers who already are paying taxes in the existing brackets.

Mr. President, as one who believes in the principle that taxes should be levied in proportion to ability to pay, despite the discouraging results I have experienced here this afternoon I look forward to the time when all the taxes of the Federal Government will be levied under the graduated-tax system, and in accordance with ability to pay.

Today 68 percent of all the revenues of the Federal Government come from indirect or excise taxes, and without any regard to the ability of the taxpayer to carry the burden. I hope to see the time when, outside perhaps of tariff taxes, no taxes will be collected which are not based on ability to pay.

Today we have certain excise or nuisance taxes which are producing about $500,000,000 a year. They are levied upon many things which people regard as almost necessary at least to their enjoyment of life. Such taxes do not take into consideration the ability of the taxpayer to carry the burden. A single person who is today exempt from income tax because he has $1,000 or less of net taxable income, if he smokes one 15-cent package of cigarettes a day, is paying $21.90 a year tax to the Federal Government for the privilege of smoking cigarettes; whereas an income-tax payer in the top bracket, who has enormous ability to pay, pays the same amount of tax if he smokes a package of cigarettes each day. The same thing is true of the gasoline tax and of all the other taxes of this nature which we are levying.

As I see the matter, the history of all taxes is that except in very extraordinary circumstances, when the revenues of the Government are excessive, it is never possible to do away with a tax, regardless of whether or not it is based on a sound principle, unless some substitute is provided for it.

The taxpayer who today has a net taxable income of $800 to $1,000 could well afford to pay $8 to the Federal Government as a means of providing a substitute for excise taxes and other indirect taxes which we are now collecting without regard to the ability of the taxpayer who carries the burden.

Theoretically, Mr. President, I believe every citizen should pay taxes to the Federal Government. I think it is a sound principle that every citizen should feel that he is not only participating in the benefits which the Government is extending, but that he should also feel that he is participating and that he has the privilege in accordance with his ability to pay to support the Government and to carry his share of the burden.

Of course, we cannot apply the theory to the point where it requires a greater administrative expense to collect the tax than the revenue derived from it because, after all, taxes are not based entirely upon theory; they are also based upon their practical results.

It has been said that people who would be affected by this amendment would resent it. As I stated in connection with the surtax amendments which I offered, I do not believe that to be true. I am convinced that the American people are willing to pay the taxes necessary to meet this extraordinary emergency if they are given possession of all the facts, and I am convinced that every person with resonable exemptions would be willing to come forward and contribute to the burden which his Government is now bearing because of its effort to meet the problems of himself and other citizens.

I find that there is not very substantial support in the Senate, evidently, for my conviction in that regard. Nevertheless, if we want to establish as a principle that we are

to collect the revenues necessary for the Federal Government in the form of a graduated tax in proportion to the ability of the taxpayer to pay, we must, of course, provide stability of revenue, and we can only do so if we have a large number of taxpayers.

In this country, with its tremendous population and its great wealth, we are collecting taxes, under the present system, from less than 4,000,000 taxpayers. With half the population and less wealth, Great Britain is collecting twice the amount of money from her income and death duties system that we are collecting.

The point, in short, is that the reason why taxpayers in the lower categories of income, relatively, produce revenue, is not because of the amount which is collected from each taxpayer, but because of the number of taxpayers who are affected.

Mr. President, I have offered this amendment to be printed in the RECORD, and I have made this statement because I wanted to have the amendment in the RECORD and because I firmly believe that ultimately the justice of this proposition will appeal even to the taxpayers who would be affected.

The VICE PRESIDENT. The clerk will state the next amendment of the Committee on Finance.

The next amendment was, on page 6, after line 7, to strike out:

"Upon net incomes not in excess of $15,000, 13¼ percent.

"$1,987.50 upon net incomes of $15,000; and upon net incomes in excess of $15,000, 14¼ percent in addition of such excess."

And in lieu thereof to insert:

"Upon net incomes not in excess of $15,000, 12½ percent.

"$1,875 upon net incomes of $15,000; and upon net incomes in excess of $15,000 and not in excess of $40,000, 14 percent in addition of such excess.

"$5,375 upon net incomes of $40,000; and upon net incomes in excess of $40,000 and not in excess of $100,000, 15 percent in addition of such excess.

"$14,375 upon net incomes of $100,000; and upon net incomes in excess of $100,000, 15½ percent in addition of such excess."

So as to read:

SEC. 102. INCOME TAXES ON CORPORATIONS

(a) Section 13 (a) of the Revenue Act of 1934 is amended to read as follows:

"(a) RATE OF TAX.—There shall be levied, collected, and paid for each taxable year upon the net income (in excess of the credit against net income provided in section 26) of every corporation, a tax as follows:

"Upon net incomes not in excess of $15,000, 12½ percent.

"$1,875 upon net incomes of $15,000; and upon net incomes in excess of $15,000 and not in excess of $40,000, 14 percent in addition of such excess.

"$5,375 upon net incomes of $40,000; and upon net incomes in excess of $40,000 and not in excess of $100,000, 15 percent in addition of such excess.

"$14,375 upon net incomes of $100,000; and upon net incomes in excess of $100,000, 15½ percent in addition of such excess."

The amendment was agreed to.

The next amendment was, on page 7, line 17, after the word "purposes", to insert "or the prevention of cruelty to children", so as to read:

(r) Charitable and other contributions by corporations: In the case of a corporation, contributions or gifts made within the taxable year to or for the use of a domestic corporation, or domestic trust, or domestic community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes or the prevention of cruelty to children (but in the case of contributions or gifts to a trust, chest, fund, or foundation, only if such contributions or gifts are to be used within the United States exclusively for such purposes), no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation; to an amount which does not exceed 5 percent of the taxpayer's net income as computed without the benefit of this subsection. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the Commissioner, with the approval of the Secretary.

The amendment was agreed to.

The next amendment was, on page 8, after line 21, to insert:

(f) Section 144 of the Revenue Act of 1934 (relating to payment of corporation income tax at source) is amended by inserting after the words "a tax equal to 13¾ percent" the following: "thereof with respect to all payments of income made before January 1, 1936, and equal to 15½ percent thereof with respect to all payments of income made after December 31, 1935."

(g) Section 143 (a) (1) of the Revenue Act of 1934 (relating to withholding of interest on tax-free covenant bonds) is amended by striking out clause (B) thereof and inserting in lieu thereof the following: "(B) in the case of such a foreign corporation, 13¾ percent with respect to all payments of interest made before January 1, 1936, and 15½ percent with respect to all payments of interest made after December 31, 1935, and."

(h) Section 23 (p) of the Revenue Act of 1934 (relating to the deductions of dividends received by corporations) is amended by striking out the words "the amount" and inserting in lieu thereof the following: "85 percent of the amount."

The amendment was agreed to.

The next amendment was, on page 10, after line 2, to strike out:

SEC. 105. EXCESS-PROFITS TAX

Section 702 of the Revenue Act of 1934 is amended to read as follows:

"SEC. 702. EXCESS-PROFITS TAX

"(a) There is hereby imposed upon the net income of every corporation for each income-tax taxable year ending after the close of the first year in respect of which it is taxable under section 701, an excess-profits tax equal to the sum of the following:

"5 percent of such portion of its net income for such income-tax taxable year as is in excess of 8 percent and not in excess of 12 percent of the adjusted declared value;

"10 percent of such portion of its net income for such income-tax taxable year as is in excess of 12 percent and not in excess of 16 percent of the adjusted declared value;

"15 percent of such portion of its net income for such income-tax taxable year as is in excess of 16 percent and not in excess of 25 percent of the adjusted declared value;

"20 percent of such portion of its net income for such income-tax taxable year as is in excess of 25 percent of the adjusted declared value.

"(b) The adjusted declared value shall be determined as provided in section 701 as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year). If the income-tax taxable year in respect of which the tax under this section is imposed is a period of less than 12 months, such adjusted declared value shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to 12 months. For the purposes of this section the net income shall be the same as the net income for income-tax purposes for the year in respect of which the tax under this section is imposed.

"(c) All provisions of law (including penalties) applicable in respect of the taxes imposed by title I of this act, shall, insofar as not inconsistent with this section, be applicable in respect of the tax imposed by this section, except that the provisions of section 131 of that title shall not be applicable."

The amendment was agreed to.

The next amendment was, on page 11, after line 18, to insert:

SEC. 105. CAPITAL-STOCK TAX

(a) For each year ending June 30, beginning with the year ending June 30, 1936, there is hereby imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of $1.50 for each $1,000 of the adjusted declared value of its capital stock.

(b) For each year ending June 30, beginning with the year ending June 30, 1936, there is hereby imposed upon every foreign corporation with respect to carrying on or doing business in the United States for any part of such year an excise tax equivalent to $1.50 for each $1,000 of the adjusted declared value of capital employed in the transaction of its business in the United States.

(c) The taxes imposed by this section shall not apply—

(1) to any corporation enumerated in section 101 of the Revenue Act of 1934, as amended;

(2) to any insurance company subject to the tax imposed by section 201, 204, or 207 of such act, as amended.

(d) Every corporation liable for tax under this section shall make a return under oath within 1 month after the close of the year with respect to which such tax is imposed to the collector for the district in which is located its principal place of business or, if it has no principal place of business in the United States, then to the collector at Baltimore, Md. Such return shall contain such information and be made in such manner as the Commissioner with the approval of the Secretary may by regulations prescribe. The tax shall, without assessment by the Commissioner or notice from the collector, be due and payable to the collector before the expiration of the period for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 6 percent per annum from the time when the tax became due until paid. All provisions of law (including penalties) applicable in respect of the taxes imposed by section 600 of the Revenue Act of 1926 shall, insofar as not inconsistent with this section, be applicable in respect of the taxes imposed by this section. The Commissioner may extend the time for making the returns and paying the taxes imposed by this section, under such rules and regulations as he may prescribe with the approval of the Secretary, but no such extension shall be for more than 60 days.

(e) Returns required to be filed for the purpose of the tax imposed by this section shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law, including penalties, as returns made under title II of the Revenue Act of 1926.

(f) For the first year ending June 30 in respect of which a tax is imposed by this section upon any corporation, the adjusted declared value shall be the value, as declared by the corporation in its first return under this section (which declaration of value cannot be amended), as of the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section (or as of the date of organization in the case of a corporation having no income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section). For any subsequent year ending June 30, the adjusted declared value in the case of a domestic corporation shall be the original declared value plus (1) the cash and fair market value of property paid in for stock or shares, (2) paid-in surplus and contributions to capital, (3) its net income, (4) the excess of its income wholly exempt from the taxes imposed by title I of the Revenue Act of 1934, as amended, over the amount disallowed as a deduction by section 24 (a) (5) of such title, and (5) the amount of the dividend deduction allowable for income-tax purposes, and minus (A) the value of property distributed in liquidation to shareholders, (B) distributions of earnings or profits, and (C) the excess of the deductions allowable for income-tax purposes over its gross income; adjustment being made for each income-tax taxable year included in the period from the date as of which the original declared value was declared to the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section. The amount of such adjustment for each such year shall be computed (on the basis of a separate return) according to the income-tax law applicable to such year. For any subsequent year ending June 30, the adjusted declared value in the case of a foreign corporation shall be the original declared value adjusted (for the same income-tax taxable years as in the case of a domestic corporation), in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, to reflect increases or decreases in the capital employed in the transaction of its business in the United States.

(g) For the purpose of the tax imposed by this section there shall be allowed in the case of a corporation organized under the China Trade Act, 1922, as a credit against the adjusted declared value of its capital stock, an amount equal to the proportion of such adjusted declared value which the par value of the shares of stock of the corporation, owned on the last day of the taxable year by (1) persons resident in China, the United States, or possessions of the United States, and (2) individual citizens of the United States or China wherever resident, bears to the par value of the whole number of shares of stock of the corporation outstanding on such date.

(h) The capital stock tax imposed by section 701 of the Revenue Act of 1934 shall not apply to any taxpayer with respect to any year after the year ending June 30, 1935.

The amendment was agreed to.

The next amendment was, on page 15, after line 22, to insert:

SEC. 106. EXCESS-PROFITS TAX

(a) There is hereby imposed upon the net income of every corporation for each income-tax taxable year ending after the close of the first year in respect of which it is taxable under section 105, an excess-profits tax equal to the sum of the following:

Six percent of such portion of its net income for such income-tax taxable year as is in excess of 10 percent and not in excess of 15 percent of the adjusted declared value;

Twelve percent of such portion of its net income for such income-tax taxable year as is in excess of 15 percent of the adjusted declared value.

(b) The adjusted declared value shall be determined as provided in section 105 as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year). If the income-tax taxable year in respect of which the tax under this section is imposed is a period of less than 12 months, such adjusted declared value shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to 12 months. For the purposes of this section the net income shall be the same as the net income for income-tax purposes for the year in respect of which the tax under this section is imposed, except that there shall be deducted the amount of income tax imposed for such year by section 13 of the Revenue Act of 1934, as amended.

(c) All provisions of law (including penalties) applicable in respect of the taxes imposed by title I of the Revenue Act of 1934, as amended, shall, insofar as not inconsistent with this section, be applicable in respect of the tax imposed by this section, except that the provisions of section 131 of that title shall not be applicable.

(d) The excess-profits tax imposed by section 702 of the Revenue Act of 1934 shall not apply to any taxpayer with respect to any income-tax taxable year ending after June 30, 1936.

The amendment was agreed to.

The next amendment was, on page 17, line 11, to change the section number from 106 to 107; in line 12, after the numerals "102", to insert "(except subsections (f) and (g) thereof)"; and in line 15, after the numerals "1935", to strike out the comma and "and the amendment made by section 105 shall apply only in the case of income tax taxable years ending after June 30, 1936"; so as to make the section read:

SEC. 107. TAXABLE YEARS TO WHICH APPLICABLE

The amendments made by sections 101, 102 (except subsections (f) and (g) thereof), 103, and 104 shall apply only in the case of taxable years beginning after December 31, 1935.

The amendment was agreed to.

The next amendment was, on page 17, after line 17, to insert:

SEC. 108. CREDIT ALLOWED CHINA TRADE ACT CORPORATIONS

(a) Section 261 (a) of the Revenue Act of 1934 is amended to read as follows:

"(a) Allowance of credit: For the purpose only of the taxes imposed by section 13 of this act and section 106 of the Revenue Act of 1935, there shall be allowed, in the case of a corporation organized under the China Trade Act, 1922, in addition to the credit provided in section 6, a credit against the net income of an amount equal to the proportion of the net income derived from sources within China (determined in a similar manner to that provided in section 119) which the par value of the shares of stock of the corporation owned on the last day of the taxable year by (1) persons resident in China, the United States, or possessions of the United States, and (2) individual citizens of the United States or China wherever resident, bears to the par value of the whole number of shares of stock of the corporation outstanding on such date: *Provided*, That in no case shall the diminution, by reason of such credit, of the tax imposed by such section 13 (computed without regard to this section) exceed the amount of the special dividend certified under subsection (b) of this section; and in no case shall the diminution, by reason of such credit, of the tax imposed by such section 106 (computed without regard to this section) exceed the amount by which such special dividend exceeds the diminution permitted by this section in the tax imposed by such section 13."

(b) The amendment made by subsection (a) shall apply, with respect to the tax imposed by section 13 of the Revenue Act of 1934, as amended, only in the case of taxable years beginning after December 31, 1935.

The amendment was agreed to.

The next amendment was, at the top of page 19, to insert:

SEC. 109. PERSONAL HOLDING COMPANIES

(a) Section 351 (a) of the Revenue Act of 1934 is amended to read as follows:

"(a) IMPOSITION OF TAX.—There shall be levied, collected, and paid, for each taxable year, upon the undistributed adjusted net income of every personal holding company a surtax equal to the sum of the following:

"(1) 20 percent of the amount thereof not in excess of $2,000; plus

"(2) 30 percent of the amount thereof in excess of $2,000 and not in excess of $100,000; plus

"(3) 40 percent of the amount thereof in excess of $100,000 and not in excess of $500,000; plus

"(4) 50 percent of the amount thereof in excess of $500,000 and not in excess of $1,000,000; plus

"(5) 60 percent of the amount thereof in excess of $1,000,000."

(b) Section 351 (b) (1) of the Revenue Act of 1934 is amended by adding at the end thereof the following: "If in the case of an affiliated group of corporations as hereinafter defined in this paragraph, the sum of the portions of the gross incomes of all members of the group derived from royalties, dividends, interest, annuities, and (except in the case of regular dealers in stocks or securities) gains from the sale of stocks or securities is less than 80 percent of the sum of the gross incomes of all members of the group, then, the common parent corporation of such affiliated group shall not be considered a personal holding company. As used in this paragraph, an 'affiliated group of corporations' means one or more chains of corporations connected through stock ownership with a common parent corporation, if (F) at least 95 percent of the stock of the corporation (except the common parent corporation) is owned directly during the entire taxable year by one or more of the other corporations; and (G) the common parent corporation owns directly during the entire taxable year at least 95 percent of the stock of at least one of the other corporations. The term 'stock' as used in clauses (F) and (G) does not include nonvoting stock which is limited and preferred as to dividends."

(c) Section 351 (b) (2) (C) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and distributions (not in complete or partial liquidation and not a 'dividend' as defined in section 115) made during the taxable year out of earnings or profits of such year."

(d) The amendments made by this section shall apply only in the case of taxable years beginning after December 31, 1935.

The amendment was agreed to.

The next amendment was, at the top of page 21, to strike out "Title II—Inheritance tax", down to and including line 19, on page 71.

The amendment was agreed to.

The next amendment was, on page 71, after line 19, to insert:

TITLE II—AMENDMENTS TO ESTATE TAX

SEC. 201. ESTATE-TAX RATES

(a) Section 401 (b) of the Revenue Act of 1932, as amended, is amended to read as follows:

"(b) The tentative tax referred to in subsection (a) (1) of this section shall equal the sum of the following percentages of the value of the net estate:

"Upon net estates not in excess of $10,000, 2 percent.

"$200 upon net estates of $10,000; and upon net estates in excess of $10,000 and not in excess of $20,000, 4 percent in addition of such excess.

"$600 upon net estates of $20,000; and upon net estates in excess of $20,000 and not in excess of $30,000, 6 percent in addition of such excess.

"$1,200 upon net estates of $30,000; and upon net estates in excess of $30,000 and not in excess of $40,000, 8 percent in addition of such excess.

"$2,000 upon net estates of $40,000; and upon net estates in excess of $40,000 and not in excess of $50,000, 10 percent in addition of such excess.

"$3,000 upon net estates of $50,000; and upon net estates in excess of $50,000 and not in excess of $70,000, 12 percent in addition of such excess.

"$5,400 upon net estates of $70,000; and upon net estates in excess of $70,000 and not in excess of $100,000, 14 percent in addition of such excess.

"$9,600 upon net estates of $100,000; and upon net estates in excess of $100,000 and not in excess of $200,000, 17 percent in addition of such excess.

"$26,600 upon net estates of $200,000; and upon net estates in excess of $200,000 and not in excess of $400,000, 20 percent in addition of such excess.

"$66,600 upon net estates of $400,000; and upon net estates in excess of $400,000 and not in excess of $600,000, 23 percent in addition of such excess.

"$112,600 upon net estates of $600,000; and upon net estates in excess of $600,000 and not in excess of $800,000, 26 percent in addition of such excess.

"$164,600 upon net estates of $800,000; and upon net estates in excess of $800,000 and not in excess of $1,000,000, 29 percent in addition of such excess.

"$222,600 upon net estates of $1,000,000; and upon net estates in excess of $1,000,000 and not in excess of $1,500,000, 32 percent in addition of such excess.

"$382,600 upon net estates of $1,500,000; and upon net estates in excess of $1,500,000 and not in excess of $2,000,000, 35 percent in addition of such excess.

"$557,600 upon net estates of $2,000,000; and upon net estates in excess of $2,000,000 and not in excess of $2,500,000, 38 percent in addition of such excess.

"$747,600 upon net estates of $2,500,000; and upon net estates in excess of $2,500,000 and not in excess of $3,000,000, 41 percent in addition of such excess.

"$952,600 upon net estates of $3,000,000; and upon net estates in excess of $3,500,000 and not in excess of $3,500,000, 44 percent in addition of such excess.

"$1,172,600 upon net estates of $3,500,000; and upon net estates in excess of $3,500,000 and not in excess of $4,000,000, 47 percent in addition of such excess.

"$1,407,600 upon net estates of $4,000,000; and upon net estates in excess of $4,000,000 and not in excess of $4,500,000, 50 percent in addition of such excess.

"$1,657,600 upon net estates of $4,500,000; and upon net estates in excess of $4,500,000 and not in excess of $5,000,000, 53 percent in addition of such excess.

"$1,922,600 upon net estates of $5,000,000; and upon net estates in excess of $5,000,000 and not in excess of $6,000,000, 56 percent in addition of such excess.

"$2,482,600 upon net estates of $6,000,000; and upon net estates in excess of $6,000,000 and not in excess of $7,000,000, 59 percent in addition of such excess.

"$3,072,600 upon net estates of $7,000,000; and upon net estates in excess of $7,000,000 and not in excess of $8,000,000, 61 percent in addition of such excess.

"$3,682,600 upon net estates of $8,000,000; and upon net estates in excess of $8,000,000 and not in excess of $9,000,000, 63 percent in addition of such excess.

"$4,312,600 upon net estates of $9,000,000; and upon net estates in excess of $9,000,000 and not in excess of $10,000,000, 65 percent in addition of such excess.

"$4,962,600 upon net estates of $10,000,000; and upon net estates in excess of $10,000,000 and not in excess of $20,000,000, 67 percent in addition of such excess.

"$11,662,600 upon net estates of $20,000,000; and upon net estates in excess of $20,000,000 and not in excess of $50,000,000, 69 percent in addition of such excess.

"$32,362,600 upon net estates of $50,000,000; and upon net estates in excess of $50,000,000, 70 percent in addition of such excess."

(b) Section 401 (c) of the Revenue Act of 1932 (relating to the exemption for the purposes of the additional estate tax) is amended by striking out "$50,000" and inserting in lieu thereof "$40,000."

(c) Section 403 of the Revenue Act of 1932, as amended (relating to the requirement for filing return under such additional estate tax), is amended by striking out "$50,000" and inserting in lieu thereof "$40,000."

(d) The amendments made by this section shall be effective only with respect to transfers of estates of decedents dying after the date of the enactment of this act.

The amendment was agreed to.

The next amendment was, on page 75, after line 20, to insert:

SEC. 202. ESTATE TAX—REDUCTION FOR SHRINKAGE IN VALUE

(a) Section 303 (a) of the Revenue Act of 1926, as amended, is amended by striking out the word "and" at the end of paragraph (3) and by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and the following: "and

"(5) The net shrinkage in value of assets arising solely from the difference in the aggregate value of assets forming part of the decedent's gross estate on the date of death and the aggregate value of such assets 1 year after the decedent's death (or date of sale or exchange by the executor in the case of assets sold or exchanged during such period), but only to the extent that such shrinkage is not covered by any other deduction under this subdivision."

(b) Section 303 (b) of such act, as amended, is amended by striking out the word "and" at the end of paragraph (2), and by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and the following: "and

"(4) The net shrinkage in value of assets arising solely from the difference in the aggregate value of assets situated in the United States forming part of the decedent's gross estate on the date of death and the aggregate value of such assets 1 year after the decedent's death (or date of sale or exchange by the executor in the case of assets sold or exchanged during such period), but only to the extent that such shrinkage is not covered by any other deduction under this subdivision."

(c) The amendments made by this section shall be effective only with respect to transfers of estates of decedents dying after the date of the enactment of this act.

The amendment was agreed to.

The next amendment was, on page 77, after line 3, to insert:

SEC. 203. ESTATE TAX—DUE DATE

(a) Section 305 (a) of the Revenue Act of 1926 is amended to read as follows:

"(a) The tax imposed by this title shall be due and payable 15 months after the decedent's death, and shall be paid by the executor to the collector."

(b) Section 305 (c) of the Revenue Act of 1926 is amended to read as follows:

"(c) If the time for the payment is thus extended there shall be collected, as a part of such amount, interest thereon at the rate of 6 percent per annum from the expiration of 3 months after the due date of the tax to the expiration of the period of the extension."

(c) The amendments made by this section shall be effective only with respect to transfers of estates of decedents dying after the date of the enactment of this act.

The amendment was agreed to.

The next amendment was, on page 77, after line 19, to strike out "Title III—Gift tax on donees", down to and including line 3, on page 115.

The amendment was agreed to.

The next amendment was, on page 115, after line 3, to insert:

TITLE III—AMENDMENTS TO GIFT TAX

SEC. 301. GIFT-TAX RATES

(a) The gift-tax schedule set forth in section 502 of the Revenue Act of 1932, as amended, is amended to read as follows:

"Upon net gifts not in excess of $10,000, 1½ percent.

"$150 upon net gifts of $10,000; and upon net gifts in excess of $10,000 and not in excess of $20,000, 3 percent in addition of such excess.

"$450 upon net gifts of $20,000; and upon net gifts in excess of $20,000 and not in excess of $30,000, 4½ percent in addition of such excess.

"$900 upon net gifts of $30,000; and upon net gifts in excess of $30,000 and not in excess of $40,000, 6 percent in addition of such excess.

"$1,500 upon net gifts of $40,000; and upon net gifts in excess of $40,000 and not in excess of $50,000, 7½ percent in addition of such excess.

"$2,250 upon net gifts of $50,000; and upon net gifts in excess of $50,000 and not in excess of $70,000, 9 percent in addition of such excess.

"$4,050 upon net gifts of $70,000; and upon net gifts in excess of $70,000 and not in excess of $100,000, 10½ percent in addition of such excess.

"$7,200 upon net gifts of $100,000; and upon net gifts in excess of $100,000 and not in excess of $200,000, 12¾ percent in addition of such excess.

"$19,950 upon net gifts of $200,000; and upon net gifts in excess of $200,000 and not in excess of $400,000, 15 percent in addition of such excess.

"$49,950 upon net gifts of $400,000; and upon net gifts in excess of $400,000 and not in excess of $600,000, 17¼ percent in addition of such excess.

"$84,450 upon net gifts of $600,000; and upon net gifts in excess of $600,000 and not in excess of $800,000, 19½ percent in addition of such excess.

"$123,450 upon net gifts of $800,000; and upon net gifts in excess of $800,000 and not in excess of $1,000,000, 21¾ percent in addition of such excess.

"$166,950 upon net gifts of $1,000,000; and upon net gifts in excess of $1,000,000 and not in excess of $1,500,000, 24 percent in addition of such excess.

"$286,950 upon net gifts of $1,500,000; and upon net gifts in excess of $1,500,000 and not in excess of $2,000,000, 26¼ percent in addition of such excess.

"$418,200 upon net gifts of $2,000,000; and upon net gifts in excess of $2,000,000 and not in excess of $2,500,000, 28½ percent in addition of such excess.

"$560,700 upon net gifts of $2,500,000; and upon net gifts in excess of $2,500,000 and not in excess of $3,000,000, 30¾ percent in addition of such excess.

"$714,450 upon net gifts of $3,000,000; and upon net gifts in excess of $3,000,000 and not in excess of $3,500,000, 33 percent in addition of such excess.

"$879,450 upon net gifts of $3,500,000; and upon net gifts in excess of $3,500,000 and not in excess of $4,000,000, 35¼ percent in addition of such excess.

"$1,055,700 upon net gifts of $4,000,000; and upon net gifts in excess of $4,000,000 and not in excess of $4,500,000, 37½ percent in addition of such excess.

"$1,243,200 upon net gifts of $4,500,000; and upon net gifts in excess of $4,500,000 and not in excess of $5,000,000, 39¾ percent in addition of such excess.

"$1,441,950 upon net gifts of $5,000,000; and upon net gifts in excess of $5,000,000 and not in excess of $6,000,000, 42 percent in addition of such excess.

"$1,861,950 upon net gifts of $6,000,000; and upon net gifts in excess of $6,000,000 and not in excess of $7,000,000, 44¼ percent in addition of such excess.

"$2,304,450 upon net gifts of $7,000,000; and upon net gifts in excess of $7,000,000 and not in excess of $8,000,000, 45¾ percent in addition of such excess.

"$2,761,950 upon net gifts of $8,000,000; and upon net gifts in excess of $8,000,000 and not in excess of $9,000,000, 47¼ percent in addition of such excess.

"$3,234,450 upon net gifts of $9,000,000; and upon net gifts in excess of $9,000,000 and not in excess of $10,000,000, 48¾ percent in addition of such excess.

"$3,721,950 upon net gifts of $10,000,000; and upon net gifts in excess of $10,000,000 and not in excess of $20,000,000, 50¼ percent in addition of such excess.

"$8,746,950 upon net gifts of $20,000,000; and upon net gifts in excess of $20,000,000 and not in excess of $50,000,000, 51¾ percent in addition of such excess.

"$24,271,950 upon net gifts of $50,000,00; and upon net gifts in excess of $50,000,000, 52½ percent in addition of such excess."

(b) The amendment made by subsection (a) of this section shall be applied in computing the tax for the calendar year 1936 and each calendar year thereafter (but not the tax for the calendar year 1935 or a previous calendar year), and such amendment shall be applied in all computations in respect of the calendar year 1935 and previous calendar years for the purpose of computing the tax for the calendar year 1936 or any calendar year thereafter.

The amendment was agreed to.

The next amendment was, at the top of page 119, to insert:

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. AMENDMENTS TO TITLE IV OF REVENUE ACT OF 1932

(a) Section 620 (3) of the Revenue Act of 1932, as amended, is amended to read as follows:

"(3) for the exclusive use of the United States, any State, Territory of the United States, or any political subdivision of the foregoing, or the District of Columbia."

(b) Section 621 (a) (3) of the Revenue Act of 1932, as amended, is amended to read as follows:

"(3) to a manufacturer, producer, or importer, in the amount of tax paid by him under this title with respect to the sale of any article to any vendee, if the manufacturer, producer, or importer has in his possession such evidence as the regulations may prescribe that after the date this amendment takes effect—

"(A) such article was, by any person—

"(i) resold for the exclusive use of the United States, any State, Territory of the United States, or any political subdivision of the foregoing, or the District of Columbia;

"(ii) used or resold for use as fuel supplies, ship's stores, sea stores, or legitimate equipment on vessels of war of the United States or of any foreign nation, vessels employed in the fisheries or in the whaling business, or actually engaged in foreign trade or trade between the Atlantic and Pacific ports of the United States or between the United States and any of its possessions;

"(iii) in the case of products embraced in paragraph (2) of section 617 (c), as amended, used or resold for use otherwise than as fuel for the propulsion of motor vehicles, motor boats, or airplanes, and otherwise than in the production of such fuel: *Provided, however,* That no credit or refund shall be allowed or made under this paragraph in the case of sales or uses of products commonly or commercially known or sold as gasoline, including casinghead and natural gasoline.

"(iv) in the case of lubricating oils, used or resold for non-lubricating purposes.

"(B) The manufacturer, producer, or importer has repaid or agreed to repay the amount of such tax to the ultimate vendor or has obtained the consent of the ultimate vendor to the allowance of the credit or refund."

(c) Section 621 (c) of the Revenue Act of 1932, as amended, is amended to read as follows:

"(c) Interest shall be allowed at the rate of 6 percent per annum with respect to any amount of tax under this title credited or refunded, except that no interest shall be allowed with respect to any amount of tax credited or refunded under the provisions of subsection (a) hereof, and except that no interest shall be allowed for any period prior to the first day of the second month following the date of the enactment of the Revenue Act of 1935."

(d) The amendments made by this section shall become effective on the 1st day of the second month following the date of the enactment of this act.

The amendment was agreed to.

The next amendment was, on page 121, after line 8, to insert:

SEC. 402. COMPENSATORY TAX ON PRODUCTS OF CERTAIN OILS

During any period after the fifteenth day after the date of the enactment of this act when—

(1) a processing tax is in effect under section 602½ of the Revenue Act of 1934, or

(2) an import tax is in effect under section 601 (c) (8) of the Revenue Act of 1932, as amended,

there is hereby imposed upon any article (not within the scope of either such tax) manufactured or produced wholly or in chief value from any one or more of the oils subject to either such tax, when such article is imported into the United States from any foreign country or from any possession of the United States or from the high seas, a compensatory tax equivalent to the tax which would be payable under such section 602½ or 601(c) (8) upon such oil or oils if imported into the United States or if processed in the United States. The tax imposed by this section shall be levied, collected, and paid in the same manner as a duty imposed by the Tariff Act of 1930, and shall be treated, for the purposes of all provisions of law (except sec. 336 of such act) not inconsistent with this section, as a duty imposed by such act. All taxes collected under this section on account of coconut oil produced from materials wholly of Philippine growth or production, shall be held as a separate fund and paid to the treasury of the Philippine Islands, but if at any time the Philippine government provides by any law for any subsidy to be paid to the producers of copra, coconut oil, or allied products, no further payments to the Philippine treasury shall be made under this section.

The amendment was agreed to.

The next amendment was, on page 122, after line 13, to insert:

SEC. 403. SPECIAL EXCISE TAX ON CARRYING ON LIQUOR BUSINESS

The special excise tax imposed by section 701 of the Revenue Act of 1926 (U. S. C., title 26, sec. 206) shall not apply with respect to carrying on business after June 30, 1935.

The amendment was agreed to.

The next amendment was, on page 122, after line 19, to insert:

SEC. 404. INTEREST ON DELINQUENT TAXES

Notwithstanding any provision of law to the contrary, interest accruing during any period of time after the date of the enactment of this act upon any internal-revenue tax (including amounts assessed or collected as a part thereof) of customs duty, not paid when due, shall be at the rate of 6 percent per annum.

The amendment was agreed to.

The next amendment was, at the top of page 123, to insert:

SEC. 405. DECLARATORY JUDGMENTS AS TO TAXES

(a) Paragraph (1) of section 274D of the Judicial Code (Public, No. 343, 73d Cong.) is amended by adding after the words "actual controversy" the following: "(except with respect to Federal taxes)."

(b) The amendment made by subsection (a) of this section shall apply to any proceeding now pending in any court of the United States.

The amendment was agreed to.

The next amendment was, on page 123, after line 8, to insert:

SEC. 406. FAILURE TO FILE RETURNS

In the case of a failure to make and file an internal-revenue tax return required by law, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, if the last date so prescribed for filing the return is after the date of the enactment of this act, if a 25-percent addition to the tax is prescribed by existing law, then there shall be added to the tax, in lieu of such 25 percent: 5 percent if the failure is for not more than 30 days, with an additional 5 percent for each additional 30 days or fraction thereof during which failure continues, not to exceed 25 percent in the aggregate.

The amendment was agreed to.

The next amendment was, on page 123, line 21, after the word "Title" in the heading to strike out "IV" and insert "V"; in line 22, to change the section number from 401 to 501, and on page 124, after line 22, to insert:

(10) The term "collector" means collector of internal revenue.

So as to read:

TITLE V—GENERAL PROVISIONS

SEC. 501. DEFINITIONS

(a) When used in this act—

(1) The term "person" means an individual, a trust or estate, a partnership, or a corporation.

(2) The term "corporation" includes associations, joint-stock companies, and insurance companies.

(3) The term "domestic" when applied to a corporation or partnership means created or organized in the United States or under the law of the United States or of any State or Territory.

(4) The term "foreign" when applied to a corporation or partnership means a corporation or partnership which is not domestic.

(5) The term "stock" includes the share in an association, joint-stock company, or insurance company.

(6) The term "shareholder" includes a member in an association, joint-stock company, or insurance company.

(7) The term "United States" when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

(8) The term "Secretary" means the Secretary of the Treasury.

(9) The term "Commissioner" means the Commissioner of Internal Revenue.

(10) The term "collector" means collector of internal revenue.

The amendment was agreed to.

The next amendment was, on page 125, line 5, to change the section number from 402 to 502.

The amendment was agreed to.

The next amendment was, on page 125, line 10, to change the section number from 403 to 503.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I desire to offer some amendments to clarify the text. I send the first amendment to the desk.

The VICE PRESIDENT. The clerk will state the amendment now offered by the Senator from Mississippi.

The CHIEF CLERK. On page 9, after line 16, it is proposed to insert the following:

(1) Section 144 of the Revenue Act of 1934 is amended by striking out the period at the end thereof and inserting a colon and the following: "*Provided further*, That in the case of the payment, after December 31, 1935, of dividends of the class with respect to which a deduction is allowed by section 23 (p), the deduction and withholding provided for in this section shall also apply to 15 percent of the amount of the payment."

The amendment was agreed to.

Mr. HARRISON. I offer another amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 15, line 18, after the period, it is proposed to insert a new sentence to read as follows:

For the purposes of this subsection shares of stock of a corporation shall be considered to be owned by the person in whom the equitable right to the income from such shares is in good faith vested; and as used in this subsection, the term "China" shall have the same meaning as when used in the China Trade Act, 1922.

The amendment was agreed to.

Mr. CLARK. Mr. President, will not the Senator from Mississippi explain these amendments?

Mr. HARRISON. Mr. President, the amendment just agreed to related to the China Trade Act. The substance of the amendment is found in section 261 of the Revenue Act of 1934, relating to the credit of China Trade Act corporations against net income for purposes of the corporation income tax, and is equally necessary in connection with the portion of the committee amendment relating to credit of such corporations for purposes of the capital-stock tax. This amendment was necessary because of the other amendment in reference to the China trade corporation.

Mr. President, I suggest several other clarifying amendments, which I send to the desk.

The VICE PRESIDENT. The clerk will state the first amendment.

The CHIEF CLERK. On page 4 it is proposed to insert quotation marks at the beginning of line 21, and on page 5 to insert quotation marks at the beginning of each paragraph and at the end of line 23.

The amendment was agreed to.

The CHIEF CLERK. On page 9, line 13, it is proposed to strike out "deducation" and insert in lieu thereof the word "deduction."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 3, it is proposed to strike out the comma.

The amendment was agreed to.

The CHIEF CLERK. On page 73, line 23, it is proposed to strike out "$3,500,000" and insert in lieu thereof "$3,000,000."

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer an amendment, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment of the Senator from Nevada.

The CHIEF CLERK. At the proper place it is proposed to insert the following:

SEC. —. That section 6, section 7, and section 8 of Public Law No. 438 (73d Cong.) are hereby repealed and all Treasury rules and regulations made in pursuance of said sections 6, 7, and 8 of Public Law No. 438 are declared null and void and inoperative.

Mr. ROBINSON. Mr. President, will the Senator from Nevada yield to me to suggest the absence of a quorum?

Mr. McCARRAN. I yield.

Mr. ROBINSON. I suggest the absence of a quorum.

Mr. HARRISON. Mr. President, will not the Senator withhold his suggestion of the absence of a quorum for a moment?

Mr. ROBINSON. For just a moment.

Mr. HARRISON. Is the Senator from South Carolina ready now to proceed with the conference report on the Agricultural Adjustment Administration amendments conference report?

Mr. SMITH. If the Senator from California [Mr. JOHNSON] is prepared, I am ready to take the report up at this time.

Mr. ROBINSON. I withdraw the suggestion of the absence of a quorum.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from South Carolina.

Mr. SMITH. Under the agreement, we were to postpone consideration of the conference report until 4 o'clock. The Senator from California indicates that he is now ready to proceed with the consideration of the report.

The VICE PRESIDENT. The Chair understands that the conference report is before the Senate. The question is on agreeing to the conference report.

Mr. JOHNSON. Mr. President, I have no desire, of course, to delay in any degree the consideration of the conference report. I desire of record, however, to say that the amendment which was adopted by the Senate after due deliberation and debate, involving the fundamental doctrine of the right of the American to go to the courts and have free access thereto, has been emasculated by the report which is presented by the conferees. The report hedges about the

right of the individual in such fashion as to make it extremely difficult for that right to be exercised at all.

I regret that it is so. I do not like the conference substitution for the Senate amendment. I believe it ought never to have been made. I can only voice the objection that is mine, and to say that I do not approve, and that I regret exceedingly that we have gone so far as we have in this conference report in the endeavor to deprive the ordinary American of access to the courts of the land.

With that statement, sir, I am ready to vote "no" upon the conference report, and permit it to be accepted.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BAILEY. Mr. President, I understand that prior to the adoption of the report the chairman in charge of it will inform us of certain amendments which are to be offered. On the face of the bill, as agreed to by the conferees, there is a very serious blunder made, as I understand, not by any Member of the Congress. In order that that blunder may be corrected, and that the bill may operate as the Congress intended, it will be necessary to have unanimous consent for the passage of a concurrent resolution. Before we pass upon the report I desire to have that matter fully cleared up, so that we may know precisely what to expect.

Mr. SMITH. The parliamentary procedure, as I understand, will be to agree to the report, and then have the error corrected by means of the adoption of a concurrent resolution. As chairman of the committee I intend, as soon as the report shall have been agreed to, to ask unanimous consent for the adoption of a concurrent resolution which will correct the error which was made.

The VICE PRESIDENT. Let the Chair state the parliamentary situation as he understands it.

A conference report is before the Senate. If the conference report shall be agreed to, there is a House amendment which the Chair understands the Senator from South Carolina desires to have disposed of. When that shall have been done the bill will go back to the House for consideration of the Senate amendment. Then, if there is an error in the engrossment or enrollment of the bill, it will be in order for the Senate or the House to correct it.

Mr. BAILEY. Do I understand from the statement of the Chair that the matter may not be taken up immediately after adoption of the motion to agree to the conference report?

The VICE PRESIDENT. The Senate may do it at any time it wishes.

Mr. BAILEY. I am going to suggest now, as a matter of sound and intelligent procedure, that we should thoroughly understand that we intend to proceed in that way. We do not wish the bill to pass in the present condition. I do not hesitate to say to the Senate that if the bill shall pass in its present shape the price of tobacco now being sold in the South Carolina and the Georgia markets will drop probably 3 cents a pound tomorrow. We ought not to run any risk of that sort.

Mr. SMITH. I take it for granted that the Senate would not hesitate to correct an error which would bring about such a situation, and that was what it was contemplated by the concurrent resolution to correct. If it is in order, and in accordance with parliamentary usage, I shall ask that the concurrent resolution be adopted at this time.

Mr. BAILEY. I think that is the better plan.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. I am not concerned about what the Senate will do. I know the Senate will adopt the concurrent resolution. However, has the Senator any information as to what the House is going to do with it?

Mr. SMITH. The House is now acting upon the matter. The blunder referred to was largely its blunder.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Idaho?

Mr. SMITH. I yield.

Mr. BORAH. What is the nature of the resolution which the Senator is going to propose?

Mr. SMITH. I will read from it, so that it may be understood. It is proposed to strike out:

(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any 12 months' period ending after the date of the adoption of this amendment consisting of the 2 months immediately preceding and the first 10 months of any marketing year—

We did not intend the bill to say "after the adoption of this amendment", so the proposed correction is:

(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any period of 12 successive months ending after July 1, 1935, consisting of the first 10 months of any marketing year and the last 2 months of the preceding marketing year—

So the reduction in taxes takes place immediately, in the current year.

Mr. BORAH. Mr. President, would the concurrent resolution be subject to amendment?

Mr. SMITH. No; the concurrent resolution is simply to correct the bill so that it will provide as it was intended it should provide in both the House and Senate. In some manner the words were put in "after the date of the adoption of this amendment." It was not intended that those words should be inserted. Both the House and Senate intended that when the parity price had been reached preceding the next marketing year the reduction intended should take place.

Mr. BORAH. The conferees, as I understand—speaking to another subject—intended that the claimants who had claims against the Government should have the right to file their claims with the internal-revenue collector of their district. Would not the Senator be willing to insert that in his concurrent resolution?

Mr. SMITH. The only point is that the House has recognized this amendment; and if any other amendment shall be offered, heaven only knows when the bill will ever be enacted. This matter is already under consideration in the House. I desire the action of the Senate to be concurrent, so that we may dispose of the bill this afternoon, for the House is now considering certain amendments in connection with the blunder which has been made.

Mr. BORAH. Mr. President, this other matter is a very vital and important one. It would not take the House 15 minutes to approve it.

Mr. SMITH. Suppose they do not approve it, what will happen then?

Mr. BORAH. But they will approve it. The House is not going to deny the right to a man to file his claim in his own district. That evidently was an omission.

Mr. SMITH. Mr. President, I do not think any part of the bill was discussed with greater care than that which was amendatory of the provisions to which the Senator from California [Mr. JOHNSON] has addressed himself, and concerning which the Senator from Georgia has offered an amendment to the bill. The House inserted an amendatory provision, and we endeavored to make the amendments conform to the present tax law, making use of all the knowledge we had of the law. I do not think anyone for a moment believes that the right of the citizen to go before his local collector would be denied. That was explained by the Senator from Alabama [Mr. BANKHEAD], and it was worked out with care by the conferees. In any case, if it should become apparent before the next meeting of Congress that, as the Senator from Idaho contends, claimants will be brought all the way from Idaho to Washington—if that should become evident in the 4 months intervening between now and January next we certainly could correct the situation then. I have not the slightest doubt that the local collector of internal revenue will be designated, as he has been in all the tax cases, as the person to get the evidence and to pass upon it, with the consent of the collector in Washington.

Mr. BORAH. Mr. President, I should not be so insistent about this matter if I did not sincerely feel that the small claimant, the man living at a distance from the city of Washington, will be the one who will suffer by reason of this situation. I feel, as the Senator from California [Mr. JOHNSON] does, that by reason of the amendment, the provision which the Senator placed in the bill has been so changed that the persons who have small claims, those residing at a distance, will never undertake to recover, for the reason that they must come to the city of Washington in order to present their claims.

Mr. SMITH. Mr. President, I do not think that will ever occur under this amendment. I think the local collector of internal revenue will be designated as the one to settle the claim.

Mr. BORAH. Of course, I know the Senator thinks so; but I cannot understand why we do not write it into the law, so that the citizen will know that his rights are absolutely protected.

Mr. SMITH. If it had been intimated that we were departing from the law in the adjudication of cases under the internal-revenue law, we should not have taken the action we took; but if, in the ordinary tax cases, the local authority settles them, why should not the local authority settle such cases as those under discussion?

I shall join with the Senator in an effort to amend the law if it shall be found desirable. It will be only 3 months before we will know whether or not they are going to do such an absurd thing.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BAILEY. Mr. President, may I ask the Senator from South Carolina if he does not have other amendments at hand? I understand there are two, one to that section of the bill which is known as the "potato rider."

Mr. SMITH. That, as the Senator has been informed, was an omission in the transcription. In transcribing, that provision was dropped out inadvertently. It is not an amendment in the real sense. It is merely a reincorporation of what the conferees agreed upon.

Mr. BAILEY. It requires action here?

Mr. SMITH. Yes; to correct the blunder that was made in the transcription.

Mr. BAILEY. Does the Senator intend to bring up that matter?

Mr. SMITH. Right away, so as to complete the matter and get it off my hands.

Mr. BAILEY. I wish to make inquiry why we should not bring up the amendment proposed by the Senator from Idaho [Mr. BORAH]?

Mr. SMITH. Because this has been acted on and the House wants to correct its error. If we open it up to further amendment, we will be here until the snow flies.

Mr. BAILEY. I do not want to delay the passage of the bill. I am in sympathy with the efforts of the chairman to get the bill through, but I wish everyone to know that I am in utmost sympathy with the position taken by the Senator from Idaho [Mr. BORAH] and the position taken by the Senator from Georgia [Mr. GEORGE]. I do not wish to leave any question as to whether a taxpayer in North Carolina must come all the way to Washington to make a record for a court in my State. I understand the argument, but I know how the law is. I take the position of the Senator from Idaho that we want the law to read in the interest of the taxpayer who may establish his right on the basis of the law and leave nothing to the discretion of a bureau head.

Mr. SMITH. I am no more in favor of bureaucracy than is the Senator from North Carolina, but I do not like to have lawyers rise here and indict their own fraternity. I do not think the Senator ought to say that in the case of a tax adjustment this Government and its lawyers would do such a thing. The Senator knows there is some common sense even among lawyers.

Mr. BAILEY. I rose to make inquiry of the Senator. I do not even know that the Commissioner of Internal Revenue or the Secretary of the Treasury is a lawyer. I am willing for the Senator to indict the lawyers, but I do not see how that is referable to these gentlemen. I assume only that the Senator will enable the courts to protect the rights which he so eloquently expounded in South Carolina the other day.

Mr. SMITH. I think they are incorporated in the bill.

Mr. ROBINSON. Mr. President, will the Senator yield to enable me to ask a question?

Mr. BAILEY. Certainly.

Mr. ROBINSON. Was the provision to permit the filing of claims for the recovery of taxes illegally paid under this measure incorporated in the Senate amendment which we adopted?

Mr. BAILEY. I do not think so.

Mr. ROBINSON. That is my recollection. Then, as implied by the statement of the Senator from South Carolina, this is a substantial change in the bill. It opens up the subject matter to additional amendments, which is an entirely different proposition from correcting the text. It never occurred to anyone, during the long period of several weeks when we were discussing the bill here, that it was necessary to have an express provision of that nature. Now, when the bill comes back through a conference report and it is proposed to correct certain admitted errors, it is suggested that a substantial amendment be incorporated. I think the Senator from South Carolina is justified in his suggestion.

Mr. BAILEY. I am not disputing that fact. He may be justified. I wish to make a matter of record, and I think that is all we can do, in the humble hope that when some taxpayer crawls up here before the Commissioner, the Commissioner will take judicial notice of the fact that there were Senators on both sides of the Chamber who undertook to maintain that the Commissioner, in his discretion, should allow the taxpayer to plead his case within some reasonable distance of his home neighborhood. Having done that, I am satisfied.

I have another remark to make, and I shall then take my seat. I am going to make a protest.

An amendment introduced by myself and now to be found on page 68 of the bill as passed reads as follows:

> (h) Nothing in this section (32) shall be construed to validate or legalize acts, taxes, penalties, or regulations or proceedings thereunder, that were done, imposed, had or issued contrary to said prior acts, or any action not in conformity with the terms of said prior acts.

That amendment was stricken out in conference. When we pass this bill let us take full notice that without this amendment acts done not in conformity with the laws which we wrote are condoned and legalized.

I do not think that is sound procedure. I know it is too late to change it. I understand that, but it is not too late to make the record. It is not too late to say that it does not become a great legislative body, representing the people and accountable to them, to undertake to exonerate appointive officers in direct and intimate relation to the people, but not responsible to them for acts done beyond the law; it does not become us to exonerate them from acts and transactions done not in conformity with the laws under which they were presumed to act.

I deeply regret that this amendment was stricken from the bill in conference. I cannot believe that the conferees understood the import of their action. I wish to be heard about it.

To whom are the administrative officers of our country accountable? They are not accountable to us. The judicial, the executive, and the legislative branches are separate and distinct. They are accountable to the citizen, on the one hand, and in the forum of a court, on the other hand. Here we deprive the citizen of his power to hold them to account in the forum of the court. Not being accountable in a court of law they are not accountable to anybody, but you and I will be held responsible when we go to answer to the people for the deeds which they have done not in conformity with acts passed by ourselves.

I thought, when the head of Charles I fell in the basket under the stroke of the headsman, that official irresponsibility had come to an end amongst the English-speaking

people. If I had my way about it, they would be held responsible. I have one more word to say about it.

This bill did not originate in the Congress. It originated in the Department of Agriculture. It was not drawn by a Senator. It was not drawn by a Member of the House. Those who originated it wrote into it language exonerating them from liability for acts done beyond their power, not in conformity with the law.

Mr. President, that sort of thing ought not to happen in our Republic. It ought not to happen anywhere. The fact that it did happen points the finger of suspicion at the Department which is responsible for it. I am sorry it is too late to remedy the matter. If I had the power, if I had the opportunity, I should submit this matter to the Senate and to the House, and I think I know what they would do; but we are told, and I am afraid only too truly, that if we should undertake now to insist upon simple, elementary rights it would destroy the legislation, and we should have to assume the responsibility for destroying it.

Mr. President, Congress will be in session again in the month of January of the coming year.

Mr. ASHURST. Mr. President——

Mr. BAILEY. I yield to the Senator from Arizona.

Mr. ASHURST. If I correctly understand the Senator, the Senate conferees have been guilty of no delinquency.

Mr. BAILEY. I am not lecturing anybody on either side.

Mr. ASHURST. I understand; but I rise to make an inquiry. Inasmuch as the Senate conferees have not been discharged, is it not within their power to make the correction by an additional conference?

Mr. BAILEY. It is; but we are told that if we delay a moment we shall defeat the bill, and I say that I do not wish to defeat the bill.

Mr. ROBINSON. Mr. President, if the bill should be sent back to conference for the purpose of incorporating a provision which was neither in the House bill nor in the Senate amendments, the conference report would be subject to a point of order in either body, and the bill probably would be defeated; so, in my judgment, if the Senator from North Carolina will permit me, the Senate not having incorporated the language in its original amendment, it ought not to be incorporated in a conference report. I am speaking now of the amendment proposing to permit the filing of claims for the recovery of taxes with the local revenue collectors.

Mr. ASHURST. If the Senator from North Carolina will yield, of course, the able Senator from Arkansas is absolutely correct. No one, I am sure, would contend that the conferees should insert in their report matter which was never agreed to by either House. My understanding was that matter agreed to by one of the two Houses had been eliminated against the protest of some of the Members of the Senate. I agree fully with the Senator from Arkansas.

Mr. BAILEY. Mr. President, my final word is just this: I understand the situation. I understand that we are driven into a corner. The Senator from Idaho [Mr. BORAH] is driven into a corner with his proposal that the taxpayer should have the right, at the only point where he can do so, to present his claim. The little taxpayer cannot come to Washington from California, nor can he come from North Carolina. We are driven to the point where he is deprived of the right of a hearing at the only place he could be heard; and we are now driven to the point where we must enact legislation, mind you, condoning acts—not acts done in conformity with law, but acts done not in conformity with law.

Mr. GORE. Mr. President——

Mr. BAILEY. I will yield to the Senator from Oklahoma in a minute.

I do not have to say to the Senate, I should not have to say anywhere on earth, that that is wrong. I should not have to say anywhere amongst intelligent men that that is a precedent which will destroy any government—the very fact that the Congress undertakes, after transactions done in violation of law, to ratify and confirm them; and we are told that we are helpless to correct it.

I have made my protest. I hope the Congress of the United States will take action. We have only four or five months to wait until we may do something, at least, to prevent anything like this happening again.

Mr. GORE. Mr. President——

Mr. BAILEY. I now yield to the Senator from Oklahoma.

Mr. GORE. I desire to ask the Senator if he means to say that administrative and appointive officers who have taken an oath to observe and enforce the law have violated and disregarded the law they were sworn to enforce.

Mr. BAILEY. No; I do not mean to say that they have done that; I do not know what they have done; but I know that we have proposed legislation here the effect of which is to exonerate them from acts of that sort if they have committed them.

Mr. GORE. Very well. Then I put the question in this form: Would administrative and appointive officers who have taken an oath to observe and enforce the law, if they have violated and disregarded the law and their oath to enforce it, be granted immunity under this measure?

Mr. BAILEY. If I read the measure aright, they would be.

Mr. GORE. And did administrative officers who would enjoy such immunity write this bill, instead of a Member of the House or the Senate?

Mr. BAILEY. That is conceded. I am not sure of our power to do these things. I will not go that far. I am saying what we undertake to do. There is, after all, a law above the law with which we are dealing. There is a law of human rights underlying these statutes.

Mr. GORE. I appreciate the Senator's idealism, and hope he is right.

Mr. BAILEY. I still entertain it; and I call the Senator's attention to the paragraph on page 62.

Mr. President, having said that, I wish to add that I am not obstructing the passage of the bill. I am for the bill. I voted for it. I am going to vote for the conference report; and I can vote for it more freely by reason of having said to the Senate what I have here said.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives with respect to certain amendments of the Senate to House bill 8492, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
August 14, 1935.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 152 to the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes", and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 128 to said bill and concur therein with the following amendment:

In lieu of the matter inserted by said amendment insert:

"SEC. 37. There is hereby authorized to be appropriated the sum of $40,000,000, of which sum $10,000,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Secretary of Agriculture, under rules and regulations to be promulgated by him and upon such terms as he may prescribe, to eliminate diseased dairy and beef cattle, including cattle suffering from tuberculosis or Bang's disease, and to make payments to owners with respect thereto. The Secretary of Agriculture is authorized to use for scientific experimentation and efforts to eradicate disease in cattle, as much as he finds advisable of the funds appropriated by or in pursuance of the authorization contained in this section and the funds appropriated by the second paragraph of Public Resolution No. 27, Seventy-third Congress, approved May 25, 1934, to carry out section 6 of the act entitled 'An act to amend the Agricultural Adjustment Act so as to include cattle and other products as basic agricultural commodities, and for other purposes', approved April 7, 1934. The sums appropriated or reappropriated by this section shall remain available until June 30, 1936, and such sums and the sums appropriated in pursuance of the authorization contained in this section shall be available to carry out the purposes of both this section and such section 6, and may be used for all necessary expenses in connection therewith, including the employment of persons and means in the District of Columbia and elsewhere. The unexpended balance of the funds appropriated by the second paragraph of such Public Resolution No. 27 to carry out the purposes of section 2 of such act of April 7, 1934, shall remain available for the purposes of such section 2 until June 30, 1936."

Mr. SMITH. I move that the Senate concur in the amendment of the House to Senate amendment numbered 128.

The motion was agreed to.

The Chief Clerk read as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 155 to said bill and concur therein with the following amendment: In lieu of the matter inserted by said amendment insert:

"SEC. 55. There is hereby made available, out of any money appropriated by the Emergency Relief Appropriation Act of 1935, such amount as the President may allot for the development of a national program of land conservation and land utilization. The sums so allotted may be used, in the discretion and under the direction of the President, for the acquisition of submarginal lands and their use for such public purposes as the President shall prescribe.

"In carrying out the provisions of this section the President is authorized:

"(a) To make contracts and grants; and

"(b) To acquire, by purchase, any real property or any interest therein (with or without reservations) in accordance with the policy herein set forth."

Mr. SMITH. I move that the Senate concur in the amendment of the House to Senate amer.dment numbered 155.

The motion was agreed to

The Chief Clerk read as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 163 to said bill and concur therein with the following amendment.

In lieu of the matter inserted by said amendment insert:

"POTATO CONTROL

"SEC. 61. Section 11 of the Agricultural Adjustment Act, as amended, is amended by adding after the word 'rice' a comma and the word 'potatoes', and by adding at the end of said section 11 a new sentence, as follows: 'As used in this title, the term 'potatoes' means all varieties of potatoes included in the species Solanum tuberosum.'"

SEC. 62. Subsection 1 of section 2 of the Agricultural Adjustment Act, as amended, is amended by adding after the word "tobacco", in both the second and third sentences of said subsection, the words "and potatoes."

TITLE II

DEFINITIONS

SECTION 201. When used in this title, unless the context otherwise requires—

(a) The term "person" includes an individual, a corporation, a partnership, a business trust, a joint-stock company, an association, a syndicate, group, pool, joint venture, or any other unincorporated organization or group.

(b) The term "Commissioner" means the Commissioner of Internal Revenue.

(c) The term "collector" means a collector of internal revenue.

(d) The term "sale" includes any agreement or delivery whereby the seller transfers the property in, or right to consume, potatoes to another for a consideration, and any sum of money, services, property, or anything of value whatsoever, may constitute consideration for such transfer, but does not include the transfer of the right to consume potatoes to a member of the household of a producer of such potatoes or a transfer for consumption by the household of a person employed in the farming operations of the producer of such potatoes.

(e) The term "allotment year" means the period commencing December 1 and ending November 30: *Provided*, That the first allotment year shall commence December 1, 1935, and shall end November 30, 1936.

(f) The term "change in the form of potatoes" means an intentionally effected change in the form of potatoes in preparation for the sale of such potatoes, or any product thereof, as such change is defined by rules and regulations prescribed by the Commissioner, with the approval of the Secretary of the Treasury.

(g) The term "tax stamp" means an appropriate stamp or other means of identifying potatoes with respect to which a tax levied by this title has been paid.

(h) The term "tax-exemption stamp" means an appropriate stamp or other means of identifying potatoes with respect to which an exemption from the tax has been established.

(i) The term "potatoes" means all varieties of potatoes included in the species Solanum tuberosum.

(j) The term "producer" means a person who has the right to sell, or to receive a share of the proceeds derived from the sale of, potatoes cultivated by him, or on land owned or leased by him.

(k) The term "continental United States" means the several States of the United States and the District of Columbia and does not include any Territory or possession of the United States.

(l) The term "operator" means any person operating his own farm, any tenant operating a farm rented for cash or for a fixed-commodity payment, any crop-share tenant, and any crop-share landlord.

(m) The term "farm" means all the land operated by the producer as a single operating unit with work stock, farm machinery, and labor substantially separate from that of any other tract of land.

IMPOSITION OF THE TAX

SEC. 202. (a) There is hereby levied and assessed upon each first sale of potatoes harvested on or after December 1, 1935, in the continental United States a tax, to be paid by the seller, at the rate of three-fourths of 1 cent per pound: *Provided*, That when there is a change in the form of potatoes harvested on or after December 1, 1935, in the continental United States prior to the first sale thereof, a tax at the rate of three-fourths of 1 cent per pound, to be paid by the owner at the time such change is effected, is hereby levied and assessed upon the effecting of such change, and no tax shall be levied upon the first sale of such potatoes or any product or products thereof.

(b) If the Secretary of Agriculture finds at any time that the total apportionments to producers in any potato-producing region or regions (as established and defined pursuant to subsection (c) of section 209 of this title) are in excess of the probable supply of potatoes in the continental United States during the marketing periods for such region or regions, he shall proclaim such determination, and the provisions of this title shall not be operative during such marketing periods.

(c) At least 30 days prior to the beginning of each allotment year after the first allotment year, the Secretary of Agriculture shall conduct a referendum which will afford to producers of potatoes a reasonable opportunity to vote in favor of or in opposition to continuing in effect with respect to potatoes produced during the succeeding allotment year the taxes levied by subsection (a) of this section. Each producer shall be entitled to one vote for each 60 pounds of potatoes apportioned to him pursuant to sections 205, 206, and 207 of this title for the last allotment year for which such apportionments were made. If one-third of the votes cast in such referendum are cast in opposition to continuing such taxes in effect, the provisions of this title shall not be operative with respect to potatoes produced during such succeeding allotment year.

(d) If the Secretary of Agriculture determines and proclaims that the taxes levied by subsection (a) of this section will at the rate therein specified for such taxes, (1) tend to adversely affect the orderly marketing of potatoes, or (2) tend to depress the farm price of potatoes, or (3) tend to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities, then the rate of such taxes shall for such period as the Secretary of Agriculture designates, be at the highest rate which is lower than three-fourths of 1 cent (not less than one-half of 1 cent per pound) as he finds and proclaims will not adversely affect such orderly marketing, or cause such depression of the farm price, or cause such disadvantages in competition.

(e) The taxes levied by subsection (a) of this section shall be represented by tax stamps, and the proceeds of taxes levied under this title shall be paid into the Treasury of the United States as internal revenue collections.

(f) The Commissioner shall cause to be prepared, for the payment of such taxes, tax stamps of suitable denominations and shall furnish same to the collectors of internal revenue. The Commissioner shall also furnish to the Postmaster General without prepayment a suitable quantity of such stamps to be distributed to, and kept on sale by, the various postmasters in the United States. The Postmaster General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps so furnished, and each such postmaster shall deposit the receipts from the sale of such stamps to the credit of, and render accounts to, the Postmaster General at such times and in such form as he may by regulations prescribe. The Postmaster General shall at least once monthly transfer all collections from this source to the Treasury as internal revenue collections.

ALLOTMENTS

SEC. 203. The Secretary of Agriculture shall investigate probable production and market conditions for each allotment year and shall determine from available statistics of the Department of Agriculture and proclaim, at least 30 days prior to the beginning of each allotment year, the quantity of potatoes which, if produced during such year and sold during or after such year, will, in his opinion, tend to establish and maintain such balance between the production, sale, and consumption of potatoes and the marketing conditions therefor as will, in his opinion, tend to establish prices to potato producers at a level that would give potatoes a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of potatoes in the period August 1919–July 1929 without reducing the total net income of potato producers from potatoes below the largest probable net income of potato producers from potatoes produced during such allotment year, and without tending to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities; and the quantity so proclaimed shall, for each allotment year, be apportioned by the Secretary of Agriculture as hereinafter provided.

SEC. 204. When a quantity is determined in accordance with section 203 of this title, the Secretary of Agriculture shall apportion such quantity among the several States. The apportionment to each State shall be determined on the basis of the ratio that the annual average acreage of the 4 years in which the highest potato acreage was harvested in such State in the years 1927–34, inclusive, multiplied by the average yield per acre for the 4 years that the yield of potatoes per acre for such State was highest in the years 1927–34, inclusive, multiplied by the average annual percentage of

the crop produced in such State during the years 1929–34, inclusive, which was sold, bears to the sum of the products of such average acreages, such average yields, and such percentages of sales for all States: *Provided*, That if the Secretary of Agriculture finds that the application of the foregoing formula alone would, because of differences in production practices and marketing prices among the several States, result in an inequitable and unfair apportionment to any State or States, not in excess of 2 percent of the quantity of potatoes determined in accordance with section 203 of this title may be deducted from such quantity and may be used by the Secretary of Agriculture to adjust on the basis of equity and fairness the apportionments made or to be made to any State or States.

SEC. 205. Ninety-five percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall be apportioned by the Secretary of Agriculture to farms on which potatoes have been grown within such State during any 1 or more years within the period 1932–34, inclusive. Such apportionment to any farm shall be made upon application therefor and may, in order to secure equitable apportionments to producers, be made by the Secretary based upon either—

(1) A percentage of the average sales of potatoes produced on such farm for a representative base period, prescribed by the Secretary, of any 2 or more years during the years 1932–34, inclusive, providing the operators of such farm for the allotment year for which the apportionment is made produced potatoes on such farm during at least one of the base-period years. The representative base period prescribed by the Secretary and the percentage applied to the average sales of potatoes produced during such period in establishing aportionments for each farm under this paragraph shall, so far as practicable, be uniform for farms similarly situated upon the basis or classification prescribed by the Secretary of Agriculture, but in the case of any farm for which such average sales are 300 pounds or less, such average sales shall be exempt from any percentage reduction thereof and such farm shall receive an apportionment equal to such average sales; or

(2) Such basis as the Secretary of Agriculture deems fair and just and will apply to all farms to which an apportionment is made under this paragraph 2 uniformly on the basis or classification adopted. In making an apportionment to a farm under this paragraph, due consideration shall be given to the quantity of potatoes produced and sold in the past by the operators who will operate such farm for the allotment year for which the apportionment is made, the quantity of potatoes produced on such farm and sold in the past, and the acreage of the farm available for the production of potatoes and which the operators are currently equipped to devote to the production of potatoes.

SEC. 206. Not in excess of 5 percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall, upon application therefor, be available for apportionment by the Secretary of Agriculture to farms operated by persons engaged or evidencing a desire to engage in the production and sale of potatoes in such State and which farms are ineligible to receive an apportionment under section 205 or in respect to which the Secretary of Agriculture determines that the apportionments made pursuant to section 205 are inequitable: *Provided*, That apportionments under this section shall be made upon such basis as the Secretary of Agriculture deems fair and just and which will, so far as practicable, apply to all such farms uniformly upon the basis or classification prescribed by the Secretary. Any quantity not apportioned under this section shall be available for apportionment under section 205 of this title.

SEC. 207. If an apportionment is made to a farm under section 206 of this title for any allotment year, for each succeeding allotment year that the operation of such farm is continued by the operators who operated it during the allotment year for which such apportionment was made, the apportionment to such farm shall be made upon the basis provided in section 206 of this title but shall be made from the quantity available for apportionment under section 205 of this title.

SEC. 208. For the purposes of the apportionments to be made pursuant to sections 204, 205, 206, and 207 of this title, the District of Columbia shall be considered as a part of the State of Maryland.

SEC. 209. (a) The Secretary of Agriculture, or any agent or agency designated for such purpose by the Secretary, shall, upon application therefor, issue for each farm tax-exemption stamps for an amount of potatoes equal to the apportionment made to such farm pursuant to sections 205, 206, and 207 of this title: *Provided*, That, under such regulations as the Secretary of Agriculture shall prescribe, he shall refuse to issue such tax-exemption stamps to any applicant in any allotment year in which such applicant is not a bona fide producer of potatoes. Each such tax-exemption stamp, during the period of its validity as determined pursuant to subsection (c) of this section, shall establish an exemption from the taxes imposed by subsection (a) of section 202 of this title for the amount of potatoes stated on the face of each such stamp.

(b) The right to tax-exemption stamps shall be evidenced in such manner as the Secretary of Agriculture may by regulations prescribe, and such tax-exemption stamps shall be issued in such form or forms, and under such terms and conditions as may be prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury.

(c) The Secretary of Agriculture shall establish and define potato-producing regions for the continental United States upon the basis of the marketing periods for potatoes produced in such regions during an allotment year, and shall from time to time by regulation and upon the basis of such marketing periods for each such region, determine and fix the period during which tax-exemption stamps issued, or pursuant to subsection (g) of this section transferred, to producers in such regions for any allotment year shall be valid; provided that all tax-exemption stamps shall be valid for a period of at least the allotment year for which they are issued.

(d) If any tax-exemption stamp is erroneously issued, the person to whom such stamp is so issued shall, upon demand by the Secretary of Agriculture in writing and mailed to the last-known address of such person, be obligated to return such stamp or pay to the Secretary a sum equal to the amount of the taxes imposed by subsection (a) of section 202 of this title upon the amount of potatoes covered by such stamp, at the rate in effect at the time such stamp was issued.

(e) Any sale, assignment, pledge, or transfer, and any agreement or power of attorney to sell, assign, apply, pledge, or transfer made or entered into by any person of his right to or claim for tax-exemption stamps or any part thereof not accompanied by actual delivery of such stamps shall, for all purposes, be null and void; except agreements between landlords and share-tenants or share-croppers which, in accordance with such regulations as the Secretary of Agriculture shall prescribe, provide for a division of the tax-exemption stamps received or to be received by any such landlord, any such share-tenant, or any such share-cropper, or any or all of them, in accordance with their respective shares in the potatoes or the proceeds thereof to be produced by them.

(f) Where a farm is operated by share-tenants, or with the aid of share-croppers, tax-exemption stamps issued for an apportionment made to such farm shall be used by the landlord, the share-tenants, and/or the share-croppers in accordance with their respective shares in the potatoes produced on such farm, during the allotment year for which such apportionment is made, or the proceeds of such potatoes, and the Secretary of Agriculture shall issue regulations protecting the interests of share-croppers and tenants in the issuance and use of such tax-exemption stamps.

(g) If accompanied by delivery thereof, tax-exemption stamps may be transferred or assigned in such manner and upon such terms and conditions, including conditions governing the consideration which must be given therefor, as the Secretary of Agriculture may determine are reasonably necessary to prevent (1) transfers and assignments which would tend to depress the market price for potatoes produced in any potato-producing area; (2) speculation in tax-exempt stamps; or (3) fraud or coercion in the transfer of such stamps, or which the Secretary of Agriculture finds to be necessary or desirable to facilitate the identification of tax-paid or tax-exempt potatoes, or which the Secretary of Agriculture finds to be necessary or desirable to protect the interests of tenants and share-croppers in the issuance and use of tax-exemption stamps.

SEC. 210. Tax-exemption stamps issued to a person, and a person's right to and claim for, tax-exemption stamps shall be exempt from the claims of the creditors of such person and from any and all process for the enforcement of such claims. The Secretary of Agriculture shall by regulation provide for the issuance to, and/or use by, the person who by devise, bequest, or descent becomes the owner of potatoes planted by a person dying during an allotment year, of the tax-exemption stamps which have been, or would have been, issued to such deceased person for such allotment year.

PACKAGING

SEC. 211. (a) To facilitate the collection of the tax upon the first sale of potatoes imposed by subsection (a) of section 202 of this title, all potatoes harvested on and after December 1, 1935, and sold in the continental United States, during any period such tax is in effect, shall, in accordance with such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe, be packed in closed and marked containers, to which shall be attached or affixed tax stamps or tax-exemption stamps equal in face value to the amount of tax per pound in effect on the potatoes contained therein: *Provided*, That, subject to such regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe, packaging may be postponed beyond the time of the first sale of potatoes which are to be stored in bulk, or which are to be graded, at such places as may be designated by regulations prescribed by the Commissioner with the approval of the Secretary of the Treasury. The time and method of such packaging and the time and method of attaching or affixing such stamps and the time and circumstances under which packages may be broken shall be established in accordance with such regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe as desirable or necessary to facilitate the collection of such tax. In prescribing and approving rules and regulations for the packaging of potatoes and the attaching or affixing of stamps, the Commissioner and the Secretary of the Treasury shall give due weight to the customs of the industry.

(b) To facilitate the collection of the tax upon a change in the form of potatoes imposed by subsection (a) of section 202 of this title, the Commissioner, with the approval of the Secretary of the Treasury, is authorized by regulation to prescribe appropriate means of identifying potatoes, the change of form of which is subject to such tax, and for the identification of the products of such potatoes.

RULES AND REGULATIONS

SEC. 212. The Commissioner, with the approval of the Secretary of the Treasury, shall prescribe and publish such rules and regulations as he may deem needful in administering provisions of this title relating to the revenue including rules and regulations for the

issue, sale, custody, production, cancelation, destruction, and disposition of tax stamps and the cancelation and destruction of tax-exemption stamps, and the substitution or replacement of tax stamps in cases of loss, destruction, or defacement thereof.

SEC. 213. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary to carry out the powers vested in him by the provisions of this title.

SEC. 214. (a) All producers, warehousemen, processors, carriers, retailers, factors, handlers, and any other person who the Commission has reason to believe to have information with respect to potatoes produced or sold may be required, under regulations prescribed jointly by the Secretary of the Treasury and the Secretary of Agriculture, to make such returns, render such statements, give such information, and keep such records as they may deem necessary for the proper administration of this title.

(b) Any person willfully failing or refusing to file such a return, render such statement, give such information, or keep such records, or filing a willfully false return, or rendering or giving willfully false statements or information or willfully keeping false records, shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment not exceeding 1 year, or both.

REFUNDS

SEC. 215. (a) No refund of any tax, penalty, interest, or sum of money paid shall be allowed under this title unless claim therefor is presented within 1 year after the date of payment of such tax, penalty, interest, or sum.

(b) No suit or proceeding shall be maintained in any court for the recovery of any tax under this title alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessive or in any manner illegally or wrongfully collected until a claim for refund or credit has been duly filed with the Commissioner according to the provisions of law in that regard and the regulations of the Secretary of the Treasury established in pursuance thereof. No suit or proceeding shall be begun before the expiration of 6 months from the date of filing such claim unless the Commissioner renders a decision thereon within that time, nor after the expiration of 2 years from the date of payment of such tax, penalty, or sum, unless such suit or proceeding is begun within 2 years after the disallowance of the part of such claim to which such suit or proceeding relates. The Commissioner shall, within 90 days after such disallowance, notify the taxpayer thereof by registered mail.

(c) The amount of the taxes imposed by subsection (a) of section 202, paid by a person, which taxes would not have been paid had the tax-exemption stamps to which such person was entitled been delivered to such person prior to the payment of such taxes, shall be refunded to such person.

APPROPRIATION

SEC. 216. (a) The proceeds derived from the taxes imposed by this title are hereby authorized to be appropriated to be available to the Secretary of Agriculture for administrative expenses, for all purposes of the Agricultural Adjustment Act, for refunds of taxes and for other payments under this title. The Secretary of Agriculture and the Secretary of the Treasury shall estimate from time to time the amount of taxes which will be collected during a period following any such estimate not in excess of 4 months, and the Secretary of the Treasury shall, out of any money in the Treasury not otherwise appropriated, advance to the Secretary of Agriculture the amounts so estimated. The amount of any such advance shall be deducted from such tax proceeds as shall subsequently become available under this subsection: *Provided*, That all taxes imposed by section 230 of this title, collected upon potatoes coming from the possessions or territories of the United States, shall not be covered into the general fund of the Treasury of the United States but shall be held as a separate fund and paid into the treasuries of the said possessions and territories, respectively, to be used and expended by the governments thereof for the benefit of agriculture.

(b) The Secretary of Agriculture is hereby authorized to expend, out of the sums available to the Secretary of Agriculture under the Agricultural Adjustment Act, as amended, such sums as may be necessary for administrative expenses, for refunds of taxes and for other payments under this title.

(c) The administrative expenses provided for under this section shall include, among others, expenditures for personal services and rent in the District of Columbia and elsewhere, for law books, periodicals, newspapers, and books of references, for contract stenographic reporting services, for the purchase or hire of vehicles, including motor vehicles, and for printing and paper in addition to allotments under the existing law.

(d) The Secretary of Agriculture may advance or transfer to the Treasury Department, to the Post Office Department, and to any other department or agency, out of funds available for administrative expenses under this title, such sums as are required to pay administrative expenses of, and refunds made by, such departments or agencies in the administration of this title.

(e) There is hereby authorized to be appropriated to be available to the Secretary of Agriculture such sums as may be necessary for administrative expenses for refunds of taxes, and for other advances or payments under this title.

GENERAL AND PENAL PROVISIONS

SEC. 217. If at any time the Secretary of Agriculture finds that any product or products manufactured from potatoes is of such low value, considering the quantity of potatoes used for its manufacture, that the imposition of the taxes imposed by subsection (a) of section 202 of this title would prevent wholly or in large part the use of potatoes in the manufacture of such product or products or that potatoes used for the feeding of livestock are of such low value that the imposition of such taxes would prevent wholly or in large part the sale of potatoes for any such use, the Secretary of Agriculture shall proclaim such finding and thereafter in accordance with regulations prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury, the sale, or change in form, of potatoes for such use or uses by the purchaser thereof shall be exempt from the provisions of subsection (a) of section 211, and from the taxes imposed by subsection (a) of section 202 of this title until such time as the Secretary of Agriculture, after further investigation and due notice and opportunity for hearing to the interested parties, revokes such proclamation: *Provided*, That the right to any such exemption shall be evidenced in such manner as joint regulations of the Secretary of Agriculture and the Secretary of the Treasury shall prescribe. If such purchaser uses any potatoes sold to him free of tax under this section or uses any product of such potatoes, for other than an exempt use as above specified, then he shall be liable for a tax in the same manner as if such potatoes were sold by him at a first sale.

SEC. 218. The Secretary of Agriculture is authorized, in order to carry out the provisions of this title, to appoint, without regard to the provisions of the civil-service law, such officers, agents, and employees and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees, as he may find necessary, to prescribe their authorities, duties, responsibilities, and tenure, and, without regard to the Classification Act of 1923, as amended, to fix the compensation of any officers, agents, and employees so appointed.

SEC. 219. (a) For the more effective administration of the functions vested in him by this title, the Secretary of Agriculture is authorized to utilize committees and associations heretofore or hereafter established pursuant to subsection (b) of section 10 of the Agricultural Adjustment Act and to establish regional, State, and local committees and associations of producers of potatoes.

(b) The Secretary of Agriculture, out of any funds appropriated for administrative expenses under this title, is authorized to advance funds to the proper fiscal officer of associations established or utilized pursuant to subsection (a) of section 219 of this title, for expenses incurred or to be incurred in the administration of this title, with the approval of the Secretary of Agriculture by such associations. Payment of such expenses of such associations shall be made upon such evidence and in such manner and at such time or times as the Secretary of Agriculture may direct, and the accounting therefor by the associations shall be solely administrative and to the Secretary of Agriculture only.

SEC. 220. Any person who knowingly sells, or offers for sale, or knowingly offers to buy, or buys, potatoes not packaged as required by this title, or any person who knowingly sells, or offers for sale, or who knowingly offers to buy, or buys, potatoes to the packages of which are not affixed or attached tax-exemption stamps or tax stamps as required by this title shall, upon conviction thereof, be fined not more than $1,000. Any person convicted of a second offense under the provisions of this title may, in addition to such fine, be imprisoned for not more than 1 year.

SEC. 221. Any person who, in violation of the regulations made by the Secretary of Agriculture, speculates in tax-exemption stamps, and any person securing tax-exemption stamps from another person by fraud or coercion, shall, upon conviction thereof, be fined not more than $1,000 or sentenced to not more than 1 year's imprisonment, or both.

SEC. 222. Whenever any potato container, to which are affixed tax stamps or tax-exemption stamps, is emptied, it shall be the duty of the person in whose hands the same is to destroy utterly the stamps thereon. Any revenue officer may destroy the tax stamps or tax-exemption stamps upon any emptied potato package.

SEC. 223. Any person who willfully violates any provision of this title, or who willfully fails to pay, when due, any tax imposed under this title, or who, with intent to defraud, falsely makes, forges, orders, or counterfeits any tax stamps or tax-exemption stamps made or used under this title or who uses, sells, or has in his possession any such forged, ordered, or counterfeited tax stamps or tax-exemption stamps or any plate or die used, or which may be used in the manufacture thereof, or has in his possession any tax stamp or tax-exemption stamp which should have been destroyed as required by this title, or who makes, uses, sells, or has in his possession, any paper in imitation of the paper or other substance used in the manufacture of any such tax stamp or tax-exemption stamp, or who reuses any tax stamp or tax-exemption stamp required to be destroyed by this title, or who places any potatoes in any package which has been theretofore filled or stamped or otherwise identified under this title without destroying the tax stamp and tax-exemption stamps previously affixed to such package, or who gives away or accepts from another or who sells or buys any emptied package which had been previously filled and stamped or otherwise identified under this title without destroying the tax stamps and tax-exemption stamps previously affixed or attached to such package, or who makes any false statement in any application for tax-exemption stamps under this title, or who has in his possession any tax-exemption stamps or tax stamps, obtained by him otherwise than as provided in this title, shall, upon conviction, be punished by a fine not exceeding $1,000 or by imprisonment for not exceeding 6 months, or both.

SEC. 224. Any person who willfully violates any regulation issued or approved pursuant to this title, for the violation of which a

special penalty is not provided by law, shall, upon conviction thereof, be punished by a fine not exceeding $200.

SEC. 225. All provisions of law, including penalties applicable with respect to the taxes imposed by sections 600 and 800 of the Revenue Act of 1926, except section 1121 of the Revenue Act of 1926, and except section 614 of the Revenue Act of 1932, shall, insofar as applicable and not inconsistent with the provisions of this title, be applicable with respect to all taxes imposed by this title.

SEC. 226. In order to facilitate the making of apportionments and the collection of the taxes imposed by this title, every producer who sells potatoes during any allotment year, or who changes the form of potatoes, shall keep such books and records as the Commissioner, with the joint approval of the Secretary of the Treasury and the Secretary of Agriculture, shall by regulations require and such books and records shall be open to inspection by any authorized agent of the Secretary of Agriculture or the Commissioner.

SEC. 227. Whenever any potatoes, upon the sale of which a tax is required to be paid, are sold, without the use of the proper stamps, or whenever a change of form of potatoes upon which a tax is required to be paid occurs, without the payment of such tax, it shall be the duty of the Commissioner, within a period of not more than 2 years after such sale or change of form, upon satisfactory proof, to estimate the amount of the tax which has been omitted to be paid, and to make the assessment therefor, and certify the same to a collector. The tax so assessed shall be in addition to the penalties imposed by law.

EXPORTS

SEC. 228. Under such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe, the taxes imposed under subsection (a) of section 202 of this title shall not apply in respect to potatoes sold for export to any foreign country or for shipment to a possession or Territory of the United States, and in due course so exported or shipped. Under such rules and regulations the amount of any such tax erroneously or illegally collected in respect to such potatoes so exported or shipped may be refunded to the exporter or shipper of the potatoes instead of the taxpayer if the taxpayer waives any claim for the amount so to be refunded.

IMPORTS

SEC. 229. In order to secure equality between domestic and foreign producers of potatoes and in order to prevent the taxes imposed by subsection (a) of section 202 from resulting in disadvantages to producers of potatoes in the continental United States, the Secretary of Agriculture is hereby authorized and directed to, from time to time by orders and regulations—

(a) For each allotment year or any part thereof that the taxes imposed by subsection (a) of section 202 of this title are in effect, establish quotas for the entry or the importation into the continental United States of potatoes produced in any Territory or possession of the United States, or any foreign country. Such quotas shall be based upon that percentage of the annual average quantity of such potatoes brought or imported into the continental United States during the years 1929–34, inclusive, which is equal to the percentage that the quantity proclaimed by the Secretary under section 203 of this title is of the annual average of the quantity of potatoes sold in the continental United States during the years 1929–34, inclusive; and

(b) Allot the quotas provided for by subsection (a) to the importers of such potatoes in the United States in such manner as he may deem fair and equitable, having due regard to the respective amounts of potatoes imported during the years 1932–34, inclusive, by such persons.

SEC. 230. After such quotas have been established, potatoes imported or brought into the continental United States in excess of any such quotas shall, in addition to any import duties, be subject to internal-revenue tax equal to the amount of the tax then in effect on the first sale of potatoes produced and sold in the continental United States. The tax levied by this section shall be represented by tax stamps and shall be paid by the owner or importer prior to release from customs custody and control, or entry into the continental United States.

SEC. 231. During any period the tax imposed by subsection (a) of section 202 is in effect all potatoes imported or brought into the continental United States from any possession or Territory of the United States or from any foreign country shall, prior to release from customs custody and control, in accordance with such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe as necessary or desirable to facilitate the collection of the taxes levied by this title, be packed in closed and marked containers. The time and method of such packaging and the time and method of attaching or affixing the stamps required by the preceding section shall be established in accordance with such regulations as the Commissioner shall prescribe. All sales of such potatoes, after release thereof from customs custody and control or entry in the continental United States, shall be in packages in the same manner and under the same terms and conditions as required for the sales of potatoes harvested and sold in the continental United States.

SEC. 232. The provisions of sections 229 and 230 shall not be applicable to potatoes produced in the Republic of Cuba and imported and entered for consumption into the continental United States during the period from December 1 to the last day of the following February, inclusive, in any years: *Provided*, That if the Secretary of Agriculture at any time finds that the importation of potatoes from the Republic of Cuba during such period is, or threatens or results in, unduly depressing the potato market in or for any potato-producing area of the continental United States, he shall proclaim such findings and the provisions of sections 229 and 230 shall be applicable to all potatoes thereafter imported into the continental United States from the Republic of Cuba.

MR. JONES moves that the House recede from its disagreement to the amendment of the Senate no. 163, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"POTATO CONTROL

"SEC. 61. Section 11 of the Agricultural Adjustment Act, as amended, is amended by adding after the word 'rice' a comma and the word 'potatoes' and by adding at the end of said section 11 a new sentence as follows: 'As used in this title, the term "potatoes" means all varieties of potatoes included in the species Solanum tuberosum.'

"SEC. 62. Subsection 1 of section 2 of the Agricultural Adjustment Act, as amended, is amended by adding after the word 'tobacco', in both the second and third sentences of said subsection, the words 'and potatoes.'

"TITLE II

"DEFINITIONS

"SECTION 201. When used in this title, unless the context otherwise requires—

"(a) The term 'person' includes an individual, a corporation, a partnership, a business trust, a joint-stock company, an association, a syndicate, group, pool, joint venture, or any other unincorporated organization or group.

"(b) The term 'Commissioner' means the Commissioner of Internal Revenue.

"(c) The term 'collector' means a collector of internal revenue.

"(d) The term 'sale' includes any agreement or delivery whereby the seller transfers the property in, or right to consume, potatoes to another for a consideration, and any sum of money, services, property, or anything of value whatsoever, may constitute consideration for such transfer, but does not include the transfer of the right to consume potatoes to a member of the household of a producer of such potatoes or a transfer for consumption by the household of a person employed in the farming operations of the producer of such potatoes.

"(e) The term 'allotment year' means the period commencing December 1 and ending November 30: *Provided*, That the first allotment year shall commence December 1, 1935, and shall end November 30, 1936.

"(f) The term 'change in the form of potatoes' means an intentionally effected change in the form of potatoes in preparation for the sale of such potatoes, or any product thereof, as such change is defined by rules and regulations prescribed by the Commissioner, with the approval of the Secretary of the Treasury.

"(g) The term 'tax stamp' means an appropriate stamp or other means of identifying potatoes with respect to which a tax levied by this title has been paid.

"(h) The term 'tax-exemption stamp' means an appropriate stamp or other means of identifying potatoes with respect to which an exemption from a tax levied by this title has been established.

"(i) The term 'potatoes' means all varieties of potatoes included in the species Solanum tuberosum.

"(j) The term 'producer' means a person who has the right to sell, or to receive a share of the proceeds derived from the sale of, potatoes cultivated by him, or on land owned or leased by him.

"(k) The term 'continental United States' means the several States of the United States and the District of Columbia and does not include any Territory or possession of the United States.

"(l) The term 'operator' means any person operating his own farm, any tenant operating a farm rented for cash or for a fixed-commodity payment, any crop-share tenant, and any crop-share landlord.

"(m) The term 'farm' means all the land operated by the producer as a single operating unit with work stock, farm machinery, and labor substantially separate from that of any other tract of land.

"IMPOSITION OF THE TAX

"SEC. 202. (a) There is hereby levied and assessed upon each first sale of potatoes harvested on or after December 1, 1935, in the continental United States a tax, to be paid by the seller, at the rate of three-fourths of 1 cent per pound: *Provided*, That when there is a change in the form of potatoes harvested on or after December 1, 1935, in the continental United States prior to the first sale thereof, a tax at the rate of three-fourths of 1 cent per pound, to be paid by the owner at the time such change is effected, is hereby levied and assessed upon the effecting of such change, and no tax shall be levied upon the first sale of such potatoes or any product or products thereof.

"(b) If the Secretary of Agriculture finds at any time that the total apportionments to producers in any potato-producing region or regions (as established and defined pursuant to subsection (c) of section 209 of this title) are in excess of the probable supply of potatoes in the continental United States during the marketing periods for such region or regions, he shall proclaim such determination, and the provisions of this title shall not be operative during such marketing periods.

"(c) At least 30 days prior to the beginning of each allotment year the Secretary of Agriculture shall conduct a referendum which

will afford to producers of potatoes a reasonable opportunity to vote in favor of or in opposition to continuing in effect with respect to potatoes produced during the succeeding allotment year the taxes levied by subsection (a) of this section. Each producer who is entitled to an allotment for the last allotment year for which such apportionments were made shall be entitled to one vote; and such taxes shall not be in effect and the provisions of this title shall not be operative with respect to potatoes produced in such succeeding year unless the majority of the votes cast in such referendum are cast in favor of continuing such taxes in effect.

"(d) If the Secretary of Agriculture determines and proclaims that the taxes levied by subsection (a) of this section will at the rate therein specified for such taxes, (1) tend to adversely affect the orderly marketing of potatoes, or (2) tend to depress the farm price of potatoes, or (3) tend to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities, then the rate of such taxes shall for such period as the Secretary of Agriculture designates, be at the highest rate which is lower than three-fourths of 1 cent (not less than one-half of 1 cent per pound) as he finds and proclaims will not adversely affect such orderly marketing, or cause such depression of the farm price, or cause such disadvantages in competition.

"(e) The taxes levied by subsection (a) of this section shall be represented by tax stamps, and the proceeds of taxes levied under this title shall be paid into the Treasury of the United States as internal-revenue collections.

"(f) The Commissioner shall cause to be prepared, for the payment of such taxes, tax stamps of suitable denominations and shall furnish same to the collectors of internal revenue. The commissioner shall also furnish to the Postmaster General without prepayment a suitable quantity of such stamps to be distributed to, and kept on sale by, the various postmasters in the United States. The Postmaster General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps so furnished, and each such postmaster shall deposit the receipts from the sale of such stamps to the credit of, and render accounts to, the Postmaster General at such times and in such form as he may by regulations prescribe. The Postmaster General shall at least once monthly transfer all collections from this source to the Treasury as internal-revenue collections.

"ALLOTMENTS

"SEC. 203. The Secretary of Agriculture shall investigate probable production and market conditions for each allotment year and shall determine from available statistics of the Department of Agriculture and proclaim, at least 30 days prior to the beginning of each allotment year, the quantity of potatoes which, if produced during such year and sold during or after such year, will, in his opinion, tend to establish and maintain such balance between the production, sale, and consumption of potatoes and the marketing conditions therefor as will, in his opinion, tend to establish prices to potato producers at a level that would give potatoes a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of potatoes in the period August 1919–July 1929 without reducing the total net income of potato producers from potatoes below the largest probable income of potato producers from potatoes produced during such allotment year, and without tending to cause to producers of potatoes disadvantages in competition by reason of an excessive shift in consumption from potatoes to some other commodity or commodities; and the quantity so proclaimed shall for each allotment year be apportioned by the Secretary of Agriculture as hereinafter provided.

"SEC. 204. When a quantity is determined in accordance with section 203 of this title, the Secretary of Agriculture shall apportion such quantity among the several States. The apportionment to each State shall be determined on the basis of the ratio that the annual average acreage of the 4 years in which the highest potato acreage was harvested in such State in the years 1927–34, inclusive, multiplied by the average yield per acre for the 4 years that the yield of potatoes per acre for such State was highest in the years 1927–34, inclusive, multiplied by the average annual percentage of the crop produced in such State during the years 1929–34, inclusive, which was sold, bears to the sum of the products of such average acreages, such average yields, and such percentages of sales for all States: *Provided*, That if the Secretary of Agriculture finds that the application of the foregoing formula alone would, because of differences in production practices and marketing practices among the several States, result in an inequitable and unfair apportionment to any State or States, not in excess of 2 percent of the quantity of potatoes determined in accordance with section 203 of this title may be deducted from such quantity and may be used by the Secretary of Agriculture to adjust on the basis of equity and fairness the apportionments made or to be made to any State or States.

"SEC. 205. Ninety-five percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall be apportioned by the Secretary of Agriculture to farms on which potatoes have been grown within such State during any one or more years within the period 1932–34, inclusive. Such apportionment to any farm may be made upon application therefor and may, in order to secure equitable apportionments to producers, be made by the Secretary based upon either—

"(1) A percentage of the average sales of potatoes produced on such farm for a representative base period, prescribed by the Secretary, of any 2 or more years during the years 1932–34, inclusive, providing the operators of such farm for the allotment year for which the apportionment is made produced potatoes on such farm during at least one of the base-period years. The representative base period prescribed by the Secretary and the percentage applied to the average sales of potatoes produced during such period in establishing apportionments for each farm under this paragraph shall, so far as practicable, be uniform for farms similarly situated upon the basis or classification prescribed by the Secretary of Agriculture, but in the case of any farm for which such average sales are 300 pounds or less, such average sales shall be exempt from any percentage reduction thereof and such farm shall receive an apportionment equal to such average sales; or

"(2) Such basis as the Secretary of Agriculture deems fair and just and will apply to all farms to which an apportionment is made under this paragraph 2 uniformly on the basis or classification adopted. In making an apportionment to a farm under this paragraph, due consideration shall be given to the quantity of potatoes produced and sold in the past by the operators who will operate such farm for the allotment year for which the apportionment is made, the quantity of potatoes produced on such farm and sold in the past, and the acreage of the farm available for the production of potatoes and which the operators are currently equipped to devote to the production of potatoes.

"SEC. 206. Not in excess of 5 percent of the quantity of potatoes apportioned to any State pursuant to section 204 of this title shall, upon application therefor, be available for apportionment by the Secretary of Agriculture to farms operated by persons engaged or evidencing a desire to engage in the production and sale of potatoes in such State and which farms are ineligible to receive an apportionment under section 205 or in respect to which the Secretary of Agriculture determines that the apportionments made pursuant to section 205 are inequitable: *Provided*, That apportionments under this section shall be made upon such basis as the Secretary of Agriculture deems fair and just and which will, so far as practicable, apply to all such farms uniformly upon the basis or classification prescribed by the Secretary. Any quantity not apportioned under this section shall be available for apportionment under section 205 of this title.

"SEC. 207. If an apportionment is made to a farm under section 206 of this title for any allotment year, for each succeeding allotment year that the operation of such farm is continued by the operators who operated it during the allotment year for which such apportionment was made, the apportionment to such farm shall be made upon the basis provided in section 206 of this title but shall be made from the quantity available for apportionment under section 205 of this title.

"SEC. 208. For the purposes of the apportionments to be made pursuant to sections 204, 205, 206, and 207 of this title, the District of Columbia shall be considered as a part of the State of Maryland.

"SEC. 209. (a) The Secretary of Agriculture, or any agent or agency designated for such purpose by the Secretary of Agriculture, shall, upon application therefor, issue for each farm tax-exemption stamps for an amount of potatoes equal to the apportionment made to such farm pursuant to sections 205, 206, and 207 of this title: *Provided*, That under such regulations as the Secretary of Agriculture shall prescribe he shall refuse to issue such tax-exemption stamps to any applicant in any allotment year in which such applicant is not a bona fide producer of potatoes. Each such tax-exemption stamp, during the period of its validity as determined pursuant to subsection (c) of this section, shall establish an exemption from the taxes imposed by subsection (a) of section 202 of this title for the amount of potatoes stated on the face of each such stamp.

"(b) The right to tax-exemption stamps shall be evidenced in such manner as the Secretary of Agriculture may by regulations prescribe, and such tax-exemption stamps shall be issued in such form or forms, and under such terms and conditions as may be prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury.

"(c) The Secretary of Agriculture shall establish and define potato-producing regions for the continental United States upon the basis of the marketing periods for potatoes produced in such regions during an allotment year, and shall from time to time by regulation and upon the basis of such marketing periods for each such region, determine and fix the period during which tax-exemption stamps issued, or pursuant to subsection (g) of this section transferred, to producers in such regions for any allotment year shall be valid, provided that all tax-exemption stamps shall be valid for a period of at least the allotment year for which they are issued.

"(d) If any tax-exemption stamp is erroneously issued, the person to whom such stamp is so issued shall, upon demand by the Secretary of Agriculture in writing and mailed to the last-known address of such person, be obligated to return such stamp or pay to the Secretary a sum equal to the amount of the taxes imposed by subsection (a) of section 202 of this title upon the amount of potatoes covered by such stamp, at the rate in effect at the time such stamp was issued.

"(e) Any sale, assignment, pledge, or transfer, and any agreement or power of attorney to sell, assign, apply, pledge, or transfer made or entered into by any person of his right to or claim for tax-exemption stamps or any part thereof not accompanied by actual delivery of such stamps shall, for all purposes, be null and void; except agreements between landlords and share-tenants or share-croppers which, in accordance with such regulations as the Secretary of Agriculture shall prescribe, provide for a division of the tax-exemption stamps received or to be received by any

such landlord, any such share-tenant or any such share-cropper, or any or all of them, in accordance with their respective shares in the potatoes or the proceeds thereof to be produced by them.

"(f) Where a farm is operated by share-tenants, or with the aid of share-croppers, tax-exemption stamps issued for an apportionment made to such farm shall be used by the landlord, the share-tenants, and/or the share-croppers in accordance with their respective shares in the potatoes produced on such farm, during the allotment year for which such apportionment is made, or the proceeds of such potatoes, and the Secretary of Agriculture shall issue regulations protecting the interests of share-croppers and tenants in the issuance and use of such tax-exemption stamps.

"(g) If accompanied by delivery thereof, tax-exemption stamps may be transferred or assigned in such manner and upon such terms and conditions, including conditions governing the consideration which must be given therefor, as the Secretary of Agriculture may determine are reasonably necessary to prevent (1) transfers and assignments which would tend to depress the market price for potatoes produced in any potato-producing area, (2) speculation in tax-exemption stamps, or (3) fraud or coercion in the transfer of such stamps, or which the Secretary of Agriculture finds to be necessary or desirable to facilitate the identification of tax-paid or tax-exempt potatoes or which the Secretary of Agriculture finds to be necessary or desirable to protect the interests of tenants and share-croppers in the issuance and use of tax-exemption stamps.

"SEC. 210. Tax-exemption stamps issued to a person, and a person's right to and claim for, tax-exemption stamps shall be exempt from the claims of the creditors of such person and from any and all process for the enforcement of such claims. The Secretary of Agriculture shall by regulation provide for the issuance to, and/or use by, the person who by devise, bequest, or descent becomes the owner of potatoes planted by a person dying during an allotment year, of the tax-exemption stamps which have been, or would have been, issued to such deceased person for such allotment year.

"PACKAGING

"SEC. 211. (a) To facilitate the collection of the tax upon the first sale of potatoes imposed by subsection (a) of section 202 of this title, all potatoes harvested on and after December 1, 1935, and sold in the continental United States, during any period such tax is in effect, shall, in accordance with such rules and regulations as the Commissioner with the approval of the Secretary of the Treasury shall prescribe, be packed in closed and marked containers to which shall be attached or affixed tax stamps or tax-exemption stamps equal in face value to the amount of tax per pound in effect on the potatoes contained therein: *Provided*, That, subject to such regulations as the Commissioner with the approval of the Secretary of the Treasury may prescribe, packaging may be postponed beyond the time of the first sale of potatoes which are to be stored in bulk, or which are to be graded, at such places as may be designated by regulations prescribed by the Commissioner with the approval of the Secretary of the Treasury. The time and method of such packaging and the time and method of attaching or affixing such stamps and the time and circumstances under which packages may be broken shall be established in accordance with such regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe as desirable or necessary to facilitate the collection of the taxes levied by this title. In prescribing and approving rules and regulations for the packaging of potatoes and the attaching or affixing of stamps, the Commissioner and the Secretary of the Treasury shall give due weight to the customs of the industry.

"(b) To facilitate the collection of the tax upon a change in the form of potatoes imposed by subsection (a) of section 202 of this title, the Commissioner, with the approval of the Secretary of the Treasury, is authorized by regulation to prescribe appropriate means of identifying potatoes, the change of form of which is subject to such tax, and for the identification of the products of such potatoes.

"RULES AND REGULATIONS

"SEC. 212. The Commissioner, with the approval of the Secretary of the Treasury, shall prescribe and publish such rules and regulations as he may deem needful in administering provisions of this title relating to the revenue including rules and regulations for the issue, sale, custody, production, cancelation, destruction, and disposition of tax stamps and the cancelation and destruction of tax-exemption stamps, and the substitution or replacement of tax stamps in cases of loss, destruction, or defacement thereof.

"SEC. 213. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary to carry out the powers vested in him by the provisions of this title.

"SEC. 214. (a) All producers, warehousemen, processors, carriers, retailers, factors, handlers, and any other person who the Commissioner has reason to believe to have information with respect to potatoes produced, or sold, or subject to a tax on a change in the form of potatoes, may be required, under regulation prescribed jointly by the Secretary of the Treasury and the Secretary of Agriculture, to make such returns, render such statements, give such information, and keep such records as they may deem necessary for the proper administration of this title.

"(b) Any person willfully failing or refusing to file such a return, render such statement, give such information, or keep such records, or filing a willfully false return, or rendering or giving willfully false statements or information or willfully keeping false records, shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment not exceeding 1 year, or both.

"REFUNDS

"SEC. 215. (a) No refund of any tax, penalty, interest, or sum of money paid shall be allowed under this title unless claim therefor is presented within 1 year after the date of payment of such tax, penalty, interest, or sum.

"(b) No suit or proceeding shall be maintained in any court for the recovery of any tax under this title alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessive or in any manner illegally or wrongfully collected until a claim for refund or credit has been duly filed with the Commissioner according to the provisions of law in that regard and the regulations of the Secretary of the Treasury established in pursuance thereof. No suit or proceeding shall be begun before the expiration of 6 months from the date of filing such claim unless the Commissioner renders a decision thereon within that time, nor after the expiration of 2 years from the date of payment of such tax, penalty, or sum, unless such suit or proceeding is begun within 2 years after the disallowance of the part of such claim to which such suit or proceeding relates. The Commissioner shall, within 90 days after such disallowance, notify the taxpayer thereof by registered mail.

"(c) The amount of the taxes imposed by subsection (a) of section 202 paid by a person, which taxes would not have been paid had the tax-exemption stamps to which such person was entitled been delivered to such person prior to the payment of such taxes, shall be refunded to such person.

"APPROPRIATION

"SEC. 216. (a) The proceeds derived from the taxes imposed by this title are hereby authorized to be appropriated to be available to the Secretary of Agriculture for administrative expenses, for all purposes of the Agricultural Adjustment Act, as amended, for refunds of taxes, and for other payments under this title. The Secretary of Agriculture and the Secretary of the Treasury shall estimate from time to time the amount of taxes which will be collected under this title during a period following any such estimate not in excess of 4 months, and the Secretary of the Treasury shall, out of any money in the Treasury not otherwise appropriated, advance to the Secretary of Agriculture the amounts so estimated. The amount of any such advance shall be deducted from such tax proceeds as shall subsequently become available under this subsection: *Provided*, That all taxes imposed by section 230 of this title collected upon potatoes coming from the possessions or territories of the United States shall not be covered into the general fund of the Treasury of the United States but shall be held as a separate fund and paid into the treasuries of the said possessions and territories, respectively, to be used and expended by the governments thereof for the benefit of agriculture.

"(b) The administrative expenses provided for under this section shall include, among others, expenditures for personal services and rent in the District of Columbia and elsewhere, for law books, periodicals, newspapers, and books of reference, for contract stenographic reporting services, for the purchase or hire of vehicles, including motor vehicles, and for printing and paper in addition to allotments under the existing law.

"(c) The Secretary of Agriculture may advance or transfer to the Treasury Department, to the Post Office Department, and to any other department or agency, out of funds available for administrative expenses under this title, such sums as are required to pay administrative expenses of, and refunds made by, such departments or agencies in the administration of this title.

"(d) There is hereby authorized to be appropriated to be available to the Secretary of Agriculture such sums as may be necessary for administrative expenses, for refunds of taxes, and for other advances or payments under this title.

"GENERAL AND PENAL PROVISIONS

"SEC. 217. If at any time the Secretary of Agriculture finds that any product or products manufactured from potatoes is of such low value, considering the quantity of potatoes used for its manufacture, that the imposition of the taxes imposed by subsection (a) of section 202 of this title would prevent wholly or in large part the use of potatoes in the manufacture of such product or products or that potatoes used for the feeding of livestock are of such low value that the imposition of such taxes would prevent wholly or in large part the sale of potatoes for any such use, the Secretary of Agriculture shall proclaim such finding and thereafter in accordance with regulations prescribed jointly by the Secretary of Agriculture and the Secretary of the Treasury, the sale, or change in form, of potatoes for such use or uses by the purchaser thereof shall be exempt from the provisions of subsection (a) of section 211, and from the taxes imposed by subsection (a) of section 202 of this title until such time as the Secretary of Agriculture, after further investigation and due notice and opportunity for hearing to the interested parties, revokes such proclamation: *Provided*, That the right to any such exemption shall be evidenced in such manner as joint regulations of the Secretary of Agriculture and the Secretary of the Treasury shall prescribe. If such purchaser uses any potatoes sold to him free of tax under this section or uses any product of such potatoes, for other than an exempt use as above specified, then he shall be liable for a tax in the same manner as if such potatoes were sold by him at a first sale.

"SEC. 218. The Secretary of Agriculture is authorized, in order to carry out the provisions of this title, to appoint, without regard to the provisions of the civil-service law, such officers, agents, and employees and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees, as he may find necessary, to prescribe their authorities,

duties, responsibilities, and tenure, and, without regard to the Classification Act of 1923, as amended, to fix the compensation of any officers, agents, and employees so appointed.

"SEC. 219. (a) For the more effective administration of the functions vested in him by this title, the Secretary of Agriculture is authorized to utilize committees and associations heretofore or hereafter established pursuant to subsection (b) of section 10 of the Agricultural Adjustment Act, as amended, and to establish regional, State, and local committees and associations of producers of potatoes.

"(b) The Secretary of Agriculture, out of any funds appropriated for administrative expenses under this title, is authorized to advance funds to the proper fiscal officer of associations established or utilized pursuant to subsection (a) of section 219 of this title, for expenses incurred or to be incurred in the administration of this title, with the approval of the Secretary of Agriculture by such associations. Payment of such expenses of such associations shall be made upon such evidence and in such manner and at such time or times as the Secretary of Agriculture may direct, and the accounting therefor by the associations shall be solely administrative and to the Secretary of Agriculture only.

"SEC. 220. Any person who knowingly sells, or offers for sale, or knowingly offers to buy, or buys, potatoes not packaged as required by this title, or any person who knowingly sells, or offers for sale, or who knowingly offers to buy, or buys, potatoes to the packages of which are not affixed or attached tax-exemption stamps or tax stamps as required by this title shall, upon conviction thereof, be fined not more than $1,000. Any person convicted of a second offense under the provisions of this title may, in addition to such fine, be imprisoned for not more than 1 year.

"SEC. 221. Any person who, in violation of the regulations made by the Secretary of Agriculture, speculates in tax-exemption stamps, and any person securing tax-exemption stamps from another person by fraud or coercion, shall, upon conviction thereof, be fined not more than $1,000 or sentenced to not more than 1 year's imprisonment, or both.

"SEC. 222. Whenever any potato container, to which are affixed tax stamps or tax-exemption stamps, is emptied, it shall be the duty of the person in whose hands the same is to destroy utterly the stamps affixed thereto. Any revenue officer may destroy the tax stamps or tax-exemption stamps affixed to any emptied potato package.

"SEC. 223. Any person who willfully violates any provision of this title, or who willfully fails to pay when due any tax imposed under this title, or who, with intent to defraud, falsely makes, forges, orders, or counterfeits any tax stamps or tax-exemption stamps made or used under this title or who uses, sells, or has in his possession any such forged, ordered, or counterfeited tax stamps or tax-exemption stamps or any plate or die used, or which may be used in the manufacture thereof, or has in his possession any tax stamp or tax-exemption stamp which should have been destroyed as required by this title, or who makes, uses, sells, or has in his possession any paper in imitation of the paper or other substance used in the manufacture of any such tax stamp or tax-exemption stamp, or who reuses any tax stamp or tax-exemption stamp required to be destroyed by this title, or who places any potatoes in any package which has been theretofore filled or stamped or otherwise identified under this title without destroying the tax stamps and tax-exemption stamps previously affixed to such package, or who gives away or accepts from another, or who sells or buys any emptied package which had been previously filled and stamped or otherwise identified under this title without destroying the tax stamps and tax-exemption stamps previously affixed or attached to such package, or who makes any false statement in any application for tax-exemption stamps under this title, or who has in his possession any tax-exemption stamps or tax stamps, obtained by him otherwise than as provided in this title, shall, upon conviction, be punished by a fine not exceeding $1,000 or by imprisonment for not exceeding 6 months, or both.

"SEC. 224. Any person who willfully violates any regulation issued or approved pursuant to this title, for the violation of which a special penalty is not provided by law, shall, upon conviction thereof, be punished by a fine not exceeding $200.

"SEC. 225. All provisions of law, including penalties, applicable with respect to the taxes imposed by sections 600 and 800 of the Revenue Act of 1926, except section 1121 of the Revenue Act of 1926, and except section 614 of the Revenue Act of 1932, shall, insofar as applicable and not inconsistent with the provisions of this title, be applicable with respect to all taxes imposed by this title.

"SEC. 226. In order to facilitate the making of apportionments and the collection of the taxes imposed by this title, every producer who sells potatoes during any allotment year, or who affects a change in the form of potatoes, shall keep such books and records as the Commissioner, with the joint approval of the Secretary of the Treasury and the Secretary of Agriculture, shall by regulations require and such books and records shall be open to inspection by any authorized agent of the Secretary of Agriculture or the Commissioner.

"SEC. 227. Whenever any potatoes, upon the sale of which a tax is required to be paid, are sold, without the use of the proper stamps, or whenever a change in the form of potatoes upon which a tax is required to be paid occurs, without the payment of such tax, it shall be the duty of the Commissioner, within a period of not more than 2 years after such sale or change in the form, upon satisfactory proof, to estimate the amount of the tax which has been omitted to be paid, and to make the assessment therefor, and certify the same to a collector. The tax so assessed shall be in addition to the penalties imposed by law.

"EXPORTS

"SEC. 228. Under such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, may prescribe, the taxes imposed under subsection (a) of section 202 of this title shall not apply in respect to potatoes sold for export to any foreign country or for shipment to a possession or Territory of the United States, and in due course so exported or shipped. Under such rules and regulations the amount of any such tax erroneously or illegally collected in respect to such potatoes so exported or shipped may be refunded to the exporter or shipper of the potatoes instead of the taxpayer if the taxpayer waives any claim for the amount so to be refunded.

"IMPORTS

"SEC. 229. In order to secure equality between domestic and foreign producers of potatoes and in order to prevent the taxes imposed by subsection (a) of section 202 from resulting in disadvantages to producers of potatoes in the continental United States, the Secretary of Agriculture is hereby authorized and directed to, from time to time by orders and regulations—

"(a) For each allotment year or any part thereof that the taxes imposed by subsection (a) of section 202 of this title are in effect, establish quotas for the entry or the importation into the continental United States of potatoes produced in any Territory or possession of the United States, or any foreign country. Such quotas shall be based upon that percentage of the annual average quantity of such potatoes brought or imported into the continental United States during the years 1929–34, inclusive, which is equal to the percentage that the quantity proclaimed by the Secretary of Agriculture under section 203 of this title is of the annual average of the quantities of potatoes sold in the continental United States during the years 1929–34, inclusive; and

"(b) Allot the quotas provided for by subsection (a) to the importers of such potatoes in the United States in such manner as he may deem fair and equitable, having due regard to the respective amounts of potatoes imported during the years 1932–34, inclusive, by such persons.

"SEC. 230. After such quotas have been established, potatoes imported or brought into the continental United States in excess of any such quotas shall, in addition to any import duties, be subject to an internal-revenue tax equal to the amount of the tax then in effect on the first sale of potatoes produced and sold in the continental United States. The tax levied by this section shall be represented by tax stamps and shall be paid by the owner or importer prior to release from customs custody and control, or entry into the continental United States.

"SEC. 231. During any period the tax imposed by subsection (a) of section 202 is in effect all potatoes imported or brought into the continental United States from any possession or Territory of the United States or from any foreign country shall, prior to release from customs custody and control, in accordance with such rules and regulations as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe as necessary or desirable to facilitate the collection of the taxes levied by this title, be packed in closed and marked containers. The time and method of such packaging and the time and method of attaching or affixing the stamps required by the preceding section shall be established in accordance with such regulations as the Commissioner shall prescribe. All sales of such potatoes, after release thereof from customs custody and control or entry in the continental United States, shall be in packages in the same manner and under the same terms and conditions as required for the sales of potatoes harvested and sold in the continental United States.

"SEC. 232. The provisions of sections 229 and 230 shall not be applicable to potatoes produced in the Republic of Cuba and imported and entered for consumption into the continental United States during the period from December 1 to the last day of the following February, inclusive, in any years: *Provided*, That if the Secretary of Agriculture at any time finds that the importation of potatoes from the Republic of Cuba during such period is, or threatens to result in, unduly depressing the potato market in or for any potato-producing area of the continental United States, he shall proclaim such findings and the provisions of sections 229 and 230 shall be applicable to all potatoes thereafter imported into the continental United States from the Republic of Cuba.

"SEC. 233. This title may be cited as the "Potato Act of 1935."

Mr. SMITH: I move that the Senate agree to the amendment of the House to the amendment of the Senate numbered 163 with an amendment, as follows: On page 7, line 4, of the House amendment, after "year", insert "after the first allotment year."

The VICE PRESIDENT. Without objection, the amendment offered by the Senator from South Carolina, to the amendment of the House to Senate amendment numbered 163, is agreed to.

Without objection, the House amendment, as amended, is concurred in.

The Chair understands that that completes the conference report.

Mr. SMITH. Yes. I submit a concurrent resolution to correct an error and ask for its present consideration.

The VICE PRESIDENT. The concurrent resolution will be read.

The concurrent resolution (S. Con. Res. 24) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of the bill (H. R. 8492) entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", to make the following necessary changes in the language of the bill:

In paragraph (4) of the amendment made by section 12 of the bill to subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, strike out "August 15" wherever it appears and in lieu thereof insert "September 1."

Strike out so much of subdivision (B) of paragraph (6) of the amendment made by section 12 of the bill to subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, as reads as follows:

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), or (5) of this subsection or is established pursuant to this paragraph (6), during any 12-month period ending after the date of the adoption of this amendment, consisting of the 2 months immediately preceding and the first 10 months of any marketing year—"; and insert in lieu thereof the following:

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraphs (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any period of 12 successive months ending after July 1, 1935, consisting of the first 10 months of any marketing year and the last 2 months of the preceding marketing year—."

In subsection (f) of section 21, added by section 30 of the bill to the Agricultural Adjustment Act, as amended, strike out "refund or credit" wherever it appears (except in the last sentence thereof) and in lieu thereof insert "refund, credit, or abatement."

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

Mr. COPELAND. Mr. President, I ask that a telegram I have received relating to the subject of the concurrent resolution just agreed to be inserted in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *August 14, 1935.*

Hon. ROYAL COPELAND,
United States Senator, Senate Office Building:

Examination of conferees' report on agricultural bill submitted and passed in the House yesterday discloses in the first two lines on page 7 an unannounced and entirely unexpected amendment in paragraph (b), page 42, of Senate bill relative to reduction of processing tax, which as passed by Senate provided that adjustment of tax be based on the average farm price of any commodity during the 12-month period consisting of the 2 months immediately preceding and the first 10 months of any marketing year. After the word "period", the conferees inserted the words "ending after the date of the adoption of this amendment." Since 1934 marketing year for all types of tobacco was officially opened on October 1, the 10 months of the marketing year expired on July 31 last or prior to the adoption of this new bill. Thus it seems that according to the new amendment there can be no reduction under this paragraph until beginning of marketing year in 1936. In fairness to struggling cigar industry, which has declined 40 percent in last 6 years, and whose entities are losing substantial amount, I appeal to you to do what you can to have this surprise and unfair amendment stricken from the bill.

HOWARD S. CULLMAN.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5159) to authorize the Postmaster General to contract for air mail service in Alaska.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7659) to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6914) to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 351) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Improved Benevolent and Protective Order of Elks of the World, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6732) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MANSFIELD, Mr. GAVAGAN, Mr. DEROUEN, Mr. SEGER, and Mr. CULKIN were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 739. An act to provide for the establishment of a national monument on the site of Fort Stanwix, in the State of New York;

S. 985. An act for the relief of Hudson Bros., of Norfolk, Va.;

S. 1046. An act for the relief of E. Jeanmonod;

S. 2073. An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes;

S. 2247. An act directing the conveyance of certain lands to the regents of the University of New Mexico;

S. 2361. An act to fix the compensation of registers of district land offices;

S. 2577. An act to eliminate the requirement of cultivation in connection with certain homestead entries;

S. 2695. An act to add certain lands to the Medicine Bow National Forest Wyo;

S. 2993. An act for the relief of Carrie Price Roberts; and

H. J. Res. 351. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Improved, Benevolent, and Protective Order of Elks of the World, and for other purposes.

INCOME AND INHERITANCE TAXATION

The Senate resumed the consideration of the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes.

Mr. HARRISON. Mr. President, I have two committee amendments, perfecting amendments, which I should like to have disposed of.

The VICE PRESIDENT. The clerk will state the first amendment.

The CHIEF CLERK. On page 118, after line 18, it is proposed to insert a new subsection to read as follows:

(b) Section 505 (a) (1) of the Revenue Act of 1932 (relating to the specific exemption for gift-tax purposes) is amended by striking out "$50,000" and inserting in lieu thereof "$40,000."

The amendment was agreed to.

The CHIEF CLERK. On page 118, it is proposed to strike out line 19, and to insert in lieu thereof the following: "(c) The amendments made by subsections (a) and (b) of this" and on page 118, line 23, to strike out "amendment" and in lieu thereof to insert "amendments."

The amendments were agreed to.

Mr. HARRISON. Mr. President, I have an amendment to submit which is not a committee amendment, but I have had the clerks work out something with reference to the policy to be applied to holding companies in case of forced liquidation, and the experts think the amendment I am about to offer is the best that can be drafted. I offer the amendment and should like to have it agreed to.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 20, after line 24, it is proposed to add a new section to read as follows:

SEC. 110. CORPORATE LIQUIDATIONS

(a) Section 112 (b) of the Revenue Act of 1934 is amended by adding after paragraph 5 a new paragraph reading as follows:

"(6) No gain or loss shall be recognized upon the receipt by a corporation of property or money distributed in complete or partial liquidation of another corporation, if the corporation receiving such property owns at least 80 percent of the voting stock of such other corporation. As used in this paragraph 'partial liquidation' means any one of a series of distributions by a corporation in complete cancelation or redemption of all of its stock."

(b) The amendment made by subsection (a) shall apply only in the case of taxable years beginning after December 31, 1935.

The amendment was agreed to.

Mr. HARRISON. Mr. President, the Senator from Nevada has an amendment which seeks to repeal a portion of the Silver Act which prevents trade in silver stocks in this country. If others are agreeable, I am perfectly willing to let the amendment go to conference.

Mr. McCARRAN. Mr. President, in view of the statement of the Chairman of the Committee on Finance, I now offer the amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to insert the following, at the proper place:

SEC. —. That section 6, section 7, and section 8 of Public Law No. 438, Seventy-third Congress, are hereby repealed and all Treasury rules and regulations made in pursuance of said section 6, 7, and 8 of Public Law No. 438 are declared null and void and inoperative.

The amendment was agreed to.

Mr. BORAH. Mr. President, I desire to offer an amendment which provides against the issuance of tax-exempt securities in the future.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 10, after line 2, it is proposed to add a new section, to read as follows:

SEC. 104½. FEDERAL OBLIGATIONS

(a) Section 22 (b) (4) of the Revenue Act of 1934 (relating to tax-free interest) is amended by striking out the last sentence and inserting in lieu thereof the following:

"In the case of obligations of the United States issued after September 1, 1917 (other than postal-savings certificates of deposit), and in the case of obligations of a corporation organized under act of Congress, the interest shall be exempt—

"(1) Only if such obligations were issued or reissued prior to the date of enactment of the Revenue Act of 1935; and

"(2) Only if and to the extent provided in the respective acts authorizing the issue thereof as amended and supplemented; and shall be excluded from gross income only if and to the extent it is wholly exempt from the taxes imposed by this bill."

(b) Section 25 (a) (2) of the Revenue Act of 1934 (relating to interest on United States obligations) is amended by inserting after the words "United States" the words "issued or reissued prior to the enactment of the Revenue Act of 1935."

(c) Section 25 (a) (3) of the Revenue Act of 1934 (relating to interest on obligations of instrumentalities of the United States) is amended by inserting after the words "normal tax" a semicolon and the following: "and (D) such obligations were issued or reissued prior to date of enactment of the Revenue Act of 1935."

On page 17, line 13, strike out "and 104" and insert in lieu thereof the following: "104, and 104½."

Mr. HARRISON. As I understand the amendment, the Senator seeks to impose the surtax and the normal tax on future issues of municipal bonds, county bonds, and State bonds.

Mr. BORAH. Oh, no; this relates to Federal issues.

Mr. HARRISON. Merely Federal issues?

Mr. BORAH. Yes. We cannot cover State issues without a constitutional amendment.

Mr. HARRISON. The Senator seeks to impose not only the surtax but the normal tax.

Mr. BORAH. Yes; I wish to provide against tax-exempt securities from this time on. If this amendment is adopted, the Federal Government will have established a policy doing away with tax-exempt securities. That is my purpose. I believe these tax-exempt securities are in the nature of subsidies to those who are able to own them. This is the first step toward their banishment from the economic and financial world.

Mr. HARRISON. I am in thorough sympathy with the Senator in trying to find some method to do that, if it can be done legally.

Mr. BORAH. It can be done legally in the way I propose. We are not undertaking by this amendment to invade the States' issuance of securities of any kind. This relates entirely to Federal securities.

Mr. LEWIS. Mr. President, may I ask the Senator from Idaho whether he means that this can be carried without a constitutional amendment changing the present status of Federal securities, as provided and protected under the Constitution?

Mr. BORAH. I have no doubt that, as this is limited to Federal securities, we have the constitutional power to provide against tax-exempt securities.

Mr. BARKLEY. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I yield.

Mr. BARKLEY. What effect would this have upon the interest rates to be borne by future Federal bonds and securities as compared with those already outstanding, and what effect would it have on the relative prices of those outstanding compared with those which may be issued in the future?

Mr. BORAH. Of course, that would be a matter of speculation, but those who have studied the subject, and those who have undertaken to inform themselves upon that particular feature of this question of the tax-exempt securities, are of the opinion that it would have very little if any effect whatever upon the sale of securities.

Mr. BARKLEY. To what extent would it require an increase in the rate of interest?

Mr. BORAH. I would answer in the same way.

Mr. BARKLEY. It would be expected that there would be some increase in interest to take care of the tax paid.

Mr. BORAH. Possibly so, but not necessarily so.

Mr. BARKLEY. It would make past issues more valuable, by comparison, than future issues.

Mr. BORAH. Yes; but we cannot reach the past issues, and some time or other, if we believe what we have been saying, we will have to start on this question of tax-exempt securities.

Mr. BARKLEY. That depends on who has been talking. There is a wide controversy as to the matter of policy and principle, with respect to the whole subject of tax-exempt securities.

Mr. BORAH. I know. I was not referring personally to the Senator.

Mr. BARKLEY. I understand the Senator.

Mr. GERRY. Mr. President, does that relate to future issues of Federal securities?

Mr. BORAH. Yes; I limit it to Federal securities because Congress has no power to deal with State securities. That is a matter for the States. If we had the power, I should be happy to cover all securities, but we have not the power. I feel if the movement is started, the States may be induced to do away with these tax-exempt securities.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. LA FOLLETTE. In response to the suggestion made by the Senator from Kentucky [Mr. BARKLEY], I should like to point out that in Great Britain, with a very much larger total per capita debt than we have in the United States, there is not a dollar of tax-exempt securities in existence; so that is some criterion of the ability of the Government to finance itself with tax-bearing obligations. Only recently Great Britain carried on one of the most outstanding conversion operations, in which they very drastically reduced the interest on their outstanding obligations, which, it seems to me, has something to do with what we may consider the effect of the Senator's amendment upon the interest which will have to be paid.

Mr. BORAH. Mr. President, I thank the Senator for the statement he has made. I think it quite relevant. Now, are we in favor of tax-exempt securities or are we opposed to them? I feel we ought to do away with them, and we will

never do away with them unless we start somewhere and sometime.

Mr. LONERGAN. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. LONERGAN. I am in sympathy with the amendment of the Senator from Idaho, but I wish to point out one thing to him and to the Senate.

If we shall remove the tax-exempt features from our securities, while securities of the subdivisions of Government have that benefit, we shall not be on a parity with the States and the several subdivisions of the States in the sale of our securities in the open market. I believe that our securities could be sold regardless of the exemption feature; that the interest rate might be increased somewhat; but it would mean, in the end, that the Government would make up the difference by additional taxes.

My own judgment is that first we ought to have a constitutional amendment providing for the removal of exemptions in connection with securities issued by subdivisions of government; and then, following that step, we could take care of our own securities through removing the exemption by legislative enactment.

I desire the Senator from Idaho to know that I am in sympathy with what he is trying to do. It is something in which I heartily believe. However, I think there is the one barrier of which I spoke.

Mr. BORAH. Mr. President, I do not believe that either the Senator from Connecticut or I will live to see the time when the States will ratify an amendment to the Constitution of the United States taking away from the States the right to issue their securities upon whatever terms they see fit. The only thing we can do is to attend to our own household, and the Federal Government itself may cease to issue tax-exempt securities if it desires to do so. It now has the constitutional power, as it has had at all times, to do so, and I doubt if we could ever secure the ratification of an amendment of that kind to the Constitution. The States must attend to their own securities.

Mr. LONERGAN. There might be difficulty if the question were submitted to the legislatures of the various States; but if the question were submitted to conventions of the different States I believe the plan would be adopted.

Mr. BORAH. I do not think so, but the Federal Government should not wait.

Mr. THOMAS of Oklahoma. Mr. President, a few moments ago the Senator from Nevada [Mr. McCARRAN] offered an amendment proposing to strike from existing law sections 6, 7, and 8 of what is known as the "Silver Purchase Act." The amendment was accepted by the chairman of the committee in charge of the bill. Having had some experience in offering silver amendments and having them accepted by the chairman of the committee, I am somewhat apprehensive of the fate of the so-called "McCarran amendment."

Section 6 of existing law provides for a system of licensing persons dealing in silver.

Section 7 of existing law provides for the nationalization of such silver as may be in the United States.

Section 8 of existing law provides for a tax of 50 percent upon the profits any one may make who is dealing in silver.

The record, Mr. President, shows that since the Silver Purchase Act was passed, a tax in approximately the sum of $1,000,000 has been collected. That means that persons dealing in silver have likewise made the sum of $1,000,000. There has been $2,000,000 of profit, 50 percent of which has gone to the Treasury of the United States, and there is left $1,000,000 for those who have been dealing in silver. At the same time, silver has increased in value from 45 cents to approximately 65 cents an ounce today. Twenty cents an ounce has been the increase in the price of silver since the Silver Purchase Act was passed.

There are approximately 10,000,000,000 ounces of silver in the world. The increase in price has raised the value of world silver several billion dollars. Foreigners have made a tremendous profit, and they have paid no tax to the United States Treasury. Yet citizens of the United States, dealing in silver, a legitimate business heretofore, have been denied the opportunity to share in this rise in the world price of silver. It is wrong.

Mr. President, the provision for a silver tax has driven the business in silver to foreign countries. I noticed in the public press of yesterday where perhaps the leading silver dealers of America, Handy & Harman, of New York City, knowing that they may not deal in silver in the United States, have gone across the Canadian border, bought some land, and are preparing to build in Canada a large refining plant to refine silver, because they may not refine it in the United States. The enactment of this law last year has driven every transaction in silver, save that for the Government, to foreign nations, chiefly to London.

The British Empire in the main produces the gold of the world. The Western Hemisphere—the United States of America—in the main produces silver. In America we have passed a law depriving the Nation which produces silver of the opportunity to profit from silver. If it were the policy of our Government to make money out of silver, I should be for the program; but that is not its policy. Silver today is no more important in the monetary system of the United States than zinc, or lead, or copper, or tin, or pig iron because any of those metals may be stamped with the United States die, and they will circulate for money at their face value because of the stamp.

Mr. President, I wish to serve notice on the conference committee that if this amendment shall be stricken from the bill, when the conference report comes back there will be some discussion of this particular amendment, not for the benefit of the present Congress this summer but perhaps for the benefit of a succeeding Congress.

At this time, Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks a newspaper item appearing in the New York Journal of Commerce of yesterday. I shall not ask that the item be read, but that it be printed as part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article is as follows:

[From the New York Journal of Commerce of Aug. 14, 1935]

UNITED STATES REPORTED OUT OF SILVER MARKET—PRICE BREAKS FIRST TIME IN MONTHS—METAL IS SOLD HEAVILY AT MONTREAL

The price of silver engaged in a decline of ⅜c an ounce here yesterday; a moderate recession but one which aroused a considerable degree of interest in view of reported new developments in the metal at Washington and London.

The silver price in the trade here, steady and unchanged for one full month, or since July 13, at 67¾c an ounce, was lowered to 67⅜c following a decline of 3–16d at London to 29 15–16d an ounce.

The United States Treasury, which has been credited with supporting the London market with daily purchases of 2,000,000 ounces, is understood to have suspended its buying operations in the foreign market, with the result that the London market slipped below the 30d level for the first time in more than 6 months.

MAY SUSPEND PROGRAM

The reported suspension of Treasury operations in the market was connected yesterday with intimations from Washington that the silver-buying program of the Government under the Silver Purchase Act of 1934 is to be scrapped. According to these advices, which were given credence in some financial quarters here, no steps will be taken to have the purchase act repealed at this session, but the administration instead will terminate its buying program quietly and leave the fulfillment of its obligation to purchase silver in the ratio of 25 percent to gold to some time in the future.

Prices broke sharply on the Canadian Commodity Exchange at Montreal yesterday, the only silver market on the continent where speculative operations may be conducted. The day's losses at Montreal, amounting to 75 to 116 points, was far in excess of the declines at New York and London. Owing to the transfer of trade, banks, and Government business in silver to foreign markets, bullion dealers and brokers are supporting the present bill in Congress to repeal the 50-percent profits tax on transactions in silver.

A Montreal dispatch yesterday, in the meanwhile, made known that the well-known silver dealers, Handy & Harman, of New York, have purchased a site in downtown Toronto for the purpose of erecting a branch plant there. These plans were announced by the Toronto Industrial Commission. The plant will be equipped for the melting, rolling, and annealing of gold and

silver in sheet and wire form; also for the burning, drying, and refining of gold, silver, and platinum waste products.

The United States Treasury purchasing price for newly mined metal here remains unchanged at 77c an ounce.

Mr. SMITH. Mr. President, would it not seem, from the amendment of the Senator from Nevada (Mr. McCARRAN), that the present policy of the Government in reference to silver is directly opposed to the purpose for which the legislation was passed?

Mr. THOMAS of Oklahoma. Exactly so, 100 percent.

Mr. President, in reply to the question just submitted, when this act was passed a year ago the Congress evidently had the opinion, and the country was led to have the opinion, that it was the policy of the Government to make silver into money equal to gold, basic primary money of the United States, money of redemption. But that is not the policy. If there be a policy, it is no more than to buy silver on a falling market at the lowest possible price. We now have 500,000,000 ounces of silver stored away somewhere. Silver today is only token money. Why do we need more silver, if silver is only to be made token money? Let someone answer that question. Why do we need to pay 65 cents an ounce for silver when we could have gone out in the market and bought it for 35 cents an ounce a short time ago?

Mr. SMITH. Mr. President, may I ask the Senator another question?

Mr. THOMAS of Oklahoma. Certainly.

Mr. SMITH. What was the object by the legislation of making the metallic basis one-fourth silver and three-fourths gold? What was our objective?

Mr. THOMAS of Oklahoma. The object was to get the United States Government to enter the world silver market and to commence the purchase of silver in the hope that it would raise the price of silver. We were told it would raise the price to $1.29 per ounce. On the basis of silver at $1.29 per ounce, the silver in the silver dollar is worth a dollar. When the price is enhanced to the point where the silver in the silver dollar is worth a dollar, then silver becomes a money of redemption. We have no money of redemption today. Silver is not a money of redemption. Today the silver in a silver dollar is worth only slightly more than 50 cents. No one would take a silver certificate and have it redeemed in silver and hoard the silver, because he would be hoarding only 50 cents, and his paper dollar is worth more than that. He can buy a dollar's worth of goods with a dollar silver certificate.

Mr. President, let me suggest to the silver Senators that there are some 8 or 9 or 10 States which produce silver. No silver comes from my State. So far as I know, not an atom of silver has ever been discovered in Oklahoma. We have zinc and lead, but they do not contain the ordinary proportion of silver. The silver-producing States a year ago were led to believe that the new administration was going to make silver into money, that it was going to raise the price of silver. Because of that belief, abandoned mines in the West have been opened, deserted cities have been rebuilt, thousands of men have been led to have hope, machinery has been purchased and installed in those Western States. What will happen if the silver program shall fail? What will happen to the people in the West who invested in those reopened mines, purchased machinery and installed it, and rebuilt cities?

Changes in administrations come about occasionally. I have been in Congress only a few years, but I have served under four Presidents. If I should serve 10 or 12 years more I may serve under four more Presidents. When we have a change in President we have a change in administration. A new President could, by issuing an order, take away the subsidy which the domestic miners are today receiving. If that subsidy should be taken away then the domestic producer of silver would have to take the world price of silver. It has fallen 16 cents an ounce in the past 60 days.

That is not all. If our silver program should fail then the world price of silver would fall and the miners of the West, of Idaho, Nevada, Colorado, New Mexico, and Arizona, would only get the world price of silver. When silver falls to 45 cents, 40 cents, 35 cents an ounce, they cannot operate these newly opened mines, their machinery would be lost, those rebuilt cities would again become ghost cities as they were only a few years ago.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Minnesota?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. I have tried to find out what is the silver program, but I have been unable to understand it. Can the Senator tell us?

Mr. THOMAS of Oklahoma. The silver program is about as clear as mud. If we have a silver program it is this: Buy some silver occasionally at the lowest possible price in the hope that sometime we may have 25 percent of the total metallic stock of silver in the hope of raising the price of silver.

Mr. SMITH. Mr. President, may I ask the Senator another question?

Mr. THOMAS of Oklahoma. Certainly.

Mr. SMITH. What is the use of a 50-percent tax on whatever profits may be made in silver if, according to the prophecy of the Treasury Department, it is a mere commodity that is to be bought and sold? What is the use of a 50-percent tax? Why are not the citizens here entitled to buy and sell silver as they buy and sell cotton or wheat or anything else, if we are not to use it for a monetary purpose?

I wish to state now that I think it ought to be resented by every American citizen that after Congress enacts a law for a distinct purpose, namely, to raise the price of silver in order that we might increase the monetary stock of the world, America can then be throttled, kept out of the market, and prevented from being a factor in accomplishing that purpose.

Mr. THOMAS of Oklahoma. The impression was sought to be left with the Congress that we were to make silver into money just as we were making gold into money. Upon that theory the Congress enacted a law authorizing the Treasury to nationalize silver and proposed to put a tax of 50 percent upon the profits of transactions in silver.

It is my conviction that the law authorizing the nationalization of silver was unconstitutional and the tax upon silver profits was likewise unconstitutional. We cannot condemn private property except for public use. We are making no public use of this silver. The silver is buried somewhere. It is not minted into money.

I assert here and now that the law authorizing the nationalization of silver for no purpose, so far as I know, would not stand if the question were tested in the courts. The Constitution provides that taxes shall be levied uniformly, and here we enter the domain of metals and pick out silver for no good cause, and provide for a tax of 50 percent upon the profits of silver if there be any such profits.

It would be just as constitutional, in my judgment, for the Congress to levy a tax upon white bulls and to provide that any man who bought and sold a white bull should pay a 50-percent tax on his profits in the deal. Pay no attention to the brindle bull, the brown bull, the red bull, the black bull, but pick out the white bulls and apply a tax to them. That is what we have done in this case. I contend that is a misapplication and misconstruction of the Constitution of the United States, which provides that where taxes are levied by the Congress they must be uniform. Of course, I realize that Congress may pick out classes, but I deny the right of the Congress to pick out the white bulls among all the bulls.

Unless we proceed with the silver program, the United States Treasury is going to have a loss of hundreds of millions of dollars. We now have between five hundred million and six hundred million ounces of silver, at a cost of from 60 or 70 cents an ounce. Let the price of silver fall, and we lose the difference between what we paid for it and what we may receive for it; and that would represent a loss to the Treasury at this time of untold millions of dollars.

Mr. President, I ask unanimous consent at this point to submit a resolution, which I ask may be printed in the REC-

ORD at this point and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution (S. Res. 188) was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas in the enactment of the Emergency Farm Mortgage Act of 1933 it was provided that the President should have power to fix the weight of the silver dollar; to fix a definite ratio between the gold dollar and such silver dollar, and to provide for the unlimited coinage of silver at such ratio; and

Whereas in the enactment of the Silver Purchase Act of 1934 it was declared to be the policy of the United States that the proportion of silver to gold in the monetary stocks of the United States should be increased with the ultimate objective of having and maintaining one-fourth of the monetary value of such stocks in silver; and

Whereas in the enactment of said Silver Purchase Act it was the clear and unmistakable intent of the Congress to make a wider use of silver in our monetary system, to the definite end that we should acquire additional silver so that our total stock of silver should equal 25 percent of our total metallic monetary stock or that we should acquire silver until the world price should be raised to at least $1.29 per ounce; and

Whereas at the time of the enactment of the said Silver Purchase Act we obligated our Government to procure additional silver to the monetary value of some $1,725,000,000, and that to date, because of our increased supply of monetary gold, the proportion of silver to gold in our total metallic monetary stock has not been substantially increased; and

Whereas unless the price of silver is increased to at least $1.29 per ounce, making the value of the quantity of metal in the standard silver dollar worth $1, such silver is no more important in our monetary system than any other token monetary metal; and

Whereas as a result of the program herein outlined the price of silver in the world market increased from approximately 47 cents per ounce until about April 1 the world price was some 81 cents per ounce; and

Whereas because of reasons not made public the world price advance of silver was checked, and since, on or about April 1, the world price has fallen until at the present time such price is approximately 66 cents per ounce, showing a total fall in the world price of silver of some 15 cents per ounce; and

Whereas the decrease in the price of silver, as hereinbefore stated, is contrary to one of the declared objectives, as stated in such Silver Purchase Act—that of raising the world price of silver to $1.29 per ounce; and

Whereas unless it shall be the policy of the United States to raise the price of silver as provided by one of the objectives stated in said Silver Purchase Act, thereby making it possible for silver to become a basic and primary monetary metal, co-equal with gold, the present policy of purchasing silver and storing same in vaults at vast expense to the Government is an unjustified and unwarranted expenditure of public funds; and

Whereas unless silver is to be made a basic and primary monetary metal, the Government already has more silver than is needed or justified for use as token money; and

Whereas it appears to be in the public interest that the United States' policy toward silver be clarified and defined to the end that, if silver is not to be made a basic and primary monetary metal, then the policy as set forth in the Silver Purchase Act of 1934 should be abrogated and repealed; and

Whereas the monetary adjustment policy of the present administration originated in the Senate Committee on Agriculture and Forestry; and

Whereas the demand for a wider use of silver in our monetary system, with the main objective being an increase in the price of silver to at least $1.29 per ounce, to the end that silver may be made into a basic and primary monetary metal, likewise originated in the said Committee on Agriculture and Forestry: Therefore, be it

Resolved, That the Committee on Agriculture and Forestry be, and is hereby, authorized to investigate the activities and records of the agents of the Government in the administration of and carrying out the silver program as set forth in such Silver Purchase Act of 1934; such investigation to cover the amounts of silver purchased, the price paid, the expense incurred in administering the Silver Purchase Act, the agent or agents selected and appointed and representing the United States in making such purchases, the place where such silver was purchased, the reason or reasons for the 15-cent per ounce fall in the price of silver, the protests filed against the United States silver policy, the nature of and reasons for the opposition to such policy, and recommendations for additional legislation and for additional administrative acts; be it further

Resolved, That, for the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses, to employ and to call upon the executive departments for clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

Mr. TYDINGS. Mr. President, may I ask the Senator a question?

Mr. THOMAS of Oklahoma. Certainly.

Mr. TYDINGS. What do we use to pay for the silver which we buy outside of the United States?

Mr. HARRISON. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HARRISON. I do not want to interrupt the discussion, which has been interesting, but we do want to pass the bill tonight. I desire to enter a motion to reconsider the vote by which the amendment was adopted.

Mr. THOMAS of Oklahoma. That is perfectly satisfactory, except that I have the floor and have not yielded for that purpose. Otherwise it is all right.

May I ask the distinguished Senator from Maryland to repeat his question?

Mr. TYDINGS. What do we use to pay for the silver which we buy in foreign countries?

Mr. THOMAS of Oklahoma. We use whatever kind of imagination or credit or paper as may be acceptable in dealing with foreign nations.

Mr. TYDINGS. Eventually we pay for it in gold, do we not?

Mr. THOMAS of Oklahoma. I do not think that we have paid for any of it with gold. Under the law the Treasury Department can print silver certificates and use such certificates with which to purchase silver.

So this program merely provided for trading paper which had been through our printing press to foreign nations for their silver.

Mr. President, I now wish to have the attention of the leader, the Senator from Arkansas [Mr. ROBINSON].

Mr. BORAH. Mr. President, I assume that the Senator from Oklahoma is about to take up another matter. May we not now dispose of the amendment I have offered?

Mr. THOMAS of Oklahoma. I yield the floor for that purpose.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. BORAH].

Mr. BARKLEY. Mr. President, I do not desire to take up the time of the Senate; but I think for the RECORD, at least, there should be a statement of what is proposed.

The amendment of the Senator from Idaho proposes to make all future bonds of the United States taxable, thereby setting up a class of bonds of the United States which will be taxable, leaving all bonds now outstanding untaxable, and therefore discriminating against bonds which are to be issued in the future in favor of those already outstanding.

The whole question of the wisdom and propriety of taxing public securities is one upon which a man may speak on either side with a great deal of logic and force; but it seems to me the proposal we now have before us is unjustified, for the reason that it will magnify the importance of existing bonds, and probably give them an artificial value, while at the same time making it more difficult to sell bonds which may be issued in the future.

The Senator from Idaho stated that he did not believe the States ever would ratify an amendment authorizing the Federal Government to tax State and municipal bonds. I join him in that belief, and I do not think they ought ever to ratify such an amendment. I think it would be extremely unwise for any State to confer upon the Federal Government the power to tax its obligations; for, after all, whose obligations are they? They are the people's obligations. They are bonds or promissory notes which have been given by the people as a whole in order to obtain money with which to carry on public improvements. The States not only will not give the Federal Government the power to tax them, but they ought not to do so.

We are asked by this amendment to tax all bonds which may be issued in the future by the Federal Government.

It amounts to taking money out of one pocket and putting it into another, for these are the obligations of the people. It may be popular to decry some man who holds a lot of bonds of the United States, but unless somebody held those bonds we should have a hard time financing the operations of our Government; and, whatever anyone may think about it, whenever we tax the bonds of our Government we increase the rate of interest they must bear, because the tax will be reflected in higher interest rates.

It seems to me this is a very inappropriate and inauspicious time to try to tax some of our Federal bonds, if the time shall ever come when all of them ought to be taxed.

Mr. CONNALLY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Texas?

Mr. BARKLEY. I yield to the Senator from Texas.

Mr. CONNALLY. I suggest to the Senator from Kentucky that most of the outstanding Federal bonds now pay surtaxes. When their owners get into the surtax brackets, they pay surtaxes on the income from the bonds. Therefore, there is not any great danger of the accumulation of tax-exempt bonds in the hands of great interests to avoid surtaxes, since most of them are now taxable as to surtaxes.

Mr. BARKLEY. The Senator is correct about that; so the amount of revenue involved is infinitesimal compared to the amount of revenue we raise. The ability to do harm to the credit of our country, however, and to magnify and increase the value of bonds already outstanding as compared to those we may wish to issue in the future, it seems to me intensifies the unwisdom of trying to deal with this subject on the bill which is now before the Senate.

Mr. NORRIS. Mr. President, the question involved in this amendment is one which I concede has two sides, upon each of which I think a very good argument may be made.

I do not wish to find fault with the man who does not agree with me on the question of tax-free securities; but after as careful a study as I have been able to make of the subject, and from my observation of the existence of tax-free securities and securities which are taxed, I have no doubt whatever that our country would be much better off if we had no such thing as tax-free securities—State, municipal, county, or Federal.

I can imagine but one instance in which there might be an exception, and that would be in case of war, when the credit of the National Government might be severely taxed, in which case, with my views on the subject, I might feel that the Federal Government would be justified in issuing tax-free securities. Yet, as much as I feel that the Federal Government ought to be able to tax all securities issued by any authority whatever, I believe we cannot bring about a condition of that kind at the present time.

We adopted an amendment to the Constitution providing for income taxes, and, in language which I think was as strong as could be used, we provided in the amendment that Congress should have authority to levy taxes on incomes "from whatever source derived." I do not know how to use language any stronger than that. I do not know how to convey in language anything that would come nearer expressing the idea that our authority was unlimited as to imposing income taxes so far as the source of the income was concerned. But, however we may feel about it, the Supreme Court of the United States held that that amendment did not give us authority to levy taxes upon the income of holders of State and municipal bonds; that it did not give us authority to levy taxes upon the salaries, for instance, of officials of a State, upon the theory, as I understand, that "the right to tax is the right to destroy," and that Congress might use that authority in such a way as to destroy a municipality or a city.

As I see it, if the taxes were uniform and levied alike upon all incomes of all characters, that objection could not possibly lie. If Congress passed a law providing that the salary of the Governor of Georgia should be taxed under our income-tax law, and no other Governor's salary was taxed in the same way, that, of course, would be unconstitutional. If we provided by law that we would levy an income tax upon the securities of the State of Georgia, let us say, and no taxes upon the securities of other States, that certainly would be unconstitutional. That would be an instance where we would be attempting to destroy by taxation. But when our taxes are levied uniformly upon all classes alike, wherever they are, then, as I look at it, it should not make any difference whether I am drawing $5,000 salary from the Federal Government or from a State government if all are taxed alike.

I admit that the discussion now is more or less academic, because we abide by the decision of the Supreme Court, and I am very glad to abide by it, and I do so very willingly, and I think we all ought to. They have held that we cannot tax bonds issued by States. We have tried at various times, or at least I have assisted others in trying, to amend the Constitution, although I do not know how we could make the language any stronger, so as to give the authority desired, but we have been unable to do that. We cannot pass that kind of an amendment through the Senate of the United States today. It is an impossibility. So we might just as well reach the conclusion, and abide by it, that the question is academic only. We can have no such thing. We can get no such amendment. Under the ruling of the Supreme Court we cannot pass a law to that effect. So we have to set the question aside.

I hope the time will come when the sentiment of the country will change in that respect. If we could tax the income from all of the securities which are now tax exempt, it seems to me we would not only tap a great source of revenue, but we would be able, to a considerable degree, to relieve the country in general from the levy of taxes. After all, why should not the income of all persons be taxed the same, regardless of where they get their money?

We have tried to pass a law, we have tried to get an amendment adopted here in the Senate, to tax such income, and have the question again go to the Supreme Court for decision, and we failed in that. We cannot get it. No matter how much we may want it, it is an impossibility. Such a measure cannot pass the Senate. We cannot get the votes to pass it. Whatever may be the right or wrong, we are confronted, when we undertake to tax that kind of securities, with an impossible situation.

But it is conceded that we can tax the securities of the United States Government, and with the exception of issuing securities in time of war, it seems to me we ought to levy a tax upon the income from every bond which the Government issues, not necessarily that it would make so much difference. The bonds would float at a higher rate of interest, probably, but it would give us, I think, a better system of taxation. The psychology of the situation would be greatly improved.

People perhaps have very exaggerated ideas about the incomes derived from State and municipal securities which are not taxable by the Federal Government, and they say such securities, if not tax exempt, would float at a higher rate of interest. Probably they would. I think they would. But why should they not?

It is said it would not make very much difference, and I concede that it would not make very much difference; but it would put all in the same class, and that would be worth millions even from a psychological standpoint. If we were all put in the same class and all paid income taxes upon all the receipts that came to us from whatever source, I think it would improve the psychology all over the United States. Although the revenue might not be so great as we might think it would be, the objection of classifying our people into taxable people and nontaxable people would disappear at once and nobody in the end would be hurt.

If it were confined, as the pending amendment would confine it, to securities which are issued from now on, as I see it, it would do no injury to anyone and would put all in the same class.

It might, as the Senator from Kentucky suggested, increase the value of securities already issued which are nontaxable. That may be true, but I do not know how to avoid that if we want to take this step. It will be true at any other time if we want to take this step. So it seems to me that is a con-

sideration which should not control a vote on this amendment. If it is right, if it would give more satisfaction to our people, if there would be less dissatisfaction on the part of those who have to pay taxes and come under different classes, I do not see why we should not take this step.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. BORAH].

Mr. BORAH. Mr. President, I should like to have a yea-and-nay vote on the amendment.

Mr. BONE. Mr. President, will the Senator from Idaho yield to me for a question?

Mr. BORAH. Certainly.

Mr. BONE. I wonder whether the Senator can tell us how many of the present outstanding Federal issues are by their terms made callable by the Government?

Mr. BORAH. I could not answer that.

Mr. BONE. I wonder if any studies have been made which would indicate that?

Mr. BORAH. I am not informed on that subject.

Mr. BONE. If the issues now outstanding are callable, it would be possible for the Treasury Department soon to eliminate all nontaxable Federal issues by the simple expedient of calling the bonds.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Idaho [Mr. BORAH], which will be stated.

The CHIEF CLERK. On page 10, after line 2, it is proposed to add a new section reading as follows:

SEC. 104½. FEDERAL OBLIGATIONS

(a) Section 22 (b) (4) of the Revenue Act of 1934 (relating to tax-free interest) is amended by striking out the last sentence and inserting in lieu thereof the following:

"In the case of obligations of the United States issued after September 1, 1917 (other than postal-savings certificates of deposit) and in the case of obligations of a corporation organized under act of Congress, the interest shall be exempt—

"(1) only if such obligations were issued or reissued prior to the date of enactment of the Revenue Act of 1935; and

"(2) only if and to the extent provided in the respective acts authorizing the issue thereof as amended and supplemented; and shall be excluded from gross income only if and to the extent it is wholly exempt from the taxes imposed by this bill."

(b) Section 25 (a) (2) of the Revenue Act of 1934 (relating to interest on United States obligations) is amended by inserting after the words "United States" the words "issued or reissued prior to the enactment of the Revenue Act of 1935."

(c) Section 25 (a) (3) of the Revenue Act of 1934 (relating to interest on obligations of instrumentalities of the United States) is amended by inserting after the words "normal tax" a semicolon and the following: "and (D) such obligations were issued or reissued prior to date of enactment of the Revenue Act of 1935."

On page 17, line 13, to strike out "and 104" and insert in lieu thereof the following: "104, and 104½."

The PRESIDENT pro tempore. The Senator from Idaho has asked for the yeas and nays on the amendment.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. KEYES]. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE], and will vote. I vote "yea."

Mr. LEWIS. I announce the absence of the Senator from Arizona [Mr. HAYDEN], who is engaged on business at the State Department. I am unable to say how he would vote if present.

I announce that the Senator from Arizona [Mr. ASHURST], the Senator from Alabama [Mr. BLACK], the Senator from Kentucky [Mr. LOGAN], the Senator from California [Mr. MCADOO], and the Senator from Washington [Mr. SCHWELLENBACH] are detained in committee meetings.

I also announce that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE] are necessarily detained from the Senate. I also announce that the Senator from West Virginia [Mr. HOLT] is absent on account of illness.

Mr. BILBO (after having voted in the negative). I have a general pair with the Senator from Iowa [Mr. DICKINSON]. I transfer that pair to the Senator from Ohio [Mr. DONAHEY], and will allow my vote to stand. I am not advised how either Senator would vote if present.

Mr. DAVIS (after having voted in the affirmative). Has the Senator from Kentucky [Mr. LOGAN] voted?

The VICE PRESIDENT. The Chair is advised that he has not voted.

Mr. DAVIS. Then I withdraw my vote.

Mr. AUSTIN. I announce the general pair of the Senator from Delaware [Mr. HASTINGS] with the Senator from Idaho [Mr. POPE].

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Barbour	Costigan	Metcalf	Shipstead
Bone	Frazier	Moore	Steiwer
Borah	Gibson	Murray	Thomas, Okla.
Bulkley	Hale	Neely	Thomas, Utah
Bulow	Johnson	Norbeck	Townsend
Byrd	La Follette	Norris	Trammell
Capper	Lonergan	Nye	Vandenberg
Carey	Maloney	Reynolds	Walsh
Clark	McCarran	Russell	Wheeler
Copeland	McNary	Schall	White

NAYS—39

Adams	Caraway	Harrison	Pittman
Austin	Chavez	Hatch	Radcliffe
Bachman	Connally	King	Robinson
Bailey	Dieterich	Lewis	Sheppard
Bankhead	Fletcher	McGill	Smith
Barkley	George	McKellar	Truman
Bilbo	Gerry	Minton	Tydings
Brown	Glass	Murphy	Van Nuys
Burke	Gore	O'Mahoney	Wagner
Byrnes	Guffey	Overton	

NOT VOTING—17

Ashurst	Dickinson	Holt	Pope
Black	Donahey	Keyes	Schwellenbach
Coolidge	Duffy	Logan	
Couzens	Hastings	Long	
Davis	Hayden	McAdoo	

So Mr. BORAH's amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to add the following at the proper place in the bill:

That title V of the World War Adjusted Compensation Act, as amended, is amended by adding at the end thereof three new sections, to read as follows:

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the amendment be printed in the RECORD, and that the reading thereof at this time be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment proposed by Mr. THOMAS of Oklahoma is as follows:

BONUS PAYMENT

Add the following at proper place in the bill:

"That title V of the World War Adjusted Compensation Act, as amended, is amended by adding, at the end thereof, three new sections, to read as follows:

"'PAYMENT OF CERTIFICATES BEFORE MATURITY

"'SEC. 509. (a) The Administrator of Veterans' Affairs is authorized and directed to pay to any veteran to whom an adjusted-service certificate has been issued, upon application by him and surrender of the certificate and all rights thereunder (with or without the consent of the beneficiary thereof), the amount of the face value of the certificate as computed in accordance with section 501.

"'(b) No payment shall be made under this section until the certificate is in the possession of the Veterans' Administration, nor until all obligations for which the certificate was held as security have been paid or otherwise discharged.

"'(c) If at the time of application to the Administrator of Veterans' Affairs for payment under this section the principal and interest on or in respect of any loan upon the certificate have not been paid in full by the veterans (whether or not the loan has matured), then, on request of the veteran, the Administrator shall (1) pay or otherwise discharge such unpaid principal and so much of such unpaid interest (accrued or to accrue) as is necessary to make the certificate available for payment under this section, and (2) deduct from the amount of the face value of the certificate the amount of such principal and so much of such interest, if any, as accrued prior to October 1, 1931.

"'(d) Upon payment under this section the certificate and all rights thereunder shall be canceled.

"'(e) A veteran may receive the benefits of this section by application therefor, filed with the Administrator of Veterans' Affairs. Such application may be made and filed at any time before the maturity of the certificate (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making or filing of a personal application, then by such representative of the veteran and in such manner as may be by regulations prescribed. An application made by a person other than a representative authorized by such regulations, or not filed on or before the maturity of the certificate, shall be held void.

"'(f) If the veteran dies after the application is made and before it is filed, it may be filed by any person. If the veteran dies after the application is made, it shall be valid if the Administrator of Veterans' Affairs finds that it bears the bona fide signature of the applicant, discloses an intention to claim the benefit of this section on behalf of the veteran, and is filed before the maturity of the certificate, whether or not the veteran is alive at the time it is filed. If the death occurs after the application is made or filed but before the receipt of the payment under this act, payment shall be made to the beneficiary designated.

"'(g) Where the records of the Veterans' Administration show that an application, disclosing an intention to claim the benefits of this section, has been filed before the maturity of the certificate, and the application cannot be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when originally filed.

"'SEC. 510. (a) If, at the time this section takes effect, a veteran entitled to receive an adjusted-service certificate has not made application therefor, he shall be entitled, upon application made under section 302, to receive at his option either the certificate under section 501 or payment of the amount of the face value thereof under section 509.

"'(b) Subdivisions (b) and (c) of section 302, section 311, subdivision (b) of section 312, section 602, and subdivision (b) of section 604 of the World War Adjusted Compensation Act, as amended (U. S. C., Supp. VII, title 38, secs. 612, 621, 622, 662, and 664), are hereby amended, to take effect as of December 31, 1934, by striking out "January 2, 1935", wherever it appears in such subdivisions and sections and inserting in lieu thereof "January 2, 1940."

"'SEC. 511. The Administrator of Veterans' Affairs, in the exercise of his powers to make regulations for payment under section 509, shall to the fullest extent practicable provide a method by which veterans may present their applications and receive payment in close proximity to the places of their residence.'

"SEC. 2. (a) The amounts necessary to make the payments authorized of the World War Adjusted Compensation Act, as amended, by sections 509 and 510, shall be derived from United States notes issued under the provisions of paragraph (1) of subsection (b) of section 43, as amended, of the Agricultural Relief Act, approved May 12, 1933: *Provided*, That the purposes for which such notes may be issued under such paragraph are hereby extended to include payments under this act: *Provided further*, That the provisions of sections 1 and 2 of the act of March 14, 1900, as amended (U. S. C., title 31, secs. 314 and 408), and section 26 of the Federal Reserve Act, as amended (U. S. C., title 31, sec. 409), are hereby made applicable to such notes in the same manner and to the same extent as such provisions shall apply at the time of the enactment of this act or in the future to United States notes.

"(b) Amounts in the adjusted-service-certificate fund are hereby authorized to be made available for payments authorized in such sections 509 and 510.

"(c) There are hereby appropriated out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to make the payments authorized by such sections 509 and 510, and such additional amounts as may be necessary from time to time to enable the Secretary of the Treasury to retire and cancel 4 percent annually of such outstanding notes, and the Secretary of the Treasury is hereby directed to retire and cancel annually 4 percent of such outstanding notes: *Provided*, That, for the purposes of this act, the President is authorized to cause said paragraph 1 of subsection B of section 43, as amended, of said Agricultural Relief Act to be carried out as provided herein.

"SEC. 3. Section 505 (authorizing annual appropriations ending with the year 1946 for the payment of adjusted-service certificates of the World War Adjusted Compensation Act, as amended), except the first sentence thereof, is hereby repealed. Amounts in the adjusted-service certificate fund are hereby made available for the expenses of printing and engraving United States notes issued under this act, for paying fractional parts of a dollar which cannot be paid in United States notes issued under the provisions of this act, and for paying the principal and interest on or in respect of loans pursuant to the provisions of subsection (c) of section 509 of the World War Adjusted Compensation Act, as amended.

"SEC. 4. The Administrator of Veterans' Affairs and the Secretary of the Treasury are hereby authorized and directed jointly to prescribe and issue rules and regulations for the delivery of such notes in payment under section 509 or section 510 of the World War Adjusted Compensation Act, as amended, and for carrying into effect the other purposes of this act.

"SEC. 5. This act may be cited as the 'Adjusted Compensation Act, 1935.'"

Mr. THOMAS of Oklahoma. Mr. President, the amendment is an exact copy of the so-called "Patman bonus bill", with one exception. The Patman bonus bill provided for the bonus payment with money to be printed in the Bureau of Engraving and Printing, the same as any other money we now have. The amendment just offered by me provides that the payment shall be made under existing law.

The law will be found in the amendment to the Agricultural Adjustment Act of 1933. Under that law, the President was authorized to issue $3,000,000,000 of Treasury notes, and with such notes to retire outstanding interest-bearing governmental obligations. My amendment proposes to make the payment of the bonus come under that provision of law; and if the amendment should be adopted at some future time, this afternoon or later, the payment would be made under law which is now on the statute books.

With that exception, Mr. President, the amendment is exactly as the Patman bill.

Mr. ROBINSON. Mr. President, at a meeting of the steering and policy committees of the majority some days ago it was agreed that what may be termed "riders" should not be incorporated on bills during the remainder of the session if it was practicable to prevent it. It was also agreed that legislation relative to the payment of the adjusted-service certificates should be considered following the report of the Committee on Finance on the subject, and that the committee should be requested to submit its report on or before January 15, 1936.

It was further agreed by the committees referred to that when the Finance Committee shall have reported the bill it shall be made the unfinished business and disposed of in accordance with the rules of procedure in the Senate.

The arrangement in the steering and policy committees contemplated a postponement of further consideration of bonus legislation until the next session of the Congress. It contemplated that when a bill had been reported by the proper committee it should promptly be made the unfinished business of the Senate and should be proceeded with to a conclusion.

With that statement I suggest to the Senator from Oklahoma that he withdraw his amendment.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent at this point to introduce a bill, the bill being a copy of the amendment now pending before the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none.

(The bill introduced by Mr. THOMAS of Oklahoma appears at the proper place under the heading of "Bills Introduced.")

Mr. THOMAS of Oklahoma. Mr. President, upon the basis of the statement made by the Senator from Arkansas I withdraw my amendment.

Mr. ROBINSON. Mr. President, I think it should be understood, if it is not clearly understood from my statement already made, that the steering and policy committees did not commit themselves to the report of any particular bill, but merely assumed to attempt to secure consideration of whatever bill may be reported by the Finance Committee.

Mr. THOMAS of Oklahoma. Mr. President, I realize that the Finance Committee could not be directed to report any particular bill. I have introduced the bill for the consideration of the committee.

The VICE PRESIDENT. Without objection the bill introduced by the Senator from Oklahoma will be received and referred to the Committee on Finance. Without objection the amendment of the Senator from Oklahoma is withdrawn.

Mr. GORE. Mr. President, I offer an amendment which I send to the desk, and invite the attention of the chairman of the Finance Committee. I believe it has his consideration.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 123, after line 20, to insert the following new section:

SEC. —. TAXES ON CRUDE PETROLEUM

Effective on the first day of the first calendar month following the date of the enactment of this act, sections 604 and 605 of the Revenue Act of 1934 (relating to taxes on production and refinement of crude petroleum) are amended by striking out "one-tenth of 1 cent per barrel" wherever appearing therein and inserting in lieu thereof "one twenty-fifth of 1 cent per barrel."

Mr. HARRISON. Mr. President, the Committee on Finance considered the matter and asked that it be submitted in the proper form, which has now been done. There is no objection on the part of the committee to the adoption of the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. BARBOUR. Mr. President, we as a people have always readily assented to the exaction of taxes for sane and approved needs of the Government provided such taxation is not destructive and is counterbalanced by economy in expenditure.

I have searched without avail for the answer to the questions of why the administration is pressing its tax program at this time and the exact purpose for which it desires to employ revenues so obtained.

Undoubtedly there will be vast sums of taxes demanded from the people of this Nation when the time comes to pay the sorry bill for the past 2 years of mad spending by the Government. But how trivial is the sum to be raised under this program as compared with the vast sums which must be paid!

One does not need to be a nimble-witted expert or accomplished economist to see that when the curtain is finally rung down on this greatest of all extravaganzas, with which the Democratic administration has burdened us for more than 2 years, the bill is going to be paid by someone. Let us ask, "By whom?" By those who have nothing? Certainly not. For those who have nothing cannot share it with any others. Therefore, it follows in all certainty that the bill is going to have to be paid by those who have; in other words, by the wealth of the Nation. Let me emphasize, Mr. President, that I said by the wealth of the Nation, not the wealthy. To ask the wealthy of the Nation to bear the burden of mounting debt would result in returns as obviously ridiculous in their smallness as is the sum proposed to be raised by the pending measure compared with the daily excess of Government spending over receipts which it is expected to help meet.

This pending measure has been groomed by the administration in a manner of obviously political expediency as a distribution of wealth. Not only is the proposed taxation not an agency for distributing wealth, but it is a destroyer of wealth.

It is apparent that the administration in its confused haste to deal with political expediency has completely overlooked the fact that it is about to destroy with one stroke the one spring to which it must go for funds to pay for the folly of 2 years of waste and extravagance. Not only is this a fact, but I predict that on the basis of past experience we will find that it will result in less employment and lower wages, thus defeating one of the primary objectives for which the administration should have been striving for 2 years—namely, more employment and higher wages.

Those favorable to these taxes have been mumbling a ghost story that the tax policy set for Congress will effect a wider distribution of wealth. This is something which cannot be done. Excessive taxes do not distribute wealth. They destroy it. Wealth vanishes as the proceeds of taxes are collected and spent. Except for the horde of governmental tax eaters, such excessive taxes do not make more jobs. They destroy jobs. Excessive taxes like those asked here seize capital which is producing wealth and creating employment. This wealth-producing capital is then tossed into the hopper of the most inefficient spending agency ever created—a government—to be gnawed away by expenditures which neither produce nor create wealth.

Those opposing the tax measure have described it as confiscation. To my mind it is far worse than that. It is destruction, either coldly calculated or ignorantly fostered by those who are blind to its impending results.

Much clever tongue-twisting has been used to cover up the destructive feature of these taxes by those favoring them and who know only too well their ultimate effect.

All history of Government shows that once resort is made to taxation of the kind now proposed there is established a process which works remorselessly for a progressive seizure until the small income and accumulations of thrift are confiscated—and in the end there is little work, little wealth, and a living standard shockingly lowered.

In stumbling over itself to climb aboard the "share-the-wealth" bandwagon and take the reins from others who have been driving the team to death, the administration has been most careful to conceal exactly whose wealth it is going to plunder in this effort to catch the ears of voters.

It has been cleverly touted as a tax on wealth and bigness. Smugly we are told that this bill will strike at the heart of the giant industries and pass to them a tax burden which is being borne by less wealthy individuals.

Mr. President, nothing could be further from the truth, and I am at a loss to understand how supporters of this measure can be hoodwinked into believing such a thing, or if they know it to be untrue how they can shamelessly seek to have the people believe it.

Who are the 10,000,000 stockholders in the corporations of the country? An infinitesimal number of them are people of wealth. In fact it can almost be said that the whole of them are the small-share holders.

These are the people whose wealth you are going to share! And whom, may I ask, are you going to share it with? In round figures this measure will raise the sum of $250,000,000—a paltry sum compared with the extravagant billions of deficit mounting steadily day by day. In other words, it is $2 for every man, woman, and child in the United States taken from the pockets of the thrifty, in a large part from the pockets of those 10,000,000 small-share holders.

And the administration gives lip service to that as sharing the wealth!

Frankly, I was impressed by the able presentation made by the distinguished Senator from Wisconsin [Mr. LA FOLLETTE] in support of his amendment to widen the tax base, but I could not bring myself to vote with him. Until we know for what purpose we are raising revenue, I decline to vote to increase any rates in any greater amount. If we are to raise more money, I want to know how this money is to be used. I am not going to help pour more money into the National Treasury only to have it sucked out immediately by a profligate administration. We voted to give the President almost $5,000,000,000, with no strings attached, and I shall not further tax the public until the public, through Congress, regains control of the money to be raised.

Let us be honest with ourselves as well as with the American people and carefully analyze the arguments put forward by Mr. Robert Jackson, counsel for the Internal Revenue Bureau, in pressing the pending measure before the Senate Finance Committee on behalf of the administration.

His principal argument for a tax program, adroitly misnamed "soaking the rich", was that recent taxes have fallen in increasing proportions on consumers rather than on those who have ability to pay. In fact, this is no argument at all, but merely a juggling of words. It is obvious that taxes can only be collected from those with ability to pay, whatever their wealth may be, and ordinary consumers and men of wealth fall together into this same category.

It would certainly appear in the very face of it that what Mr. Jackson said, without meaning to do so, was that the orgy of governmental extravagance and senseless experimentation has so increased the tax burdens to a point where it is inevitable that the great mass of consumers will be forced to bear the tax burden in increasing measure. The more correct Mr. Jackson is in his ability-to-pay theory, the more completely he condemns the administration program.

At the outset, Mr. Jackson went to great length to present a host of figures designed to show a shift over the past 5 years of the tax burden from the shoulders of those with what he described as "ability to pay" to the shoulders of those less able to pay.

What could these changes be but the inevitable result of the depression? Let Mr. Jackson turn to the figures of the Treasury and he will find that large incomes are derived

in the main from dividends. Smaller incomes are derived from wages, salaries, professional fees, interest, and rents. During the depression, dividends decreased in even greater proportion than any of the other items, with the natural result that the dividend source for taxation was slowly drying up. It is also to be presumed that capital losses, as opposed to capital gains, contributed to the change.

Another statement made so glibly by Mr. Jackson was:

> Added revenue to go toward balancing the budget and toward meeting the cost of overcoming a depression which threatened rights of property should be contributed by the propertied class in proportion to their ability to pay.

The use of the term "propertied class" by the Revenue Bureau counsel in connection with the purported intent of this measure is either intentionally or unintentionally misleading. In 1926 approximately two-thirds of all productive property including housing in the United States was owned by those with incomes of less than $10,000. At the present time, with the general reduction of incomes, it has been estimated by taxation experts that this same amount of property is owned by those whose incomes are between six thousand and seven thousand dollars or less.

Then when Mr. Jackson sought to prove a steady concentration of wealth by citing that the number of persons reporting incomes of more than $1,000,000 increased from 20 in 1932 to 50 in 1933, he again treated the American people to a misleading statement.

Mr. Jackson failed to bring out here that the number of incomes over $1,000,000 reported in 1929 was 513. A rebound from 20 such incomes at the low point of the depression in 1932 to 50 the following year could certainly be expected. It proves nothing as to any trend in wealth concentration. Accurate income studies in this country cover too short a period to permit anyone to state with certainty whether there has been a tendency to any greater or lesser uniformity of incomes. Post-war distortions of income were followed by those of the depression and the most that can be said is that there is no long-term tendency toward greater concentration of incomes.

Then the argument by the able counsel began to run in a circle when he attempted a vindication of the plan to raise income rates in the higher brackets. Is there a single really qualified tax expert of the Treasury Department who will not tell you that higher-bracket rates cannot be raised without forcing still greater sums of money into tax-exempt securities?

When Mr. Jackson delved into his argument to prove a concentration of corporation assets, it would appear that he again would mislead us by not stating all of the facts. He claimed that in 1932 more than 53 percent of all assets owned by corporations was owned by 618 corporations, constituting only two-tenths of 1 percent of the number of corporations, while at the lower extreme 67.6 percent of all American corporations held only 2.9 percent of aggregate corporate assets. He also stated that 5 percent of the corporations owned 85 percent of all of the wealth of corporations in 1932.

I do not know whether by that statement the Internal Revenue official was seeking to leave an impression of concentration of wealth in the hands of a few individuals or not, but I am sure there are many who derived that impression from it. Before accepting that statement at its face value the Senate should inquire of Mr. Jackson the names of the corporations which he took for a basis of that claim and then determine how many thousands or even millions of stockholders had invested in the companies. This would certainly determine in clearest possible fashion the concentration or distribution of corporate assets. Neither the size of a corporation nor the extent of its assets can be taken as any criterion of the desirability of taxing its shareholders, directly or otherwise, if Congress expects to accept this theory of ability to pay.

This bill, Mr. President, is not a revenue bill. It is a crude political clap-trap designed to appeal to the people as a social measure and to garner by fine words and phrases the votes of those who do not understand it now, much less who understand the deviltry to our revenue sources which it portends.

Were I to rise on this floor and attempt to dignify this measure with my support or my vote I would be justly ashamed to return and face the people of my State and try to tell them that I had protected their interests as they had elected me to do.

Mr. COPELAND. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed, at the proper place in the bill, to insert the following new section:

> SEC. —. That paragraph 8 of section 602, Revenue Act of 1934, is hereby amended by striking out the words "whale oil (except sperm oil)" and by adding after the words "marine animal oils" the words "except whale and sperm oil."

Mr. HARRISON. Mr. President, I have had a letter from the Department of State with reference to this matter. They have taken up the question with the Department of Agriculture. They both recommend the adoption of the amendment submitted by the Senator from New York. I am perfectly willing to let it go to conference in order to prevent the long debate which I am sure would otherwise ensue on the whale-oil question, if I may judge from what happened on a previous occasion.

I ask to have printed in the RECORD in connection with the amendment of the Senator from New York the correspondence to which I have referred.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, August 15, 1935.

The Honorable PAT HARRISON,
United States Senate.

MY DEAR SENATOR HARRISON: I enclose a copy of H. R. 7373, providing for repeal of the tax on whale oil, and a copy of my letter to the President dated May 9, 1935, setting forth reasons why such repeal would be beneficial.

It would seem to be in the public interest that this tax repeal be passed this session, and it has occurred to some that it might be effected more expeditiously by passing as an amendment to H. R. 8974. I understand that Senator COPELAND is prepared to introduce such an amendment, and I am writing to say that I would be glad to see it introduced if it meets with your approval.

For your information, the President has confirmed statements made in my correspondence with him by consulting the Secretary of Agriculture who, in a letter to the President dated May 27, 1935, actually stated that he thought that the repeal of this tax would be definitely beneficial to some branches of American agriculture. On the basis of information supplied by Mr. Wallace and myself the President has expressed his approval of the repeal of the tax on whale oil.

Sincerely yours,

CORDELL HULL.

MAY 9, 1935.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: A bill (H. R. 7373) has been introduced by Representative TONRY, on April 9, 1935, the purpose of which is to admit whale oil to this country without the payment thereon of the taxes imposed under section 602 of the Revenue Act of 1934.

In conversation and in memoranda you asked me to investigate the effect which such repeal would have upon the safety of an R. F. C. loan to an American whaling company and upon employment conditions in the American whaling fleet.

First, I find that the R. F. C. loan is only $175,000, which, in any event, is not, in my opinion, of sufficient consequence to be allowed to affect a broad question of commercial policy. I believe the facts will indicate that there is no immediate or close competition on account of the different marketing localities.

Secondly, as to employment for the Americans engaged in the whaling industry, the crews of the 14 American vessels engaged in whaling are estimated at 200 persons. They are supposed to operate in the Arctic Ocean, while the Norwegian fleets operate in the Antarctic Ocean. This evident lack of any real American industry is insufficient upon which to turn down a mutually profitable trading arrangement on a substantial scale between this country and Norway.

I enclose a brief memorandum epitomizing my investigations of these points.

I enclose a further single page memorandum summarizing and bringing up to date the memorandum submitted with my letter of January 29, 1935.

I find many good reasons for giving support to the Tonry bill, but I should like to have your approval before doing so. It is pos-

sible that, if you approve, you may prefer to communicate directly with the Chairman of the Ways and Means Committee of the House of Representatives.

Faithfully yours,

CORDELL HULL.

MEMORANDUM

AMERICAN WHALING FLEET

1933: 14 vessels; 9,367 tons; crews 200 (estimated).
1934: 14 vessels; 9,037 tons; crews 200 (estimated).
1933: United States production, 11,400 barrels.
1933: Norwegian production, 1,317,000 barrels.
1933: World production, 2,597,000 barrels.

The American fleet declined in 1931 despite the 1930 import duty of 6 cents a gallon.

The American fleet declined in 1934 despite the additional tax of over 18 cents a gallon imposed by the Revenue Act of 1934.

The American fleet operates in the Arctic.

The Norwegian fleet operates in the Antarctic.

The transfer of crews would not be feasible, nor would it be possible for a government to control such transfer.

The resumption of normal importations of whale oil (average approximately 50,000,000 pounds) could not affect employment conditions in the American fleet. Specifically, it is difficult to see how it could seriously affect the ability of the American Pacific Whaling Co. to service the small loan of $175,000 authorized by the R. F. C. While our imports declined from 139,694,000 pounds in 1931 to 19,990,000 pounds in 1934, domestic production reached, in 1934, a total of only 7,507,530 pounds, which is a figure only 3,000,000 pounds short of the peak production of the past 12 years. These facts clearly indicate that the advantages of both prohibitive duties and easy Government loans have not served to stimulate the domestic industry.

MEMORANDUM

NORWEGIAN WHALE OIL—A SUMMARY

1. The Revenue Act of 1934 shut out Norwegian whale oil which had constituted as high as 60 percent of our imports from Norway.

2. Goods formerly bought from us are now bought from Germany, which now takes the bulk of Norwegian oil under a clearing agreement.

3. We have lost trade for this economic reason, and stand to lose more for sentimental reasons.

4. We stand to lose a large market for bunker oil.

5. The exclusion of whale oil has not helped American agriculture, and has simply caused the substitution of much foreign tallow in our soaps.

6. We want a trade agreement with Norway, which contends with reason that a reduction from the present combined tax of 24 cents would not be of any value.

7. Automobiles assembled in Denmark containing 80 percent American work have been excluded from Norway. This is obviously indirect retaliation, and we have received the hint in a round-about way that this condition would be rectified if we take favorable action on whale oil.

8. A likely way to regain in Norway our lost trade and the lost good will and to find a basis for negotiating a trade agreement with Norway is to repeal section 602 of the Revenue Act of 1934, insofar as whale oil is concerned.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I ask permission to have inserted in the RECORD at this point a report from the Department of State relating to the matter.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, June 5, 1935.

Hon. ROBERT L. DOUGHTON,
Chairman Ways and Means Committee,
House of Representatives.

MY DEAR MR. DOUGHTON: In the interest of restoring and maintaining advantageous commercial relations with Norway, I have from time to time submitted to the President information which I believe shows that the enactment of the Tonry bill, H. R. 7373, would be beneficial in many directions and, so far as I can see, would prove injurious in none.

Following up the information contained in my letter dated May 9, 1935, a copy of which, with its enclosures, I send you herewith, the President has secured from the Secretary of Agriculture an expression of opinion which substantiates my views. I enclose a copy of Secretary Wallace's letter of May 27, 1935, to the President, together with its enclosures.

In view of the information submitted by this Department and the confirmation thereof by the Department of Agriculture, the President has given me authority to submit to your committee my recommendation that H. R. 7373 be given favorable consideration.

Sincerely yours,

CORDELL HULL.

DEPARTMENT OF STATE,
Washington, May 9, 1935.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: A bill (H. R. 7373) has been introduced by Representative TONRY on April 9, 1935, the purpose of which is to admit whale oil to this country without the payment thereon of the taxes imposed under section 602 of the Revenue Act of 1934.

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Secondly, as to employment for the Americans engaged in the whaling industry, the crews of the 14 American vessels engaged in whaling are estimated at 200 persons. They are supposed to operate in the Arctic Ocean, while the Norwegian fleets operate in the Antarctic Ocean. This evident lack of any real American industry is insufficient upon which to turn down a mutually profitable trading arrangement on a substantial scale between this country and Norway.

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NORWEGIAN WHALE OIL—A SUMMARY

1. The Revenue Act of 1934 shut Norwegian whale oil, which had constituted as high as 60 percent of our imports from Norway.

2. Goods formerly bought from us are now bought from Germany, which now takes the bulk of Norwegian oil under a clearing agreement.

3. We have lost trade for this economic reason, and stand to lose more for sentimental reasons.

4. We stand to lose a large market for bunker oil.

5. The exclusion of whale oil has not helped American agriculture, and has simply caused the substitution of much foreign tallow in our soaps.

6. We want a trade agreement with Norway, which contends with reason that a reduction from the present combined tax of 24 cents would not be of any value.

7. Automobiles assembled in Denmark containing 80 percent American work have been excluded from Norway. This is obviously indirect retaliation, and we have received the hint in a roundabout way that this condition would be rectified if we take favorable action on whale oil.

8. A likely way to regain in Norway our lost trade and the lost goodwill and to find a basis for negotiating a trade agreement with Norway is to repeal section 602 of the Revenue Act of 1934 insofar as whale oil is concerned.

DEPARTMENT OF AGRICULTURE,
Washington, May 27, 1935.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: This is in response to your memorandum of May 14 enclosing a letter from the Secretary of State contain-

ing comments on the possible effects of the proposed repeal of the excise tax on whale oil upon an outstanding Reconstruction Finance Corporation loan to the American whaling industry and in which you request the comments of this Department on the possible effects of such repeal upon domestic agricultural interests engaged in producing animal or vegetable oils and fats.

With respect to this matter I am enclosing copy of a memorandum prepared in this Department which summarizes the whole situation as regards the possible effects of such repeal upon the various agricultural interests. The conclusion reached in this memorandum is that the repeal of the excise tax on whale oil would probably not be seriously felt by any branch of domestic agriculture and would be definitely beneficial to some branches. With these conclusions I am inclined to concur.

Sincerely yours,

H. A. WALLACE, *Secretary.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
AGRICULTURAL ADJUSTMENT ADMINISTRATION,
Washington, D. C., May 17, 1935.

Memorandum to Dr. Ezekiel.

Subject: Relations between whale oil and animal and vegetable oils, as bearing on R. F. C. loan to domestic whaling industry and on pending legislative proposal to repeal the excise tax on whale oil. (See memorandum attached, dated May 14, from the President to Secretary Wallace, requesting his comment on enclosed memorandum of Secretary Hull to the President relative to the R. F. C. loan.)

DEAR DR. EZEKIEL: With reference to your request for a memorandum concerning the relations between whale oil and animal and vegetable oils, as noted above, I am enclosing herewith a memorandum prepared by Dr. Carlson at my request a few days ago, commenting on H. R. 7049, which bill is practically identical with H. R. 7373, the Tonry bill referred to in Secretary Hull's memorandum to the President. Dr. Carlson's memorandum discusses in some detail the matter of competition between whale oil and other oils and fats, and appends relevant statistical material.

On the basis of Dr. Carlson's memorandum and further inquiries of my own regarding certain aspects, I would say that the following are the outstanding facts:

1. Whale oil is used in the United States almost exclusively in soap making, and in that use is in very large measure interchangeable with palm oil and with inedible tallow and greases. Whale oil has to be hydrogenated and, together with the palm oil, has a more restricted market than tallow. Tallow is generally preferred over hydrogenated whale and fish oils, which are used mainly to blend with tallow in making general household and laundry soaps. Palm oil is expensive to bleach, and in laundry soaps its use is confined to the yellow soaps, though it has special uses in textile soaps, in special trade-marked brands of toilet soap (Palmolive), and in certain brands to which it gives a distinctive red color (Lifebuoy). (About 15,000,000 pounds of palm oil are also used annually in the tin-plate industry.) Broadly speaking, however, whale oil, palm oil, and inedible tallow and greases are interchangeable raw materials for a large part of our soap production.

2. The excise tax of 3 cents a pound on whale oil (amounting, at 7.5 pounds per gallon, to 22.5 cents per gallon) plus the tariff of 6 cents a gallon, making a total tax of 28.5 cents a gallon (and not 24 cents, as stated in Secretary Hull's memorandum), has been practically prohibitive. Considerable quantities were entered in June 1934, after the excise tax was imposed, but these were obviously shipments that failed to get in ahead of the tax. Since then virtually none has entered.

3. Shutting out whale oil appears to have had but little price-raising effect on the domestic oils and fats. Its chief effect, apparently, has been to stimulate imports of inedible tallow. Prior to imposition of the excise tax on whale oil, we had been importing annually, on the average, around 50,000,000 pounds of whale oil and but little inedible tallow, usually considerably less than 1,000,000 pounds. In 1934 imports of inedible tallow rose to nearly 43,000,000 pounds. Imports began in September and continued on into the present year. During the first quarter of this year a total of nearly 60,000,000 pounds came in. Rising prises of inedible tallow (from 2.7 cents per pound in January 1934 to 4.7 cents in December 1934) created an international price differential sufficient to attract imports, for use in seaboard soap plants, over the tariff duty of one-half cent a pound.

4. The excise tax on imported whale oil, together with that on imports of other oils, was presumably one of the factors contributing to the rise of prices of inedible tallow in the summer and fall of 1934. Evidently, however, it was a minor factor as compared with the marked increase that occurred in the demand for soap-making materials. Table 1 in Dr. Carlson's memorandum throws light on this. Total consumption of oils and fats in soap-making in 1934 was 1,474,000,000 pounds as compared with 1,311,000,000 in 1933; 1,375,000,000 in 1934; and 1,390,000,000 in 1931. Of inedible tallow the consumption was 663,000,000 pounds, as compared with 509,000,000 in 1933; 549,000,000 in 1934; and 524,000,000 in 1931. Thus it appears that the demand for inedible tallow in soap-making was so strengthened by the all-round increase in the demand for soap-making materials that some 150,000,000 pounds more tallow (of which only 43,000,000 were imported) were consumed than in previous years, at prices which rose to the point where the imports began to be attracted into the country.

5. The exclusion of whale oil has tended to check the rise of lard prices by enhancing the pressure of whale oil upon the foreign oils and fats-price structure. Whale oil is used very extensively for edible purposes in foreign countries. In this connection what has happened in Germany is significant. A marked decline in German takings of our lard from other countries, coincides with a very marked increase in German imports of whale oil. Germany has been bartering automobiles and other goods for Norwegian whale oil on an extensive scale since last summer. To be sure, the decline in our exports of lard must be attributed primarily to the rise of lard prices; but prices would presumably have risen still more had it not been for the diversion of whale and other foreign oils from the American market in consequence of the excise taxes imposed in the Revenue Act of 1934.

6. So long as the duty on inedible tallow remains at one-half cent a pound, any beneficial effect of the prohibitive whale-oil tax upon domestic tallow prices is necessarily confined to whatever part the tax plays in bringing domestic tallow prices up to a level, relative to foreign prices, at which tallow can be profitably imported. In 1934, as already observed, the role of the whale-oil tax in this connection appears to have been minor compared with other factors contributing to the rise of domestic tallow prices. After the tallow-importing point had been reached, the only effect of the exclusion of whale oil was to foster substitution of imported tallow. From the foregoing it follows that the repeal of the whale-oil tax could not, under existing conditions, have a very adverse effect upon domestic prices of inedible tallow.

7. Suppose, however, that instead of repealing the excise tax on whale oil, it were to impose a prohibitive tax on imports of inedible tallow. Would the existence of a prohibitive tax on imported whale oil then be a matter of vital concern to the domestic oils and fats industry? There is little reason to believe that it would, at least so far as concerns the agricultural part of the industry. Just what addition to prices of domestic tallow would occur in consequence of such exclusion of both imported whale oil and imported tallow is, of course, uncertain. Without a further increase in the excise tax on palm oil, it seems likely that more of it would be used. Indeed, the monthly import figures for palm oil indicate some tendency in that direction even now. Following a sharp decline in monthly receipts during the last 6 months of 1934 as compared with the previous year, imports of palm oil during the first 2 months of 1935 somewhat exceeded those in the previous year, this notwithstanding the 3-cent excise tax on palm oil imposed last May.

Assuming, however, that some rise in prices of tallow would take place, there is much doubt as to how far it would be reflected to the producers of livestock. The tallow renderers would begin paying the hotels, restaurants, and others enough more for their wastes so that more would be collected; and presumably, therefore, large quantities of tallow and of greases that are not conserved when prices are low would be drawn into use. This would be a source of gain to the restaurants, hotels, and others selling wastes, and likewise to the tallow renderers; but it would also be an inherent check upon the rise of tallow prices to be reflected to the producers. Assume, nevertheless, that prices of tallow would be increased by so much as 2 cents a pound over what they would otherwise have been (which is distinctly improbable). For a 1,000-pound steer containing 70 pounds of inedible tallow, this would mean an addition of $1.40 to the price, of which the producer would probably get no more than $1. Then would come the indeterminate question as to how far this enhancement in price of the live animal, due to the higher price by the byproduct tallow, would eventually be offset by lower prices of the main product, namely, meat, in consequence of the added stimulus given to livestock production.

8. Taking all of the foregoing items into account, it would appear that little, if any, gain accrues to domestic agriculture from the exclusion of foreign whale oil from our market, and hence that no serious burden would arise from the repeal of the excise tax which now excludes it. Indeed, the repeal of the tax would probably tend to assist our lard exports. Considering the possible advantages to agriculture from the trade agreement with Norway, which the repeal of the tax would make possible—advantages with respect both to the content of the agreement itself and to the further impetus that would be given the trade-agreements program—the balance of the argument, so far as concerns agriculture, probably lies on the side of repealing the tax.

L. R. EDMINSTER,
Chief Import-Export Section.

Mr. SHEPPARD. Mr. President, I offer an amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to add at the end of the bill a new section, as follows:

SEC. —. Section 601 (c), as amended, of the Revenue Act of 1932, is amended by adding at the end thereof a new paragraph as follows:

"(9) (a) Eggs of poultry, in the shell, 5 cents per dozen.

"(b) Dried whole eggs, dried egg albumen, dried egg yolk, or any combination or mixture thereof, powdered, granular, crystalline, flaked, spray dried, or otherwise prepared or preserved, with or without the addition of other substances such as salt, sugar, glycerine, milk products, or other substances, 31 cents per pound.

"(c) Whole eggs, egg yolk, and egg albumen, or any combination or mixture thereof, frozen or otherwise prepared or preserved and not provided for in (a) and (b) of this paragraph, whether or not sugar, salt, glycerine, or any other material is added, 10 cents per pound.

"(d) The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles after the date of the enactment of this joint resolution."

Mr. SHEPPARD. Mr. President, I know of nothing more seriously needed than an excise tax of this kind. Tremendous importations from China threaten to destroy the entire egg market of the United States. I hope the amendment may be adopted. Every State in the Union is affected, because every State is interested in poultry and poultry products.

Based upon figures recently released by the Department of Commerce, total imports of eggs and egg products into the United States, during the month of June, exceeded the equivalent of 103,000 cases of eggs. This compares with 74,800 cases in May and with 17,400 cases in June 1934. Imports of these products for the 6 months ending June 30, 1935, were the equivalent of 350,200 cases. During the same 6 months of last year, imports were 90,000 cases. Almost four times as many eggs and egg products were imported, mostly from China, into the United States during this 6 months' period as were imported during the corresponding period of last year.

Mr. HARRISON. Mr. President, I hope the amendment will not be adopted. The committee desires to confine the bill as nearly as possible to the recommendations of the President. We heard no witnesses on matters such as the one referred to by the amendment of the Senator from Texas, but, on the other hand, turned down requests of a similar nature. I know how earnest is the Senator from Texas, and I know how he pleaded with the committee in behalf of his amendment. I hope the Senator will not press it.

Mr. STEIWER. Mr. President, the amendment just offered by the Senator from Texas [Mr. SHEPPARD], I believe is identical with an amendment which I prepared at the time the revenue act was before the Senate earlier in the session. It is a matter to which I gave some consideration at that time; and, according to the information furnished to me, there is every reason why this proposal should be agreed to.

I realize that there is a disposition here to hold the bill in its present form, and not to add further excise taxes or protective items to it. Nevertheless, on account of the importance of this matter to one of the great industries of the country, I should like to see the Senate relent just a little, if it will, and permit the amendment offered by the Senator from Texas to be adopted and go to conference.

I hope we may have a vote upon the amendment; and I will say, as one of the Republican Members of the Senate, and a protectionist, that I shall not offer further protective amendments or excise taxes. I think there is no disposition on this side of the aisle to delay the bill or to weight it down with a large number of protective items; but this item we ought to have, in justice to a great body of the American people.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. SHEPPARD].

The amendment was rejected.

Mr. LONERGAN. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment offered by the Senator from Connecticut will be stated.

The CHIEF CLERK. On page 76, line 2, it is proposed to strike out "and."

On page 76, line 10, it is proposed to strike out "subdivision" and insert:

subdivision; "and

"(6) The proceeds of life-insurance policies payable to the estate in trust for the payment of estate, inheritance, succession, legacy, or other death duties levied against or with respect to the estate of decedent by the United States, or under the law of any other jurisdiction, to the extent that such proceeds are actually used in the payment of such taxes."

Mr. LONERGAN. Mr. President, under this amendment, if agreed to, a taxpayer may take out a policy on his life, the proceeds of which are to be used for the payment of death taxes on his estate. The amendment provides for the exemption of the proceeds from taxation. I hope the Senate will approve it.

Mr. HARRISON. Mr. President, I have no objection to the amendment going to conference, though I do not think it is very necessary, in view of the fact that the Senate has stricken out the inheritance tax.

The VICE PRESIDENT. The Senator from Mississippi accepts the amendment. Without objection, it is agreed to.

Mr. WHITE. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment offered by the Senator from Maine will be stated.

The CHIEF CLERK. On page 121, after line 8, it is proposed to insert a new paragraph, as follows:

(e) Subparagraph (b) of section 701 of the Revenue Act of 1932 is amended to read as follows:

"No tax shall be imposed under this section upon any payment received for services or facilities furnished to the United States or to any State or Territory, or political subdivision thereof, or the District of Columbia, nor upon any payment received from any person for services or facilities utilized in the collection of news for the public press or for radio broadcasting stations or in the dissemination of news through the public press, or by radio, if the charge for such services or facilities is billed in writing to such person. The right to exemption under this subsection shall be evidenced in such manner as the Commissioner with the approval of the Secretary may by regulation prescribe."

Mr. WHITE. I wonder if the Senator from Mississippi will not accept the amendment?

Mr. HARRISON. Mr. President, the committee has given no consideration to that question. It is rather important. I hope the Senator will not press his amendment.

Mr. WHITE. I shall discuss it very briefly, Mr. President.

This is an amendment to section 701 of the Revenue Act of 1932. That section imposed a tax on telegraph, telephone, radio, and cable facilities. In subparagraph (b), of which this amendment is a redraft, it is provided as follows, in substance: I am omitting some of it:

No tax shall be imposed * * * upon any payment received from any person for services or facilities utilized in the collection of news for the public press—

This amendment inserts, after the words "public press", the words "or for radio broadcasting stations."

Later on, in the same paragraph, after the words "public press", there are inserted the words "or by radio."

The sole purpose of the amendment is to place messages which are sent as news to broadcasting stations, and are broadcast by such stations as news, upon precisely the same footing as messages sent to be printed as news in the public press. It will work no discrimination whatsoever against the public press, but it will place the messages of news-gathering facilities which utilize radio for the dissemination of news upon precisely the same basis as other messages which go to the public press.

The amount of revenue involved is very negligible; but it seems to me the amendment would undo a discrimination which exists in the present law.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Maine [Mr. WHITE].

The amendment was rejected.

STARVE RECOVERY AND FEED THE RAW DEAL

Mr. SCHALL. Mr. President, the crowning farce of the session is this plan to raise a quarter of a billion dollars revenue to plug a $5,000,000,000 bunghole made by the administration itself.

There is no evidence that this tax bill will increase revenue even by the amount of $250,000,000 stated in the advertise-

ment. The Secretary of the Treasury, as I understand, refuses to venture an estimate, even upon the petition of the distinguished Chairman of the Senate Finance Committee, the Senator from Mississippi [Mr. HARRISON]. The press of Washington has published cartoons presenting our financial chairman on his knees before Lord Morgenthau, Duke of Dutchess County, N. Y., begging in vain for an estimate.

If even the Treasury has doubts about the revenue yield of this bill, and no one else can make more than a political guess, why should we bring forth another club to destroy industry and private property—the power to wreak vengeance upon political opponents, and grant abatements and tax-exemption privileges to political friends—the power to punish taxpayers of States opposed to the new deal while abating the taxes of campaign subscribers—the power further to force down the purchases of raw materials from farms, forests, and mines, and further force downward the pay rolls and employment of tax-paying industry—in short, add another chapter to "emergency" chaos, and block the national recovery for which the country has waited through two and a half years of increasing debts and deficits?

If this administration were in earnest about revenue to balance the Budget it would begin by keeping its campaign pledge of "100 percent" to cut down useless bureaus and offices, and take some step to redeem its pledge to cut down Federal Government costs by at least 25 percent.

It would take some step to redeem its 100-percent pledge for a Federal Budget annually balanced. But when the Treasury reports a third deficit of $3,500,000,000 on June 30, the end of the last fiscal year, and then proposes to offset the whale by bringing out a weasel, all intelligent citizens—and there are people of intelligence in this United States despite the new deal—know that we are only getting another cheap raw deal—just another camouflage.

The administration desires this bill so he can blackjack the 58 wealthiest families of the United States to buy bonds so he may have another 5,000,000,000 allocation appropriated to himself next session. He talks about amending the Constitution so that tax-exempt bonds may be taxed, but that is only the voice of Jacob. The hand of Esau will not permit such an amendment. This tax bill, when passed, will drive the 58 families so picked out by our self-designated last President of the United States, if they are to be preserved, to buy Government bonds, and thus further continue and enlarge the contemplated chaos to sufficient proportions to provoke strikes, riots, and revolutions and give the excuse for the steel-covered hand of the Commander in Chief of the Army and Navy to take the command which will make him, in fact, an emperor, but this contemplated purpose cannot be brought about. There is not time before the elections of 1936, so this is a stopgap thrown in to hold and increase the consternation, demoralization, and chaos until after the election of 1936. If this administration, which the Russian newspapers call the "first communistic President of the United States", is reelected, representative government and our Republic will be a thing of the past.

The farcical character of the first estimate of the Treasury when this bill first came from the White House—namely, that the proposed inheritance tax would yield somewhere between one hundred million and nine hundred million dollars—exposes the hokum character of the whole deal. They might just as well have given an estimate that it would yield somewhere between $1 and a billion, provided it did not stop all revenue from estate taxes by forcing estates to cut out the practice of gifts and inheritances altogether and substitute the organization of corporate trusts and annuities.

Neither inheritances nor gifts are necessary. All the retired capitalist needs to do is to follow the example of Cabinet members and file in Delaware the articles of a corporation having perpetual existence incorporating all his holdings in one corporate trust, and thereafter live upon an annuity from this trust. When he dies there will only be one less annuity for the trustees to pay—and that is all there is to it. The disinterested trust company having perpetual existence will go forward under the terms of its charter and distribute annuities, credit receipts, and earnings, and conduct their chartered business as any other corporation to the end of time. And the Government barnacles and patronage gang will have to suck the lifeblood of some other victim or victims.

The press of the country is asking us if this bill would ever have been introduced, were it not that this administration is still on the trail of Henry Ford. When it was discovered in March 1933 that Ford had deposited $50,000,000 to help Detroit banks, the 1917 war-time act was commandeered to close the banks and freeze the deposits.

Again, when Ford refused to accept the N. R. A. code, which gave New York competitors who sat on the Executive Advisory Board the chance to pry into Ford's production and sales and hamstring his business, the Government refused to allow Ford to bid on Government contracts, and threw out his bids though $100 per car below that of his lowest competitor.

Of course, Ford can do the way his Wall Street enemies do—buy Government bonds and evade taxes by bond-exemption privileges. But Ford is not built that way. He is in business to produce, to sell cars at the lowest price, to pay wages 50 percent above the N. R. A. code rate, expand his purchases of raw materials, expand his employment of labor, and sales of low-priced finished products. Therefore, the confiscatory tax rates, which Wall Street evades by bond investment, may possibly accomplish what all the other emergency experiments have failed to do, namely, destroy our largest single industry, kill the goose that lays the golden egg, while the Wall Street and Tammany political group sets up the cry of the laughing hyena.

And yet Ford may have an answer to that. This tax bill is not retroactive. It applies only to the business of the coming year. It is not necessary to turn out a vast volume of net income in the coming year. He can reduce his operations so that the profit margin only covers fixed charges and overhead, and then get ready to double his output and income when the American people have determined to put at the helm in Washington a responsible and constructive administration, one that will cut down Government costs by 25 percent, at least, and lighten the tax burden so that legitimate industry may again operate in the United States of America.

The greatest blow of this starve recovery, feed the raw deal bill will fall upon the wage earners who lose jobs, upon the farms and mines and furnaces that will suffer reduced sales of raw materials, upon the transportation enterprises that will suffer reduced revenue tonnage, and upon the 30,000,000 homes and 30,000,000 workers in miscellaneous gainful occupations, who in the end pay the great bulk of all taxes in living costs and reduced income.

In short, if this bill has any intelligent aim, it is to extend the emergency, spread the chaos, pile up the pretexts for maintaining useless bureaus, afford an excuse for carrying the vast tonnage of patronage barnacles—that is to say, extend the life of a new-deal autocracy.

There is another possible aim, namely, to further crack down and destroy legitimate private industry, so that a socialistic Federal regime may buy up all America for a song, and start us out a full-fledged U. S. S. R.

The object of this tax bill is not the constitutional purpose, namely, to raise public revenue to pay the necessary expenses of government efficiently and economically administered. First, because that is the last thing in the world this administration, as shown by its record, wants; and second, because there is no evidence that revenue will be gained by the bill. Confiscation of the industry that pays the taxes is not a revenue-producing measure. You do not produce revenue by drying up the source of revenue.

We have already, by bills sent over here from the White House, put on the statute books over half of the socialist platform of 1932, while repudiating 99 percent of the Democratic platform of 1932, and this industrial confiscation bill will help materially to lay the foundation of the complete government ownership plan both of the Socialists here and of the Communists in Moscow, by enabling a Tugwellian administration to buy up private enterprises cheap.

We have a gold hoard out in the Kentucky mountains somewhere, estimated at $9,000,000,000, half the gold of the world—our golden calf rated at 59 cents on the dollar of true value. If we can kill off a good bunch of private industries by this tax-confiscation measure, we can haul out that $9,000,000,000 Socialist war chest and buy in at a darky-song price, and behold—the U. S. A. will look so much like the U. S. S. R. that only Rexford Guy Tugwell and Joe Stalin can tell them apart.

All we have to do then is to dig up those sleeping-beauty holding company charters which our Cabinet organized over in Delaware and marked "Secret; do not publish" and even today not one word of information as to why they were organized is obtainable, and then we can go forth with unlimited socialistic pride and power as the greatest Federal industrial institution east of the Russian boundary or south of the moon.

We may yet see Brigadier General Johnson heading a socialistic parade, with General Tugwell and General Farley occupying the honor seats on the parade platform behind—all singing that Communist hymn, I forgot its name—and Morgenthau modestly accepting tributes for his Frankfurter-Cohen tax bill.

There is one great consolation for us who believe that there is a Divinity that shapes our ends and knows that God still rules and desires His instrument, the Republic of the United States, built upon the teachings of Christ, to continue as His pen to write the salvation of men. "Whom the gods wish to destroy they first make mad."

Every one of these White House enslaving measures is a boost for the G. O. P. and its friends among Jeffersonian Democrats. And every one of these destructive measures helps to dig deeper the grave of the new deal. Despite the strict censorship of the truth and false propaganda issued from thousands of poison sources, the people will come to know the two great forces that are contending for the souls of men. They are at the cross roads free to chose, as Christ put it, "between good and evil." They will not choose the new deal if they could know it in its hideous nakedness with its broken promises, broken platform, false propaganda, unfilled promises, destruction, chaos, deceit, fraud, hypocrisy, say one thing and do another, star-chamber decisions, denial of the right of their day in a court of justice, together with their supporting allies the corn borer, the boll weevil, the grasshoppers, drought, all consistent and interlocked with the killing of 6,000,000 hogs, the butchering of cattle, sheep, and chickens, the plowing under of cotton and wheat—all to the end that the people may become demoralized and dependent, without character or soul to defend their rights so that when chaos, riot, and revolution shall have been cleverly built around them and their Constitution they will meekly submit to their dictator, who shall feed them from their own filched riches, for which they should be grateful and, as the administration already advises these despoiled and disinherited Americans, "Do not bite the hand that feeds you."

Mr. BACHMAN. Mr. President, I offer an amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add a new section, as follows:

If the Commissioner, in determining the tax liability of any person, has entered into an agreement in writing with such person in respect of any issue likewise involved in the tax liabilities of one or more other persons and arising out of the same transaction, then none of such other persons shall be denied a settlement of such issue on the same basis.

Mr. BACHMAN. Mr. President, I am proposing this amendment with a view to preventing the Bureau of Internal Revenue from continuing an administrative practice in the settlement of cases which, in my opinion, cannot be justified.

The practice has been brought to my attention in connection with a group of cases now pending before the Bureau, involving certain stockholders of the Hamilton National Bank, Chattanooga, Tenn.

In 1930, the Hamilton National Associates, Inc., was organized for the purpose of acquiring the controlling interest in a number of banks in the surrounding area. In connection with this plan of reorganization, some 49 stockholders of the Hamilton National Bank exchanged stock in such bank for stock in the new corporation. In November 1931 field revenue agents began making a systematic check of the income-tax liabilities for 1930 of all the stockholders of Hamilton National Bank who had made the exchange of stock which I have just referred to. In all these cases, the revenue agents made their reports showing the exchanges as taxable transactions and computing the profit thereon by using the value of $35 a share for the stock of the Hamilton National Associates, Inc., at the time the exchanges were made. Protests were filed against the proposed resulting deficiencies in tax, and numerous conferences were held with the internal revenue agent in charge at Nashville, and with representatives of the Bureau of Internal Revenue in Washington.

The issue was examined thoroughly by an assistant commissioner of internal revenue, who personally handled the cases. Voluminous data and affidavits were furnished in support of the taxpayers' value of $18.50 a share. After consideration of all the evidence, the assistant commissioner held that such evidence indicated a value of not less than $22.50 a share. Such valuation was accepted by all the stockholders affected, the resulting deficiencies in tax were paid, and, with the exception of eight of such stockholders, closing agreements under section 606 of the Revenue Act of 1928 were entered into.

The eight stockholders were members of a trading syndicate. In the Bureau's computation of deficiencies with respect to the members, the syndicate had been treated both as an association and as a partnership. Accordingly, an additional deficiency in the amount of $6,250 was proposed. These eight stockholders in each case paid the deficiency resulting from a $22.50 value on the Hamilton Associates, Inc., stock, but asked for an opportunity to present their position with respect to the additional issue arising out of the syndicate. In August 1934 a conference was held with the Income Tax Unit in Washington relative to this additional question, but the Commissioner's representative refused to recede from the position taken.

Thereafter, 90-day letters were requested in order that this secondary issue might be appealed to the Board of Tax Appeals. On July 10, 1935, these taxpayers received letters from Charles T. Russell, Deputy Commissioner, showing a recomputation of their tax liabilities for 1930, in which computation not only was the original treatment of the syndicate continued but, also, profits accruing to these eight taxpayers, by reason of their exchange of Hamilton National Bank stock for Hamilton National Associates stock, was computed on the basis of $35 a share, in lieu of the $22.50, which the assistant commissioner had determined as a fair value and on the basis of which the Commissioner had closed the cases of 41 out of the 49 stockholders.

I submit that this discrimination against these eight taxpayers cannot conceivably be justified. If this is the type of strategy which the Bureau practices in order to penalize taxpayers for questioning proposed deficiencies, it is high time that Congress intervene and put a stop to it. The amendment which I am proposing provides that where a settlement is made available to part of a group with respect to an issue common to all, the same treatment shall be accorded to the entire group. I would suppose that such procedure would be followed voluntarily by the Bureau in the handling of tax cases. It is the only procedure which is fair and equitable. If it is not to be followed voluntarily, then, it is up to us to compel it.

I trust the Chairman of the Finance Committee will accept the amendment.

Mr. HARRISON. Mr. President, the amendment is rather broad, but we have no objection to it going to conference.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I ask unanimous consent that the Secretary of the Senate, in the engrossment of the amendments to the pending tax bill, be authorized to make such changes of section, subsection, and paragraph numbers and letters, and cross references thereto, as may be necessary to the proper numbering and lettering of the bill.

The VICE PRESIDENT. Without objection, it is so ordered.

The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question now is, Shall the bill pass?

Mr. VANDENBERG and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a pair on this question with the junior Senator from Ohio [Mr. DONAHEY]. Not knowing how he would vote, I withhold my vote.

Mr. THOMAS of Utah (when his name was called). I have a pair with the senior Senator from New Hampshire [Mr. KEYES]. If the Senator from New Hampshire were present, he would vote "nay" on the passage of the bill. I transfer my pair with him to the junior Senator from Massachusetts [Mr. COOLIDGE], and will vote. I vote "yea."

The roll call was concluded.

Mr. BARKLEY. I announce the unavoidable absence of my colleague [Mr. LOGAN], and that if present he would vote "yea."

Mr. NEELY. I announce that the junior Senator from West Virginia [Mr. HOLT] is absent because of illness. If present, he would vote "yea" on this question.

Mr. WALSH. I announce the absence of my colleague [Mr. COOLIDGE]. If present, he would vote "yea" on this question.

Mr. PITTMAN. The junior Senator from Pennsylvania [Mr. GUFFEY] is necessarily detained from the Senate on official business. If present and at liberty to vote, he would vote "yea."

Mr. AUSTIN. I announce the pair of the senior Senator from Delaware [Mr. HASTINGS] with the junior Senator from Idaho [Mr. POPE]. If the Senator from Delaware were present he would vote "nay" on this question. If the Senator from Idaho were present he would vote "yea."

Mr. LEWIS. I announce that the Senator from Ohio [Mr. DONAHEY], the Senator from Wisconsin [Mr. DUFFY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE] are necessarily detained from the Senate.

I further announce that the Senator from Alabama [Mr. BLACK], the Senator from Oklahoma [Mr. GORE], and the Senator from California [Mr. MCADOO] are detained in important committee meetings. I am advised that if present and voting the Senator from Alabama [Mr. BLACK] would vote "yea."

Mr. BILBO (after having voted in the affirmative). I have a general pair with the Senator from Iowa [Mr. DICKINSON]. I transfer that pair to the Senator from Oklahoma [Mr. GORE], and will allow my vote to stand. I am not advised how either Senator would vote if present.

Mr. DAVIS (after having voted in the negative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. If present, the Senator from Kentucky would vote "yea." I therefore withdraw my vote.

The result was announced—yeas 57, nays 22, as follows:

YEAS—57

Ashurst	Byrnes	Harrison	Murray
Bachman	Capper	Hatch	Neely
Bailey	Caraway	Hayden	Norbeck
Bankhead	Chavez	Johnson	Norris
Barkley	Clark	La Follette	Nye
Bilbo	Connally	Lewis	O'Mahoney
Bone	Costigan	Maloney	Overton
Borah	Dieterich	McGill	Pittman
Brown	Fletcher	McKellar	Radcliffe
Bulkley	Frazier	Minton	Reynolds
Bulow	George	Murphy	Robinson
Russell	Smith	Trammell	Wagner
Schwellenbach	Thomas, Okla.	Truman	Walsh
Sheppard	Thomas, Utah	Van Nuys	Wheeler
Shipstead			

NAYS—22

Adams	Copeland	McCarran	Townsend
Austin	Gerry	McNary	Tydings
Barbour	Gibson	Metcalf	Vandenberg
Burke	Glass	Moore	White
Byrd	Hale	Schall	
Carey	Lonergan	Steiwer	

NOT VOTING—17

Black	Donahey	Holt	McAdoo
Coolidge	Duffy	Keyes	Pope
Couzens	Gore	King	
Davis	Guffey	Logan	
Dickinson	Hastings	Long	

So the bill was passed.

Mr. KING. Mr. President, I move that the Senate reconsider the vote by which House bill 8974 was just passed.

Mr. HARRISON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRISON. I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees.

The motion was agreed to; and the President pro tempore appointed Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. LA FOLLETTE, and Mr. METCALF conferees on the part of the Senate.

CHANGE OF NAME OF DEPARTMENT OF THE INTERIOR

Mr. LEWIS. Mr. President, I announce at this time that tomorrow, at the first convenient moment, I shall seek to bring before the Senate for consideration Senate bill 2665, being the measure to change the designation of the Interior Department and to amalgamate other departments with that department as described in the bill, all to be under the new designation, the Department of Conservation and Works.

ORDER OF BUSINESS

Mr. ROBINSON. I ask unanimous consent that when the Senate meets tomorrow it proceed to the consideration of unobjected bills on the calendar.

Mr. KING. Mr. President, I desire to ask the Senator from Arkansas if I may have a half hour tomorrow, before proceeding with the calendar, to have considered some bills relating to the District of Columbia. It will be the last chance some of them will have to go to conference. They are very important.

Mr. MCNARY. Mr. President, will not the bills naturally come up on the call of the calendar?

Mr. ROBINSON. I suggest to the Senator from Utah that if the bills shall be called on the calendar and disposed of, that will meet his requirements; and if they shall not be disposed of, we will try to arrange to take them up.

I ask unanimous consent that the order I have requested may be entered.

The PRESIDENT pro tempore. Without objection, the unanimous-consent request of the Senator from Arkansas is agreed to.

MINING OF COAL, PHOSPHATE, OIL, ETC., ON THE PUBLIC DOMAIN

Mr. O'MAHONEY. Mr. President, there is lying on the table a conference report on Senate bill 3311 which has just been agreed to by the House, and I think it can be agreed to by the Senate at this time without any discussion. This measure is the amendment to the Oil Leasing Act.

The PRESIDENT pro tempore. Without objection, the conference report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, and 21.

That the House recede from its amendment numbered 1, and agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and

agree to the same with an amendment as follows: On page 10, line 25, strike out all after "*further*", all of page 11, and down to and including "operation" in line 2, page 12, and insert "That the person first making application for the lease of any lands not within any known geologic structure of a producing oil or gas field who is qualified to hold a lease under this act, including applicants for permits whose applications were filed after ninety days prior to the effective date of this amendatory act, shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty, in the case of oil, of 12½ per centum in amount or value of the production when the said production does not exceed fifty barrels per well per day for the calendar month and of not less than 12½ per centum in amount or value of the production when the said production exceeds fifty barrels per well per day for the calendar month, and, in the case of gas, at a royalty of 12½ per centum in amount or value of the production when the said production does not exceed five million cubic feet per well per day for the calendar month and, when the said production exceeds five million cubic feet per well per day for the calendar month, at a royalty of not less than 12½ per centum in amount or value of the production"; and the Senate agree to the same.

JOSEPH C. O'MAHONEY,
KEY PITTMAN,
PETER NORBECK,
Managers on the part of the Senate.
RENÉ L. DEROUEN,
J. W. ROBINSON,
PAUL R. GREEVER,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

Mr. McCARRAN. Mr. President, I understand the Senator is filing the conference report. If I am not mistaken, the rule requires that it should lie over for 1 day.

Mr. O'MAHONEY. The conference report has been before the Senate for 3 days. It was presented 3 days ago, and printed in the RECORD, and has been available to all Senators.

Mr. LA FOLLETTE. Mr. President, will the Senator from Wyoming inform us what it is he proposes to have done?

Mr. O'MAHONEY. I have requested action on the conference report on Senate bill 3311, to amend the General Leasing Act. The conference report makes only three changes of any substantial nature in the bill as it passed the Senate, the effect of which is to increase the royalty to be paid to the Federal Government upon public lands. The House also added a new section to provide that nothing in the act should affect naval oil reserves. To this the Senate conferees agreed.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

SESQUICENTENNIAL CONSTITUTION COMMISSION

Mr. ASHURST submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the "Sesquicentennial Constitution Commission", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with amendments as follows: On page 1 of the House engrossed amendments, line 7, strike out "formulation" and insert in lieu thereof "formation"; and on page 2 of the House engrossed amendments, line 4, strike out "out of any moneys contributed"; and on page 3 of the House engrossed amendments, after line 5, insert the following:

"SEC. 8. There is hereby authorized to be appropriated the sum of $10,000 to defray necessary expenses."

And the House agree to the same.

Amend the title so as to read: "Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the formation of the Constitution of the United States."

HENRY F. ASHURST,
WM. E. BORAH,
WILLIAM H. KING,
Managers on the part of the Senate.
JOHN J. O'CONNOR,
HARRY C. RANSLEY,
SOL BLOOM,
Managers on the part of the House.

Mr. ASHURST. Mr. President, inasmuch as I desire to ask unanimous consent for the present consideration of the report, perhaps I had better explain it.

The conferees have reached a full agreement, the Senate receding from its amendments. One change in the original resolution is that the word "formulation" is stricken out, and in lieu thereof the word "formation" is inserted. The structure of the Commission for the celebration is changed somewhat. The Commissioners are to receive no compensation. The Commission is to be constituted as follows: The President of the United States, the Vice President, the Speaker of the House, 5 Senators, 5 Members of the House of Representatives, and 5 citizens to be appointed by the President. While, as I have said, they are to receive no compensation, there is an appropriation of $10,000 to pay the expenses of the celebration.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

DISTRICT OF COLUMBIA OLD-AGE PENSIONS

Mr. KING. Mr. President, I ask unanimous consent for the immediate consideration of the bill (H. R. 6623) to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want. The bill was reported favorably by the able Senator from New York [Mr. COPELAND]. It has been approved by the District Commissioners, by the experts employed by the National Security Organization, and by those employed by the District of Columbia.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah?

Mr. McNARY. Mr. President, has the bill passed the House?

Mr. KING. Yes.

Mr. McNARY. Was it reported unanimously by the Committee on the District of Columbia?

Mr. KING. It was.

Mr. McNARY. Is it now on the calendar?

Mr. KING. It is.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator to tell us very briefly what the effect of the bill is and what it proposes to do?

Mr. KING. It is in conformity with the national act, and provides for the District Commissioners setting up a system analogous to that provided in the States to care for the needy and those who are without funds.

Mr. LA FOLLETTE. What benefits does it provide?

Mr. KING. The benefits are broader than provided for most of the States because it is left to the District Commissioners to meet the obligations wherever there is any need. Of course the national act provides for $15 as the amount to be matched; that is to say, the Federal Government will match up to $15, the amount provided by the District.

Mr. LA FOLLETTE. Does the bill provide a $30 maximum?

Mr. KING. No; there is no such provision in the bill. The maximum is for the District Commissioners to fix. Mr. Murray, who drew the bill, representing the National Security Organization, approved it. He went over it again today very carefully and again approved it.

Mr. LA FOLLETTE. My only feeling about it is that the provisions, so far as the District of Columbia is concerned, should be a model. In other words, inasmuch as the Congress is responsible for the District of Columbia, the bill should take a high ground and it should be of a very liberal character. My inquiry is, Is the bill of that type?

Mr. KING. I think so. It is more liberal than the State laws because it does not provide a maximum.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 2, on page 2, line 10, before the word "years", to strike out the word "ten" and

insert the word "nine"; and in line 11, after the word "assistance", to insert the words "and who has resided therein continuously for 1 year immediately preceding the said application", so as to make the section read:

SEC. 2. Assistance may be granted only to an applicant who (a) is a citizen of the United States; (b) has attained the age of 65 years or upward; (c) has resided in the District of Columbia for 5 years or more within the 9 years immediately preceding application for assistance, and who has resided therein continuously for 1 year immediately preceding the said application; (d) is not at the time of making application an inmate of any prison, jail, workhouse, insane asylum, or any other public reformatory or correctional institution; (e) is not an habitual tramp or beggar; (f) has no child or other person financially able to support him and legally responsible for his support; and (g) has not made a voluntary assignment or transfer of property for the purpose of qualifying for such assistance.

During the continuance of the old-age assistance no recipient shall receive any other relief from the District of Columbia except for medical and surgical and nursing care.

The amendment was agreed to.

The next amendment was, in section 3, on page 3, line 4, after the word "act", to insert the words "and shall make and render any and all reports required by the Federal Social Security Board or otherwise authorized or required by law"; and in line 20, before the word "review", to insert the words "hearing and", so as to make the section read:

SEC. 3. The Board of Commissioners of the District of Columbia shall administer old-age assistance under this act through such agent or agency as it may designate. It shall prescribe the form of and print and supply the blanks for applications, reports, and affidavits, and such other forms as it may deem advisable, and shall make rules and regulations necessary for the carrying out of the provisions of this act, and shall make and render any and all reports required by the Federal Social Security Board or otherwise authorized or required by law. The amount of the assistance which any such person shall receive, and the manner of providing it, shall be determined by the Board of Commissioners or its designated agency, with due regard to the conditions existing in each case. The Board of Commissioners may, in lieu of the assistance herein provided, refer any applicant to the Board of Public Welfare for admission to the Home for Aged and Infirm, whenever, in the judgment of the said Commissioners, such action may be in the public interest or in the best interest of the applicant. Any applicant for old-age assistance whose claim for initial relief or modification of relief is denied may apply to the agency designated by the Commissioners for the administration of this act for hearing and review of said claim and the determination of the designated agency on such appeal shall be final except that the Commissioners of the District of Columbia in their discretion may grant a further review of the matters embraced in the aforesaid application.

The amendment was agreed to.

The next amendment was, in section 8, page 5, line 1, after the word "all", to strike out the word "relief" and insert the word "assistance"; in line 2, before the word "from", to strike out the word "considered" and insert the word "reviewed"; in line 11, after the word "revoke", to strike out the words "assistance, and it may" and insert the words "assistance and to", so as to make the section read:

SEC. 8. All assistance under this act shall be reviewed from time to time as frequently as may be required by the rules hereunder formulated. After such further investigation as may be deemed necessary, the amount and manner of assistance may be changed or the assistance may be withdrawn if it is found that the recipient's circumstances have changed sufficiently to warrant such action, and all cases in which relief is being extended shall be reviewed every 6 months. It shall be within the power of the Board of Commissioners or its designated agency at any time to cancel and revoke assistance and to suspend payments for such periods as it may deem proper.

The amendment was agreed to.

The next amendment was, on page 6, after line 5, to insert a new section, as follows:

SEC. 11. The kindred of any persons otherwise entitled to old-age assistance under the provisions of this act, in line and degree of spouse, father, child, or grandchild living in the District of Columbia and of sufficient ability so to do shall be bound to support such person, in the order above named and in proportion to their respective ability. If at any time during the continuance of old-age assistance the Board of Commissioners or its designated agency has reason to believe that a spouse, father, child, or grandchild is reasonably able to assist him, it shall be empowered to bring suit, after notifying such person of the amount of old-age assistance, against such spouse, father, child, or grandchild to recover the amount of assistance provided under the act, or such part thereof as such spouse, father, child, or grandchild was reasonably able to pay.

The amendment was agreed to.

The next amendment was, on page 6, line 21, after "SEC.", to strike out "11" and insert "12"; in line 21, before the word "recipient", to insert the word "a"; in line 22, before the word "married", to insert the word "recipient"; in line 24, after the word "with", to insert the words "simple interest at the rate of"; on page 7, line 1, before the word "shall", strike out the word "interest" and insert the words "per annum"; in line 12, after the word "such", to strike out the word "security" and insert the word "assistance"; in line 20, after the words "request it", to insert the following: "If the District of Columbia collects from the estate of any recipient of old-age assistance any amount with respect to old-age assistance furnished him under this act, one-half of the net amount so collected shall be paid to the United States in accordance with the provisions of title I of the Social Security Act", so as to make the section read:

SEC. 12. At the death of a recipient of old-age assistance, or of the last survivor of a recipient married couple, the total amount of assistance since the first grant, together with simple interest at the rate of 3 percent per annum, shall be deducted and allowed by the proper courts out of the proceeds of his property as a preferred claim against the estate of the person so assisted, and refunded to the Treasurer of the United States to the credit of the District of Columbia, leaving the balance for distribution among the lawful heirs in accordance with law: *Provided*, That upon sufficient cause, such as mismanagement, failure to keep in repair, or the inability of any recipient of assistance properly to manage his property, the designated agency of the Commissioners may demand the assignment or transfer of such property, or a proper part thereof, upon the first grant of such assistance, or at any time thereafter that it deems advisable for the purpose of safeguarding the interest of an applicant or for the protection of the funds of the District of Columbia. Such agency shall establish such rules and regulations regarding the care, management, transfer, and sale of such property as it deems advisable and shall provide for the return of the balance of the claimant's property into his hands whenever the assistance is withdrawn or the claimant ceases to request it. If the District of Columbia collects from the estate of any recipient of old-age assistance any amount with respect to old-age assistance furnished him under this act, one-half of the net amount so collected shall be paid to the United States in accordance with the provisions of title I of the Social Security Act.

The amendment was agreed to.

The next amendment was, on page 8, line 5, after "SEC.", to strike out the numerals "12" and insert "13"; after the word "shall", to strike out the word "annually"; after the word "appropriate", to insert the word "annually"; in line 7, after the word "such", to strike out the words "a sum" and insert the word "sums"; in line 8, after the word "needed", to strike out the word "for" and to insert the words "to pay the share of the District of Columbia for"; in line 9, after the word "assistance", to insert the words "provided under this act"; in line 10, after the word "defray", to insert the words "its share of"; in line 12, after the word "annual", to insert the words "District of Columbia"; in line 13, after the words "should the", to strike out the word "sum" and insert the word "sums"; in line 14, after the word "year", to strike out the word "and"; in line 15, after the words "for the", to strike out the word "purpose" and insert the word "purposes", so as to make the section read:

SEC. 13. Congress shall appropriate annually and make available to the order of the Board of Commissioners of the District of Columbia such sums as may be needed to pay the share of the District of Columbia for old-age assistance provided under this act, together with a sufficient sum to defray its share of administrative expenses to be incurred in connection therewith, and include such sums in the annual District of Columbia Appropriation Act. Should the sums so appropriated, however, be expended or exhausted during the year for the purposes for which it was appropriated, additional sums shall be appropriated by Congress as occasion demands to carry out the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 8, line 18, to change the section number from "13" to "14."

The amendment was agreed to.

The next amendment was, on page 8, after line 21, to insert the following new section:

SEC. 15. The Board of Commissioners, or its designated agency, is hereby authorized and directed to cooperate in all necessary respects with the Social Security Board of the United States Government in the administration of this act, and to accept any sums allotted or apportioned by such Board as are available under the provisions of the Social Security Act.

The amendment was agreed to.

The next amendment was, on page 9, line 5, to change the section number from "14" to "16."

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ASSISTANT CLERKS TO SENATORS

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably with an amendment, Senate Resolution 144, and I ask unanimous consent for its immediate consideration.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 144) submitted by Mr. McKELLAR on May 29, 1935.

The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 1, line 3, to strike out the numerals "$2,220" and insert the numerals "$1,800", so as to make the resolution read:

Resolved, That each Senator may appoint, at the close of the present session of Congress, one assistant clerk, to be paid from the contingent fund of the Senate, at $1,800 per annum until otherwise ordered by the Senate.

Mr. BYRNES. Mr. President, the resolution simply provides for continuance of an assistant clerk to each Senator as was provided by Senate resolution passed at the beginning of the session.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The resolution as amended was agreed to.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Education and Labor, reported favorably the nominations of the following persons to be members of the Federal Board for Vocational Education:

A. Lincoln Filene, of Massachusetts, for the unexpired term of 3 years from July 17, 1933, vice Edward T. Franks, term expired;

Clarence Poe, of North Carolina, for the unexpired term of 3 years from July 17, 1934, vice W. Harry King, term expired; and

Henry Ohl, of Wisconsin, for the unexpired term of 3 years from July 17, 1935, vice Perry W. Reeves, term expired.

Mr. SHIPSTEAD, from the Committee on Interstate Commerce, reported favorably the nomination of Charles H. March, of Minnesota, to be a Federal Trade Commissioner for a term of 7 years from September 26, 1935. (Reappointment.)

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Findley B. Howard, of Nebraska, to be Envoy Extraordinary and Minister Plenipotentiary to Paraguay.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Hugh H. Watson, of Vermont, to be consul general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk read the nomination of Columbus C. Goza, reported adversely.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the remaining nominations of postmasters may be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the remaining nominations of postmasters on the calendar are confirmed en bloc. That completes the calendar.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Friday, August 16, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 15 (legislative day of July 29), 1935

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers and consuls general to be also secretaries in the Diplomatic Service of the United States of America:

James B. Young, of Pennsylvania.
Wesley Frost, of Kentucky.
James B. Stewart, of New Mexico.
J. Klahr Huddle, of Ohio.
Avra M. Warren, of Maryland.
Ely E. Palmer, of Rhode Island.
Coert du Bois, of California.

The following-named Foreign Service officers and secretaries in the Diplomatic Service to be also consuls general of the United States of America:

John Campbell White, of Maryland.
George Wadsworth, of New York.
Pierre de L. Boal, of Pennsylvania.

The following-named Foreign Service officer and consul, to be a consul general of the United States of America:

Alfred R. Thomson, of Maryland.

COAST AND GEODETIC SURVEY

The following-named officers of the Coast and Geodetic Survey in the Department of Commerce:

To be hydrographic and geodetic engineer (with relative rank of lieutenant in the Navy) by promotion from junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy)

Riley Jacob Sipe, of Ohio, vice Edwin J. Brown, deceased.

To be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy) by promotion from aide (with relative rank of ensign in the Navy)

Maurice Albert Hecht, of Wyoming, vice Riley Jacob Sipe, promoted.

To be aide (with relative rank of ensign in the Navy) by promotion from deck officer

Dale Emanuel Sturmer, of Oregon, vice Maurice Albert Hecht, promoted.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 15 (legislative day of July 29), 1935

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Findley B. Howard to be Envoy Extraordinary and Minister Plenipotentiary to Paraguay.

CONSUL GENERAL

Hugh H. Watson to be consul general.

POSTMASTERS

CALIFORNIA

Floyd Godfrey, San Dimas.

ILLINOIS

Daniel P. Bergin, Chicago Heights.
Robert E. Tscheulin, Oak Forest.

KANSAS

Arthur E. Biberstein, Attica.
John H. Jessee, Axtell.
George F. Heim, Jr., Ellinwood.
Dominic Brungardt, Grainfield.
John C. Patterson, Haddam.
Mary E. McCreery, Hugoton.
Agnes L. O'Leary, Luray.
Walter B. Ford, Oskaloosa.
Thomas J. O'Brien, Plainville.
Edward J. Neely, Pomona.

KENTUCKY

Anna Vincent, Martin.
Robert J. Walker, Paint Lick.
Everett T. Breen, Stamping Ground.

MAINE

Opal F. Temple, Monticello.

MICHIGAN

Walter W. Webber, Caspian.
H. Marr Byington, Grand Ledge.

MISSISSIPPI

Daniel E. Laseter, Morton.
Lellie M. Ferriss, Shaw.
Augustus Ferdinand Fleck, Terry.

NEW JERSEY

Harry M. Riddle, Asbury.
Mary Balsama, Atco.
Remsen Howard, Gladstone.
Arthur F. Jordan, Sr., Riverdale.
Carlisle C. Cahill, Short Hills.
Marie Pisecco, Woodbury Heights.

NEW YORK

Helen F. Hallahan, Brasher Falls.
John J. Diffily, Jr., Chester.
Thomas J. McManus, Jr., Corfu.
John Frank Gagen, Cutchogue.
Le Roy K. Kurlbaum, Fonda.
J. Herbert T. Smallwood, Glenwood Landing.
Herbert O'Hara, Haines Falls.
Elsa D. Hart, High Falls.
George E. Blust, Holland Patent.
Frances S. Murphy, Lisbon.
Robert F. Talbot, New Berlin.
Robert S. Pearson, Newfield.
Rollie J. Kennedy, Newman.
John S. VanKennen, Norfolk.
Anne R. Cardona, Rocky Point.
Leslie M. Saunders, St. Regis Falls.
John W. Moore, Savona.
Harry F. Corr, Schaghticoke.
Devillo Cobb, Sinclairville.
Augustus D. Seeber, South Dayton.
J. Newton Post, Stanfordville.
Mary C. Eichhorn, Thornwood.
Anna Marriott, Vernon.
Joseph Hilton, Voorheesville.
Gail B. Liner, Wassaic.
James J. Collins, Water Mill.

NORTH DAKOTA

Irnie C. Hogue, Belcourt.
Reuben A. Lehr, Fredonia.
Harry Jerome Mealy, Reynolds.

OKLAHOMA

Alvin A. Powel, Ramona.
Roy Broaddus, Wynona.

RHODE ISLAND

Ralph H. Chapman, Esmond.

TENNESSEE

Harry B. Cunningham, Ethridge.
Chapman Anderson, Franklin.

TEXAS

Marie W. Smith, Chapel Hill.
Floy Heaton, Gary.
Ansley M. Winsett, Higgins.

REJECTION

Executive nomination rejected by the Senate August 15 (legislative day of July 29), 1935

POSTMASTER

MISSISSIPPI

Columbus C. Goza, Magnolia.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 15, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The Lord God omnipotent reigneth. Out of confusion Thou dost evoke perfect harmony, from uproar a sweeter music, out of ruins grander creations, and from death a nobler life. We praise Thee, Heavenly Father, for the love of the eternal; it is a link of gold, and our love for Thee another. O bind them together and let the rainbow span Thy throne, and may the crystal tide of grace and mercy bear us on. As the strength of the Republic is in the moral and spiritual fiber woven in the warp and woof of its heart, help us to dedicate all that is truest, purest, and noblest at its sacred altar. Bestow Thy richest blessings upon our Speaker and the entire Congress, and inspire us all to render faithful and conscientious service to our fellow men, and Thine shall be the glory through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sinclaire, its assistant enrolling clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5711. An act to provide pensions for needy blind persons of the District of Columbia and authorizing appropriations therefor.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 3140. An act to provide that funds allocated to Puerto Rico under the Emergency Relief Appropriation Act of 1935 may be expended for permanent rehabilitation, and for other purposes; and

S. J. Res. 159. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the

Interstate Sanitation District and the establishment of the Interstate Sanitation Commission.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 985. An act for the relief of Hudson Bros., of Norfolk, Va.;

S. 1046. An act for the relief of E. Jeanmonod;

S. 2073. An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes; and

S. 2993. An act for the relief of Carrie Price Roberts.

The message also announced that the Vice President had appointed Mr. METCALF a conferee on the part of the Senate on the disagreeing votes of the two Houses on the bill (H. R. 8870) entitled "An act to further protect the revenue derived from distilled spirits, wine, and malt beverages, to regulate interstate and foreign commerce and enforce the postal laws with respect thereto, to enforce the twenty-first amendment, and for other purposes", vice Mr. KEYES.

ORDER OF BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that after the disposal of privileged matters on the Speaker's desk it may be in order today to call the bills on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. WEARIN. Mr. Speaker, reserving the right to object, may I ask if there will be an opportunity before the Consent Calendar is called for me to have 15 minutes in which to read a speech of my colleague the gentleman from Iowa [Mr. EICHER], who has been detained at home on account of illness?

Mr. TAYLOR of Colorado. I may say to the gentleman that, of course, I would like very much to extend that courtesy to Mr. EICHER, who is quite ill, but I do feel we ought not to take the time just now.

Mr. WEARIN. Would there be an opportunity of doing that sometime today? Does the majority leader think that would be possible?

Mr. TAYLOR. I think so. I cannot say definitely. There are some 200 bills on the Consent Calendar, and the authors of those bills are very anxious to have them considered. There are equally as many bills on the Private Calendar. I am trying very earnestly to give those Members an opportunity to be heard on their bills. There are so many points of no quorum being made and so much useless interruption and utter waste of time that I fear we may have to adjourn and leave several hundred bills not considered at all.

Mr. SNELL. Mr. Speaker, I think it is very important that we should take up the bills on the Consent Calendar.

Mr. TAYLOR of Colorado. I am very anxious to do so, and I am glad the minority leader joins in the request.

Mr. RICH. Mr. Speaker, reserving the right to object, does that mean anything not on the Consent Calendar may be brought up today?

Mr. TAYLOR of Colorado. My request applies to nothing else. I do not know what the Speaker may recognize.

Mr. RICH. Only those bills listed on the Consent Calendar?

Mr. TAYLOR of Colorado. That is what I am asking unanimous consent to take up; nothing else.

Mr. RICH. Sometime Members come in here and ask unanimous consent for the consideration of bills not on the calendar, and it is necessary for someone to stay here all the time to see that such unanimous-consent requests are not granted. These bills usually require funds that the Treasury cannot stand at the present time.

Mr. SNELL. As far as the gentleman's request is concerned, it does not affect those bills in any way.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I understand there is a resolution to be called up here today asking the House of Representatives to ratify the action of the Chairman of the Rules Committee, which a great many of us regard as an interference with the Senate in its investigation of the power lobby. If this resolution is going to be called up today, we want to know it. We do not want to have it called up unless all the Members of the House are present. May I ask the distinguished majority leader if this resolution will be called up this afternoon?

Mr. TAYLOR of Colorado. I may say to the gentleman that my understanding is that is purely a privileged matter and entirely within the discretion of the Speaker. Of course, I will not presume to control the actions of the Speaker. I do not know what the Speaker's judgment will be.

Mr. SNELL. That is a privileged resolution that may be called up at any time the Speaker may recognize the Chairman of the Rules Committee.

Mr. RANKIN. I am not so sure it is a privileged resolution without its having lain over 24 hours. I have not looked up the rule, but those of us who are opposed to interfering with the Senate prerogatives in making this investigation want to be here when the resolution is called up for consideration.

Mr. TAYLOR of Colorado. The gentleman will not prevent a large number of Members of the House from getting consideration of their bills on the Consent Calendar?

Mr. RANKIN. No. I have fewer bills on the Consent Calendar than perhaps any other Member, but I am not going to interfere.

Mr. TAYLOR of Colorado. Mr. Speaker, I renew my request.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. MANSFIELD. Mr. Speaker, reserving the right to object, may I ask the majority leader, the gentleman from Colorado [Mr. TAYLOR], if his request will interfere with taking up the resolution to send the river and harbor bill to conference?

Mr. TAYLOR of Colorado. No; not at all. The Speaker has it in his discretion to recognize a Member to call up that resolution. I am only asking that it may be in order some time today to call the bills on the Consent Calendar.

The SPEAKER. As the Chair understands the request of the gentleman from Colorado [Mr. TAYLOR], it simply asks unanimous consent to make it in order to take up the bills on the Consent Calendar today. Frankly there are one or two bills the Chair will recognize a Member to call up for consideration. The Chair is not in position at this time to say whether they will be called up or not; but the request of the gentleman from Colorado does not mean we will immediately proceed with the Consent Calendar. That is left to the Chair as a matter of recognition.

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, there is a rule dealing with the railroad reorganization bill which the Judiciary Committee has been trying to get action on for about 6 weeks.

The SPEAKER. The Chair may say to the gentleman from Texas that is one of the rules the Chair had in mind. The Chair is not able to say whether it will be called up.

Is there objection to the request of the gentleman from Colorado?

There was no objection.

FOREST-LAND MANAGEMENT

Mr. FULMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6914) to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out "measurement" and insert "management."

Page 4, strike out lines 7 to 16, inclusive, and insert:

"(b) In order to insure a stable and efficient organization for the development and administration of the lands acquired under this act, the State shall provide for the employment of a State forester, who shall be a trained forester of recognized standing."

Page 7, line 19, after "appropriated", insert "a sum or sums."
Page 7, line 20, strike out "$20,000,000" and insert, "$5,000,000, as Congress may from time to time appropriate."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. SNELL. Mr. Speaker, I think we should have a brief explanation of the amendments.

Mr. FULMER. Mr. Speaker, I shall be pleased to make a statement about the amendments. The amendment added to section (b) is a similar amendment and will tend to do the very thing we provided for in section (b) with respect to having a trained forester serve in cooperation with the Federal Government.

The next amendment is cutting out $20,000,000 and putting in lieu thereof $5,000,000 or any part of such amount which may be appropriated from time to time for work in cooperation with the various States.

Mr. SNELL. That is a good amendment.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield.

Mr. CULKIN. Does this bill augment in any way the power or authority of the Secretary of the Interior? Does it give him any added jurisdiction?

Mr. FULMER. None whatever. It does not interfere at all with any previous bill passed by the Congress and is a new proposition altogether.

Mr. CULKIN. It does not affect or increase his jurisdiction in any manner?

Mr. FULMER. No.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

IMPROVED BENEVOLENT AND PROTECTIVE ORDER OF ELKS OF THE WORLD

Mr. DIRKSEN. Mr. Speaker, neither the chairman nor the ranking majority member of the District of Columbia Committee is present, but I have been both requested and authorized by the chairman of the committee to ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 351) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Improved Benevolent and Protective Order of Elks of the World, and for other purposes, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 8, after "occupation", insert ", and the said Improved Benevolent and Protective Order of Elks of the World Committee shall execute and deliver to the Commissioners of the District of Columbia a satisfactory bond with penalty of $10,000 to secure such prompt restoration and such indemnification."
Page 3, line 18, strike out "25th" and insert "16th."
Page 4, line 2, strike out "25th" and insert "16th."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MINING OF COAL, PHOSPHATE, OIL, OIL SHALE, GAS, AND SODIUM ON THE PUBLIC DOMAIN

Mr. DEROUEN. Mr. Speaker, I call up the conference report on the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920, as amended, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3311) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, and 21.

That the House recede from its amendment numbered 1, and agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: On page 10, line 25, strike out all after "further" all of page 11, and down to and including "operation" in line 2, page 12, and insert "that the person first making application for the lease of any lands not within any known geologic structure of a producing oil or gas field who is qualified to hold a lease under this Act, including applicants for permits whose applications were filed after ninety days prior to the effective date of this amendatory Act shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty, in the case of oil, of 12½ per centum in amount or value of the production when the said production does not exceed fifty barrels per well per day for the calendar month and of not less than 12½ per centum in amount or value of the production when the said production exceeds fifty barrels per well per day for the calendar month, and, in the case of gas, at a royalty of 12½ per centum in amount or value of the production when the said production does not exceed five million cubic feet per well per day for the calendar month and, when the said production exceeds five million cubic feet per well per day for the calendar month, at a royalty of not less than 12½ per centum in amount or value of the production."; and the Senate agree to the same.

RENÉ L. DEROUEN,
J. W. ROBINSON,
PAUL R. GREEVER,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

JOSEPH C. O'MAHONEY,
KEY PITTMAN,
PETER NORBECK,
Managers on the part of the Senate.

STATEMENT

The managers appointed on the part of the House for conference with the Senate on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3311) entitled "An act to amend an act entitled 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain', approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, and 226), as amended", and having met and discussed the same, agreed to recede from their amendment no. 1, at page 3, in line 6, wherein the House struck out the figure "10" and inserted the figure "12½" as the basis for royalties on certain acreage.

The Senate agreed to House amendments nos. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, and 21.

The House receded also from its disagreement with the Senate to the amendment no. 18, which was as follows:

"Page 10, line 25, strike out all after 'further', down to and including 'operation', in line 2, page 12, and insert 'That the person first making application for the lease of any lands not within any known geologic structure of a producing oil or gas field who is qualified to hold a lease under this act, including applicants for permits whose applications were filed after 90 days prior to the effective date of this amendatory act, shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty of not less than 12½ percent in amount or value of the production.'"

And said conferees agreed in lieu of said House amendment and in lieu of the Senate wording to adopt an amendment as follows:

"Page 10, line 25, strike out all after 'further', all of page 11, and down to and including 'operation', in line 2, page 12, and insert 'that the person first making application for the lease of any lands not within any known geologic structure of a producing oil or gas field who is qualified to hold a lease under this act, including applicants for permits whose applications were filed after 90 days prior to the effective date of this amendatory act, shall be entitled to a preference right over others to a lease of such lands without competitive bidding at a royalty, in the case of oil, of 12½ percent in amount or value of the production when the said production does not exceed 50 barrels per well per day for the calendar month and of not less than 12½ percent in amount or value of the production when the said production exceeds 50 barrels per well per day for the calendar month, and, in the case of gas, at a royalty of 12½ percent in amount or value of the production when the said production does not exceed 5,000,000 cubic feet per well per day for the calendar month and, when the said production exceeds 5,000,000 cubic feet per well per day for the calendar month, at a royalty of not less than 12½ percent in amount or value of the production.'"

It is believed by the House conferees that this amendment, by providing for a fixed royalty of 12½ percent on wells whose daily production does not exceed 50 barrels, affords an opportunity for

the owner of a small well to profitably produce the same, and the managers on the part of the House recommend the adoption of the conference report.

RENÉ L. DEROUEN,
J. W. ROBINSON,
PAUL R. GREEVER,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from Louisiana a question. As I understand the situation, this is a unanimous conference report?

Mr. DEROUEN. Absolutely.

Mr. SNELL. They have all agreed to it.

Mr. DEROUEN. Yes.

Mr. SNELL. And most of us know very little about it.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF THE BANKRUPTCY ACT

Mr. UTTERBACK. Mr. Speaker, I ask unanimous consent to take up for immediate consideration the bill (S. 3058) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and for other purposes.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, I would like to know what this bill is. We have had no notice of these bills and would like to know what they are.

Mr. UTTERBACK. Mr. Speaker, I would be pleased to have that privilege. This bill has been passed by the Senate, has been passed upon by the Judiciary Committee, and reported unanimously by that committee.

The purpose of the bill is to amend section 77B of the National Bankruptcy Act having to do with the matter of insuring mortgages under the Federal Housing Administration.

Mr. SNELL. And the bill comes in with a unanimous report from the House Judiciary Committee?

Mr. UTTERBACK. Yes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (n) of section 77B of chapter VIII of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended by the acts of February 5, 1903, June 15, 1906, June 25, 1910, March 2, 1917, January 7, 1922, May 27, 1926, February 11, 1932, March 3, 1933, and June 7, 1934, be, and it is hereby, amended to read as follows:

"(n) Nothing contained in this section shall be construed or be deemed to affect or apply to the creditors of any corporation under a mortgage insured pursuant to the National Housing Act and acts amendatory thereof and supplementary thereto or to the stockholders, creditors, or officers of any corporation operating or owning a railroad or railroads, railway or railways, owned in whole or in part by any municipality and/or owned or operated by a municipality, or under any contract to any municipality by or on its behalf or in conjunction with such municipality under any contract, lease, agreement, certificate, or in any other manner provided by law for such operation: *Provided, however*, That this paragraph shall not apply to or affect any corporation or the stockholders, creditors, or officers thereof, if not more than 20 percent of its operating revenue is derived from such operations."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

TOLLS ON BRIDGES OVER NAVIGABLE WATERS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7659, an act to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes, and concur in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 2, line 4, after "State", insert "nor to any bridge on which the tolls are prescribed by a contract entered into by or with any State or political subdivision thereof, or any municipality."

The SPEAKER. Is there objection?

Mr. SNELL. What does the bill do?

Mr. SPENCE. It provides that the tolls on bridges that have not been built under the general bridge law shall be regulated by the Secretary of War, and the Senate amendment provides that it shall not apply to any bridge on which the tolls are prescribed by a contract entered into by or with any State or political subdivision or any municipality. In other words, it will not interfere with existing contracts.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXEMPTING FROM TAXATION OFFICIAL COMPENSATION OF FOREIGN REPRESENTATIVES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7998) to exempt from income taxation, on the basis of reciprocity, compensation of employees of foreign governments.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 116 of the Revenue Act of 1934, relating to exclusions from gross income, is amended by adding at the end thereof a new subsection reading as follows:

"(h) Compensation of employees of foreign governments: Wages, fees, or salary of an employee of a foreign government (including a consular or other officer, or a nondiplomatic representative) received as compensation for official services to such government—

"(1) If such employee is not a citizen of the United States; and

"(2) If the services are of a character similar to those performed by employees of the Government of the United States in foreign countries; and

"(3) If the foreign government whose employee is claiming exemption grants an equivalent exemption to employees of the Government of the United States performing similar services in such foreign country.

"The Secretary of State shall certify to the Secretary of the Treasury the names of the foreign countries which grant an equivalent exemption to the employees of the Government of the United States performing services in such foreign countries, and the character of the services performed by employees of the Government of the United States in foreign countries."

SEC. 2. The provisions of section 1 shall be retroactively applied in computing income under the provisions of the Revenue Act of 1932 and prior revenue acts, or any of such acts as amended, subject to the statutory period of limitations properly applicable to such acts.

With the following committee amendment:

Page 2, line 21, strike out the figures "1932" and insert "1934."

Page 2, line 24, insert section 3, as follows:

"SEC. 3. Title I of the Revenue Act of 1934, relating to income tax, is amended by adding after section 120 a new section reading as follows:

"'SEC. 121. Deduction of dividends paid on certain preferred stock of certain corporations: In computing the net income, for any taxable year beginning after December 31, 1934, of any national banking association, or of any bank or trust company organized under the laws of any State, Territory, possession of the United States, or the Canal Zone, or of any other banking corporation engaged in the business of industrial banking and under the supervision of a State banking department or of the Comptroller of the Currency, or of any incorporated domestic insurance company, there shall be allowed as a deduction from gross income, in addition to deductions otherwise provided for in this title, any dividend (not including any distribution in liquidation) paid, within such taxable year, to the United States or to any instrumentality thereof exempt from Federal income taxes, on the preferred stock of the corporation owned by the United States or such instrumentality.'"

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Amend the title so as to read: "A bill to exempt from taxation official compensation of certain foreign representatives and to provide for the deductibility from income of certain dividends on preferred stock owned by the United States or instrumentalities thereof."

EXCHANGE OF PROPERTY RIGHTS AT PERRY POINT, MD.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 8991.

The SPEAKER. The Clerk will report the title.

The Clerk read as follows:

H. R. 8991, to authorize the Administrator of Veterans' Affairs to exchange certain property rights now vested in the United States Veterans' Administration facility, Perry Point, Md., for certain property and rights of the Pennsylvania Railroad Co. in that vicinity.

The SPEAKER. Is there objection?

Mr. JENKINS of Ohio. Reserving the right to object, as I understand, the Veterans' Bureau and those interested are very anxious to have this bill passed immediately.

Mr. LANHAM. The gentleman is correct. I introduced the bill at the request of the Administrator of Veterans' Affairs. It has to do with the veterans' facility at Perry Point, Md., and it involves no expense to the Government.

The Pennsylvania Railroad is exchanging 5¼ acres of land for one-quarter of an acre, a very advantageous exchange for the Government, without any cost whatever, so as to make possible proper and safe ingress and egress to and from this veterans' facility.

Mr. JENKINS of Ohio. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans Affairs be, and he is hereby, authorized and directed to transfer and release certain property rights now vested in the United States to the Pennsylvania Railroad Co. as described in section 2 of this act in exchange for certain property and rights from the Pennsylvania Railroad Co. as described in section 3 of this act.

SEC. 2. (a) Title to all that certain triangular piece or parcel of land situate at Perryville, in election district no. 7, in the county of Cecil and State of Maryland, shown as parcel no. 3 on P. R. R. plan no. 8018, bounded and described as follows, namely:

Beginning at a point in the southerly line of land of the Philadelphia, Baltimore & Washington Railroad Co. at the distance of 205 feet measured southwardly and at right angles from a point in the line established as the center line of railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Maryland Division"; said point in center line of railroad being at the distance of 486 feet, measured westwardly along said center line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station; said point of beginning also being in the northerly line of the Government reservation and south 76°19′ W., a distance of 647.6 feet from a United States monument at a corner common to the said land of the Philadelphia, Baltimore & Washington Railroad Co. and the land of the United States of America; thence south 39°11′ W. across the Government reservation, a distance of 250.9 feet to a point in the easterly line of the land of the Philadelphia, Baltimore & Washington Railroad Co.; thence north 21°37′ W. along the boundary line between the Philadelphia, Baltimore & Washington Railroad Co. and the Government reservation, a distance of 152.91 feet to a point; thence north 76°19′ E. along the northerly line of the Government reservation, a distance of 221.13 feet to the point of beginning.

Containing, in all, 0.384 acre, more or less, and being shown in detail as parcel no. 3 on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935.

(b) Whatever easement rights the United States now has to all those two certain crossings of Stumps Road, also known as "Stumps Lane", described as follows, namely:

The southern crossing being at grade and crossing the railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Perryville branch, Maryland division"; the middle line of said Stumps Road grade crossing being at a distance of 2,015 feet, more or less, measured eastwardly along said Perryville branch line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station, and shown as grade crossing "C" on P. R. R. plan no. 8018;

The northern crossing being undergrade of the railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "main line Maryland division"; the middle line of said undergrade crossing being at the distance of 1,990 feet, more or less, measured eastwardly along said main line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station, and shown as undergrade crossing "D" on P. R. R. plan no. 8018.

(c) Release of whatever right the United States now has to use the following described overhead bridge for vehicular traffic:

Overhead bridge being the approach to the present main entrance to the reservation, the center line of which is located westwardly a distance of 291.5 feet, more or less, from United States stone monument in the boundary line between the properties of the United States Government and the Philadelphia, Baltimore & Washington Railroad Co., said center line of overhead bridge also being at a distance of 129.9 feet, more or less, measured westwardly along the main line of the railroad from another point therein opposite the center of said railroad's Perryville passenger station, and shown as overhead bridge "A" on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935.

SEC. 3. (a) Fees simple title, subject to the reserved right of the Pennsylvania Railroad Co., to all necessary rights of ingress, egress, and regress, on, over, and under, for the purpose of inspecting and maintaining any existing pipe or water line, to all that certain piece or parcel of land situate at Perryville, in election district no. 7, in the county of Cecil and State of Maryland, shown as parcel no. 1, on P. R. R. plan no. 8018, bounded and described as follows, namely:

Beginning at a point in the southeasterly line of land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland by deed dated August 20, 1927, at a corner common to the land being described and common to the grant of easement parcel, shown as parcel no. 2 on P. R. R. plan no. 8018, to be hereinafter described, at the distance of 114 feet measured southwardly and at right angles from a point in the line established as the center line of railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Maryland Division"; said point in center line of railroad being at the distance of 1,559 feet, measured westwardly along said center line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station; thence south 57°48′ east along the southwesterly line of grant of easement parcel no. 2, crossing a proposed road, a distance of 405 feet to a point said point being the southerly corner of said grant of easement parcel no. 2; thence south 65°17′ E. along the land of the Philadelphia, Baltimore & Washington Railroad Co., a distance of 112 feet, more or less, to a point; thence north 76°19′ E. along the land of the Philadelphia, Baltimore & Washington Railroad Co. on a line parallel with and distant 100 feet measured southwardly and at right angles from the southerly line of the Perryville substation site, a distance of 510 feet, more or less, to a point, said point being in the westerly line of the Government reservation; thence along the lands of the Government reservation the following two courses: South 21°37′ E. a distance of 147 feet, more or less, to a United States monument; south 65°53′ W. a distance of 537 feet, more or less, to a point, said point being in the shore line of the Susquehanna River; thence northwestwardly, up and along said shore line of the Susquehanna River, a distance of 920 feet, more or less, to a point, said point being in the southerly line of the land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland; thence along the southerly and southeasterly lines of said land granted to the State of Maryland the following three courses: North 77°35′ E. a distance of 125 feet to a point; north 62°45′ E. a distance of 157.5 feet to a point; north 37°25′ E. a distance of 60 feet to the point of beginning:

Containing, in all, 5.387 acres, more or less, and being shown in detail as parcel no. 1 on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935.

(b) Easement for purpose of building, maintaining, and using a highway and such landscaping as may be considered necessary in the discretion of the Administrator of Veterans' Affairs to all that certain piece or parcel of land situate at Perryville, in election district no. 7, in the county of Cecil and State of Maryland, shown as parcel no. 2 on P. R. R. plan no. 8018, bounded and described as follows, namely:

Beginning at a point in the southeasterly line of the Philadelphia and Baltimore Road (post road) at or near the northerly end of the easterly abutment of Bridge No. 60.07 which carries the railroad of the Philadelphia, Baltimore & Washington Railroad Co. over the highway and over the Susquehanna River, at the distance of 43 feet measured northwardly and at right angles from a point in the line established as the center line of railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Maryland Division"; said point in center line of railroad being at the distance of 1,355 feet, measured westwardly along said center line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station; thence south 13°41′ east along the land of the Philadelphia, Baltimore & Washington Railroad Co., passing along the face of said easterly abutment of the Bridge No. 60.07, crossing said center line of railroad, a distance of 83 feet to a point; thence south 14°42′ east along the land of the Philadelphia, Baltimore & Washington Railroad Co., a distance of 377.43 feet to a point, said point being in the northeasterly line of parcel no. 1; thence north 57°48′ west along said northeasterly line of parcel no. 1, crossing a proposed road, a distance of 405 feet to a point, said point being in the southeasterly line of land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland by deed dated August 20, 1927, said point also being the point of beginning of parcel no. 1, and being 114 feet measured southwardly and at right angles from a point in said center line of railroad; thence along the southeasterly and easterly lines of said land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland the following three courses: North 37°25′ E. a distance of 90.4 feet to a point; north 30°20′ E. a distance of 80 feet to a point; north 20°15′ E., recrossing said center line of railroad a distance of 68 feet to a point, said point being at the most northeasterly corner of said land granted to the State of Maryland, within the lines of the highway leading to the highway bridge crossing the Susquehanna River; thence north 64°53′ E., crossing the southeasterly line of said highway, a distance of 59 feet to the point of beginning:

Containing, in all, 1.182 acres, more or less, and being shown in detail as parcel no. 2 on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935: *Provided*, That the Pennsylvania Railroad

Co. shall have the right to reserve all necessary rights of ingress, egress, and regress on, over, and under, for the purpose of operating, inspecting, and maintaining the substation catenary wires and structures, transmission wires, pipe, water lines, pump, etc., and to maintain and operate its railroad as at present, or as it may be relocated or widened in the future.

SEC. 4. The Administrator of Veterans' Affairs is authorized and directed to raze the old fish wharf and fish house now located on the tract described in section 3 of this act containing 5.387 acres.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

ALASKAN AIR MAIL SERVICE

Mr. DOBBINS. Mr. Speaker, I call up the conference report upon the bill (H. R. 5159) to authorize the Postmaster General to contract for air mail service in Alaska, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Illinois calls up a conference report upon the bill H. R. 5159, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5159) to authorize the Postmaster General to contract for air-mail service in Alaska having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to same with an amendment as follows: Restore the matter stricken out by said amendment, and in line 6 of the House engrossed bill, after the word "Alaska" and the comma, insert the following: "at a total annual cost of not exceeding $25,000"; and the Senate agree to the same.

W. F. BRUNNER,
HARRY L. HAINES,
DONALD C. DOBBINS,
JOHN T. BUCKBEE,
FRED A. HARTLEY, JR.,
Managers on the part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
THOMAS D. SCHALL,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 5159) to authorize the Postmaster General to contract for air-mail service in Alaska, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out the words "without advertising therefor" relative to emergency mail service in Alaska, but those words are in the present law and if left out would prove destructive. The Senate was willing to recede from its amendment if a reasonable limitation were placed upon the expenditures for emergency service. The Post Office Department suggested a limitation of $25,000, which was agreeable to the Senate and to the House conferees, and with that limitation on the cost an agreement was reached on the bill.

The amount expended for emergency mail service is paid out of the appropriation for star-route service in Alaska. The cost of emergency service let without advertising during the fiscal years 1934 and 1935 was as follows:

Fiscal year 1934	$16,325
Fiscal year 1935	11,920

The cost of all star-route service in Alaska is approximately $190,000 a year, and it is believed that the limitation of $25,000 placed upon emergency service will be ample for the purpose.

W. F. BRUNNER,
HARRY L. HAINES,
DONALD C. DOBBINS,
JOHN T. BUCKBEE,
FRED A. HARTLEY, JR.,
Managers on the part of the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. DOBBINS. Yes.

Mr. SNELL. Do I understand from this report that the conferees agreed simply to extend the air mail service in Alaska to the extent of $25,000?

Mr. DOBBINS. No; it involves no additional cost. In Alaska there is frequent opportunity for contracting for service by airplane at a lower figure than it costs for dog-sled transportation, and, of course, at much greater speed. This bill provides that in proper cases the Postmaster General may contract for transportation of mail over star routes by airplane instead of by dog sled. It will not increase the cost of transportation. The change in the Senate amendment upon which the conferees have agreed imposes a limitation of $25,000 a year upon the cost of this special service, and involves no increase at all in the aggregate cost of the entire service.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. DOBBINS. Yes.

Mr. McFARLANE. Does it apply to any other part of the country than Alaska?

Mr. DOBBINS. No other part.

Mr. McFARLANE. Why should we give Alaska that service when we do not give our own people the service?

Mr. DOBBINS. Because we do not have any dog-sled service in any part of the United States but Alaska.

Mr. McFARLANE. But we have service that is somewhat equivalent to it.

Mr. DOBBINS. Nothing of the kind was called to our attention.

Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider the vote by which the conference report was agreed to was laid on the table.

WATCH-SMUGGLING ACT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9071) to provide for the licensing of importers of watches, watch movements, and watch parts, to protect the revenue, and for other purposes, which I send to the desk and ask to have read.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

Mr. MAPES. Mr. Speaker, I reserve the right to object.

Mr. RANKIN. Mr. Speaker, I reserve the right to object. What is the object of this bill?

Mr. McCORMACK. Mr. Speaker, last year we passed a bill, and my distinguished friend from Mississippi [Mr. RANKIN] assisted me on that occasion.

Mr. RANKIN. I think the gentleman is wrong about that.

Mr. McCORMACK. I shall look up the RECORD and see whether my recollection is correct. The purpose of this bill is to assist American watch factories, the Elgin in Illinois, the Hamilton in Pennsylvania, and the Waltham Watch Co. in Massachusetts. It is estimated that about 25 percent of the watch movements of the watches sold in the United States are smuggled into the United States. They are smuggled watch movements, in whole or in part.

The bill we passed last year was opposed by the Treasury Department, and the President vetoed it, with the understanding that the Treasury Department would try to solve the matter this year. This bill receives the recommendation of the Treasury Department, is approved by the State Department, and the Secretary of War has stated that legislation of some kind is necessary, as an element of national defense, to protect and preserve the three remaining watch factories in this country, because in case of war they would need them for timing purposes. The bill has been reported by the Committee on Ways and Means, has been thoroughly considered, and it has been approved by the American watch factories. It absolutely meets their approval, and is aimed at correcting an abuse which is destructive of this American industry which employs thousands of American workers. Every watch movement imported into the United States displaces an American worker of 12 hours of labor. It was estimated that there are anywhere from 250,000 to 600,000 watch movements, com-

plete or incomplete, smuggled into the United States each year.

Mr. RANKIN. And let me say to the gentleman from Massachusetts that I am reliably informed that under the tariff bill written during the previous administration there was a tariff of as much as four or five thousand percent on some parts of watches. As long as that situation prevails, you are going to have this trouble. If this is a bill to bolster up high tariff rates, to impose extra burdens on the American people who buy watches or have their watches repaired, it ought not to pass.

Mr. McCORMACK. I will assure the gentleman there is not the least element of tariff in this bill.

Mr. RANKIN. It will not raise the price of these watches to the American consumers?

Mr. McCORMACK. No; because most of the watches that are imported are imported duty free, largely because one jewel or less is exempt, and they bring them in with one jewel and they have the watch movement prepared for extra jewels to be put in in the United States to evade the tariff.

Mr. TREADWAY. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. TREADWAY. The gentleman from Massachusetts has made reference——

Mr. McCORMACK. Now, does the gentleman feel that we ought to get into any controversy about the tariff in connection with such a bill as this?

Mr. TREADWAY. I do not, but I wish to correct a statement made by the gentleman from Mississippi. I am in hearty accord with the purposes of this measure, but I object to inaccurate remarks about tariff rates.

Mr. McCORMACK. This bill has nothing to do with the tariff, and no extraneous matters should arise in connection with this bill. We are trying to get this thing through speedily.

Mr. TREADWAY. But the gentleman does not want misstatements made on the floor.

Mr. McCORMACK. Statements do not mean anything if we get results.

Mr. TREADWAY. Very well. If the gentleman wants misstatements to go unchallenged, I will object.

Mr. McCORMACK. Misstatements do not mean anything in this case if results are obtained. Misstatements can be corrected or taken care of later.

Mr. TREADWAY. If the gentleman is going to get excited about it, I will object to the consideration of the bill.

Mr. RANKIN. We will not get the facts about the tariff from the gentleman from Massachusetts [Mr. TREADWAY], and we never did.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. TREADWAY. I object to the consideration of this bill, under the circumstances, Mr. Speaker.

CONTROL OF SOIL EROSION AND FLOOD DAMAGE

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4339), to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

Mr. SNELL. Reserving the right to object, I would like to know what the bill is.

Mr. ROBINSON of Utah. I will explain it to the gentleman. This bill does not affect anyone or anybody except two small parcels of land in Utah. On those lands the Government has established a Civilian Conservation camp. The land on which some of those camps has been established is private land, and we are simply asking that the fees taken in on those particular forest reservations, a portion of it, may be used for the purchase of some of the private lands.

Mr. ENGLEBRIGHT. Will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. ENGLEBRIGHT. Does that not set up an entirely new procedure in such matters?

Mr. ROBINSON of Utah. No.

Mr. ENGLEBRIGHT. And will it not tend to jeopardize the forest-preserve receipts, perhaps, in other matters?

Mr. ROBINSON of Utah. No; not at all. It is only for this particular piece of land, and the bill so states.

Mr. ENGLEBRIGHT. What are the estimated revenues to be brought in from this?

Mr. ROBINSON of Utah. On this forest service?

Mr. ENGLEBRIGHT. This particular piece of land.

Mr. ROBINSON of Utah. The revenues are very small. The price that will be paid is very small. Ordinarily we can make exchanges of lands, as the gentleman from California knows, but there is just a certain part of the private land that we cannot exchange. On some of this land is a Civilian Conservation camp and we want authority to take some of the fees from this particular forest, that are paid by these men who use the forest and apply it for the payment of this land and when it is purchased it will be owned by the United States Government, although it will be paid for one-fourth by the county in which it is located.

Mr. SNELL. Will the gentleman yield further?

Mr. ROBINSON of Utah. I yield.

Mr. SNELL. With all the land that we own in that section of the country, it seems to me it is a mighty poor policy to go out and buy land to establish Civilian Conservation camps.

Mr. ROBINSON of Utah. The reason for this is the location. They now have established an erosion-control project which will control the erosion for this particular section of the State. From this particular place thousands and thousands of dollars of damage have been done to public property and private property by floods.

Mr. SNELL. How much are they going to pay for this land?

Mr. ROBINSON of Utah. We do not know; but it is only a very small amount. There is only very little of it.

Mr. SNELL. But the gentleman must know, if he has had this up and been considering the proposition.

Mr. ROBINSON of Utah. It is only a few thousand dollars at the most.

Mr. SNELL. At present I am opposed to buying more land on which to establish Civilian Conservation camps when we own so many thousands and millions of acres of land in that section.

Mr. ROBINSON of Utah. This bill has been recommended by the departments. The departments have urged that we pass this bill during the present session in order that they can continue this work.

Mr. SNELL. I want someone to tell me why it is necessary to buy land when we own most of the land in that entire territory. I want to know how much it is expected will be paid for it.

Mr. HOPE. Will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. HOPE. This is a bill which I believe was reported by the Committee on Agriculture?

Mr. ROBINSON of Utah. That is true.

Mr. HOPE. It is true, is it not, that there is a very unusual situation, whereby the Government is not able to carry on its soil-erosion program in that particular locality without having control of this private land?

Mr. ROBINSON of Utah. That is true.

Mr. SNELL. How much money will it cost? What are they going to pay for the private land?

Mr. ROBINSON of Utah. We have a right under the present law to exchange any land of equal value that can be exchanged. They will make exchanges wherever they can, but there will be some little land they cannot exchange.

Mr. SNELL. I think the gentleman should bring us a definite proposition from the Department of Agriculture. Then, if it is all right, we will not object to it.

Mr. ROBINSON of Utah. We cannot do that; it is impossible. We do not know and cannot know what we can do in the way of making exchanges.

Mr. JENKINS of Ohio. Surely the gentleman knows whether this will cost $1,000 or $100,000.

Mr. SNELL. It is a mighty poor policy, but I am not going to object.

Mr. RICH. Inasmuch as this bill deals with public lands, why should it not follow other bills handled by the Committee on the Public Lands?

Mr. ROBINSON of Utah. There is need for this bill to be passed.

Mr. RICH. It is going to cost the Government something.

Mr. ROBINSON of Utah. It is not going to cost the Government a penny.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

Mr. TABER. Mr. Speaker, I object.

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO

Mr. THOMASON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7927) to authorize the Secretary of State to lease to citizens of the United States any land heretofore or hereafter acquired under this or any other act, Executive order, or treaty in connection with projects, in whole or in part, constructed or administered by the Secretary of State through the International Boundary Commission, United States and Mexico, American section.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State be, and he is hereby, authorized to lease to citizens of the United States any land heretofore or hereafter acquired under this or any other act, Executive order, or treaty in connection with projects, in whole or in part, constructed or administered by the Secretary of State through the said American Commissioner, or to dispose of such lands to American citizens when no longer needed, by sale at public auction, after 30 days' advertisement, at a price not less than that which may be fixed by three disinterested appraisers, or by private sale, or otherwise, at not less than such appraised value: *Provided*, That any of such land as shall have been donated to the United States and which is no longer needed may be reconveyed, without cost, to the grantor or his heirs: *Provided further*, That the lease or disposal of any land pursuant hereto may, in the discretion of the Secretary of State, be subject to reservations in favor of the United States for rights-of-way for irrigation, drainage, river work, and other purposes, and any such disposal may be conditioned upon and made subject to inclusion of such lands in any existing irrigation district in the vicinity of such lands, the proceeds of any such lease or sale to be covered into the Treasury of the United States: *And provided further*, That, in the discretion of the Secretary of State, and subject to such conditions as he may deem appropriate, conveyances of any other of such lands not needed by the United States may be made to the State to which they lie adjacent or to any similarly situated county, city, or other governmental subdivision of such State, without cost, for use for public purposes.

The Secretary of State is further authorized to issue revokable licenses for public or private use for irrigation or other structures or uses not inconsistent with the use of such lands made, or to be made, by the United States, across any lands retained by the United States, and to execute all necessary leases, title instruments, and conveyances, in order to carry out the provisions of this act.

Whenever the constructon of any such project or works results in the interference with or necessitates the alteration or restoration of constructed and existing irrigation or water-supply structures, sanitary or sewage-disposal works, or other structures or physical property belonging to any municipal or private corporation, company, association, or individual, the Secretary of State may cause the restoration or reconstruction of such works, structures, or physical property or the construction of others in lieu thereof or compensate the owners thereof to the extent of the reasonable value thereof as the same may be agreed upon with such owner.

With the following committee amendments:

Page 1, line 5, strike out the words "this or" and "other."

Page 2, line 5, after the word "appraisers", insert "to be designated by the Secretary of State."

Page 3, strike out lines 8 to 19, inclusive, and add the following:

"Whenever the construction of any project or works undertaken or administered by the Secretary of State through the International Boundary Commission, United States and Mexico, results in the interference with or necessitates the alteration or restoration of constructed and existing irrigation or water-supply structures, sanitary or sewage-disposal works, or other structures or physical property belonging to any municipal or private corporation, company, association, or individual, the Secretary of State may cause the restoration or reconstruction of such works, structures, or physical property or the construction of others in lieu thereof or he may compensate the owners thereof to the extent of the reasonable value thereof as the same may be agreed upon by the American Commissioner with such owner."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Amend the title to read: "A bill to authorize the Secretary of State to lease to citizens of the United States any land heretofore or hereafter acquired under any act, Executive order, or treaty in connection with projects, in whole or in part, constructed or administered by the Secretary of State through the International Boundary Commission, United States and Mexico, American section."

SAMUEL ALSCHULER

Mr. SUMNERS of Texas, from the Committee on the Judiciary, submitted an adverse report on House Resolution 214, to inquire into and investigate the official conduct of Samuel Alschuler, justice of the United States Circuit Court of Appeals, Seventh Circuit.

On motion of Mr. SUMNERS of Texas, the resolution and report were laid on the table.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include therein 3 excerpts from decisions of the Supreme Court, 3 letters, and 3 briefs.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

JUDGE SAMUEL ALSCHULER

Mr. CHURCH. Mr. Speaker, since there may not be a yea-and-nay vote on this matter, I am particularly appreciative of this opportunity to make a statement on behalf of Judge Alschuler.

I am happy to know that the Judiciary Committee has unanimously recommended the dismissal of the charges against this distinguished judge.

I have not told my colleague, who made the charges against Judge Alschuler, that I would make a statement. I hope, however, that in my desire to do my duty in correcting an injustice done Judge Alschuler my colleague will realize that my statement should help rather than do any harm or injustice to him.

Mr. Speaker, speaking as a member of the American Bar Association, of which Judge Alschuler is a distinguished member, and as a Representative in this greatest of deliberative bodies, for those of this Nation and abroad who may know of Judge Alschuler; speaking for the people of the Seventh United States Judicial Circuit, which he now serves, constituting the States of Illinois, Indiana, and Wisconsin; speaking as a member of the Illinois Bar Association, of which he is a respected and active member; speaking as a member of the Chicago Bar Association, of which he is an outstanding member; speaking humbly but earnestly as the lone member of the minority party from the Illinois counties of Cook and Lake, of 4,000,000 people, where Judge Alschuler, a Democrat, resides, and especially for the citizens of the Tenth Illinois Congressional District that I have the honor to represent in this body, let me say for all of them that the record of Judge Alschuler all his life has been one of fearlessness, intelligence, patience, and unimpeachable integrity.

I have been inclined to believe that when good friend and colleague rose on the floor of this House on Tuesday, May 7 (3 months ago), and preferred charges against Hon. Samuel Alschuler, United States circuit judge for the seventh circuit, Chicago, Ill., submitting House Resolution 214 for an investigation into his official conduct, my colleague acted overzealously, though doubtless sincerely. The charges came as much a surprise to me, a member of the Chicago Bar Association—I believe the only member on this side of the aisle—as to other Members of this House.

My association with my colleague has been of the pleasantest. In the very nature of things, being a Member of this body from my home State of Illinois and a member of the same party, I have come to know him rather intimately. I cannot believe he would do anything except that which he conceived sincerely and honestly to be his duty. In preferring the charges against Judge Alschuler I believe my colleague sincerely and honestly felt he was discharging his duty as a Member of this House in the interest of the integrity of our courts, whose integrity we all are interested in preserving.

While he acted in sincerity and in the discharge of his duty as he saw it, I believe my colleague acted without full knowledge of the facts upon which his charges were based, without sufficient knowledge of the man against whom they were preferred and without due consideration of the importance of his act. I cannot but feel that my good friend and colleague was deliberately misinformed by someone and was unknowingly made a tool for the revenging of someone's grievance. I could not believe otherwise, knowing the sincerity of my colleague, also his zeal in carrying out his duties and responsibilities as a Member of Congress, knowing likewise the honesty and fairness of Judge Alschuler, as fine a judge who has sat on the bench, a good Democrat for whom I hold great admiration as a man of character and as a judicial officer.

The charges which my colleague preferred against Judge Alschuler were largely based upon the case of Marshall Electric Co. against Pullman, Inc., the Pullman Co., Pullman Car & Manufacturing Corporation (all three being nominal parties sued as users), and Safety Car Heating & Lighting Co., being the active parties involved in the litigation. The case involved a considerable sum of money in a question of infringement of patent rights, with something like 6 years of litigation through the various courts.

Judge Samuel Alschuler was presiding judge when the case came before his court. The decision of that court reversed the decision of the district court of the United States, Hon. Charles E. Woodward, judge, presiding. It is because of this decision, in connection with which my colleague states:

That Samuel Alschuler, as such justice, on 27th day of June 1934 and October 4, 1934, unlawfully, willfully, and corruptly reversed the district court of the United States.

The claim has been made that Judge Alschuler decided in favor of Pullman, Inc., the Pullman Co., Pullman Car & Manufacturing Corporation, and Safety Car Heating & Lighting Co. largely because one of the attorneys for them, the appellants, was a Mr. Edward F. Dunne, Jr., who was the son of a "very close friend" of Judge Alschuler.

That constitutes the sum and substance of the charge against Judge Alschuler. Much detail has been presented, the greater part of which is irrelevant and the remainder of which is of little or no significance, purporting to show that Judge Alschuler and Edward F. Dunne, Sr., were close personal friends, and further, that Edward F. Dunne, Jr., was brought into the case solely because of this known friendship, with a view to influencing the decision.

It does not warrant any elaborate explanation here to show the absurdity of the matter. It is admitted by all and was admitted to the United States Supreme Court, which considered this case on a petition for writ of certiorari filed on November 21, 1934, by Thomas Marshall, attorney for Marshall Electric Co. Judge Alschuler and Edward F. Dunne, Sr., were friends. But it is a dangerously bold assumption to say that because two fine, outstanding men were friends, a judge with a splendid record of fairness, honesty, and impartiality would be influenced in a decision by the presence of the son of a friend in a case.

I have here photostatic copies of the pertinent pages of briefs filed with the Supreme Court in this case, upon which the charges preferred against Judge Alschuler are based. For the information of the Membership of the House, I should like to have these pertinent pages from the following briefs inserted in the RECORD here:

First. Petition for writ of certiorari and supporting brief—pages 28 to 33, inclusive, and pages 54 to 57, inclusive.

REASON IV

We regret the necessity for saying the normal course of impartial judgment was disturbed in this case. While this case was pending before the court of appeals the senior justice, Samuel Alschuler, was president of the Edward F. Dunne Portrait Association. This was unknown to appellee until October 6, 1934. On October 13, 1934, Justice Alschuler was publicly introduced at the presentation of the Dunne portrait as "the very close friend" of Edward F. Dunne. Justice Alschuler made an address on that occasion.

Your petitioner shows that the name of Edward F. Dunne, Jr. (son of "the very close friend" of the justice), appears upon the briefs and docket of this case for the first time in the court of appeals. That certain letterheads in evidence in this case (plaintiffs' exhibits J, Apr. 11, 1928; L, Apr. 23, 1928; and N, May 3, 1928) being letters from Robert S. Blair written before this suit was filed, January 8, 1929, show that Blair, a patent lawyer representing defendants, was located in New York at 250 Park Avenue, and that Dunne was not on the letterhead and was not then an office associate of Blair.

After this suit was begun the letterheads in subsequent correspondence, in October 1929, show that said Edward F. Dunne, Jr., and said Robert S. Blair were associated together in patent-law practice in New York. While this cause was pending in the district court the defendants were represented by said Robert S. Blair. When this cause reached the circuit court of appeals the name of said Edward F. Dunne, Jr., appeared for the first time with Blair in this case and Edward F. Dunne, Jr., became openly an attorney for appellants in this case.

The canons of professional ethics adopted by the American Bar Association at the thirty-first annual meeting, Seattle, Wash., in 1908, read in part:

"3. A lawyer should not communicate or argue privately with the judge as to the merits of a pending cause, and he deserves rebuke and denunciation for any device or attempt to gain from a judge special personal consideration or favor."

Petitioner says the association of Blair and Edward F. Dunne, Jr., has the appearance of a device and attempt on the part of said Robert S. Blair to gain from Justice Samuel Alschuler, special personal consideration and favor for appellants in this cause. It is a circumstance that probably disturbed the normal course of impartial judgment in this cause. The Supreme Court said: "When bias works its evil the judgment of it becomes precarious in the reviewing tribunal."

The petition for rehearing in this case was denied on October 4, 1934. On October 6 it was publicly announced in the Chicago American that said Justice Samuel Alschuler was president of the Edward F. Dunne Portrait Association.

That newspaper on October 6, 1934, printed an article under a caption, "Illinois Grand Old Man" in the column headed "Heard and Seen." In that article they said:

"It is indeed fitting that in the circuit court should be hung a portrait of Edward F. Dunne, for 13 years a judge on the circuit bench, then mayor, Governor, and now commissioner of the United States to a Century of Progress. He is a grand old man. * * * Following are the officers of the Edward F. Dunne Portrait Association: Honorary presidents, Judge Samuel Alschuler", * * *

The Chicago Daily Law Bulletin, a publication for lawyers, published on October 12, 1934, an invitation to members of the bar to attend the unveiling of the portrait of said Edward F. Dunne, Sr., October 13, 1934, 11 a. m., at chambers of Joseph Burke, chief justice of the circuit court of Cook County, and in said notice and invitation said:

"The picture is being presented to the circuit court by about 100 members of the bar who are personal friends and admirers of Governor Dunne (meaning Edward F. Dunne, Sr.). Contributions were not requested of the bar generally, but of less than 1 percent of the members."

The painting presented on October 13, 1934, was the work of an artist, Mrs. Paul Godehn, and petitioner is advised took many months in preparation.

Your petitioner further shows that on the occasion of the presentation, said Justice Samuel Alschuler was introduced to the assembly by Judge Joseph Burke, chief justice of the circuit court, as "the very close friend" of Edward F. Dunne, Sr., and in his address, Justice Alschuler spoke of the "great, vast, distinguished public service" of said Edward F. Dunne. During the time this cause was pending before the court of appeals, Justice Samuel Alschuler was president of said Edward F. Dunne Portrait Association. The proceedings of October 13, including the introduction as "the very close friend" are all ordered spread of record in the circuit court. The courts will take judicial notice of such public affairs and judicial records.

Judge Burke introduced said Samuel Alschuler as follows:

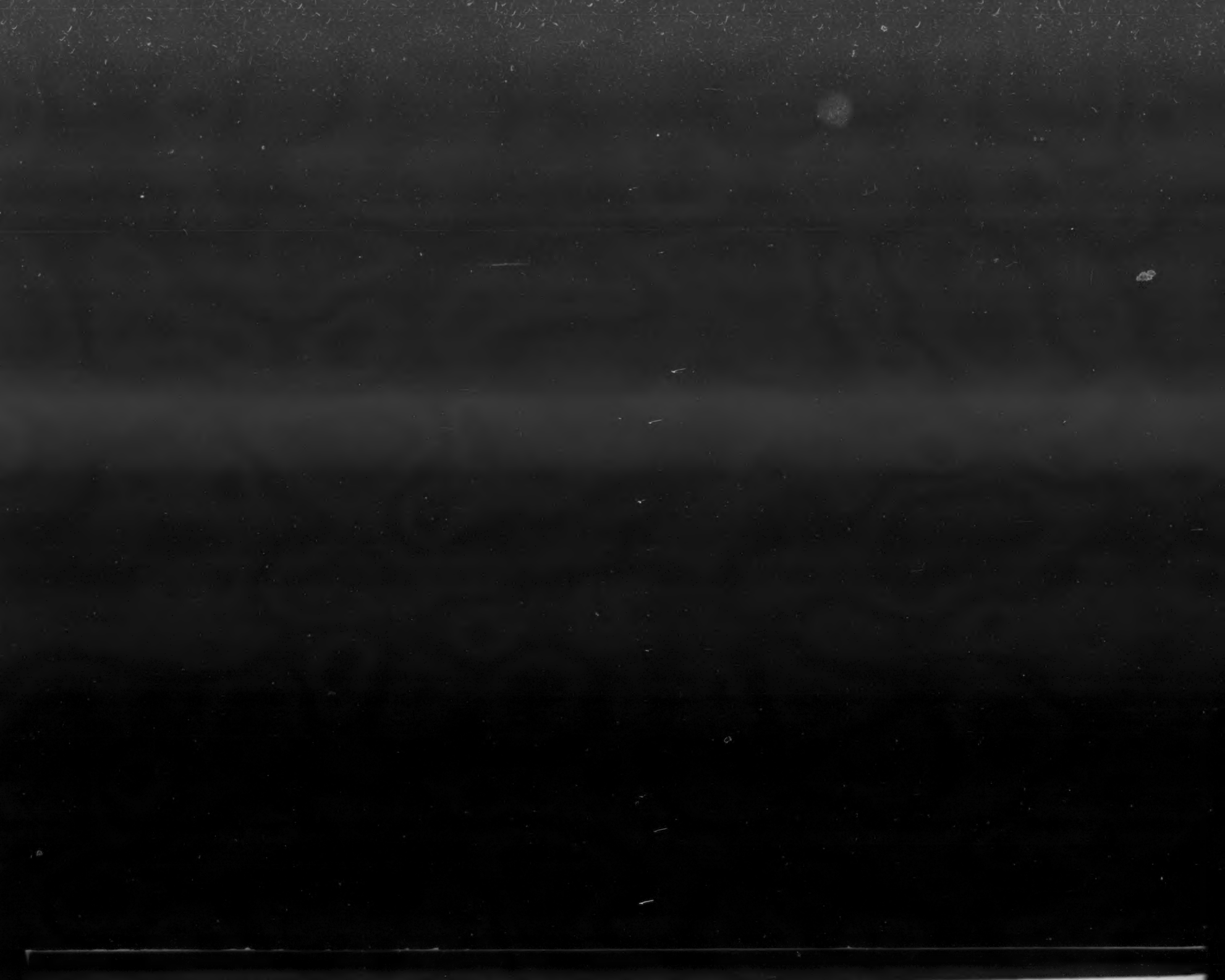
"Many of the speakers today have been associated in their public lives with Governor Dunne, either because of contacts made at the bar or because of association in public office on the same ticket, or running in opposition to one another.

"Today we are honored by an eminent and distinguished member of the Federal bench, who was a very close friend of our guest (meaning Edward F. Dunne, Sr.), and it is my proud privilege to present to you the Honorable Samuel Alschuler, judge of the United States Circuit Court of Appeals."

In his address on October 13, Edward F. Dunne said:

"I represent a great nation by reason of the fact that I have the faculty of making warm, sterling friends, and those friends are here now."

Justice Samuel Alschuler was present.



Petitioner says the association of Dunne, junior, and Robert S. Blair shortly after this case began and the admitted very close friendship of Dunne, senior, and Justice Samuel Alschuler, and the appearance of Dunne, junior, in this case for the first time in the court of appeals, indicates an attempt to gain special personal consideration and favor for Dunne, junior, and his client. The activity of the justice as president of the portrait association, and the address by the justice extolling his very close friend, the father of attorney for appellants, shows a bent of mind and very close friendships that might have prevented or impeded impartiality of judgment, and petitioner believes it did so prevent and impede impartiality.

Petitioner is entitled to a fair and impartial hearing and whenever circumstances show such relationships and that partiality may exist the courts scrutinize the record very closely to see to it that no injustice has been done. The Supreme Court has said: "Nothing can be more elusive of estimate or decision than a disposition of a mind in which there is a personal ingredient."

The court of appeals reversed the chancellor and held with the appellants who were represented by the son of the "very close friend" of the justice. The justice took an active interest in the Edward F. Dunne Portrait Association of selected friends and admirers of Dunne. There was no need for Justice Alschuler to sit in this particular case. All the circumstances indicate partiality to respondents and their attorneys and your petitioner, under such conditions, should have the benefit of a writ of certiorari.

The chancellor in district court found all the issues for petitioner. The reversal by the court of appeals disregards the law and cites no authorities. It misstated the facts proved, and the decision itself evidences, we think, that the normal course of impartial judgment was disturbed in this case. Petitioner believes that prejudice and bias have worked their evil in this case. Edward F. Dunne, Sr., Edward F. Dunne, Jr., and Robert S. Blair are so related to this suit that the justice, Samuel Alschuler, should have declined the case.

Appellee could not possibly have a fair and impartial hearing under such circumstances. The association of Dunne, junior, and Blair is believed to be a device and an attempt to gain from Justice Alschuler special personal consideration and favor for Dunne, junior, Blair, and their clients.

The very close friendship existing between the justice and Edward F. Dunne, senior, and the personal activity of the justice in behalf of his friend as president of the Edward F. Dunne Portrait Association while this cause was pending before the court precluded a fair and impartial hearing. Due process of law includes a fair and impartial trial.

Petitioner says it is entitled to a fair and impartial hearing as a matter of right, and it is without remedy in the premises unless certiorari be granted herein.

Wherefore, your petitioner respectfully prays that a writ of certiorari be issued out of and under the seal of this honorable Court, directed to the Circuit Court of Appeals for the Seventh Circuit, commanding that court to certify and to send to this Court for its review and determination a full and complete transcript of the record and all proceedings in the case no. 5113 and entitled on its docket *Pullman, Inc., The Pullman Co., Pullman Car & Manufacturing Corporation, and Safety Car Heating & Lighting Co.* v. *Marshall Electric Co.*, and that the decree of the Circuit Court of Appeals for the Seventh Circuit may be reversed by this honorable Court and that your petitioner may have such other further relief in the premises as to this honorable Court may seem meet and just.

MARSHALL ELECTRIC CO.,
By THOMAS MARSHALL,
Counsel for Petitioner.

It is believed that it is the duty of the Supreme Court to allow the writ of certiorari in this case without at all considering for the purpose of such allowance the questions urged concerning the merits of the cause.

The normal course of impartial judgment was disturbed in this case. Edward F. Dunne, Jr., is attorney for appellants. He appeared in this case for the first time in the Court of Appeals. His father is "the very close friend" of Justice Samuel Alschuler.

While this cause was on hearing before the court Justice Alschuler was president of the Edward F. Dunne Portrait Association and at the presentation October 13, 1934, was introduced as "the very close friend" of Dunne, senior. Blair and Dunne, junior, attorneys for appellants, became office associates after this suit was begun in 1929. The court of appeals has so far departed from the accepted and usual course of judicial proceedings in this case as to call for an exercise of the powers of supervision of the Supreme Court.

No. 3 Canons of Professional Ethics, American Bar Association.
Berger v. *United States* (255 U. S. 22, 33, 34, 35, 36).
In re Eatonton Electric Co. (120 Fed. 1010–1013).
Fowler v. *Lindsey* ((1799), 3 Dall. 410, 411–413; 1 L. Ed. 653).
Wm. Cramp Sons v. *International Curtiss Turbine Co.* ((1912), 228 U. S. 645; 33 S. Ct. 722; 57 L. Ed. 1003).
People v. *Merchants Bridge Co.* (282 Ill. 408–413).
Pennoyer v. *Neff* (95 U. S. 714–733).

It appears that the powers of supervision of the Supreme Court were originally applied through writ of certiorari. In the early case of *Fowler* v. *Lindsey* (3 Dall. 411–413 (1799)), Mr. Justice Washington said:

"A certiorari, however, can only issue as original process, to remove a cause, and change the venue, when the superior court is satisfied that a fair and impartial trial will not otherwise be obtained."

This authority shows that bias partially and the disturbance of the normal course of impartial judgment was an original, if not the only basis for the writ in the early practice. Certainly, the matters set forth herein show petitioner is entitled to the writ at common law as well as under the statute.

The American Bar Association Canon of Professional Ethics No. 3, reads:

"3. A lawyer * * * deserves rebuke and denunciation for any device or attempt to gain, from a judge, special personal consideration or favor."

It is believed the association of Blair and Dunne, junior, is subject to this denunciation.

In *Wm. Cramp & Sons Ship and Engine Bldg. Co.* v. *International Curtiss Marine Turbine Co.* (1912), (228 U. S. 645, 33 S. Ct. 722, 57 L. Ed. 1003), the district judge had given a pro forma decree without expressing an opinion, and then sat in the circuit court of appeals reviewing the decree he had entered. Chief Justice White said: "As the considerations just stated demonstrate that the case was tried and disposed of below by a court organized not in conformity to law, but in violation of the express prohibitions of the statute, we think it plainly results that an error of so grave a character and involving considerations of such public importance was committed as to cause it to be our duty to allow the writ of certiorari without at all considering for the purpose of such allowance the questions urged concerning the merits of the cause."

The dangers inherent in bias and prejudice are set forth in *Berger* v. *United States* (255 U. S. 22):

(36) "The remedy by appeal is inadequate. It comes after the trial and, if prejudice exists, it has worked its evil and a judgment of it in a reviewing tribunal is precarious. It goes there fortified by presumptions, and nothing can be more elusive of estimate or decision than a disposition of a mind in which there is a personal ingredient."

(35–36) "We may say that its (the Court's) solicitude is that the tribunals of the country shall not only be impartial in the controversies submitted to them but shall give assurance that they are impartial, free, to use the words of the section, from any 'bias or prejudice' that might disturb the normal course of impartial judgment."

(33–34) The Court said further:

"Of course, the reasons and facts for the belief the litigant entertains are an essential part of the affidavit, and must give fair support to the charge of a bent of mind that may prevent or impede impartiality of judgment. The affidavit of defendant has that character."

In New Hampshire the court said:

"It is the right of every citizen to be tried by judges as impartial as the lot of humanity will admit" (*Moses* v. *Julian* (45 N. H. 52–54–55)).

In Illinois the court said:

"The spirit of our law demands that every case should be fairly and impartially tried and no judge should think of presiding at the trial of a case in which his good faith in so doing is open to such serious question as that presented by the record here" (*People* v. *Merchants Bridge Co.* (282 Ill. 408–413)).

Where the party entitled to object is not informed of the disqualifying facts until after the expiration of the time in which objection should be made, his objection, made on discovery of the facts, will be regarded as seasonably made.

Lynip v. *Alturas School District* (29 Cal. A. 158, 155, p. 109).
Bernhamer v. *State* (123 Ind. 577, 24 N. E. 509–510).

"Even where the judge's prejudice does not constitute a ground for disqualification if the charge is made and the facts alleged indicate the existence of prejudice, the appellate court will carefully scrutinize the record to see that no injustice has been done the complaining party."

People v. *St. Louis Merchants Bridge Co.* (282 Ill. 408–413, 118 N. E. 733).

Respectfully submitted.

THOMAS MARSHALL,
Counsel for Petitioner.

Second. Respondent's brief in opposition—pages 15 to 18, inclusive:

PETITIONER'S "REASON" 4

Petitioner charges that it did not have an impartial hearing in the circuit court of appeals. The sole basis given is the allegation that Judge Alschuler, who did not write the opinion (R. 1100), was a friend of the father of Edward F. Dunne, Jr., one of the counsel for respondents.

This charge could be disposed of by showing its incompetence in point of law or by drawing attention to the spotless reputation for integrity of Judge Alschuler and Governor Dunne, whose characters are assailed. Its nature is such, however, that we do not care to be laid open to the charge of evading the issue by legal technicalities nor of masking its odor by burning incense.

The facts are these:

The defense herein has been conducted by the respondent Safety Car Heating & Lighting Co., whose patent counsel for many years has been Robert S. Blair, the latter having been assisted throughout this case by Delos G. Haynes.

In March of 1929 Laurence A. Janney and Edward F. Dunne, Jr., of the Chicago bar, who had moved to New York, formed with

Robert S. Blair and certain others the firm of Janney, Blair & Curtis. In January of 1933, upon certain changes in the personnel of that firm, the name was altered to Blair, Curtis & Dunne. At all stages the letterheads of respondent's counsel have shown the full personnel, in correspondence with counsel for petitioner.

Throughout this suit, up to the appeal to the circuit court of appeals, Mr. Dunne was not particularly active, as it involved chiefly technical electrical matters, with which subject he was not familiar. When the appeal was taken, however, certain legal issues became more important, and Mr. Dunne's participation became more active. His name then appeared upon the appellant's brief for the first time, as did that of Mr. Wilkinson, of the Chicago bar, who was retained as senior counsel at that stage.

Such are the facts, and the reason for the appearance of Mr. Dunne's name is clear.

Equally clear, it is submitted, is the reason for the absence from this petition of the name of Mr. Carter, who has been in charge of petitioner's case from its inception up to the present stage.

Now, even if the facts were as stated in the petition, the petitioner's argument, as is presumably known to petitioner, is utterly fallacious in point of law.

As stated in 33 Corpus Juris, 1000:

"The only prejudice which will disqualify a judge is a prejudice against a party to the cause. He is not disqualified by prejudice against the attorney of one party or bias in favor of the attorney of the other party to the cause."

Footnote 62A: "His intimacy or friendship with the opposing counsel is no ground for disqualification" (*May* v. *May*, 150 Ky. 522, 524; 150 S. W. 685).

Furthermore, petitioner has no standing in this court for the purpose of making such an allegation.

Prejudice, even if newly discovered, of a circuit court of appeals judge cannot be asserted for the first time in the Supreme Court. As stated in 3 Corpus Juris, 759:

"As a general rule, where a judge assumes to act under lawful authority and a cause is tried before him without objection, his authority to try the cause cannot be assailed on appeal."

3 Corpus Juris 760, footnote 45:

"The losing party cannot, for the first time on appeal, successfully contend that the trial judge was prejudiced" (*Hausam* v. *Parker*, 31 Okl. 399, 121, p. 1063).

Having, it is believed, shown the utter lack of basis for this rather sordid argument of petitioner, either in fact or in law, we feel free to give it briefly a more general discussion.

Judge Alschuler is a friend of Governor Dunne. He is a friend also of all of the leaders of the Chicago bar. Due to his character and personality, they are proud to claim his friendship. According to petitioner, if any of these gentlemen or their sons appear in the court over which Judge Alschuler presides, the judge must withdraw from the bench.

Governor Dunne is a friend of all of the principal judges, Federal, State, and municipal, of the city of Chicago and State of Illinois. Few were absent from the ceremonies in his honor to which petitioner refers. According to petitioner, neither Governor Dunne nor his sons can practice in any of the courts of his native State.

These two gentlemen have known and esteemed each other for nearly 50 years in the city and State from which they have received the highest honors and of which they are two of the best loved citizens. The character of neither has ever been attacked up to the present time. And of what does this attack consist? Merely of unclean deductions from clean facts, mingled with cowardly insinuations to which petitioner's chief counsel was ashamed or afraid to affix his name. No defense is needed.

This attack serves only as evidence of the low level of petitioner's case, and will, it is confidently believed, be dismissed with the contempt it richly merits.

CONCLUSION

In conclusion, respondents submit that the petition for writ of certiorari should be denied.

Respectfully submitted.

ROBERT S. BLAIR.
Attorney for Respondents.
GEORGE L. WILKINSON,
DELOS G. HAYNES,
EDWARD F. DUNNE, Jr.,
Counsel for Respondents.

Third. Petitioner's reply brief—pages 7 to 9 inclusive:

On pages 15, 16, 17, 18, respondents have admitted and enlarged upon the facts showing how impossible it was for petitioner to obtain a fair and impartial hearing in the court of appeals. The reply admits that Blair took Dunne, junior, into his firm 2 months after this suit was begun in the district court. That Dunne, senior, took no part until the case reached the court of appeals. The reply admits also the very close friendship of Dunne, senior, and the justice. It was not necessary that the justice sit in this case.

Respondents speculate as to the reason the name of Mr. Donald M. Carter does not appear on the petition for certiorari herein, but they may have their curiosity satisfied. The reason is found in the thirteen hundred printed pages of remote, irrelevant, and oppressive record. Petitioner has sought justice at great sacrifice of money, time, and effort and could no longer carry the burden of assisting and associate counsel. The methods persistently used by respondents and now clearly evidenced by their reply in this court, have made it necessary to discontinue his services. However, we point to the language used on page 18 of the reply as a fair example of the depth to which respondents will go in their effort to defeat a just cause.

Respondents do not deny that Justice Alschuler was active in the interest of his friend while this case was pending before him. Respondents cannot set aside the earnest solicitude that all Federal courts give assurance of impartiality in the causes brought before them.

The association of Blair and Dunne, junior, still has the appearance of a device and attempt to gain from a judge special personal consideration and favor and nothing said in the reply of respondents in any way changes the situation.

The "odor" existing in this case was created by the acts of Blair and his associates presumably to benefit their clients in this case. Perhaps such methods can be shown in true perspective when it is made manifest that for many years past Blair has daily engaged in the practice of law in New York City without being licensed by New York State so to do. Men who begin by fraud upon the courts may be expected to continue such methods in daily practice. The reply they have filed in this Court demonstrates their utter disregard for truth and honor—and explains the level of which they now complain.

Respectfully submitted.

MARSHALL ELECTRIC CO.,
By THOMAS MARSHALL,
Counsel for Petitioner.

My colleague is not an attorney, and whoever presented him with the information upon which he based his charges, I believe, deliberately withheld certain facts he should know, but which he could very readily not know without having carefully examined all the records in the case. That record comprises something like 1,400 pages of printed material of around 5 inches of thickness. Three very essential facts must have escaped his attention, or rather were withheld, presumably, by his informant. It is at least understandable why my colleague, not knowing Judge Alschuler as I do, with the information he had, seemingly complete in every detail, acted as he did.

In the first place, I do not believe my friend knew that on the circuit court of appeals there is more than one judge. In fact, there were four judges, and at that time, Judge Evans, or his clerk, did the assigning of this case to this set of three judges, following a sort of rotation plan. The record in this case no. 536, is in the custody of the Clerk of the Supreme Court of the United States, and was in this Capitol Building at the time these charges were filed. On page 1099, of the record, April 10, 1934, will be found the fact the court opened with Hon. Samuel Alschuler, Hon. Evan A. Evans, and Hon. William M. Sparks, on the bench. On the same page, 1099, of the record, May 16, 1934, the names of Hon. Samuel Alschuler, Hon. William M. Sparks, and Hon. Louis FitzHenry, appear as occupying the bench at the hearing. On the next page, 1100, and on page 1112, of the record, it is shown that on the 27th day of June 1934, there was filed, in the office of the circuit court of appeals, the opinion of the court "before Alschuler, Sparks, and FitzHenry, circuit judges." "Sparks, circuit judge, read the opinion." "The court ordered the case remanded to the district court with instructions to approve the master's report, and for further proceedings not inconsistent with the opinion of the court" (72 Fed. 2d 472). It was not the opinion of Judge Alschuler, as my friend has been led to believe, but rather it was the unanimous opinion of Circuit Judges Alschuler, Sparks, and FitzHenry, read by Judge Sparks, not Judge Alschuler. And, likewise, it will be found from the record, page 1117, that these same three circuit judges denied the petition for rehearing on October 4, 1934, concerning which, in the charges, it has been specifically set forth before this House that Judge Alschuler acted unlawfully.

How could there be much to the charges against Judge Alschuler when they are based on a case where the opinion was rendered by three judges, of which Judge Alschuler was only one? The fact that there were three judges on the circuit court bench would be known only to an attorney or to one who had seen the three judges on the bench hearing this case, or gone all through the 1,400 pages of record, or to one with knowledge of the make-up of the United States Circuit Court of Appeals. I feel sure my colleague was not apprised of this fact, otherwise he would have seen his charges to have been without foundation in fact. Naturally the tran-

script of record, consisting mainly of the master's report, filed in the circuit court of appeals, did not mention the names of these three judges, nor did any of the briefs filed later in the Supreme Court of the United States mention other than Judge Alschuler. Undoubtedly my colleague, who made these charges, saw only the briefs wherein Judge Alschuler is the only judge mentioned.

In the second place, I do not believe my colleague was even acquainted with the fact that when this same case came before the Supreme Court of the United States on a petition for writ of certiorari, the Supreme Court took into consideration the very same facts presented by him: namely, that Judge Alschuler acted partially for reason of his close friendship with the father of the son who was one of the attorneys. The Supreme Court, composed of 9 men appointed by 5 Presidents, Chief Justice Hughes, Mr. Justice Van Devanter, Mr. Justice McReynolds, Mr. Justice Brandeis, Mr. Justice Sutherland, Mr. Justice Butler, Mr. Justice Stone, Mr. Justice Roberts, and Mr. Justice Cardozo; these men, constituting the highest court of the land, reviewed the case and upheld the decision of Judge Alschuler, Judge Sparks, and Judge FitzHenry. Indirectly, then, the charges preferred against Judge Alschuler represented charges against his immediate associates on the circuit court of appeals bench and indirectly a sharp criticism of the Supreme Court and reputable attorneys in this case.

In the third place, I do not believe my colleague's informant told him that when the Supreme Court gave consideration to the brief filed by Thomas Marshall on a petition for writ of certiorari and his reply brief, on January 7, 1935, the Supreme Court on its own initiative ordered this same Thomas Marshall to show cause why he should not be adjudged in contempt of court and punished accordingly. I have here a true copy of the Supreme Court order to Thomas Marshall to show cause, and believe it should become a part of this record.

SUPREME COURT RULE TO SHOW CAUSE AND SUPREME COURT DECISION DENYING WRIT OF CERTIORARI

(Vol. 55, No. 6, Supreme Court Reporter, Feb. 1, 1935. Memorandum decisions disposed of at October term 1934, p. 344)

5

In the matter of Thomas Marshall, No. —:

January 7, 1935. It is ordered that Thomas Marshall, of Chicago, Ill., show cause on or before Monday, February 4, 1935, why he should not be adjudged in contempt of this Court because of the character of the statements contained in his briefs presented to this Court on the application for certiorari in *Marshall Electric Co.* v. *Pullman, Inc. et al.*, 293 U. S. —, 55 S. Ct. 345, 79 L. ed. —, with particular reference to the statements contained on pages 8 and 9 of the reply brief on said application, as follows:

"The association of Blair and Dunne, Jr., still has the appearance of a device and attempt to gain from a judge special personal consideration and favor and nothing said in the reply of respondents in any way changes the situation.

"The 'odor' existing in this case was created by the acts of Blair and his associates presumably to benefit their clients in this case. Perhaps such methods can be shown in true perspective when it is made manifest that for many years past Blair has daily engaged in the practice of law in New York City without being licensed by New York State so to do. Men who begin by fraud upon the courts may be expected to continue such methods in daily practice. The reply they have filed in this Court demonstrates their utter disregard for truth and honor—and explains the level of which they now complain", and why he should not be punished accordingly.

7

Marshall Electric Co., petitioner, v. *Pullman, Inc., the Pullman Co. et al.*, No. 536.

For opinion below, see 72 F. (2d) 474.

Mr. Thomas Marshall, of Chicago, Ill., for petitioner.

January 7, 1935. Petition for writ of certiorari to the United States Circuit Court of Appeals for the Seventh Circuit denied.

Nor do I believe my colleague was made acquainted with the fact that in Thomas Marshall's reply he apologized to the Court for the impropriety of his remarks against Judge Alschuler, Robert S. Blair, and Edward F. Dunne, Jr., stating that his remarks resulted from pressure and overzealousness. The Supreme Court held Marshall in contempt of court, fined him $250, and suspended him for 6 months.

In other words, it is fair to say that not only did the Supreme Court of nine judges unanimously uphold the decision of Judge Alschuler and his associates, but it went so far as to adjudge the statements of Thomas Marshall against the judge and the parties involved as constituting a contempt of court. I insert here a true copy of the Supreme Court's ruling in that particular.

SUPREME COURT RULING HOLDING MARSHALL IN CONTEMPT OF COURT, FEBRUARY 18, 1935

(Vol. 55, No. 9, Supreme Court Reporter, Mar. 15, 1935. Memorandum Decisions Disposed of at October Term, 1934. Page 513)

6

In the matter of Thomas Marshall, No. —:

See, also, 293 U. S. —, 55 S. Ct. 344, 79 L. ed. —.

February 18, 1935. Thomas Marshall, of 105 West Adams Street, Chicago, Ill., an attorney of the bar of this Court, having been cited to show cause why he should not be adjudged in contempt of this Court because of the character of the statements contained in his briefs presented to this Court on the application for certiorari in *Marshall Electric Co.* v. *Pullman, Inc. et al.* (293 U. S. —, 55 S. Ct. 345, 79 L. Ed. —), as set forth in the order to show cause;

And it now appearing that the said Thomas Marshall makes the following answer:

"I am humiliated at the realization that certain remarks in my reply brief have transgressed the bonds of propriety and offended the Court. I am very sorry and apologize.

"The reply brief was written under pressure of time, and believe me when I say that my failure to realise the impropriety of the remarks in question was due solely to the heat of the controversy. I own control by a substantial majority of the stock in the petitioner and have personally had the active management of this litigation on behalf of the petitioner for a period of 6 years, through many courts."

The Court, upon consideration of his answer, finds and adjudges that the offending statements contained in his briefs constitute contempt of this Court, and now reprimands Thomas Marshall for the use of the said statements, and as punishment therefor suspends him from his rights and privileges as a member of the bar of this Court for 6 months from this day and orders that he pay a fine of $250.

I repeat that I hold the opinion that my good friend at the time he preferred these charges had been unknowingly led to a false viewpoint on this whole matter largely, I believe, by the deliberate failure of his informant or informants to give him all the facts. But it grieves me, as the lone Republican member of the Chicago Bar Association, a Republican Representative in Congress from the State of Illinois, to see as fine a Democrat and as able a judge as Samuel Alschuler, of my State, county, and bar, made the victim of an ill-founded, unwarranted attack simply because he happened to be one of the living candidates for Governor and consented to serve on the ex-Governor Dunne portrait committee with three other Democratic candidates for Governor with the four living Republican ex-Governors of Illinois and one other, a Republican United States Senator, elected with Senator LEWIS by the Illinois General Assembly when Dunne was Governor.

Judge Samuel Alschuler is now 76 years of age, whose record has always been above reproach. Every member of the Chicago Bar Association, unless he harbors some petty personal grievance, will state that there could be no finer man—honest, fair, impartial, able, and sincere. He was first admitted to the bar in 1881, practiced law for 20 years in Aurora, Ill., and then in Chicago. He was an able Democratic member of the Illinois Legislature from 1896 to 1900, and was the Democratic candidate for Governor in 1900.

On August 16, 1915, he was appointed by President Wilson as judge of the United States Circuit Court of Appeals; appointed a member of the United States Coal Commission by President Harding 1922, having previously served by appointment of the United States Secretary of Labor in 1918 as arbitrator between the packers and their employees.

He is in his retiring period of life, with an enviable record of accomplishments. Lately he has not enjoyed the best of health. He is respected and admired by all who know him. Let me read to you part of a letter I received under date of May 14, 1935, from Harry L. Rickard, attorney at law, 10 South La Salle Street, Chicago, Ill. Mr. Rickard was formerly a law clerk in the offices of Kraus, Alschuler & Holden, and, I might say, an ardent Republican. He writes:

It was my privilege to serve as a law clerk in the law office of Kraus, Alschuler & Holden from September 1913 to the fall of 1915, when Samuel Alschuler was appointed judge of the Circuit Court of Appeals for the Seventh District. I have always felt that Judge Alschuler, because of his honest and upright character and methods of doing business, did more to influence and mold my professional

life and career than any other man I have known. During the years I clerked in his office he would not permit anyone connected with his organization to indulge in anything but the most straightforward, upright dealings not only with clients but with adversaries. I have read the CONGRESSIONAL RECORD containing the remarks and proceedings by Mr. DIRKSEN and others in connection with this matter and fail to find anything other than innuendoes.

I presume that Judge Alschuler has written opinions and decided many cases in which friends of his were acting as counsel in the case, but, knowing him as I do, I would stake everything that I own in asserting that Judge Alschuler never at any time permitted personal friendship for counsel or litigant to influence his decision. In my opinion, we have no man who has practiced law in the State of Illinois or been a judge of any court who has been as highly respected by all of the members of the bar as Judge Alschuler. He has had a very wide acquaintance among the members of the bar, and I have never before heard any one charge Judge Alschuler with being anything but the most upright, honest, and able judge our courts have ever had. * * *

I am positive that those members of the bar who know him personally, as I do, will never believe that he could or would do anything unbecoming a judge. Whatever you may be able to do in the way of assisting to bring this matter to a speedy conclusion and insure a fair hearing of the matter will be greatly appreciated.

Sincerely yours,

HARRY L. RICKARD.

Mr. Speaker, other letters I have received read in part as follows:

CHICAGO, *May 29, 1935.*

I sincerely hope that these charges against Judge Alschuler will be voted down at a very early date for, certainly, it is nothing short of a disgrace that they remain to encumber the records of the House of Representatives.

Sincerely yours,

JOHN A. MASSEN.

Alderman Massen is the Republican committeeman for the forty-eighth ward of Chicago.

CHICAGO, *June 3, 1935.*

Hon. RALPH E. CHURCH,
House of Representatives, Washington, D. C.

DEAR RALPH: I had hoped before this time to write you more fully than I shall in this communication about the Alschuler matter. I do not have to tell you in what high esteem he has always deservedly been held by the bar and by the public in this part of the country. As far as those who know him are concerned, the charges made on the floor of the House are considered wholly ridiculous and indict no one except those who had to do with their making; however, it is obvious that an utterly wrong impression may go forth among those who do not know Judge Alschuler, and, inasmuch as the charges are baseless, it is unfortunate that they should come at a time when he is just rounding out his public service, when he is ill and is at least entitled to the reward of quietude and freedom from defamation.

In respect to the portrait matter: William L. Sullivan, now connected with the corporation counsel's office in Chicago, apparently was active in securing the painting of the portrait of ex-Governor Dunne, whom you know well. He was circuit judge when I first began the practice of law, later was mayor and later Governor. As has been the custom in securing such portraits here in Chicago, the amount donated was limited—the amount to be donated by each of the contributors being limited to $10. In connection with this enterprise, an honorary committee was appointed comprised of living former Governors of Illinois and candidates for the Governorship: Republican Governor Charles S. Deneen, Republican Governor Joseph W. Fifer, Democratic candidate for Governor Norman L. Jones, Democratic candidate for Governor, United States Senator James Hamilton Lewis, Republican Governor Frank O. Lowden, Republican United States Senator Lawrence Y. Sherman, Democratic candidate for Governor Floyd E. Thompson, Republican Governor Richard Yates, and Democratic candidate for Governor Samuel Alschuler.

This connection of Judge Alschuler with the committee began some few weeks after the court of appeals' decision in the Marshall Electric Co. case.

I take it that no one will wish to review this record and the opinion which emerges from it. It was written by Judge Sparks, obviously with great care, and affirmed the master's report, which bears on its face evidence of much painstaking work. Every lawyer has had the experience of not agreeing with a court in which he meets defeat; but when an honest master is agreed with by three honest judges in a circuit court of appeals, and nine honest judges in the Supreme Court of the United States decline to interfere, and all of these disagree with one honest district judge, we find in it a rather strong presumption that the Marshall Co. has no rights that have not been observed.

We out here are particularly enraged because of the deservedly high standing of Judge Alschuler, and also because this unwarranted attack is made when the shadows of this able and upright public servant are reaching so far toward the East. Because of this latter thought I hope that something may be done promptly to not only erase and officially make nugatory what has occurred on the floor of the House, but to do something to make public that American citizens, both in and out of Congress, commend public servants in the judiciary or otherwise who act fearlessly, intelligently, patiently, and honestly—as has been the record of Judge Alschuler all of his life.

With best regards, I am, cordially yours,

GEO. I. HAIGHT.

I have had no doubts about the outcome of this whole affair, but I wished to take this opportunity to present my personal reflections as well as, I believe, those of many of us, if not all, on this side of the aisle.

REBATE OF INCOME AND EXCESS-PROFITS TAXES ERRONEOUSLY COLLECTED

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7841) for the refund of income and profits taxes erroneously collected.

The Clerk read the title of the bill.

Mr. McFARLANE. Mr. Speaker, reserving the right to object, I wish the gentleman would explain this resolution and give us some reason why such far-reaching legislation should be passed.

Mr. KOPPLEMANN. Mr. Speaker, the purpose is to correct the loss of certain papers which lay with the Internal Revenue Department here in Washington, and which preclude the Hartford Connecticut Trust Co. from filing a proper claim for refund of overpayment of income taxes. It is very simple. There is no objection to it. A similar bill has been passed by the Senate and the House committee has reported it favorably.

Mr. McFARLANE. Mr. Speaker, I see no reason why this resolution should not be considered in its turn along with several hundred other bills on the Consent Calendar. I, therefore, object.

IMPEACHMENT CHARGES PREFERRED AGAINST HON. SAMUEL ALSCHULER, JUDGE OF THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT AND HOUSE RESOLUTION NO. 214

Mr. UTTERBACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on House Resolution 214.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. UTTERBACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

Mr. Speaker, as a member of the Committee on the Judiciary of the House of Representatives, and as chairman of the subcommittee appointed to make a special study of the impeachment charges preferred on the floor of the House on the 7th day of May 1935 by Hon. EVERETT M. DIRKSEN, a Member of the House of Representatives from the State of Illinois, against Hon. Samuel Alschuler, judge of the United States Circuit Court of Appeals for the Seventh Circuit, I have had the opportunity and it has been my duty and responsibility to make a careful study of these charges. Therefore I desire to make to the Members of this House the following statement with respect to them and House Resolution 214, offered by Representative DIRKSEN on the same day:

Your Committee on the Judiciary, acting under authority of House Resolution 220, passed on May 13, 1935, authorizing the committee to make inquiry into and hold hearings upon and investigate the charges of the impeachment against Samuel Alschuler, one of the justices of the United States Circuit Court of Appeals, Seventh Circuit, preferred by Hon. EVERETT M. DIRKSEN, Representative from the State of Illinois, made investigation of the charges and, after full consideration and discussion, has this day filed its report, finding that the charges were untrue and recommending that Resolution 214, offered by the gentleman from Illinois on May 7, 1935, be tabled. On motion of the Chairman of the Judiciary Committee, Hon. HATTON W. SUMNERS, the resolution has just been tabled.

The charges made on the floor of the House on the 7th day of May 1935 by Congressman DIRKSEN are set forth in the CONGRESSIONAL RECORD of May 7, 1935, on pages 7081 to 7086, inclusive. The charges were made by Congressman

DIRKSEN on his own responsibility. In presenting them to the House, he stated:

Mr. Speaker, in filing these charges today against a justice of the United States Circuit Court, I am not unmindful of the gravity of the matter and of the immense possibilities of harm and injustice that might result to the individual named in such a charge. I have spent many weeks on this matter. I have consulted many different Members of the House in the hope of being set right in case my own zeal might have blinded me to other considerations that might throw a different light on the facts and circumstances in this case. I have been reluctant to take this action, and yet it seemed to me that the injustice wrought is so great, the amount of money in the litigation out of which these charges spring is so large, and the circumstances so grave that there seemed to be no other course."

The charges preferred against Judge Alschuler grew out of the trial and determination of the case of Marshall Electric Co. against Pullman, Inc., the Safety Car Heating & Lighting Co., and others in the District Court of the United States for the Northern District of Illinois, eastern division, and the appeal thereof to the United States Circuit Court of Appeals, Seventh Circuit, of which court Judge Samuel Alschuler is a member. For the purposes of this report and findings and recommendations it is not necessary to quote the charges in full. They are fully set out in the CONGRESSIONAL RECORD for May 7, 1935. In substance they aver the commission by the judge of high crimes and misdemeanors in connection with the trial and determination of the case.

The substance of the charges being:

First. That said Samuel Alschuler, while acting as a justice of the circuit court of appeals of the seventh circuit at Chicago, Ill., did on divers and various occasions conduct himself so as to be guilty of favoritism, oppression, and judicial misconduct to the appellants in said cause of action.

Second. That Samuel Alschuler did knowingly and willfully violate his oath of office and was knowingly and corruptly guilty of favoritism to the appellants in the suit, and to Edward F. Dunne, Jr., one of the attorneys for one of the appellants.

Third. That Robert S. Blair, of New York, attorney for the appellants, made Edward F. Dunne, Jr., an attorney at New York City and son of Hon. Edward F. Dunne, Sr., a partner in the law firm of Blair, Curtis & Dunne, of New York City, for the purpose of securing a medium or channel of communication with Samuel Alschuler in the case and for the purpose of corrupting Samuel Alschuler as judge. On account of which, the circuit court of appeals of the seventh circuit wrongfully reversed the decision of Hon. Charles E. Woodward, judge of the United States District Court, Northern District of the State of Illinois, eastern division, in said cause, contrary to the law and evidence.

Fourth. That the decision of the United States Circuit Court of Appeals, seventh circuit, in the cause reversing the decision of said United States District Court was a judicial favor to Edward F. Dunne, Jr., Edward F. Dunne, Sr., the Pullman Co., Senator William Warren Barbour, Robert Barbour, D. A. Crawford, and others.

Fifth. That it constituted judicial misconduct and a misdemeanor in office for Samuel Alschuler to preside at the trial of the case and to participate in the decision rendered therein because he was president of the Edward F. Dunne, Sr., Portrait Association.

Sixth. That said Samuel Alschuler willfully and deliberately defeated the ends of justice and prevented the then Marshall Electric Co. from obtaining justice when he served as one of the justices of the circuit court of appeals in the cause and was also president of the Edward F. Dunne, Sr., Portrait Association.

Seventh. That Samuel Alschuler willfully, knowingly, and deliberately decided the cause against the Marshall Electric Co. without any evidence.

Eighth. That said Samuel Alschuler decided the case with partiality.

Ninth. That Samuel Alschuler was in a position to and it is believed did advise with the attorneys for the appellants.

Tenth. That Samuel Alschuler knowingly used his judicial powers as incident to and an overt act pursuant to a conspiracy to wrongfully take over for the Pullman Corporation and the Safety Car Heating and Lighting Co. the patent which was the subject matter of the litigation in the case of *Marshall Electric Co.* v. *Pullman, Inc., et al.*

Eleventh. That Samuel Alschuler was biased and prejudiced against the said Marshall Electric Co.

The text of these charges in substance is that Samuel Alschuler was guilty of favoritism to the appellants and their attorneys in the cause and that he unlawfully, willfully, and corruptly reversed the decision of the United States District Court in the cause without any evidence and in direct contradiction to the prior rulings of the Supreme Court of the United States, and further that he was corruptly and wrongfully influenced in his decision as a member of said court by Edward F. Dunne, Jr., by reason of his personal friendship of Judge Alschuler and Edward F. Dunne, Sr., the father of Edward F. Dunne, Jr. Also, that Edward F. Dunne, Jr., was engaged and employed in the cause by reason of the personal friendship of said Samuel Alschuler and said Edward F. Dunne, Sr., and that Edward F. Dunne, Jr., was the medium of communication with Judge Alschuler through which the ends of justice in the cause of action were defeated and the said Marshall Electric Co. deprived of the rights claimed in the patent which was the subject matter of said litigation to the great financial loss of the Marshall Electric Co.

The Judiciary Committee held sessions on May 10 and May 21, 1935, for the purpose of inquiring into probable cause, if any, for the filing of said charges and for the purpose of finding facts respecting the charges so preferred. Representative DIRKSEN was called before the whole committee and given opportunity to make full statement and give full explanation of the charges he had made on the floor of the House. He was asked to furnish the committee with names of witnesses who could give testimony supporting the charges he had made. Representative DIRKSEN explained his interest in and his connection with the charges. Among other things, he stated, in substance, that it was hoped that the committee's investigation would result in obtaining for the Marshall Electric Co. a rehearing of the cause. He gave the committee the name of one possible witness other than Thomas Marshall. Representative DIRKSEN informed the committee that Thomas Marshall was attorney for and president of said Marshall Electric Co., and that he would appear before the committee, and that his testimony would sustain the charges he had made. Marshall was invited to appear before the committee and give his testimony. He informed the committee by telegram that he would be present on May 21. He did not appear at that time and has not appeared since that time, although ample time and opportunity has been allowed therefor.

In addition to the hearings on May 10 and on May 21, your committee made further investigation of the charges for the purpose of determining whether any basis existed for the making of charges against Samuel Alschuler. Hon. HATTON W. SUMNERS, Chairman of the Judiciary Committee, appointed a subcommittee consisting of the following members of the committee, to wit: HUBERT UTTERBACK, RANDOLPH PERKINS, WALTER CHANDLER, and WILLIAM E. HESS to give special consideration and study to the entire matter and prepare a report, including the finding of fact and recommendations to the whole committee. The subcommittee has made its report to the committee as a whole. In preparing the report the subcommittee has had before it for study and consideration the following:

1. Transcript of proceedings before Judiciary Committee on May 10, 1935.

2. Transcript of proceedings before Judiciary Committee on May 21, 1935.

3. Certified true printed copy of the pleadings and papers in case of Marshall Electric Co. against Pullman, Inc., et al., in the United States District Court at Chicago.

4. Certified true printed copy of transcript of testimony of Thomas Marshall and all other witnesses in trial of the cause.

5. Complete printed records of the cause in United States Circuit Court of Appeals, Seventh Circuit, including briefs and reply briefs.

6. Opinion of United States Circuit Court of Appeals, Seventh Circuit, dated May 27, 1934. (See 72 Fed. Rep., 2d ser., pp. 474–480, for opinion and denial of rehearing.)

7. Certified copy of the following documents in case of Marshall Electric Co. against Pullman Co., No. 536, Supreme Court of United States:

(a) Petition for certiorari and supporting brief.
(b) Brief in opposition and reply to brief.
(c) Order denying petition for certiorari.
(d) Order to post cause.
(e) Answer of Thomas Marshall for rule to show cause.
(f) Order declaring him in contempt.

8. Copy of Chicago Patent Law Association report on impeachment of Judge Alschuler submitted by committee of Frank Parker Davis, George O. Hite, and Clarence A. Malehope, dated May 27, 1935.

9. Complete Judiciary Committee file containing all letters received, carbon copies of letters mailed by the chairman to numerous parties, submitting questions and asking for statements concerning the subject matter of the charges preferred, also telegrams and other papers.

10. House Resolution No. 220, Seventy-fourth Congress.
11. Statement of Judge Louis Fitzhenry.
12. Statement of Judge Samuel Alschuler.
13. Statement of Judge William M. Sparks.
14. Statement of Edward F. Dunne, Jr.
15. Statement of William L. Sullivan.

After much consideration and deliberation, and from the information obtained as the result of the investigation so made, your committee was of the opinion that the charges preferred grew out of the trial and determination and appeal of said case of Marshall Electric Co. against Pullman, Inc., et al. The case involved a controversy over a patent. The record shows that a suit in equity under the patent laws of the United States was filed on the 8th day of January 1929 in the District Court of the United States for the Northern District of Illinois, eastern division, by Marshall Electric Co. against Pullman, Inc., the Pullman Co., Pullman Car & Manufacturing Co., and Safety Car Heating & Lighting Co., alleging infringement by the defendants of a certain (Chandeysson) patent owned by plaintiff on a device used by the defendants in lighting railroad cars. At the beginning of the litigation Messrs. Parker and Carter, of Chicago, were attorneys for Marshall Electric Co., and Robert S. Blair, of New York City, was counsel for the principal defendant, Safety Car Heating & Lighting Co.

The law firm of Gillson, Mann & Co., of Chicago, acted as local counsel for all of the defendants. On December 13, 1930, Delos G. Haynes, of St. Louis, entered appearance as one of counsel for the defendants. On December 5, 1930, the cause was referred to Charles B. Morrison, standing master in chancery, but because of ill health he declined to accept the reference, and on May 29, 1931, Thomas J. Peden, of Chicago, was appointed special master, and conducted the reference to conclusion, hearing many witnesses for the respective parties on highly technical and sharply controverted issues and making a report favorable to the defendants. The United States district judge, Hon. Charles E. Woodward, reversed the findings of the master, and a decision favorable to the plaintiff was rendered on July 26, 1933.

Appeal was taken by the defendants to the United States circuit court of appeals, and on December 20, 1933, Delos G. Haynes, Robert S. Blair, and Edward F. Dunne, Jr., separately entered their appearance as counsel for appellants. Donald M. Carter entered his appearance as counsel for appellee, Marshall Electric Co., on the same day. On December 22, 1933, George L. Wilkinson, of Chicago, entered his appearance as counsel for appellants. The cause was heard on appeal by Circuit Judges Samuel Alschuler, William M. Sparks, and Louis Fitzhenry on May 16, 1934, oral arguments being made by George L. Wilkinson and Robert S. Blair for appellants and by Donald M. Carter for appellee. On June 27, 1934, in an opinion delivered by Judge Sparks and concurred in by Judges Alschuler and Fitzhenry, the decree of the district court was reversed, and the master's report was approved.

On July 17, 1934, Marshall Electric Co. filed a petition for a rehearing of the cause, and filed an amendment thereto on September 28, 1934. On October 4, 1934, the petition was denied without an opinion. The petition for rehearing contained no reference or exception to the official conduct of Judge Alschuler, although some of the important circumstances on which the impeachment articles were based existed and must have been known to Marshall Electric Co. at the time of the filing of the petition for a rehearing.

It further appears that on November 21, 1934, Marshall Electric Co., by Thomas Marshall as its sole counsel signing the petition, filed in the United States Supreme Court a petition for certiorari, and, as reason IV for the granting of the writ, the petition set forth in substance the allegations which form the structure of the articles of impeachment filed by the Representative from Illinois [Mr. DIRKSEN]. The petition for certiorari was denied by the United States Supreme Court on January 7, 1935; and on the same day the United States Supreme Court, on its own motion, ordered Mr. Marshall to show cause why he should not be adjudged in contempt of court, because of the character of the statements in his brief respecting the conduct of Judge Alschuler and others in the cause. On January 23, 1935, Thomas Marshall entered the rule to show cause and apologize to the Court in part as follows:

> I am humiliated at the realization that certain remarks in my reply brief have transgressed the bonds of propriety and offended the Court. I am very sorry and apologize.
>
> The reply brief was written under pressure of time, and believe me when I say that my failure to realize the impropriety of the remarks in question was due solely to the heat of the controversy. I own control by a substantial majority of the stock in the petitioner, and have personally had the active management of this litigation on behalf of petitioner for a period of 6 years, through many courts.

The statements of Mr. Marshall were held in contempt of the Court, and he was suspended for 6 months and fined $250 which was paid by Mr. Marshall. Donald M. Carter, who had been leading counsel for Marshall Electric Co. from the inception of the case through the United States Circuit Court of Appeals, did not appear as counsel for petitioner in the Supreme Court.

It also appears that Edward F. Dunne, Jr., is the son of the Honorable Edward F. Dunne, who was successively judge of the Circuit Court of Cook County, Ill., mayor of Chicago, and Governor of the State of Illinois, and that said Edward F. Dunne, Jr., was engaged in the practice of law in Chicago until 1919, when he removed to New York City and continued to practice there. About the same time he was admitted to practice in the United States Patent Office, having taken a course of study under Lawrence A. Janney, a well-known patent lawyer of Chicago and New York. In the fall of 1928 Mr. Janney formed a professional association in New York with Robert S. Blair and Edward G. Curtis, under the firm name of Janney, Blair & Curtis, and invited Edward F. Dunne, Jr., to join that association. Mr. Dunne accepted in October or November 1928, a few months before the litigation under discussion was started. On the retirement of Mr. Janney in April 1933 the firm name was changed to Blair, Curtis & Dunne.

Robert S. Blair had been patent attorney for Safety Car Heating & Lighting Co., the principal defendant in the Marshall Electric Co. case, for a number of years prior to 1929. Mr. Dunne assisted Mr. Blair in the preparation of the briefs on the appeal of the cause, but took no other part in it and was not present at the hearing. He never at any time saw or communicated with Judge Alschuler or any of the United States circuit judges who sat on the appeal of the case. Judge Alschuler had not seen nor had he heard of or from Edward F. Dunne, Jr., since prior to the latter's removal to New York in 1919.

The investigation showed that the Edward F. Dunne Portrait Association was promoted in July 1934 by William L. Sullivan, of Chicago, for the purpose of acquiring by voluntary contribution and presenting to the Circuit Court of Cook County, Ill., a portrait of Hon. Edward F. Dunne, Sr., one of its former judges, on his eighty-first birthday. A

large number of men prominent in public life were invited by William L. Sullivan, who is a member of the Chicago bar and was former secretary to Edward F. Dunne, Sr., while the latter was Governor of Illinois, to participate in the movement, among them being Judge Samuel Alschuler. William H. Sexton was president of the association. Nine honorary presidents were selected, some Democrats and others Republicans, all of whom had been or were United States Senators or Governors of Illinois, or nominees for the latter office, to wit, Judge Samuel Alschuler, Hon. Charles S. Deneen, Hon. Joseph W. Fifer, Judge Norman L. Jones, Hon. James Hamilton Lewis, Hon. Frank O. Lowden, Hon. Lawrence G. Sherman, Hon. Floyd E. Thompson, and Hon. Richard Yates. Their names were arranged alphabetically on the printed list of honorary presidents. There were in all 18 judges in the list of officers of the association. Hon. Norman L. Jones, chief justice of the Supreme Court of the State of Illinois, was also an honorary president. Three judges were vice presidents. Twelve were members of the executive committee. Judge William V. Brothers was treasurer. The sum of $839.50 was raised. There were 96 contributions of from $2 to $10 each. When the portrait was presented on October 13, 1934, Judge Alschuler was presented and, among many others, made a brief address.

The assignment of judges to hear appeals of causes in the United States Circuit Court of Appeals at Chicago was made by Circuit Judge Evan A. Evans, who delegated his law clerk to make the allocations in such a manner that each of the judges would have a fair proportion of the work. The designations were made in advance of the hearings, and assignments were not made of any causes to any particular judge or group of judges. Judge Alschuler's participation in the Marshall Electric Co. against Pullman et al. was a matter of assignment and not of design. The preparation of the opinion of the court was assigned to Judge Sparks. No special circumstances marked the hearing or decision of the case, which was one of 160 cases in which opinions were written in that year, and no disagreement as to the correct decision to be rendered in the case was recalled by any of the judges sitting on the trial in the circuit court of appeals.

When the impeachment charges were preferred by Representative DIRKSEN, the Chicago Patent Law Association appointed a committee consisting of Messrs. Frank Parker Davis, George I. Haight, and Clarence E. Mehlhope, prominent patent lawyers, to investigate the official conduct of Judge Alschuler in the Marshall case as well as those members of the Patent Law Association who were of counsel in the case. That committee made a careful investigation, examined the complete record and briefs in the case, and reached the unanimous conclusion that the cause was given full and impartial consideration in all of the courts and was decided correctly on the merits. The charges against Judge Alschuler were found to have no basis in fact or circumstance. Quoting from the report:

> Every lawyer has had the experience of not agreeing with the court in which he meets defeat, but when an honest and able master is agreed with by 3 honest and able judges in the circuit court of appeals, and the 9 honest and able judges in the Supreme Court of the United States decline to interfere, and all of these disagree with 1 honest district judge, one without further inquiry will be led to strongly presume that the Marshall Co. has no rights that have not been well observed in this litigation.

Careful study and consideration clearly justify, in my opinion, a finding of the following to be the facts:

1. That said Edward F. Dunne, Jr., was not made a member of the New York law firm of which Robert S. Blair was a member, for the purpose of providing a means of communication with Judge Samuel Alschuler as charged, but states the fact to be that said Edward F. Dunne, Jr., accepted the invitation to become so associated in October or November of 1928, when the said cause was not commenced until in January 1929.

2. That said Edward F. Dunne, Jr., had no communication, directly or indirectly, at any time respecting said cause with Judge Alschuler while said cause was pending.

3. That neither Edward F. Dunne, Jr., Robert S. Blair, nor Judge Alschuler was guilty of any unethical or unprofessional conduct in said litigation.

4. That Judge Alschuler was not influenced in his official acts as one of the judges of the circuit court of appeals in hearing said cause and appeal by his friendship for Edward F. Dunne, Sr., nor by the appearance of the name of Edward F. Dunne, Jr., as attorney on appellants' brief. In statement of Judge Alschuler filed with the committee he states that he did not know or realize that the New York attorney, Dunne, was the son of Edward F. Dunne, Sr., until after the case was fully tried and decision filed and rehearing denied.

5. That the opinion of the circuit court of appeals in said case was written by Judge William M. Sparks and was concurred in by both Judge Louis Fitzhenry and Judge Samuel Alschuler.

6. That Judge Alschuler was not guilty of favoritism, oppression, and judicial misconduct of any character in the discharge of his official duties as one of the judges in the case in question.

7. That it was not judicial misconduct for Judge Alschuler to participate in the trial of said case because the name of Edward F. Dunne, Jr., appeared on brief as one of appellants' attorneys.

8. That it was not judicial misconduct for Judge Alschuler to accept the invitation in July 1934 to serve as one of nine honorary presidents of the Edward F. Dunne Portrait Association. It should be noted that the opinion of Judge Sparks in the case was filed on June 27, 1934, before the said association was organized. Your committee is of the opinion that neither the conduct of Judge Alschuler nor that of any of the 17 other judges who served as officers of said association are subject to any just criticism.

9. That the said case was not decided without evidence.

10. That Judge Alschuler did not advise with Edward F. Dunne, Jr., or any other attorney for appellants in said case.

11. That Judge Alschuler did not enter into a conspiracy with Edward F. Dunne, Jr., Edward F. Dunne, Sr., Robert S. Blair, George L. Wilkinson, Delos G. Haynes, Pullman, Inc., the Pullman Co., the Safety Car Heating & Lighting Co., Senator William Warren Barbour, Robert Barbour, D. A. Crawford, and others, or any of them, to take from the Marshall Electric Co. the patent rights involved in the said litigation.

12. That Judge Alschuler was not biased or prejudiced against the Marshall Electric Co.

13. That the case was assigned for trial in the usual and ordinary way by Judge Evan A. Evans and that in 1929 no one could reasonably anticipate that Judge Alschuler would ultimately in 1934 or at any other time be assigned to have anything to do with the said case.

14. That Judge Alschuler did not know Thomas J. Peden, master in the United States district at Chicago, and had no relation with him as master in said case.

15. That Representative DIRKSEN, before preferring the charges herein, knew of the decision of the circuit court of appeals in the Marshall case; knew that Judge Sparks wrote the opinion for the court; knew of the proceedings in the United States Supreme Court; and that Mr. Marshall had been found guilty of contempt of court, suspended for 6 months, and fined $250, which he paid.

16. That Representative DIRKSEN preferred said charges on his own responsibility, based largely on statements made to him by Mr. Marshall, a disappointed and dissatisfied litigant.

17. That Judge Alschuler has the reputation of being a just, upright, able, and conscientious judge, with many years of noteworthy service as a member of the judiciary of the United States.

18. That the names of other prominent public officials and citizens, notably United States Senator William Warren Barbour, Robert Barbour, George L. Wilkinson, and D. A. Crawford were mentioned in the recital of the charges of

impeachment, and that I feel it is proper to state that, in the committee investigation of the entire matter, no suspicion or scintilla of evidence was found that reflected any discredit or improper conduct on the part of any of said persons.

19. That the charges preferred by Representative DIRKSEN, of Illinois, contain misstatements of fact and law, are based on hearsay and suspicion, and are not logical nor warranted deductions from unconnected facts and without personal knowledge or careful and proper investigation.

20. That there is no competent evidence to sustain the charges preferred or any of them, and that there is no ground for the impeachment of Judge Samuel Alschuler herein.

I concur fully in the unanimous report of the committee. On the suggestion of some of the members of the committee, I have taken this opportunity to present my personal observations and conclusions respecting the matter, believing that the membership will be interested in having the information contained in these remarks. The following is the unanimous report of the Committee on the Judiciary submitted the 15th day of August 1935, by Hon. HATTON W. SUMNERS, chairman of the committee, to wit:

The Committee on the Judiciary, to whom was referred the impeachment charges made on the floor of the House of Representatives on the 7th day of May 1935, by the Honorable EVERETT M. DIRKSEN, a Representative from the State of Illinois, against the Honorable Samuel Alschuler, a judge of the United States Circuit Court of Appeals of the Seventh Circuit, has completed its examination.

The said impeachment charges grew out of alleged favoritism, misconduct of many sorts, and corruption on the part of the said Samuel Alschuler in connection with the case of Marshall Electric Co. against Pullman, Inc., et al., which had been heard on appeal in said circuit court of appeals and which is alleged by the said EVERETT M. DIRKSEN was "decided" by the said Samuel Alschuler, charging specifically among other things "that Samuel Alschuler knowingly used his judicial powers as an incident to and an overt act pursuant to a conspiracy to wrongfully and fraudulently take over" for defendants the property involved in said cause.

The opinion complained of was not written by the said Samuel Alschuler but was written by Judge Sparks, another member of said court. It was a unanimous opinion of the three judges. Judge Alschuler does not appear to have had anything to do with the decision of the cause other than to have sat in the usual conference with his colleagues when the opinion written by Judge Sparks was considered and to have concurred with them in the opinion.

The charges of favoritism, misconduct, and corruption constituting said impeachment charges, together with the statement of alleged facts made by the said EVERETT M. DIRKSEN on the floor of the House of Representatives, upon which statements said charges of impeachment are made to depend, have been examined by this committee and are found to be untrue.

The Committee on the Judiciary, under the circumstances, feels it to be its duty to report that its investigation has disclosed that Judge Alschuler, who is now past 75 years of age, and who has long been a member of said court, is recognized as an eminent and honorable jurist, and enjoys the respect, confidence, and affection of the people.

The said EVERETT M. DIRKSEN appears to have been motivated, in part at least, in preferring said impeachment charges by the desire and purpose to aid, and in the belief that he might thereby aid, the cause of a person who had been a party in interest in said suit and in which matter the said EVERETT M. DIRKSEN estimated there was some $25,000,000 involved.

No mitigating facts or circumstances have been discovered by this committee touching the conduct of the said EVERETT M. DIRKSEN in basing upon a misstatement of facts a false accusation of personal and official dishonesty against the said Samuel Alschuler.

House Resolution 214, which accompanied said impeachment charges, is adversely reported by this committee.

PERMISSION TO ADDRESS THE HOUSE

Mr. WEARIN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes, and at the termination thereof to revise and extend my remarks by inserting at that point in the RECORD a speech written by my colleague the gentleman from Iowa [Mr. EICHER], and his minority views on the holding-mopany bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WEARIN. Mr. Speaker, I think the Members are familiar with the fact that our very distinguished and able colleague, the gentleman from Iowa [Mr. EICHER], has been confined to his apartment because of an illness from which he has almost completely recovered. He will soon be at his duties again with the same energy and ability so typical of his services in this body.

The House will also recall that the gentleman from Iowa [Mr. EICHER] was very active in his fight in behalf of President Roosevelt's position with reference to holding companies, and defended the so-called "death clause" in the House debate. It was that long, hard fight in defense of the administration, during which he was no respecter of his health, that he brought upon himself this temporary sickness. I expect him back to the floor this session.

My distinguished colleague has prepared an address in which he has explained the proceedings of the important Committee on Interstate and Foreign Commerce of which he is a member, and of the subcommittee that considered title I of the Wheeler-Rayburn bill, of which he was also a member; and he has requested me to insert it in the RECORD as if he himself had made the speech. I have, therefore, made this particular request. I commend the address to the Members of the House with the hope that they will read it very carefully, as it expresses his first-hand knowledge of the situation.

Mr. RANKIN. Will the gentleman yield?

Mr. WEARIN. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman should request that the speech of the gentleman from Iowa [Mr. EICHER] be printed in 8-point type, or that Mr. EICHER may be permitted to extend his own remarks in the RECORD, so that his speech will be printed in 8-point type. I suggest that the gentleman make his request that the speech be printed in 8-point type, because Mr. EICHER is a Member of the House, and because he cannot be here is no reason why his speech should be printed in 6-point type, which no one can read.

Mr. WEARIN. Mr. Speaker, I revise my unanimous-consent request to include the fact that the speech of the gentleman from Iowa [Mr. EICHER] may be printed in 8-point type at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. RICH. Mr. Speaker, reserving the right to object, if all Members did that, then we would have the speeches of every Member included in the RECORD in 8-point type. Under the circumstances I must object.

Mr. WEARIN. I trust the gentleman will withhold his objection.

Mr. RICH. I withhold my objection for the time being.

Mr. WEARIN. The gentleman from Iowa [Mr. EICHER] has been detained at his apartment because of illness. He cannot make this speech. Were he here he would deliver the address himself. I trust the gentleman from Pennsylvania will not object to the request under the circumstances.

Mr. RICH. Hereafter Members will have to be sick or they are not going to have their speeches printed in the RECORD in 8-point type.

Mr. O'CONNOR. Mr. Speaker, I do not believe the desired purpose may be accomplished under the law. I think even granting the unanimous-consent request would not get by the law.

Mr. RICH. We will look up the law, and if the law does not permit it, we will not grant the request.

Mr. RANKIN. The gentleman from Iowa may accomplish his purpose in this way: He should ask unanimous consent

that the gentleman from Iowa [Mr. EICHER] may be permitted to extend his remarks in the RECORD, and then insert the gentleman's remarks, which will be set up in 8-point type under the rules of the House.

Mr. RICH. Mr. Speaker, I think this is a very poor precedent to establish; therefore I must object.

Mr. WEARIN. Will the gentleman withhold his objection? I think it is not only unfair but discourteous to protest such a request as I have made in behalf of one of our colleagues who is unable to be here because of illness.

Mr. RICH. Mr. Speaker, I object.

Mr. WEARIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WEARIN. What is the status of my unanimous-consent request to address the House for 2 minutes and to insert at this point in the RECORD the remarks of my colleague the gentleman from Iowa [Mr. EICHER]?

The SPEAKER. The gentleman's request has already been granted.

Mr. EICHER. Mr. Speaker, I have been unable to attend the House since its first votes on the utility bill. But I have kept acquainted with the progress of the conference on that bill, and I feel that the situation of the bill is now so difficult in a conference dominated on the House side by Mr. HUDDLESTON, of Alabama, commanding two Republican conferees who voted against even the House bill, that I should make the House acquainted with my own experience with Mr. HUDDLESTON in the deliberations of the Interstate and Foreign Commerce Committee on that bill. Mr. HUDDLESTON's attitude during 4 months of deliberation by that committee on the Wheeler-Rayburn bill makes it perfectly clear to me that the House conference dominated by Mr. HUDDLESTON will produce no bill this session which the Senate conferees can accept or which the President, in the light of his holding-company message, can be expected to sign.

For myself I should not regret such a result. I think there is no better issue on which the Democratic Party could go to the country in 1936 than the question of whether this country is to be run by a democracy of free men or a handful of plutocratic Wall Street holding companies functioning through legislative interpreters like Mr. Hurley and Mr. Tumulty. I have no fear for the Democratic Party from the 10,000,000 investors, which, in a statement released on Sunday, the Committee of Public Utility Executives boasted it could command in 1936. There are 40,000,000 voters in the United States, most of whom are not investors at all. And if there are 10,000,000 investors in the United States in public utility holding company securities, most of them have been too milked and too disillusioned to vote at the command of Mr. Gadsden and the missing Mr. Hopson.

But I know there are many Democratic Members of the House who chose not to stand with the President in the votes on section 11 of the Senate bill who still hope that the conference committee can produce a bill for which they can finally vote which can be acceptable to the House, the Senate, and the President. And as the time grows short within which an achievement can be accomplished, I feel it my duty to recount my own experience with Mr. HUDDLESTON as a warning of the kind of conduct which may be expected of him in conference, and of the kind of hands to which the House has intrusted one of the most difficult problems ever sent to a conference between the Houses of Congress.

I do not impugn the motives of Mr. HUDDLESTON. He has been long in the public service. Most of his active years, I understand, were spent in fighting lost liberal causes. But I fear that disappointment and disillusionment have in recent times caused him to lose that faith in democracy that has ever been the vitalizing principle of the party of democracy. I regret as much as any man the disaffection of the once fighting progressive from Birmingham.

But I deem it my duty to this House, the Democratic Party, and its great leader, Franklin Delano Roosevelt, to give fully and frankly my views of the situation in which this House will probably find itself by reason of the fact that a majority of its conferees on the holding-company bill, consisting of Mr. HUDDLESTON and two Republicans who voted against the House bill, are not in a mind or mood to reconcile the differences between the House bill and the Senate bill, and that a majority of the House conferees are opposed to any holding bill which the Senate conferees will accept or which the President will sign.

I firmly believe that the great majority of the Members of this House are in favor of effective legislation on utility-holding companies and fervently desire that that legislation be passed this session. I firmly believe that if the majority of the House conferees fairly represented the sentiments of this House an agreement on the holding-company bill could be reached satisfactory to the Senate and acceptable to the President. But I do not believe that such agreement can be reached by House conferees controlled by Mr. HUDDLESTON, who has frankly stated that he thinks the House bill too drastic, and by two Republican Members who voted against any legislation this session.

I was a comember with Mr. HUDDLESTON of the House Committee on Interstate and Foreign Commerce, to which the Wheeler-Rayburn bill was committed. I was also a comember with him of the subcommittee of that committee which supposedly formulated title I of that bill as it was finally reported to the House. Mr. RAYBURN, Mr. HUDDLESTON, and myself alone attended every meeting of that subcommittee. I have, therefore, had extraordinary opportunity to observe the kind of conduct by which Mr. HUDDLESTON seized control of this bill from the regular Democratic organization.

I understand the supposed veil of secrecy that envelops executive proceedings of committees. But it is no secret that the utility interests opposed to the President's program seemed always to have complete knowledge of the proceedings of the House committee and of the House subcommittee, and Mr. HUDDLESTON certainly lifted the veil when on this floor he disclaimed any authorship of any portion of the bill, and attributed it completely to persons outside the committee. Furthermore, enough has been said on this floor by others to make me feel perfectly justified in discussing the proceedings of the committee for the information of those Democrats who may have thought that they were still browsing in Democratic pastures when they followed pell-mell the dramatic but beguiling voice of Mr. HUDDLESTON. Perhaps after some examination of Mr. HUDDLESTON's participation in the curious repudiation of the administration by Democrats on what is certain to be a national issue of the Democratic Party in 1936, the Democratic organization in this House will be better able to decide whether on this issue it should accept the leadership of President Roosevelt or the leadership of Mr. HUDDLESTON.

No bill, however sound, can be expected long to survive the attacks of the kind of professional lobbyist army supplied with indefinite funds which the utility interests admittedly have turned loose against the President and the Wheeler-Rayburn bill. This utility lobby was a professional mercenary army, the mobilization into one army, concentrated against Congress, of separate contingents of that army of State-legislature lobbyists that for many years separate utility interests had maintained to control State legislation. No one knows how many millions of dollars they had at their disposal. At the very threshold of the lobby investigation—before the questionnaires of the Senate committee have been returned—one full million has been admitted.

All a lobby of that kind needs is time. All it needs to ask of those who are to help it is to give it time. Give that kind of a lobby months and months in which to organize innumerable pressures upon particular Congressmen, to corrupt the press by financial advertisements, to circulate its whispering campaigns, to enable its highly paid advertising agencies to "plug" misleading slogans like "death sentence" all over the country—and no bill can stand against it. This is a commonplace of legislation against vested interests for the benefit of the public—the easiest way to emasculate it is to keep it in committee too long.

As I have said before, I cannot directly impugn Mr. HUDDLESTON's motives because I do not know them. But I do know from my own personal observation and participation in

the events that Mr. HUDDLESTON's purposeful activity was the chief cause of what was admittedly unreasonable delay in getting the Wheeler-Rayburn bill out of the Interstate and Foreign Commerce Committee and before this House.

For nearly 2 months the Wheeler-Rayburn bill was kept in open hearings before full committee of the Interstate and Foreign Commerce Committee with pointless testimony from utility company after utility company simply repeating itself ad nauseum. The Senate committee completed its comparable hearings in 2 weeks with testimony strictly limited to the points at issue—and a mere comparison of the hearings before the House committee and before the Senate committee will show that even from the side of the utilities the presentation before the Senate committee was far more pointed and intelligent than the presentation before the House committee. The cause of such unnecessarily overextended hearings against the wishes of the chairman of the committee was clearly the insistence of those two Democrats who worked the hardest to defeat the program of the administration on this bill, Mr. HUDDLESTON, of Alabama, and Mr. PETTENGILL, of Indiana. Those interminable open hearings before the House committee gave the professional utility lobby 2 months to work.

After those 2 months the committee went into executive sessions through subcommittees to consider the bill title by title. I was a member of the subcommittee on title I—on holding companies. The other members of that committee were Mr. RAYBURN, Mr. HUDDLESTON, and Mr. PETTENGILL, the supposed administration supporters, and Mr. MAPES and Mr. WOLVERTON, openly and honestly opposition Republicans. That subcommittee deliberated by itself for over 6 weeks after the 2 months of public hearings were closed—six more weeks for the lobby to work. Mr. RAYBURN, Mr. HUDDLESTON, and myself attended every single meeting of that subcommittee. The other three members of the subcommittee were not present at all the sessions.

I have never sat in more deliberately fruitless discussions than those carried on by Mr. RAYBURN, Mr. HUDDLESTON, and myself in that subcommittee. I have never sat with a man who more obviously and deliberately attempted to make it impossible to carry on a constructive and conclusive discussion of a piece of legislation than with Mr. HUDDLESTON.

The title I the subcommittee reported to the full committee and the full committee to the House was an unworkable, unconstitutional farce; and it was a farce because Mr. HUDDLESTON's sabotage—which I cannot but consider was deliberate—made it a farce. As I have said, the subcommittee thrashed straw for nearly 6 weeks. I am sure that at least two-thirds of that time—4 weeks out of the 6—was occupied by a personal filibuster on the part of Mr. HUDDLESTON.

He interminably reargued the impossibility of setting up adequate standards of even a regulatory bill. He interminably reargued the unconstitutionality of sections 11 and 13 of the bill, and then insisted on their being changed in the direction of what was further unconstitutionality according to his own arguments. And for the authorship of the ineffective and probably unconstitutional provisions of sections 11 and 13 of the House bill, Mr. HUDDLESTON cannot escape primary responsibility. Mr. HUDDLESTON was seriously concerned about the constitutionality of every provision in the bill which had any teeth in it. But Mr. HUDDLESTON showed no concern about the constitutionality of the weaker provisions which he himself suggested, although they presented far graver constitutional problems than the effective provisions of the original bill.

Mr. HUDDLESTON is wrong when he says he had no part in the authorship of title I. He took the completely obstructionist part of making it practically impossible for the subcommittee to consider and report an adequate title I. Furthermore, since with his two Republican colleagues and that soul of indecision, Mr. PETTENGILL, who accepted his leadership, he held the balance of power on the subcommittee. He made it impossible for the subcommittee to report an adequate title I to the full committee or for the full committee to reopen the recommendations of the subcommittee.

When finally the committee reported out what a Progressive Congressman rightly called "a bastard brat of the Power Trust", nearly 5 months had elapsed since the original introduction of the Wheeler-Rayburn bill in the House—5 months for the lobby to work.

I voted to report that House bill out of subcommittee, and I voted to report it out of full committee. But in each case I voted for that ineffective bill as the only way to get something onto the floor of the House at this session. With the help of the Republican members of the committee and that soul of indecision, Mr. PETTENGILL, Mr. HUDDLESTON has created a deadlock in which no bill, except in the form determined by him, could be reported by the committee.

But with the report of that House bill by the Committee on Interstate and Foreign Commerce, I filed some additional views, which I ask to have printed in the RECORD at the end of this speech for the benefit of those who may be interested in further study of this subject.

That is the story of Mr. HUDDLESTON's conduct over 6 months of deliberation on this administration bill. From all I can learn of his purposes and his conduct in conference, that performance in committee was prophetic of his conduct to date in the conference—an unyielding determination to make no concessions whatsoever—and to kill the whole bill. Men do not change—the Mr. HUDDLESTON of the House committee will be the Mr. HUDDLESTON of the conference committee. I am perfectly certain that if the House conference remains under his domination there will be no utility bill at this session of Congress.

This utility bill is not the first time Mr. HUDDLESTON has attacked a Democratic President or a Democratic administration. You will remember that in January he delivered a philippic against the country's and the party's gold policy, a prophecy of eventual damnation for any country that would modify its gold contract, and a warning that the Supreme Court would not uphold the law.

And the record of Mr. HUDDLESTON has always been a record of consistent opposition to his party leaders. He constantly opposed President Wilson as no other Democrat opposed him. He has never helped this President. There has not been a single instance in which he has been of service to Franklin D. Roosevelt and the Democratic Party of Franklin D. Roosevelt prior to this open attack upon him made during the course of this utility bill. One of my early lessons in the theory and practice of patriotism was learned during my undergraduate days when Edward Everett Hale was the guest of our college fraternity one evening and literally at his knee I heard that master classicist's recital of the inspirational background of The Man Without a Country. Granting the sincerity of the vicious attacks repeatedly made by the gentleman from Alabama on our administration and its policies, I am prone to wonder whether even Philip Nolan was a more lonely creature than he.

What, then, are men who purport to be Democrats think they are doing in accepting the leadership of a soured radical on an issue as vitally important for the future of the party as the power issue?

The issue of the President against the Power Trust, on which we are struggling, is the greatest of national issues. Its importance grows with every minute. We live in the power age. We live in an age in which electric power is rapidly becoming the most important single factor in civilization. The issue of the proper and economic utilization of that power for the benefit of the whole people is a paramount political issue today. It will be a paramount political issue in 1936. It will always be a paramount issue until it is settled in favor of the people. And God help the politician who gets on the wrong side of it, for the longer political maneuvering defers a settlement of this issue the more desperate the remedy the public will apply.

For Democrats this issue today of the President against the Power Trust is the most intensely party issue which has confronted us since we came into power in 1932.

There is no doubt where the Republican Party stands on this power issue. There is no more doubt that the Republican Party stands behind the Power Trust than there is that

the Power Trust stands behind the Republican Party. And there is no more doubt that the Power Trust would not want our votes nor want us in control of affairs if it could have the Republican Party in control. It flatters us because it has to, now that we are in. But it will do its damndest to kick us out—the complacent among us as well as the fighters among us—as soon as it can. The Republican members of the subcommittee maneuvered to put the full committee in such a position that to get any bill upon this floor at all the committee had to deliver what a Progressive has rightly taunted us with being "a bastard brat of the Power Trust." But you will notice that the Republicans never compromised their principles 1 inch in those proceedings. When the time to vote even that bastard bill out of committee arrived, the Republicans of the committee—their work of sabotage done, and well done—voted solidly as a party not to report out even this Huddlestonian bastard.

The Republican Party position today is therefore perfectly clear. They are as a party where you would expect them to be—on record against any power bill.

That is where the Republican Party stands—with the Power Trust—four square with it. The Republican Party has sense enough not to bite the hand that feeds it.

Now where does the Democratic Party stand?

We are not the Power Trust's party. The only hand that feeds us consistently is the hand of the people—the great inchoate, inarticulate mass of the people. That great mass is not on preferred lists. That great mass does not send telegrams, even on the things it feels most deeply about. But it does know what is going on. It does know that a great decision is being made in this House this session on this power issue. And it is prepared to understand this power issue and to stand with the President on this issue. All this Power Trust propaganda, on which literally millions of dollars must have been spent—I heard an estimate of twenty millions yesterday—has been double-edged politically. Because it has aroused the whole country—not only the investors, whom it was intended to mislead—to an acute sense that there is a great decision being made in this House. That arousing of interest through propaganda has made certain that silently the millions who do not send fake telegrams are watching us—silently but as surely and as intelligently as the few who do send bona fide telegrams.

And it has made certain that there will be a power issue in 1936—of common, intelligent Americans against the Hopsons and the other milkers, of Democrats against Republicans—whether Mr. HUDDLESTON permits the Democrats of this House to have a utility bill at this session of Congress or not.

As a member of the subcommittee which for 6 weeks gave exhaustive consideration of title I—the holding-company title—of H. R. 5423, I voted with others of the full committee to report the bill from the committee in order to bring the subject to the floor of the House for its consideration. My disagreement with certain modifications made in the original bill by the subcommittee, and the circumstances under which the full committee reported the bill, impel me to append this qualifying and explanatory statement to the end that the Membership of the House may be fully advised of the irreconcilable inconsistency between the committee's bill in this present form and S. 2796. It may fairly be stated that this memorandum reflects the views of many members of the committee.

I

The President's message, quoted at length in the committee report, outlined a realistic program, based on his own long and extensive personal experience with the subject, for dealing with the utility holding companies. It was a carefully worked-out program based on actual findings of the Federal Trade Commission and corroborated by studies made for this committee by its special counsel, Dr. Walter M. W. Splawn, now a member of the Interstate Commerce Commission. The President's recommendations were buttressed not only by the report of the National Power Policy Committee, which had been specially designated by him to develop a workable and comprehensive policy for dealing with the utility holding company, but by conclusions independently reached by Dr. Splawn on the basis of his own extensive investigations for this committee.

The bill originally referred to the committee by Chairman RAYBURN satisfactorily embodied the President's program.

The substitute bill reported by the committee departs radically from the policy recommended by the President and fails completely to meet the vital and irrepressible issues presented by the unregulated growth of the utility holding company. It proceeds on a theory that it will be sufficient for the interests of the country to arrest further concentration of control over operating utilities by a few giant holding companies, when, as an indisputable fact, that concentration is already so practically complete that it has no further to go. It does not attempt to justify the concentration and monopolization in the hands of a few small but powerful banking groups of electric and gas utilities operating under local franchises. But it nevertheless helplessly accepts as permanent a situation which those groups have created, and attempts theoretically to regulate conditions that ought not exist and that as a matter of experience cannot be regulated. It fatalistically condones and perpetuates a system of private paternalism in the most important of our industries based on greed, destructive of independent competitive enterprise, and incompatible with political and economic liberty.

Specifically, the bill reported by the committee has three fundamental defects:

(1) Section 11 of the bill originally referred to the committee by Chairman RAYBURN provided for the rearrangement of operating companies controlled by giant holding companies into rational contiguous systems of moderate size. It put that burden upon holding companies to break down their concentration of economic power, to make them amenable to successful regulation in smaller matters, and to promote local operating efficiency through locally interested management. This section has not only been thoroughly emasculated in substance in the bill reported by the committee, but the form in which it has been reported could hardly include a more constitutionally dangerous, indefinite delegation of power to a regulatory commission.

(2) Section 13 of the bill originally referred to the committee by Chairman RAYBURN would have ended the service-contracts racket on the very definite principle that no holding company should profit by dealings with its subsidiary, and more than a trustee by dealings with his beneficiary. That section has been completely eliminated in the bill reported to the committee. In its place there has been substituted a provision indefinitely delegating the whole subject of the treatment of service contracts to a regulatory commission, in such a way as could hardly be more dangerous from a constitutional point of view.

(3) The bill incorporates neither of two tax proposals highly recommended and favorably discussed in the committee to encourage the voluntary reorganization of holding companies and tend to lift from the regulatory commission the burden of undertaking compulsory reorganizations under section 11.

The first of these tax proposals was the removal, with respect to dividends received by holding companies from their subsidiaries, of the exemption from the corporation income tax which holding companies may now claim for such dividends. Such a tax would have been particularly helpful to the purposes of the bill by making it profitable for holding-company systems voluntarily to eliminate unnecessary intermediate companies in the structures of such systems. Such a tax was recommended by the National Power Policy Committee, is in accord with the recommendations of the President's recent tax message, was incorporated in the report to the full committee by the subcommittee studying title I of the bill, and was at the last minute voted out of the bill reported to the House.

As a complement to such a removal of the exemption from tax on intercorporate dividends, the report of the Senate Committee on Interstate Commerce recommended appropriate exemptions from taxes upon reorganizations undertaken to conform with the purposes of the bill. Such

a provision was strongly urged by the holding-company interests themselves to remove tax difficulties from voluntary reorganizations to simplify holding-company systems. Such a provision—like the other tax provision above referred to—was proposed to the full committee by the subcommittee and was at the last minute voted out of the bill reported to the House by the committee.

The action of these two tax provisions, working in combination, would be most effective in stimulating those in control of holding-company systems into voluntary reorganizations to make such systems comply with the purposes of the bill. They are therefore most germane to a bill which has as one of its chief purposes the simplification of complicated and costly intercorporate structures which increase the rates paid by consumers of gas and electricity and hopelessly complicate the rights of investors.

Of the constitutionality of taxes imposed for such purposes, there is no doubt, even in a case where the Federal Government has no regulatory power over the subject matter at all. As Mr. Justice Sutherland recently stated:

> From the beginning of our Government, the courts have sustained taxes although imposed with the collateral intent of effecting ulterior ends which, considered apart, were beyond the constitutional power of the lawmakers to realize by legislation directly addressed to their accomplishment (*Magnano* v. *U. S.*, 292 U. S. 40, 47).

The remainder of this report considers in more detail the three chief defects above outlined in the bill reported by the committee.

II

There has been no evidence submitted to the committee which justifies the use of the holding company beyond the limits of any one State where the holding form is not necessary to the functioning of a locally or regionally integrated operating utility system. Dr. David Friday, economist for the utility interests, when pressed before the committee, had to admit that the holding company was entirely unnecessary to the efficient functioning of an operating company in a large city area and that such an operating company could get along perfectly well on its own credit and with its own local management. The original bill made no proposals to force the utility industry back to the unit of a single plant or local distributing area. Not only was no limitation placed on the size of an operating company within a State, but the holding company was expressly recognized as tolerable where necessary to the operations of a physically integrated utility system. The economist for the utility interests was forced to admit the untenability of their position simply because it would not stand up against indisputable facts.

A specious argument was put forth that the holding company was necessary to provide diversification of risk for the investor. That was obviously an attempt to invest an after-the-fact justification for the giant holding companies, which were not promoted to provide diversification of risk for the investor but to aid in the sale of equipment to facilitate stock-jobbing, mergers, and other lucrative forms of financial opportunism, and to build up great economic empires. As a matter of fact, the best securities in a holding-company system are not "diversified"; they are the senior securities of the subsidiary operating companies, which constitute liens on specific physical assets and which offer no "diversity of risk" to the investor. The only "diversified" securities in a holding-company system are the holding company's own securities, which, no matter what they are called, have nothing back of them but the slender stock equities in operating companies; and these are "diversified" not with an eye to protection for the investor, but to give power completely disproportionate to their real investment to the promoters and bankers of a far-flung utility empire.

The thin controlling equities of the holding company, neither in theory nor in practice, offer a sound diversification of risk from the investor's standpoint. The securities of those holding companies, like Associated Gas & Electric, Electric Bond & Share, Cities Service, Insull, Standard Gas & Electric, which have offered the most "diversification", have by the cold test of market quotations proved to be the poorest risks for the investor. This has been no accident. A company whose activities and ventures are so wide-spread that they cannot be followed in intimate detail by a localized management is bound to be speculative. Supermanagement is too often nothing but superfinance; and superfinance has always been costly to the investor. As the President wisely observed in his message, "Investment judgment requires the judicial appraisal of other people's management."

Hopelessly at a loss to justify their existence on economic grounds, therefore, the giant holding companies fall back upon their investors. The Government is asked to let these giant holding companies continue, even though they are dangerous to the public at large, even though as uneconomic units they burden the stability of the Nation's financial structure, because it is claimed that their break-up may hurt the investors whose badly shrunk savings are locked in their treasuries. But the original bill, as introduced by Chairman RAYBURN, takes nothing of value away from the investor, as will be demonstrated in detail later on. It simply breaks up the unwarranted economic power of the holding company. The issue between the President's program and the holding companies is therefore clear and cannot be evaded. It is not an issue of the economic value of the holding company. It is not an issue of the investor's equity. It is solely an issue of economic power—of the right of a privileged and ruthless few to control the investment, the business, and the livelihood of the many.

Section 11 of the committee's bill gives the Commission no power whatsoever to simplify the corporate structure by the removal of intermediate layers of holding companies. It gives the Commission no power to correct the existing inequalities in the voting rights of security holders; it does not even go so far in this particular as holding company executives professed a willingness to go. It does not even direct the Commission to compel the holding company to confine itself to the domestic-utility field and surrender its interests in a variety of extraneous and speculative activities, like the real-estate developments of Insull, the gasoline stations of Cities Service, and the romantic Latin-American adventures of Electric Bond & Share.

Section 11 of the committee's bill provides that it is the duty of the Commission to limit a holding company's operations in the utility field to one integrated system, but then provides further that the Commission shall not apply such a limitation if the Commission finds the limitation is not necessary in the public interest. In other words, it baldly shifts congressional responsibility to the Commission without any real declaration of congressional policy. And, insofar as there is any standard provided, it is couched in such a form as to make its effective application by the Commission impossible because of the pressure it invites against its application. The enforcement of such provision truly lies within the whim of the Commission and is confessedly of doubtful constitutionality.

Moreover, if the Congress has not the courage to state a definite policy in regard to the break-up of these huge concentrations of economic power, no administrative commission can fairly be expected to resist the pressures which would inevitably be brought against it to prevent the carrying out of any effective and consistent policy.

III

There has been much calculated misrepresentation as to the effect upon the investor of the bill originally referred to the committee and of the bill passed by the Senate. It has been repeatedly charged that section 11 of each of those bills would destroy the $12,000,000,000 invested in the utility industry by four to five million people. Many investors have been frightened into believing those charges. An examination of the bill as it passed the Senate and of the facts to which it relates will demonstrate that those charges are not true.

Look at the facts. The assets of the total operating electric-utility industry are estimated to have cost between twelve and thirteen billion dollars. What are they? They are generating plants, transmission and distribution lines; they are the dynamos, substations, transformers, poles, wires, and meters, which linked together, bring electric light and

power into the factory, home, and farm. The holding companies do not own these utility assets. These tangible, physical properties are owned by the local operating companies.

Do the holding companies own the local operating companies? They do not. They simply control the operating companies. As a general rule all that a holding company owns is the common stocks of operating companies, and the common stock which a holding company owns in an operating company seldom represents more than one-fourth of the capital that has been put into that operating company. Sometimes the common stock of the operating company which the holding company owns represents no real investment at all—all the real money that goes into the operating company is obtained through the sale to the public of preferred stocks and bonds of the operating company, and the common stock is water, issued without consideration as promoter's profit.

Who then really owns the operating companies? The answer is that three-fourths or more of the operating companies' securities are represented by preferred stocks and bonds which are held directly by the general public. It is those securities of the operating companies, not the securities of the holding companies, which are held by the life-insurance companies, the savings banks and other fiduciaries. These organizations put their funds directly into the securities of operating companies. The securities of the holding companies are normally not even legal investments for such trust funds.

Of the $12,000,000,000 estimated to have been invested in the operating-utility industry not more than $3,000,000,000 of that investment is represented by operating-company securities which are owned by the holding companies. It is important to bear that well in mind—while the holding companies control virtually the entire privately owned utility industry, they exercise that control by the possession of securities representing not more than one-quarter of the real ownership.

But that is only a part of the story. The report of the National Power Policy Committee shows how even this one-quarter investment can be attenuated:

> By the pyramiding of holdings through numerous intermediate holding companies and by the issue, at each level of the structure, of different classes of stock with unequal voting rights, it has frequently been possible for relatively small but powerful groups with a disproportionately small investment of their own to control and to manage solely in their own interest tremendous capital investments of other people's money. And the ownership of the stock of operating companies is but one of many devices by which a few clever men have woven the amazing network of control and influence with which they have enveloped and entangled large sectors of the gas and electric utility industry. Voting trusts, interlocking directors and officers, management contracts, the control of proxies, and other means, all have been facilely used to bring about a concentration of control in fewer and fewer hands.

The result is that, in 1932, 13 large superholding groups controlled 75 percent of the entire privately owned electric-utility industry, and the 3 largest of these groups between themselves alone controlled over 40 percent of that industry.

The domination of this Power Trust (and it is a trust, a dangerous monopoly if ever there was one) is exercised not only in the operating industry—that is, over the operating companies and their officials and employees it controls—but also over the investors whose properties it controls, over the other industries to whom it distributes its enormous business, over the newspapers to whom it allots advertisements. That is the explanation of the wide-spread ramifications of the campaign of pressures which has been organized against Congress on this bill.

As has been pointed out, at least three-fourths of the total investment in the operating electric-utility industry is represented by securities of operating companies held directly by the public. There is nothing in section 11 of the Senate bill which by the furthest stretch of the imagination can be interpreted as affecting adversely the securities of operating companies. When account is taken of the fact that essentially intrastate holding companies like Niagara-Hudson and Pacific Gas & Electric, and holding companies necessary for the operations of an interstate but regionally integrated public-utility system like New England Power Association, are exempted from the elimination provisions of section 11 of the Senate bill, it is safe to assume that of the twelve to thirteen billions of dollars invested in the electric-utility industry, not more than one-tenth of this investment is in giant holding companies subject to the elimination provisions of section 11. Certainly this is a conservative figure, if allowance is made for the fact with certain readjustments and exchanges many other holding companies, like American Gas & Electric and even United Gas Improvement, will be able to qualify for exemptions provided for in section 11 of the Senate bill.

It is evident, therefore, that the sensational charges that the Senate bill will ruin and destroy a $12,000,000,000 industry have no basis. Certainly not more than one-tenth of the investment in the industry is even technically within the application of the elimination provisions, and even as to this one-tenth the charges of confiscation are unfounded.

Long ago, under the Sherman antitrust law and under the "commodities clause of the Hepburn Act, the courts worked out a technique which would permit readjustments and reorganizations, without the acceleration of indebtedness or the maturing of rights upon liquidation, to enable corporations to rearrange their corporate structures and divest themselves of properties to the extent required to comply with Government policy. The courts have even gone so far as to permit the equitable apportionment among several properties of a general mortgage lien theretofore attaching to those properties as an indivisible whole, without accelerating the maturity date of the mortgage, if the segregation of those properties is necessary to conform to the policy of the Federal statutory law (*Continental Insurance Co. v. U. S., Reading Co., et al.* (259 U. S. 156)). The allegation that the Senate bill will cut off valuable equities by the forced liquidation of assets and the dumping of securities upon a demoralized market are consequently not borne out by the provisions of the Senate bill or the judicial precedents established in analogous cases.

Three to five years are allowed under section 11 of the Senate bill for the holding companies themselves to make the required readjustments before the Commission can even move against them. The Commission can defer operation of its orders for 2 more years—making 7 years in all. After 5 years of depression the normal course of the economic cycle should carry us back to normal, if not prosperous, times within the next 5 years. Even after the Commission makes its orders requiring a holding company to adjust its structure and to rearrange its properties, those orders, expressly made subject to court review, are thereafter enforceable only in a court of equity which will allow such time for the application of the order as the equity of the situation demands. If the compulsions of the act are made sufficiently clear to convince the interlocking lawyers of the holding-company bankers that it cannot be evaded or compromised, the legal and economic imagination which put these holding-company combinations together will devise many means of taking them apart. But pending the certainty of such compulsions the legal and financial advisers of the holding companies have not been concerned to discover how the proposed legislation will work; they have only been concerned to discover reasons why it will not work. They have shown little concern about their investors but much concern about the retention of their own economic power.

As a matter of fact, the Senate bill makes it possible for any giant holding company to maintain intact its existing corporate structure, however intricate and confusing, and to retain intact the ownership of all of its assets, however heterogeneous and geographically diverse, upon one condition. That condition is that it satisfies the Securities and Exchange Commission that it has ceased to be a holding company within the meaning of the bill; that is, that it has ceased to exercise any controlling influence over the management and policies of any electric- or gas-operating company and has become simply a passive investment company,

holding its assets and the income therefrom for the benefit of its security holders. Here, certainly, is a "grandfather's clause" fully protecting all ancient equities which the giant holding companies have acquired for their indispensable widows and orphans.

The argument has been made that the equities of the giant holding companies cannot be protected if they are denied the right to vote the stock of the operating companies and if the operating companies are denied the benefits of their paternalistic, bureaucratic, and absentee management. So far as the right to vote is concerned, the great mass of utility investors would be immensely benefited by the enfranchisement of the senior security holders of the operating companies, whose stake in the operating companies is usually at least three times more substantial than that of the holding company.

The argument that senior security holders would never pay dividends to junior security holders assumes that directors chosen by the senior security holders will be as recreant to their trust toward the junior security holders as the directors chosen by the holding companies have been to the outside security holders. The argument overlooks the increased influence which local management will naturally exercise once holding-company influence is removed. It ignores the genuine possibility of the holding company being able advantageously to distribute during the next 5 years sizable blocks of junior securities of operating companies to substantial investors who would welcome the opportunity of being able once again to look after their own investments.

It has already been pointed out that absentee holding-company supermanagement is not needed by any sizable operating company.

Although in some instances the regional holding company tying together small plants and distributing areas may have served to draw capital into the actual industry, there has been no evidence adduced that the giant holding company has attracted any considerable money into the industry. The money that has gone into the giant holding company has not gone into the capital improvement of the industry. The proceeds of sales of holding-company securities have rather been used to purchase securities of other utilities at inflated values, frequently from corporate insiders, and not to build up the capital plants of utility enterprises.

In 1929 when bankers and corporate insiders were distributing holding-company securities to the public, the aggregate market value of electric utility holding company securities was estimated at $19,000,000,000. But that $19,000,000,000 did not go into generators and transmission lines for the electric-utility industry; that entire $19,000,000,000 did not represent an investment of more than $3,000,000,000 in capital plant and equipment. The difference went to the bankers, the speculators, and corporate insiders. These figures explain the losses that the investors in holding-company securities have had to bear. These losses the Government did not cause and cannot restore. But section 11 of the Senate bill would give fair assurance that what is left of the investor's equity would not hereafter be taken from him and it would give fair assurance that any legitimate increase in value of the underlying operating properties would go to investors and would not be absorbed by more holding-company ventures in high finance.

There is nothing in section 11 of the Senate bill which will hurt any legitimate investment interest. It does strike and strike hard at that dangerous concentration of economic power which resides in the holding company. That concentration of power is a menace to the investor and a threat to democratic government. The substitute section 11 reported by the committee leaves that dangerous concentration of economic power untouched and undisturbed.

In my judgment, the substitute bill reported by the committee is not even an effective regulatory measure. It is definitely deficient in its treatment of intrasystem service, sales, and construction contracts. The effective control of these intercompany transactions is vitally important in any regulatory scheme. The loose manner in which they are dealt with in section 13 of the bill reported by the committee is all the less defensible when the holding company retains the size and power and complexity which it is permitted to retain under the emasculated section 11 of the committee's bill.

It is through these service, sales, and construction contracts that the holding companies have in the past milked the operating companies. It is through these service, sales, and construction contracts that the holding companies have confined their business relations and business patronage to inside groups and excluded from their domains independent contractors, and independent engineering and construction companies. It is through these service, sales, and construction contracts that the holding companies have obtained increased power and influence not only over the utilities they operate, but over the other businesses which receive their patronage.

Section 13 of the original bill and section 13 of the Senate bill include very effective provisions to curb the evils of service contracts and to take the profit out of them. A holding company or a service or engineering or construction company under its control has no more justification to profit out of dealings with its subsidiary operating companies than a trustee has to profit out of dealings with his beneficiary. Even within the utility industry itself the more progressive elements have recognized that "profit" has no place in intrasystem service contracts and have taken steps to place such contracts on a mutual or cost basis. Specious attempts were made, in an effort to maintain a united front among the utility executives, to distinguish between service contracts made by a holding company which owns substantially all of the common stock of its subsidiary operating companies and a holding company which does not own more than a controlling interest. But the important fact is not the percentage of stock ownership by which control is held, but the fact that the holding company is sitting on both sides of the table and is trading with itself. The danger to the consumer, and to the preferred-stock holder and bondholder of the operating company, is just as great whether the holding company owns 100 or 50 or even 30 percent of the common stock of the operating company so long as it has actual control of the board of directors "trading" for the operating company. Indeed the smaller the stock interest of the holding company in the operating company the greater is the temptation to milk and impose upon the operating company.

President Roosevelt, in his message of March 28, stated the gist of this service-contract problem:

> We seek to establish the sound principle that the utility-holding company so long as it is permitted to continue should not profit from dealings with subsidiaries and affiliates where there is no semblance of actual bargaining to get the best value and the best price. If a management company is equipped to offer a genuinely economic management service to the smaller operating utility companies it ought not to own stock in the companies it manages, and its fees ought to be reasonable. The holding company should not be permitted to establish a sphere of influence from which independent engineering, construction, and other private enterprise is excluded by a none too benevolent private paternalism. If a management company is controlled by related operating companies, it should be organized on a truly mutual and cooperative basis and should be required to perform its services at actual cost demonstrably lower than the services can be obtained in a free and open market.

To the extent that real group economies can be obtained for operating companies through a common-service agency that agency should be truly cooperative and work upon a cost basis. It is difficult enough for an administrative body to supervise such intrasystem arrangements to ensure that they are really carried through upon a cost basis. But it is an impossible administrative task for a regulatory commission to determine what is a reasonable profit where there is no effective competition and no effective standards of competitive costs. The very least the Congress can do therefore is definitely to outlaw profit from such intercompany arrangements.

The committee substitute bill leaves the whole matter of intrasystem service, sales, and construction contracts to the rules and regulations of the Commission without any declaration of legislative policy. A high degree of flexibility and discretion must of necessity be left to the Commission

in administrative matters. But there is no excuse to justify the omission of a legislative declaration that intrasystem service arrangements must be on a cost basis without profit. The door is simply left open for companies like Electric Bond & Share and Associated Gas & Electric to argue that Congress did not intend to take the profit out of these contracts or it would have said so. Furthermore the equivocal character of the standard raises, unnecessarily, serious constitutional questions.

IV

The point earlier made in this report concerning the desirability of the inclusion of certain tax provisions needs no detailed amplification.

On the proposal to remove the exemption now accorded by the corporation income tax for intercorporate dividends there has been reinforcement within the last week in the President's tax message in which he said:

Ultimately, we should seek through taxation the simplification of our corporate structures through the elimination of unnecessary holding companies in all lines of business.

On the proposal to remove certain tax difficulties which might tend to discourage the earliest reorganization and rearrangement of holding companies to comply with the purposes of the bill, the suggestion made in the committee report of the Senate Committee on Interstate Commerce should be noted:

The committee is of the opinion that careful consideration should be given to the advisability of amending the revenue acts to encourage voluntary corporate reorganization for the purposes of simplifying holding-company structures, eliminating unnecessary complexities therein, and otherwise complying with the policies underlying holding-company legislation. Such amendments should be considered not only in relation to the stamp and transfer taxes but to the income taxes as well. Naturally, any exemptions provided for these purposes should be limited to the needs of such purposes. The committee has taken no definite action on this matter because of the parliamentary procedure which may be construed to require such an amendment of the revenue act to originate in the House, but it definitely recommends concurrence by the Senate in any such amendment originating in the House.

With intelligent cooperation between the commissions, the Federal courts, Federal taxing policy, and the utility interests themselves, practically the entire operation of transformation and arrangement of those holding companies in which investors have anything left to save can be completed prior to the end of 5 years. Where the corporate structure of companies is simple, compliance with the bill will be comparatively simple. Where the corporate structure is complicated and confusing, as is the case with some holding companies, reorganization is inevitable, irrespective of legislative compulsion.

In submitting these explanatory comments it is my hope that there may be no misapprehension in the minds of my fellow committee members. I feel very strongly that, unless amended in the particulars to which I have called attention, the bill will not accomplish the beneficent results desired by the Congress, by the President, and by the country. Those essential amendments will have my support and my vote on the floor of the House.

EXTENSION OF REMARKS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a letter which I have written to the editor of a magazine called "Our Army", and also to include a brief editorial to which the letter is a reply.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. RICH. Mr. Speaker, we cannot permit these editorials to go in the RECORD, therefore I object.

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA

Mr. WILCOX. Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 8668, providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Fort Pierce, Fla.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a term of the District Court of the United States for the Southern District of Florida shall be held annually at Fort Pierce, Fla., on the first Monday in February: *Provided*, That suitable rooms and accommodations for holding court at Fort Pierce are furnished without expense to the United States.

With the following committee amendment:

On line 8, after the word "States", insert "No deputy clerk or deputy marshal of the court shall be appointed for Fort Pierce."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL COUNCIL OF BUSINESS MAIL USERS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, under permission to extend remarks, I herewith submit a very interesting statement, which I make my own, of Mr. Thomas Quinn Beesley, representing the National Council of Business Mail Users, Inc. I am very happy to note that this organization applauds the efforts of our honored President to do away with the allotment of moneys for building of ships under the guise of postal deficits. If we are to loan money in the interest of building up our merchant marine, we should say so honestly and not use the subterfuge of paying extortionately for the carrying of the mails. Let us brand it as a subsidy. It is nothing more, nothing less. The article of Mr. Beesley is quite timely and most interesting. I herewith set it forth.

Hon. EMANUEL CELLER,
House of Representatives, Washington, D. C.

DEAR MR. CELLER: I submit this statement as executive director for the National Council of Business Mail Users, Inc., an organization representing approximately 1,000 of the largest business users of the United States mails and 14 affiliated trade and professional associations in the graphic arts, paper trades, advertising, manufacturing, mercantile, industrial, and civic fields. We are a corporation not for profit, founded in 1924, with national headquarters at 111 West Washington Street, Chicago, Ill.

The National Council of Business Mail Users, Inc., was organized (1) to provide a contact between the Post Office Department and the mail-using public, and (2) to keep both the Post Office Department informed as to the needs and requirements of mail users, and the mail users informed as to the mailing practice which would best coincide with the plans of the Department to give efficient service at the lowest possible cost.

Any proposed legislation in any way affecting or relating to the Post Office Department and the Postal Service of the United States, either domestic or foreign, is therefore a matter of primary interest and importance to the National Council of Business Mail Users.

In the light of the foregoing, and only to the extent that its provisions affect the Postal Service of the United States, through water-borne mails, the Merchant Marine Act, 1935, now before Congress, becomes legitimately a subject of interest to, and testimony by, our council.

Since its foundation the National Council of Business Mail Users has been exerting every effort to have subsidies such as the differential favoring vessels of American registry transferred from the Post Office Department budget, openly recognized as subsidies, appropriated for as subsidies, and no longer transparently covered as postal deficits.

Since open recognition and appropriation for outright subsidies has been such a fundamental principle, our council on March 11, 1935, in a bulletin to its members, quoted the following extracts from a message by the President of the United States to the first session of the present Congress:

"In many instances in our history the Congress has provided for various kinds of disguised subsidies to American shipping. In recent years the Congress has provided this aid in the form of lending money at low rates of interest to American shipping companies for the purpose of building new ships for foreign trade. It has, in addition, appropriated large annual sums under the guise of payments for ocean-mail contracts.

"This lending of money for shipbuilding has in practice been a failure. Few ships have been built and many difficulties have arisen over the repayment of the loans. Similar difficulties have attended the granting of ocean-mail contracts. The Government today is paying annually about $30,000,000 for the carrying of mails which would cost, under normal ocean rates, only $3,000,000.

"The difference, $27,000,000, is a subsidy, and nothing but a subsidy. But given under this disguised form it is an unsatisfactory and not an honest way of providing the aid that Government ought to give to shipping.

"I propose that we end this subterfuge. If the Congress decides that it will maintain a reasonably adequate American merchant marine, I believe that it can well afford honestly to call a subsidy by its right name.

"Approached in this way a subsidy amounts to a comparatively simple thing. It must be based upon providing for American shipping Government aid to make up the differential between American and foreign shipping costs. It should cover, first, the difference in the cost of building ships; second, the difference in the cost of operating ships; and, finally, it should take into consideration the liberal subsidies that many foreign governments provide for their shipping.

"Only by meeting this threefold differential can we expect to maintain a reasonable place in ocean commerce for ships flying the American flag, and at the same time maintain American standards.

"In setting up adequate provisions for subsidies for American shipping, the Congress should provide for the termination of existing ocean-mail contracts as rapidly as possible, and it should terminate the practice of lending Government money for shipbuilding. It should provide annual appropriations for subsidies sufficiently large to cover the differentials that I have described."

The National Council of Business Mail Users, Inc., holds firmly with the President that a subsidy given under this disguised form is an unsatisfactory and not an honest way of providing the aid that Government ought to give. Unquestionably also, our Government, as the President says, "Can well afford honestly to call a subsidy by its right name." When a principle is sound, and a purpose is worthy, their adoption into statute is sound Constitutional procedure and American tradition. As a service organization of American citizens, we could only endorse a bill to develop a strong American merchant marine, to promote the Commerce of the United States, and to aid national defense.

In the same capacity we can appropriately also agree with the "Declaration of Policy of the Merchant Marine Act, 1935", that—

"It is necessary for the national defense and development of its foreign and domestic commerce, that the United States shall have a merchant marine (1) sufficient to carry at least one-half of the foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of national commerce at all times, (2) capable of serving as a naval and military auxiliary in time of war or national emergency, (3) owned and operated under the United States flag by citizens of the United States and so operated and regulated as to secure to the shipper of American products adequate service and parity of rates to foreign markets, and (4) composed of the best equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel."

And further in the same capacity, we support—

"the policy of Congress to promote, encourage, and develop water-transportation service and facilities in connection with the commerce of the United States, and to foster and preserve both rail and water transportation, and the Authority and the Interstate Commerce Commission are hereby severally authorized and directed to cooperate to that end."

Again in the same capacity we endorse in section 1010, title X, paragraph (a) which reads:

"(When used in this act) the words 'foreign trade' mean trade between the United States, its Territories or possessions, or the District of Columbia, and a foreign country. The loading or the unloading of cargo, mail, or passengers at any port in any Territory or possession of the United States shall be deemed to be foreign trade if the stop at such Territory or possession is an intermediate stop on what would otherwise be a voyage in foreign trade."

Likewise in the same capacity, we approve section 1008, title X, which reads:

"All mails of the United States carried on vessels between ports between which it is lawful under the navigation laws for a vessel not documented under the laws of the United States to carry merchandise shall, if practicable, be carried on vessels in respect of which a contract is made under this title."

Whatever method of setting up the United States Maritime Authority and authorizing its administrative and fiscal powers is efficient, adequate, and economical, will be acceptable, because it will provide efficient and economical transportation of the mails at equitable rates. This is our sole concern, as a council, with those titles and sections of the bill which will constitute the United States Maritime Authority.

Our primary concern with title III—"Adjustment of Ocean-Mail Contracts"—would be that fairness and equity are properly secured both in relation to legitimate contractual rights and in respect to the rendering of adequate maritime postal service.

We endorse without qualification paragraph (b), section 1003, "Transfer of Appropriations", title X, as found in Committee Print No. 2, as follows:

"All appropriations and unexpended balances of appropriations available for expenditure by the Post Office Department for 'foreign mail service, Merchant Marine Act', under the Merchant Marine Act of 1928, shall be available for expenditure by the authority in the same manner and to the same extent as if the authority had been named in the law making such appropriations."

Again, in the same capacity, and under the condition that they are understood to include authority for compensating the Post Office Department for any expense of any kind whatsoever it may incur in connection with the carrying out of the provisions of this act, we endorse sections 1001–1002 of title X, which read as follows:

"There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this act.

"To aid in carrying out the policy and primary purpose of this act, there is hereby authorized to be appropriated from time to time, such sums as may be necessary, for expenditure by the Authority, for trade-promotion purposes, for operating ships or lines of ships which have been or may be taken over by the United States, and when not inconsistent with the public interest, to insure a fair rate to shippers of American goods, to enable American ship operators to carry an equitable share of our foreign commerce, or to insure vessels of American registry equitable consideration in conference agreements."

Our Government was founded and preserved through its strength at sea, without which its success on land and its independence would have been brief indeed. A subsidy to our merchant marine is logical and practical. From an external point of view it is warranted, because parity in maritime resources and power is vital to a major nation like the United States. From an internal point of view, wherever in the course of the functioning of government it becomes obvious that some vital activity of our national life needs and merits encouragement from the corporate funds of the United States beyond every reasonable effort and resource of the activity in question, then the Congress may properly grant such aid if it be in the general public interest and welfare.

No practical purpose is served, however, in including within the field of Post Office Department operations and budget the funds for encouragement of enterprises of primarily nonpostal character. The merchant marine, and for that matter, also, aviation, are enterprises developed and encouraged by every government in the world for the dual purposes of national commerce and national military emergency. No government deceives any other government by disguising encouragement and development of merchant marine and aviation under the transparent camouflage of a postal deficit. Certainly no point is gained by camouflaging them from our own citizens; on the contrary, every effort should be made to interest the public and develop its pride in merchant marine and aviation because of their vital relation to our national progress and security. A public grown accustomed to viewing these vital activities as something called "postal deficits" is a public not equipped with that information and understanding of national affairs essental to citizens of a constitutional, democratic republic.

Furthermore, postal deficits incurred from the supervision or performance of nonpostal functions by the Post Office Department cannot be justified by any logic save that of expediency; and expediency is merely the subordination of moral principle, a dangerous procedure to establish, let alone encourage, in governmental as well as private or personal affairs. Expediency inevitably interferes with and violates equity, puts a premium on evasion and subterfuge, and ends in conflict and difficulties invariably far worse than the problem it sought to avoid.

The Merchant Marine Act, 1935, in purpose and intent is an open avowal of a proper Government function. It recognizes, also, a situation in the conduct of our Postal Service that can only be corrected by the method and precedent established through the provisions of this act. All nonpostal functions should be transferred out of the Post Office Department and into their logical department and division of the Government, together with all appropriations and overhead expense now necessary for these nonpostal operations. The Post Office Department should then make its own necessary arrangements—as it will under the Merchant Marine Act, 1935—with the department and division concerned for the use and cost of such part of the service and facilities as it requires, just as any two departments of any large and well-managed private organization make them with each other.

Nor should the Post Office Department be asked, required, or expected to engage in nonpostal functions. It is a highly specialized service department that—in the words of John Wanamaker, who was its centenary chief—"is not a money-making enterprise * * * (the people) simply want this system administered with such efficiency that it shall offer them more and more accommodation and tax them less and less." There are enough progressive and economic propositions for the improvement, expansion, and progress of the Postal Service to engage the entire thought, personnel, and administration of the Post Office Department without diverting its energies and attention, complicating its budget and accounting, and burdening its facilities and operations with nonpostal preoccupations. Such preoccupations interfere with instead of promote the public interest and welfare. They would be ruinous to a private business enterprise, just as they are uneconomical, inequitable, and improper in the Post Office Department and Postal Service.

The National Council of Business Mail Users urges the enactment of the Merchant Marine Act, 1935, in every extent to which this act establishes the principle of the recognition and granting of subsidies as subsidies, and the charging of appropriations for them against the corporate funds of the United States—and prevents hereafter including them in the operations of the Post Office Department under the disguise of a postal deficit.

The courage and wisdom of the President of the United States in advocating candid recognition of subsidies and frank and honest appropriation for them as such, together with the action of

the Congress in introducing and considering legislation appropriate to this purpose, have the full support of the members of our council.

We respectfully advocate that this bill be enacted by the Congress of the United States.

THOMAS QUINN BEESLEY.

THE SILVER MIRAGE

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, with due regard to the importance of the many issues that Congress has taken under consideration and the importance of legislation that has been enacted during the last session, I am convinced that the money question is and will be a controlling issue before the country until some workable and adequate money system is devised to meet the needs of business and the people of this Nation. I include here a letter on this subject addressed to Collier's Magazine, by Mr. Leo P. Hoban, Wallace, Idaho.

JULY 15, 1935.

COLLIER'S,
250 Park Avenue, New York City.

GENTLEMEN: I have just finished reading an article by your associate editor, Owen P. White, in your issue of July 6 entitled "The Silver Mirage, the Inside Dope on Our Silver Policy", and the article is so misleading, particularly with reference to the Pittman Act, that I cannot refrain from calling your attention to facts which Mr. White should have had, and could have had since they are matters of public record, when he wrote this article.

Unquestionably there is an honest difference of opinion as to the value of the use of silver as money, but it is not believed that any good purpose is served by distortion of facts available to anyone willing to take the trouble to check them from reliable sources.

I am not accusing Mr. White or Collier's of bad faith in this matter, but it does seem that impartial discussion of the use of silver as money is almost, if not quite, impossible. There are many phases of the matter which are controversial in their very nature. This should not prevent, however, the use of factual matter when it is available.

After all, the silver issue is one that must, and eventually will, be settled for the best benefit of our country, and for either side of the controversy to become impatient when others do not see eye to eye with them is hardly an attitude that is helpful in arriving at a sane, worth-while conclusion.

Let us admit some facts about silver: First, it is either the monetary medium or standard of value for over half the population of the world; therefore, we may take it for granted that it has some merit. Second, its production for the past 400 years has been in a ratio to gold of about 13 to 1, and since 1919 the ratio has been slightly under 11 to 1; therefore, silver is not overpriced when it is bought at a ratio of 45.4 to 1. Third, under our present monetary laws, silver constitutes the only money of intrinsic value coined or issued by the United States. Fourth, silver is the only industry under the new deal which is required to deliver a substantial portion of its product to the United States Treasury in consideration of the balance of its output being purchased. Fifth, it is in refreshing contrast to the payment of taxpayer's money for hogs, cotton, and wheat never produced and never in existence.

Naturally, silver miners are interested in getting as high a price as possible for their product. In this, they are no different from the farmer, the steel manufacturers, the automobile manufacturers, or any other person engaged in business for profit. If, however, silver has no value as a money metal, and is useful only as a commodity, and the only advantage accruing from higher silver prices would be the advantage to a few silver miners and their employees, no intelligent person could consistently advocate its adoption.

THE PITTMAN ACT

Quoting from Mr. White's article, "That when the conflict was over * * * it just so befell that a certain titled gentleman boarded a steamer, came to the United States, and casually toured the country, looking, so he said, into the possibilities of investing in coal mining." The above quotation would indicate that the Pittman Act was passed after the termination of the World War. As a matter of fact, the act was passed on April 23, 1918.

Quoting again from Mr. White's article, "At that time silver here was worth considerably less than a dollar an ounce." The average silver quotation for April 1918 was 95.3 cents per ounce, and on the date of the passage of the act was 99.5 cents per ounce. (See year book of the American Bureau of Metal Statistics for the year 1920.)

Quoting from Mr. White's article, "Now follow the thing on through. Under the Pittman Act, which was distinctly a price-raising, not a stabilizing measure, silver in this country remained at a high level until May 1923, by which time our Treasury had completed its authorized purchases." The fact of the matter is, that in the spring of 1918 Great Britain found itself faced with the necessity of procuring 200,000,000 ounces of silver because her balance of trade with India was against her. The balance ordinarily would have been settled by the shipment of gold, but England at that time could not afford to deplete her gold supply. India indicated its willingness to be satisfied with the settlement of this balance in silver.

The only stock of silver available was in the vaults of the United States Treasury at Washington, and 200,000,000 ounces were sold to Great Britain at a price of $1 per ounce. It was repurchased from the silver producer in the United States at the same price, but at a later date. There was no loss or gain to the United States Government resulting from the transaction. The price agreed upon, $1 per ounce, was lower than the price of silver would have been during that period if it were left to normal trade influences.

This is not only a direct refutation of Mr. White's statement that the Pittman Act was a price-raising and not a stabilizing measure, but proves the reverse, viz, that it was a price-stabilizing and not a price-raising measure. In order to prevent a runaway market in silver, which would have happened if the metal had been left to the law of supply and demand, the Government of the United States, on May 2, 1918, stabilized the price at 99.5 cents per ounce. On July 1, 1918, this was raised to 99⅝ cents per ounce. On August 19, 1918, it was again raised to 101⅛ cents, at which price it remained until May 6, 1919, on which date the Government withdrew its fixed price, allowing the price to fluctuate in accordance with the law of supply and demand. Immediately, the price of silver started up, reaching its high point on November 25, 1919, when the price of silver, in New York, was $1.3825 per ounce. It was not until June 1920 that the market price of silver dropped below $1 per ounce, and the Treasury started its purchases of domestically mined silver at $1 per ounce to replace that sold to Great Britain during the war. A résumé of this transaction would be about as follows:

In order to prevent Great Britain coming into the silver market of the United States for the purchase of 200,000,000 ounces of silver when the silver itself was not available, and when such a demand would have pushed the price to fantastic levels, the sale was made from silver stored in the vaults of the United States Treasury. At the same time the Pittman Act was passed, which provided that at any time silver was offered for sale to the United States Treasury at $1 per ounce, it would be purchased up to the amount sold to Great Britain, a total of 200,032,325.645 fine ounces.

If you will read Mr. White's reference to the Pittman Act carefully, and also study the facts in this letter, I think it must be admitted that the alleged facts in Mr. White's article, and the conclusions drawn therefrom are erroneous. For confirmation of the facts stated, you are referred to the annual report of the Secretary of the Treasury for the fiscal year ending June 30, 1918, pages 242 to 244, or the annual report of the Director of the Mint for 1918, pages 160 to 163. Additional information on the operation of the act appeared at hearings before the subcommittee of the Commission of Gold and Silver Inquiry, United States Senate, 1923, serial 1, Silver purchases under the Pittman Act. You are also referred to the annual Mint and Treasury reports from 1918 to 1928.

Quoting again from Mr. White, "As far as the people of China were concerned, the low price of silver made little difference to them. In fact, they probably benefited by it because, as their currency is based on silver anyhow, and as most of them are very poor, a low exchange rate for their money placed more of it within reach of the average coolie." This is ridiculous. By the same logic we might say that the descending spiral of security prices in the United States, during the period from 1929 to 1933, was probably a good thing for the people of the United States, because the prices of these securities being lowered, they could buy more of them. The actual fact of the matter is that most of us suffered severe losses of capital on account of the declining prices, and the same thing happened to any owner of silver who saw the price decline from its high of $1.3825 to 24.5 cents.

One of the most amazing statements in Mr. White's article is the following: "I went to the Bureau of Mines where I obtained the following information: The days of the honest silver boom in this country, I was told, are all over. The entire United States has been prospected, geologized, analyzed, and assayed so thoroughly that today there is very little possibility that any more rich, free silver deposits, which are economically workable, will ever be discovered." This statement is simply astounding, and I would appreciate it if Mr. White would furnish me with the name of the official who gave him this information.

If the Bureau of Mines is correct, no new mines of any sort, or of any importance, may be expected to be developed in the United States in the future. This is important if true, as it indicates that the large, well managed, and successfully operating mining companies of the United States are currently, wastefully dissipating shareholder's money in the search of new mines. Might I suggest that Mr. White, if he has not already done so, discuss this particular subject with John W. Finch, Director of the Bureau of Mines. I am quite sure that Mr. Finch will give him quite a different picture.

In this, the Coeur d'Alene mining district, the most productive silver mine in the United States, has been brought to a dividend stage in the last 8 years, and is currently paying dividends at the rate of $1,800,000 annually, and the market values the mine at about $33,000,000.

Hecla Mining Co., of which I am secretary, is spending $750,000 in the same district, in the hope of finding a similar mine. Another group is spending $400,000, and it is probable that in this

small area, say 3 miles long by 2 miles wide, expenditures aggregating $3,000,000 annually, are being made. This hardly bears out the statement of the Bureau of Mines. It is an undisputed fact that there are vast areas in the United States which have never been surveyed either topographically or geologically.

I am quoting here a portion of a letter from Dean Fahrenwald of the School of Mines of the University of Idaho, and a member of the Idaho Bureau of Mines and Geology. Please bear in mind that Idaho, eleventh in area of the States, is typical of the Western States in this respect.

"The gist of the paragraphs which deal with the subject mentioned seems to be, 'it is the conclusion of the United States Bureau of Mines that the territory of the United States has been studied geologically in sufficient detail to warrant the sweeping generalization that it is wholly improbable that any additional discoveries of silver deposits of material importance will be made within the territory of the United States.'

"Everyone at all familiar with the extent, the detail, the adequacy of the geological surveys of western United States that have been made up to today, knows that this statement is not only unwarranted by the facts, but that it is misleading and even preposterous.

"As an illustration of the adequacy of the geological surveys of the northern Rocky Mountain region, I would like to call to your attention the status of such surveys of territory within the State of Idaho.

"It is evident to everyone that geological studies in sufficient detail to warrant conclusions such as those in the magazine article under discussion, are impossible without accurate and detailed topographic base maps. To cover the area of Idaho there would be required some 95 to 100 thirty-minute quadrangles. Careful examination of the key map of Idaho in the department of geology, school of mines, shows that perhaps 10 of these quadrangles have been mapped in sufficient detail to serve as base maps for dependable detailed reconnaissance geology, and that probably not more than one-half that number have been mapped in sufficient detail and accuracy to serve as base maps for detailed geological mapping such as would be necessary before any dependable generalized conclusions as possibility of future discoveries of mineral deposits within the State can be made. It is, therefore, evident that up to the present it has not been possible to make even detailed reconnaissance geological surveys of more than 10 percent of the State of Idaho, and that not to exceed 5 percent of the area of the State could have received detailed geological study. Furthermore, as a geologist, I believe it is not possible to make a final and dependable evaluation of the mineral possibilities of any region without making the detailed underground studies that become possible only after considerable actual development work has been done.

"Because of these facts I believe I am justified in saying that, so far as the State of Idaho is concerned, the statements in the magazine are unwarranted, erroneous, misleading, and very dangerous to future development of the mineral of our State. I hope you will do everything possible to have Collier's publish another article that would state facts instead of dicta, and thus insofar as possible correct the injury done to the mineral industry by the statements under discussion."

To assert that the life of the mineral industry of the United States is limited by the ore bodies now known to exist—and, in effect, that is the assumption to be drawn from Mr. White's quotation; since, though his specific reference is to silver, the conditions he states are applicable to all metals—rather amusingly calls to mind the fears expressed in 1920 that the oil reserves of the United States would be exhausted in 10 years from that date.

Yours truly,

LEO P. HOBAN.

WE STAND ON SACRED SOIL TODAY

Mr. LUDLOW. Mr. Speaker, on July 14, 1935, Hon. Philip Lutz, attorney general of Indiana, made a very beautiful and sentimental address at the grave of Abraham Lincoln's mother in Indiana. The Boonville Press Club, of Boonville, Ind., has made a special request that I ask the House of Representatives for the privilege of inserting this address in the RECORD. Therefore I ask unanimous consent, Mr. Speaker, to insert in the RECORD the address referred to.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, on July 14 last, Hon. Philip Lutz, the distinguished Attorney General of Indiana, delivered a beautiful and sentimental address at a meeting in the Nancy Hanks Park in Indiana, where rest the precious remains of the mother of Abraham Lincoln. The meeting was under the auspices of the Boonville, Ind., Press Club, of which Mr. Lutz is a past president. It is estimated that over 15,000 people heard Mr. Lutz describe the sublime character, the moral and intellectual greatness of the wonderful man whose boyhood was spent in that neighborhood. It was there that the boy Lincoln read by the light of the blaze of pine knots, and it was there that the heavens rained sorrow on him when he trudged behind his mother's rude coffin up the hill to the little graveyard and saw her laid away—"earth to earth, ashes to ashes, and dust to dust." It was there that in the crucible of hard and stern fate the character was formed that proved sufficient unto the task of striking the shackles from the bondmen ground by centuries of unrequited toil and making America forever an indestructible union of indestructible States. There was hardly a dry eye in that immense audience when Mr. Lutz paid his tender tribute to the mother who brought forth such a son.

Mr. Speaker, because of my lifelong membership in the Fourth Estate, the Boonville Press Club asked me to request the House for permission to insert Mr. Lutz' address in the CONGRESSIONAL RECORD. I appreciate the kindness of my colleagues in granting that request. Mr. Lutz spoke as follows:

As we travel through this tortuous path which we call life, with all its complexities, trials, tribulations, tragedies, successes, and failures, I love to look forward once each year to a visit to this spot, made holy and sacred as the last resting place of one who gave life to one of the world's greatest characters—Abraham Lincoln. I have come here annually on the second Sunday of July for the twelfth consecutive year, following a promise made 11 years ago to meet here annually in reverence of one of the world's greatest mothers—Nancy Hanks Lincoln. Some years, as this year, I have traveled many miles to be here and some years, as this year, at a tremendous sacrifice of other duties and obligations, but when one looks upon it as a sacred promise and obligation and a sincere desire to do reverence to a worthy cause, there is no other course.

I am proud of the fact that I came here as one of a small group 11 years ago and did my part in giving birth and inspiration to this celebration. I am proud that as one I felt that this celebration should be a solemn and sacred occasion in keeping with the nature of the tribute we desired to show. Twelve occasions have taught me that even in these days of boisterous and convivial celebrations, the sponsors could keep this tribute upon a high and noble plane, pure in purpose, free of immoral, indecent, and illegal conduct, untouched by commercialism or political considerations, noble, sacred, patriotic, and inspiring in its program. We have been able to do this, because when we come here, we stand on sacred soil.

When this club began to call the attention of the public to this hallowed spot, it was a neglected place of only 40 acres, almost inaccessible by rail or road. Today, the park comprises over 1,300 acres and it is a sacred spot to hundreds of thousands who have traveled here and been inspired by the beauty of its woodlands, and the country that helped to make Lincoln great. As this park is improved and beautified, the world will make a beaten path to the tomb of Nancy Hanks Lincoln and those who come here will consecrate their lives anew to the principles held by Lincoln of friendship, loyalty, patriotism, sincerity, honor, honesty, fidelity, and every attribute that Lincoln held which made him great with the peoples of all the nations of the world.

The Press Club was organized to promote any movement which will advance the Lincoln country of southern Indiana as a historic and scenic section. Already the accomplishments have been beyond all expectations and the possibilities are limited only by the boundaries of the blue southern Indiana skies. Rockport on July 4, 1935, dedicated a historic re-creation of the Lincoln Pioneer Village, which merits the visit of every student of pioneer historical memorials. We cannot praise this effort too highly—it is the realization of a long dream.

There is something about this place that enchants me. I have been to other memorable historic places in the North, the South, the East, and the West. I have stood at the tombs of many great men and women in this and other lands. All of us like to stand on the steps of the altar of memory, and I like to think back to 1816 to 1830 when Lincoln was a boy here, and then the estimate which this world places upon him.

Lincoln's name is magic. Coolidge said, "Lincoln is the richest legacy of the greatest century." Wilson wrote that, "Lincoln was the supreme American of our history", and Taft remarked that the "Influence of his Christlike character has spread to the four quarters of the globe." H. G. Wells wrote, "One of the six greatest figures in history." Drinkwater wrote, "The most outstanding character since the Christian era." Lord North wrote, "One of the five great lawyers of all time." Lloyd George said, "I doubt whether any statesman who ever lived sank so deeply into the hearts of the people of so many lands as Abraham Lincoln did." I have been impressed that wherever I have been, wherever I have spoken, whatever the group may have been, the mention of Lincoln's name creates an awe of reverence and respect unequaled by the name of any other man in history. Lincoln's name grows with the passing of time.

To me it is very interesting that men who have made profound and permanent impressions upon the race and have won immortal fame have been men who have not only done much for their people but have suffered much. Lincoln, to me, was such a character. Lincoln not only holds the admiration but he has the sympathy of the world. He has won both the cheers and tears of a hungry humanity.

Lincoln possessed a moral character and intellectual superiority which was in evidence in every experience of his life. This was strikingly shown at his reception of the members of the peace

convention in the parlor of the Willard Hotel on the evening before his inauguration. I find this thrilling story told graphically by Mr. Chittenden in his book, "Recollections of President Lincoln and His Administration"—a book worthy of reading by every lover of history.

You can remember what a hard trip Mr. Lincoln had en route to Washington for his inauguration. He had just escaped assassination at Baltimore and he had many bitter and vicious enemies. He had been receiving office seekers all day, and anyone in public life knows how that will wear you down. It is one of the blights of public office in this country that public men must face this terrible ordeal. At 9 o'clock in the evening a group of distinguished men of the country, most of whom had been his political enemies, crowded into the historic parlor of the Willard Hotel to besiege him. You know he had been called all the vile names of the alphabet, some of the more printable being "rail splitter", "ignoramus", "baboon", "a vulgar clown", and so forth. It was not a respectful party; they came to confound, worry, and gang him. I have seen that tried myself on others who have not reached the high office of the presidency. But Lincoln received with cordiality, courtesy, and grace. He met each personally with a hearty handshake and a friendly greeting, so typical even today of the average citizen of what we know as "the Lincoln country of southern Indiana." They gathered around him and began to pepper him with questions upon the slavery issue. He planted himself squarely upon the Constitution. Finally, William E. Dodge, of New York, became the chief advocate of the party and he finally provoked the most exciting episode of the evening, as Lincoln uttered his magnetic, loyal, patriotic response. Let me use the words of Chittenden as he records them:

"It is for you to say, Mr. Lincoln, whether the whole Nation shall be plunged into bankruptcy, whether the grass shall grow in the streets of our commercial cities", said Dodge.

"Then I say it shall not", answered Lincoln, with a merry twinkle in his eye, and continuing said: "If it depends upon me, the grass will not grow anywhere except in the fields and meadows."

A sad but stern expression swept over Mr. Lincoln's face. "I do not know that I understand your meaning, Mr. Dodge", he said, without raising his voice, "nor do I know what my acts or my opinion may be in the future beyond this. If I shall ever come to the great office of the President of the United States—of all the United States—I will, to the best of my ability, preserve, protect, and defend the Constitution of the United States. This is a great and solemn duty."

Lincoln always considered his oath of office solemn and divine. In his first inaugural address, he proclaimed that he had a solemn oath registered in heaven to preserve, protect, and defend the Union, and in the next breath he spoke about the mystic chords of memory stretching from every battlefield and patriot grave.

Our visit today as we stand here on sacred soil would be fruitless if we did not carry home some of the love that Nancy Hanks Lincoln put into the blood and bone, the mind, the heart, and soul of her beloved son, Abraham Lincoln, which he showed at every crisis of his life. We should carry home a new reverence for the country which he served in a time of so great trial and need. Lincoln believed that reverence for the laws of this country should become the political religion of the people. His reverence for the Constitution and the laws made under it is expressed so gloriously, patriotically, graphically, and devoutly in these eloquent words at Springfield in 1837. He said:

"Let every American, every lover of liberty, every well-wisher to his posterity swear by the blood of the Revolution never to violate, in the least particular, the laws of the country, and never to tolerate their violation by others. Let every man remember that to violate the law is to trample on the blood of his father and to tear the charter of his own and his children's liberty. Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap; let it be taught in schools, in seminaries, and in colleges; let it be written in primers, spelling books, and in almanacs; let it be preached from the pulpit, proclaimed in legislative halls, and enforced in courts of justice."

The admonitions and advice of Lincoln are sacred, saintly, psychic, prophetic, and wise. I leave them with you with their eloquence of simplicity and truth, in the hope that every citizen, as he leaves this sacred soil, may heed and be a happy, serviceable, law-abiding, useful citizen under the flag of the most benevolent Government of the greatest country in the world.

THE FARMER AND FOREIGN TRADE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address that I think is a good one.

Mr. RICH. Mr. Speaker, who made the address?

Mr. BURDICK. Naturally I did or I would not recommend it.

Mr. RICH. It evidently is a fine address, and I hope all the Members will read it.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a speech delivered by me Tuesday evening, August 13, 1935, over station WOL, Washington, D. C., as follows:

Ladies and gentlemen of the radio audience, in speaking to the question of "The Farmer and Foreign Trade", I desire to make it clear that I did not select this subject, it was assigned to me by the intercity network, Station WMCA, New York, who was kind enough to donate this 15 minutes to the farmers of the country.

It is next to impossible to get the country to stop for a moment and look at the situation of the farmers of America. Even in the House of Representatives, more than half of the membership is not interested enough in the financial plight of the farmers to demand that a farm-mortgage refinance bill be brought on the floor of the House for discussion.

What is the situation in regard to the financial plight of the American farmers? Since 1919 the value of farm real estate has gone down from $79,000,000,000 to $31,000,000,000, or a net loss of $48,000,000,000. Forty percent of all farms existing in 1920 have been lost through foreclosures, forced transfers, and tax sales. The only place available now where farm loans may be made to refinance the old debt is the Federal land banks of the country. They now carry 27 percent of the farm debt of over $8,000,000,000. But this bank has come to the end of its usefulness. The applications received today are only 15 percent of what they were in the first part of 1933. The reason is that the land banks will not authorize commitments large enough to take up the present indebtedness. The old loans now due were made when farm lands were more than double of what value is today.

Because of this situation 40 percent more of the remaining farms are in danger of foreclosure. The Frazier-Lemke long-time mortgage plan with reasonable interest is the only means through which these farms can be saved, and Congress has been repeatedly so advised. Yet it will not act, and at this time it appears more than likely that Congress will adjourn, leaving the farmers threatened with foreclosure to shift for themselves.

What, you may ask, has brought about this financial disaster in respect to the farms of the country? Poor management? No. Poor farming? No. Overproduction? No. Then what is it?

First let me say that general prosperity cannot be ever legislated into being. It takes more than laws. But this is true, that many factors which contribute to the failure of the farm business can be cured by legislation, and the reason is that through legislation certain opportunities and advantages have been taken away from the farmer. In other words, through some special privilege granted to others the farmer's chance for an equal opportunity has been taken away from him.

Second, to illustrate this further by concrete evidence, I refer to the action of the Federal Reserve Board in 1920 inaugurating a period of deflation or pay-up on the part of the farmers. We were at peace from all disturbances from within and from without. The farmers were carrying a huge war debt which the Government urged them to assume during the war. They were given to understand they were to be given a chance to pay off this debt, gradually, and as fast as good business would permit. All at once, out of a clear sky, the Federal Reserve Board demanded that the farmers pay up $2,000,000,000 of their debt. They tried to do that, but the more products they offered to meet their obligations immediately, the further down went the price, until the farmer was selling products for less than half of the cost of production. The farmer has never gotten back to the point where it can be said that he is receiving more than 75 percent of the cost of production. I know someone will say, What about the price of hogs? Let me say that the price of hogs today is the result of an act of God, the drought, and to the deliberate act of the Government in destroying hogs, or at least putting them out of the breeding class. If a man had 12 houses, all of which were needed by tenants, and the rent received did not suit, he could tear down 6 of them and probably get more rent out of the other 6. A thing that is scarce or made scarce becomes more valuable.

But the principle of destruction is both morally and legally wrong. There never was too much pork for the people of this country. But even when we had what was called an "oversupply" there were millions who could not get pork at all. There never can be, there never will be, an oversupply of foodstuffs in this country while there are millions who cry for food. There never was, there never can be, any overproduction of cotton in this country when there are millions without clothes enough to decently cover their bodies.

As to the farmer and foreign trade, it is generally known that the farmers' trade with foreign countries has almost entirely disappeared. The fact that this trade has disappeared is, of course, an element contributing to his present situation where 40 percent of the farm homes have been lost and another 40 percent are moving up to the auction block.

In wheat alone, in normal times, with a production of 800,000,000 bushels, we found an export market for 200,000,000 bushels annually, and at prices that permitted the farmer to pay interest and taxes.

The same situation applies to beef. Our export trade took care of any of the so-called "surplus." I use this term advisedly, as, in my opinion, we never had either a surplus of wheat or beef. We have been reading about those surpluses ever since Joseph cornered the wheat in Egypt 6,000 years before Christ, but if we have been having surplus ever since, I wish someone would point where that surplus is. The world never had and never will have a surplus of foodstuffs. God Almighty never organized the business of this earth that way.

Why have we lost that foreign market? Have we been damaged because we have lost our foreign market? Yes; but we have been damaged more because we have permitted foreign countries to take possession of our own markets here.

In 1919 we exported 3,118,000,000 pounds of beef. In 1933 we exported 945,000,000 pounds of beef (a loss of over 2,000,000,000 pounds).

In 1934 we imported $5,728,682 worth of beef and we exported $3,148,762 worth. January 1 to April 30, 1935, we imported $10,105,766 worth of beef and we exported $918,667 worth.

In 1919 Argentina exported 1,596,000,000 pounds; in 1933, 1,429,000,000 pounds. Their business was sustained.

In 1919 Denmark exported only 34,000,000 pounds; in 1933, 797,000,000 pounds.

In 1922 the United States exported foodstuffs to the extent of (in value) $1,046,596,000 and at the same time imported foodstuffs (in value) $717,228,000, making a total of $329,370,000, leaving a net balance of trade in our favor.

In 1934 we exported foodstuffs (in value) amounting to $226,968,000. In 1934 we imported foodstuffs (in value) $517,861,000, or a net loss of $290,893,000.

From 1914 to 1918 we exported 36 percent of all the exports in world of wheat. In 1934 we exported only 6 percent of the world's exports. On a basis of pre-war exports, we have lost exports amounting to 7 percent of the world exports, and since 1918 we have lost 30 percent of the world's exports.

While the farmer has been losing his export, manufactured and semimanufactured exports for the United States have gradually increased. Whatever our policy has been, the result is that for every dollar gained in export trade in manufactured articles, the farmers have lost by the same amount.

The reason is plain: In 1929 every country in Europe, Germany taking the lead, established a cost-of-production program for the farmers. When there was plenty in foodstuffs, foreign imports were absolutely shut out by a tariff wall. When the prices to the consumer went too high, the wall was lowered and the price brought down. In Europe, if there is any surplus, as there has been in the case of rye in Poland, the surplus is shipped to the United States by the Polish Government. They get rid of that surplus at any price. But the farmers of Poland are protected in the domestic price.

Through this system the United States has become the dumping ground for every other producing country in Europe, and even if the tariff is paid by those countries, this country is nevertheless flooded with that which farmers have and wanted to sell.

Nothing can stop this procedure unless we, like Europe, establish a domestic price and sell the remainder on the world's market for what we can get. But when we talk cost of production for that portion of our crops consumed in the United States, we find every class arrayed against the principle. If all farm organizations had stuck to the principle of cost of production and had not followed the will-o'-the-wisp, the processing tax, this Congress would be ready now to do the job which would establish our domestic market and permit us to contribute our share to the world trade.

Business in this country cannot afford to build a world market for themselves at the expense of the American farmer. The American farmer is the business man's best customer. In normal times we purchased (by "we" I mean the 50,000,000 engaged in and living entirely dependent upon agriculture) about two-fifths of the steel output, the leather output, the textile mills output. Today we are a negligible factor as buyers. The manufacturer has lost the farmer as a trader, as the farmer's buying power has been taken away from him.

Finally, there has been an attempt made, and is now being made, through the reciprocal trade agreements with foreign countries, to permit the entrance of agricultural products under a lowering of our tariffs in exchange for that which we can deliver to those contracting countries. What we are handing them is manufactured goods; and in exchange for the chance to build our business trade we are slowly but gradually surrendering the protection which farm products are entitled to. Every reciprocal trade agreement thus far executed has been a blow to agriculture.

There is this further element in the situation: We loaned foreign countries over $10,000,000,000 during and just following the war. France borrowed over four billion, payable on demand at 5 percent interest; Italy borrowed two billion, on the same terms. While the Government was loaning these huge sums, the proceeds of Liberty bonds purchased by the farmer by going into debt, private interest in this country loaned a greater sum. The private loan was in reality a second mortgage on those foreign countries, as the Government held the first mortgage.

It was to the interest, therefore, of the private money loaners of this country (the international bankers) to get rid of this debt of foreign countries due the United States. They succeeded in doing that. Very few people in America understand that we have canceled the debt owing this Government from foreign countries, but that is exactly what we have done. In the case of Italy in 1925 her debt, with interest, amounted to $2,150,150,000. Italy couldn't pay, she didn't have the money and couldn't get it (just like the farmers in the United States today). We gave Italy a discount of 80 percent and made the balance payable in 62 years at an interest rate reduced from 5 percent to four-tenths of 1 percent. Italy then settled and was so pleased with the settlement that she has not paid us a lead nickel since. In my judgment, she never will pay us a dime. France owed us $4,230,777 and we discounted that 60 percent and reduced the interest from 5 percent to 1¼ percent and spread the payments over 62 years. This settlement was so eminently satisfactory to France that she has steadfastly refused to pay us a cent since that settlement in 1926, although she has plenty of money to loan to other countries.

We canceled these debts, that is what we did and nothing short of that. With this cancelation the debts held by the international bankers against these countries comes first. They want to collect, and they will collect. These countries cannot pay in gold (we already have most of the gold in the world) they must pay us in products. We will not accept manufactured products because the manufacturing and the labor interests of the country are strong enough to prevent it. But the farmer—what of him? Those countries will pay the international bankers in farm products, and those products will be let into this country through reciprocal trade agreements. The products will keep coming until the debtors in Europe can pay the debt owing to the international bankers. They still run the country and as long as they can use the money and credit of this Nation and pay nothing for the privilege, they can keep control. I had hopes Congress would have nerve enough to turn on them and take back the power to issue money and regulate the value thereof, but the private money is too powerful in Congress itself. Business men favor this development in the business by selling more goods abroad, and even if they were aware that the whole proceeding was an absolute sell-out on the American farmer, I am sure the business interest of the country would be selfish enough to continue the practice. We do not see our Nation as a whole, we do not stop to see the relation of our own self-interest to the general good of all. This Nation, and the people in it, need a new viewpoint. They must for their own protection extend protection to agriculture. Only when this country can boast of happy, contented farm homes can our country be said to be prepared for any emergency which may arise to test the strength of democracy. Democracy is not strong, it is not sure, when the men and women of the country who till the soil cannot be assured of a place to live, enough to eat and wear, and enough to provide a decent standard of living for their families.

NATIONAL CONVENTION OF THE DISABLED AMERICAN VETERANS OF THE WORLD WAR

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address which I delivered before the National Convention of the Disabled Veterans of the World War held at New Haven, Conn.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, under the permission granted me to extend my remarks in the RECORD, I desire to insert the following address delivered by me before the National Convention of the Disabled American Veterans of the World War, at New Haven, Conn., on Thursday, July 18, 1935. The address follows:

Mr. Commander, veterans of the World War, ladies, and gentlemen: If I were the master of a thousand tongues, I could not express my gratitude for the splendid reception which you have given me tonight.

Anyone, I am sure, would feel inspired to respond to such a greeting, followed as it was by such wonderful singing and reinforced by the soul-inspiring strains of "Dixie."

I would be ungrateful if I failed to express my thanks for the compliments paid me by my distinguished friend and your very able Congressman, Hon. JAMES SHANLEY, in whose district this convention is being held. You do well to honor him as you have tonight, for the disabled veterans never had a more faithful friend in Congress than JIM SHANLEY. [Applause.]

I also wish to acknowledge the fact that I am speaking in the home town of my friend and former colleague, the Honorable John Q. Tilson, with whom I served for many years. Although John is a Republican and I am a Democrat, there grew up between us one of those close personal friendships which someone has called the flowers that overhang the walls of party politics.

I want to talk to you for a few minutes about veterans' legislation. I am sorry that I missed the address of Captain Kirby, your able legislative representative in Washington. I know his address was both interesting and instructive. The disabled veterans of America have not a better friend in public or in private life, than Tom Kirby. [Applause.]

A few years ago, we found that there were many men whom we called border-line cases, who were unable to establish their service-connected disabilities. Some of them did not know that they had a right to apply, and others had too much pride and felt that they should not apply. They came home and said: "I am strong and well, and will not ask the Government for anything." They found out too late that they were victims of the war with serious disabilities of which they had not known.

I sometimes read with sympathy the words of the young soldier in All Quiet on the Western Front, when he said the war destroyed a generation of young men. I have seen so many of those proud and noble boys break down after time had barred their claims and rendered them unable to prove their disabilities within the time required to establish service connection. Many of them were the most deserving cases we had.

I introduced a bill to have the presumptive period extended to January 1, 1930. Looking back over the past 5 years, I can truthfully say that Congress made a great blunder in not passing that

bill. It did pass the Congress, but it was vetoed by President Hoover, and failed to pass over the veto. Then they substituted for it the disability-allowance bill. The D. A. V. did not ask for it, the American Legion and Veterans of Foreign Wars did not ask for it. That bill was brought in to stop what was called the "Rankin bill", to which I have just referred.

The disability-allowance bill failed to take care of the widows and orphans of disabled veterans, as would have been done under the Rankin bill. Who ever heard of pensioning or compensating a man and then denying relief to his widows and orphans after he passed away?

We have many men with service-connected disabilities, many of whom received their injuries in battle on the western front, and who died from causes other than the ones for which they were drawing compensation, and for that reason their widows and orphans were denied compensation. Men who came home from battle with their legs shot off or eyes shot out would die from a disability other than the one for which they were drawing compensation. I tried to secure an amendment that would take care of the widows and orphans of these men. There was one man who backed me up to the limit and who entered with all his vigor into the fight, and that was my friend and your friend, Capt. Tom Kirby. [Applause.]

I believe in giving credit where credit is due and not let some other fellow take it through the newspaper or some other medium when he was not there when the battle was going on. Tom Kirby was there and rendering the most valuable and effective assistance.

I want to say to you now, just what I said to you at Wilkes-Barre, Pa., so far as I am individually concerned, I have no compunction of conscience in voting to take care of war disabled veterans and their widows and orphans. If I had my way, they would all be cared for in the proper manner. I know there are some who made fortunes out of war, some who are opposed to any kind of veterans' legislation or any bill that would take care of widows and orphans of World War veterans. That stand is usually taken by the predatory interests, or individuals who grew rich out of the war. I told you my platform at Wilkes-Barre, and I reiterate that platform now; I am in favor of taxing the ones who grew rich out of the war in order to raise funds to take care of the ones who were injured in the war. [Applause.]

In that respect, I am glad to report that the President of the United States is squarely behind my platform, as you will notice from the message he delivered to Congress a few days ago. When I went to him personally and explained that widows and orphans of disabled men were left out, he agreed to sign our widows and orphans bill if it passed Congress. We passed it, he signed it, and it became a law.

Now, I know that some people are in a habit of making long speeches in favor of taxing the profits of the next war. I am not so much interested in the profits of the next war as I am in taxing the profits of the last war. When you do that you won't have any next war; at least, not in your day and mine. [Applause.]

I am getting tired of hearing the disabled veterans and their friends criticized by curbstone heroes who yelled for war and then dodged the draft. [Applause.]

I told you at Wilkes-Barre, and I repeat it tonight, that before I would see a deserving disabled veteran seeking charity or hunting the shelter of the jail or the poorhouse for a place to sleep, or his widow and orphans begging bread from door to door, I would put a wound stripe on the purse of Andrew W. Mellon big enough to be seen from Pittsburgh to Philadelphia! [Applause.]

Now let me show you something about these taxes; that is the reason why I said the President is on my platform. I compiled this table 2 years ago when I was advocating before the Ways and Means Committee the raising of the inheritance taxes in the higher brackets. In this wonderful land of ours, the richest country in all the world, where some enjoy the greatest luxuries man has ever known, less than 10 percent of our people own more than 90 percent of our wealth. They are permitted to pyramid their fortunes and pass them down from generation on to generation. If a man dies in this country and leaves an estate of $100,000, it pays taxes to the amount of $1,500; in England, it would pay $9,000; and in France, $36,997. If a man left an estate of $500,000 in this country, it would pay $42,500 in taxes; in England, it would pay $105,000; and in France it would pay $244,373. If he left an estate of a million in this country, it would pay $117,600 taxes; in England it would pay $270,000; and in France, $504,373. Needless to say that I am for the French race. [Applause.]

Let me say a few words about our hospital program. As Chairman of the Committee on World War Veterans' Legislation, I am charged with a responsibility, both to the veterans and to the Government.

We have secured the appropriation of $21,000,000 for replacements and extensions of hospital facilities, and I think we are going to secure several new units that are badly needed, and that we will soon have a hospital program that will take care of the veterans of all wars.

Every once in a while, I hear some fellow refer to the veterans of this country as "treasury raiders". I do not agree with those men who condemn the veterans of our various wars and call them a burden. I do not agree with those who claim that the veterans have ever weakened or endangered American institutions.

I wonder if it occurred to such critics that the veterans of the Revolution, who followed Washington at Valley Forge and Yorktown during the dark and bloody years of our fight for independence, were the same men who later wrote the Constitution of the United States and established this great Nation, dedicated to the proposition that government derives its just powers from the consent of the governed.

I wonder if it ever occurred to those critics that the soldiers of the War of 1812, those brave pioneers who followed Andrew Jackson at the Battle of New Orleans, where they taught the newly fledged American eagle to "match his talons with the lion's strength", elevated America for the first time to the dignity of a world power, and forever established her as one of the leading nations of the earth—I wonder if such critics realize that those men did not wreck the Nation, but on the other hand they strengthened the Republic and added to its domain.

In the Mexican War, those men who fought their country's battles at that time followed Lee and Grant, who became later the great military leaders in the War between the States—those men did not help to wreck the Republic, but carried its flag westward to the Golden Gate.

Those brave soldiers of the Confederacy who came back home and faced a condition of desolation that would have quailed the hearts of men of iron—did they help to wreck their States? No, they did not. But by their devotion, their courage, their patriotism, and their industry they caused the genius of devastated Dixie to rise like a phoenix from the ashes of her destruction and bathe her golden plumage in the sun.

In 1898, when the war clouds lowered on the horizon, and it looked as if we might be plunged into a world conflict, there came from our towns and cities, our fields and plains, our hills and valleys, an army of several hundred thousand of America's patriotic sons who volunteered to go forth into the plague-infested Tropics to defend the honor and perpetuate the glory of this great Republic. Did they destroy American enterprises? No; but when the war was over, as the storm cloud dissipates itself to be found the next day falling in the form of gentle rain that nurtures the tender plants or sparkling in the dew drops of the meadow, we find this great army melted back into the walks of private life, building up American enterprises and strengthening American institutions.

The men who answered the call in 1917 and 1918 are just as patriotic today as you were in the dark days of the World War. Many came back broken in health, and for them we are merely seeking justice.

During the great depression through which we have been passing, if it had not been for the stabilizing influence of the veterans of the World War, the chances are that this country would probably have burst forth into the flames of a vicarious revolution. The veterans of the World War are the greatest stabilizing influence in this country today, and they are just as patriotic in times of peace as they were in time of war. Nor will patriotism die with this generation. You claim no monopoly on that virtue; it will be passed on down to the generations yet to come.

I believe with Ella Wheeler Wilcox, when she said:

Weep not for vanished ages, with their great heroic men,
Who live on history's pages or dwell in the poet's pen;
For the grandest times are before us, and the world is yet to see
The noblest worth of this old earth, in the men that are to be.

I believe that American history has just begun. Her greatest chapters are yet to be written. We must restore her to her rightful place as the unquestioned leader in the onward march of modern progress.

Twenty years ago someone killed a duke—I had never heard of the duke, don't know his name now, and don't care—but the news of his death set the world on fire and brought on the greatest war of all time, in which 10,000,000 men, the pick and flower of the world's best manhood, went down to nameless graves. It placed a crepe on every doorknob in Europe and left broken hearts, vacant chairs, and widows' weeds in every home. Finally we were drawn into the conflict and saw millions of our magnificent young men marching forth to a war which we were told was to make the world "safe for democracy."

It is useless to recount our losses and our sacrifices. Suffice it to say that it must not occur again. There must be no repetition of that great disaster if we and our children are to enjoy the great blessings which the God of Nature and the God of nations intended for us to enjoy. We must do everything honorably within our power to maintain the peace of the world. We must substitute the Golden Rule for the rule of gold in all our international relations, in order to perpetuate our civilization, insure the future peace and happiness of mankind, and usher in that golden age of which Tennyson dreamed when he said:

. . . I dipt into the future, far as human eye could see,
Saw the vision of the world, and all the wonder that would be;
Saw the heavens filled with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales;
Heard the heavens fill with shouting, and there rain'd a ghastly dew
From the nations' airy navies grappling in the central blue;
Far along the world-wide whisper of the southwind rushing warm,
With the standards of the peoples plunging thro' the thunderstorm;
Till the war-drum throbb'd no longer, and the battle-flags were furl'd
In the parliament of man, the federation of the world.
There the common sense of most shall hold a fretful realm in awe,
And the kindly earth shall slumber, lapt in universal law.

[Prolonged applause, with the entire audience rising.]

SHOES FOR THE CIVILIAN CONSERVATION CORPS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter received by myself from Colonel Fechner relative to the disposition of the order for shoes for C. C. C. enrollees.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, recently the Director of Emergency Conservation Work had planned to purchase 375,000 pairs of shoes for C. C. C. enrollees, these shoes to be equipped with composition heels and soles. However, after reconsideration, it has been decided that but one-fourth of an order of 750,000 pairs of shoes will be of this type. Several Members of Congress, including myself, made strong protests to Director Robert Fechner and the White House, when it became known that this large order was to be placed. Tanners of sole leather had drastically curtailed production and closed tanneries because of the use of substitutes for leather, and I am glad to report that specifications have been altered. In this connection I include a letter received by me which I believe will be of interest and will clear up the situation.

EMERGENCY CONSERVATION WORK,
OFFICE OF THE DIRECTOR,
Washington, D. C., August 8, 1935.

Hon. JENNINGS RANDOLPH,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN RANDOLPH: Permit me to acknowledge receipt of your inquiry requesting information as to a contemplated change in policy respecting shoes purchased for issue to enrollees of the Civilian Conservation Corps. The full facts in the case are as follows:

During the more than 2 years in which the Civilian Conservation Corps has been in existence, there has been purchased in the neighborhood of 5,000,000 pairs of leather shoes identical with the Army service shoe, at a cost of over $14,000,000, excluding the cost of repair. In addition, there has been purchased a large quantity of special types of boots and shoes for special types of work for which the regulation type of shoe was not satisfactory.

As you are aware, our general issue shoe is equipped with leather heels and soles, which I felt contributed directly to the relatively high cost of the shoes and to the high accident rate, which has been averaging some 25 percent, due to slipping.

It will readily be apparent from the foregoing that shoes are an important item in the Civilian Conservation Corps activities, not alone with respect to their cost but also as a factor in the accident rate of the personnel. For these two reasons, about a year ago I took steps toward determining whether or not there was anything on the market which would be a satisfactory substitute for the leather heel and sole on the service shoe. I found a composition heel and sole called the "raw cord", manufactured by the Lima Cord Sole & Heel Co., of Lima, Ohio. Preliminary investigation of this convinced me that it offered possibilities, and accordingly I arranged with the War Department, which acts for this office in the purchase of all supplies required by the enrollees, for equipping a quantity of our shoes with them and have these tested out in the camps.

While the results of this test are not yet fully known, preliminary reports are sufficiently encouraging to warrant a more extensive test; and since it is necessary to go into the market immediately for 750,000 pairs of shoes to provide for the increased strength of the Civilian Conservation Corps, the question arose as to whether these shoes should be equipped with leather heels and soles, as heretofore, or whether advantage should be taken of this opportunity to effect a possible saving to the Government and cut down our high accident rate due to slipping by equipping them with a composition heel and sole of the type under test. Having in mind, however, the tentative nature of the whole problem, I decided that we should not equip all of these shoes with composition heels and soles but should equip a quantity sufficient to demonstrate fully the possibilities of shoes thus equipped for Civilian Conservation Corps use. Accordingly, I first directed that one-half of the 750,000 pairs of shoes, or 375,000, be equipped with composition heels and soles, but on reconsideration it was decided that one-fourth of this total, or 187,500 pairs, would be sufficient to demonstrate the possibilities of this particular type of heel and sole for our purposes. Under this revised plan, I have directed that action be taken as follows:

(A) That three-quarters of the 750,000 pairs of shoes required, namely, 562,500 pairs, be advertised for purchase under a straight bid calling for shoes with leather soles and heels as heretofore and an alternate bid on the basis of their being equipped with a leather sole but with a rubber heel, basing this latter on the fact that the Navy has for many years been using a rubber heel on its service shoe with excellent results, both from a financial and a practical standpoint.

(B) That the remaining 187,500 pairs of shoes be advertised on the basis of a straight bid calling for the present service shoe with leather heels and soles, and an alternate bid on the service shoe equipped with a fabric-rubber heel and sole such as we are testing.

It will, therefore, be apparent in both cases that if the low bid is on the all-leather shoe, award will be so made. If, however, the alternate bid is lowest, award will be made on that basis.

I recognize the fact that there may be other types of composition heels and soles on the market which might be satisfactory for our purposes, but since there have been no test of these, I do not feel that they can be considered in this particular purchase.

My attention has been invited to the fact that the soles and heels as manufactured by the Lima Cord Sole & Heel Co., which are now in the process of testing, are patented articles which this firm only can manufacture. In this connection I understand that there are similar products on the market and it is therefore not intended to limit bidding to this one firm alone. Further, it will be noted that, under the method of bidding under "B" above, if the all-leather shoe is less expensive than the composition sole shoe, award will be made on the basis of whichever is the cheaper.

It has been stated to me that, by departing from the leather sole and heel, this office would be in opposition to the general policy of the Government with respect to improving the leather market. Further, that the policy is to favor home-grown goods as against foreign products.

On this score I desire to make the following observations: First, that I consider my primary duty to be to the Civilian Conservation Corps, and by whatever amount I can reduce the cost of shoes or of anything else entering into its maintenance, by just so much can I take more young men off the street and rehabilitate them. Second, if I can reduce the accident rate due to slipping, I not only save suffering among these young men but I increase the amount of constructive work which the corps can accomplish; and, third, that while there would be some decrease in the amount of leather in the shoes, the cotton market benefits through the increased cotton content, since the type of composition sole and heel in question contains a large percentage of cotton.

In view of the foregoing, I think you will agree with me that this whole matter has received the most earnest consideration and that in its broader aspects no injustice is being done any industry in this country. Under the procedure I have described, the leather industry retains the bulk of the business, the cotton industry benefits somewhat by the increased cotton content of the shoe, and the rubber industry for the first time shares to a small extent in the business.

Sincerely yours,

ROBERT FECHNER, *Director.*

THE GUFFEY-SNYDER COAL BILL

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from Governor Earle, of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, the cutthroat methods employed in the United States during the last half century by the bituminous coal owners and operators is most deplorable. I observed in my own home district for 30 years the evil effects of this cutthroat practice.

Practically every coal operator in the country was for the extension of the N. R. A. They do not want to go back to the cutthroat methods. They tell you and their books show that the bituminous coal industry under the N. R. A. was the most stable period they enjoyed for the last 50 years. This measure merely provides to continue the stabilization of the coal industry much like it was under the N. R. A.

This measure must be for the common good of all concerned or the big percentage of operators and practically all of labor would not be for the bill. They are for this measure because—

(a) It will not increase the cost of coal to the consumers more than a few cents per ton—or to be more exact, 2¾ cents per ton.

(b) It will enable the operators to know what to expect as the months and years approach.

(c) It will protect the small operators as well as the larger ones.

(d) It will enable the laborer to know approximately how much work he may expect during a given space of time under normal conditions.

(e) It will give a certain number of days employment to some 450,000 miners each year.

(f) It will give comfort, food, shelter, and clothing to some 2,500,000 men, women, and children—because the heads of the families will be employed at least part of the time each year.

(g) It will enable operators to provide safety appliances for their mines and thus prevent the loss of lives of miners.

(h) Something like 70,000 men lost their lives in the mines in the last 30 years in the United States because operators did not furnish the proper safety appliances.

These safety appliances were not furnished in mines because the cutthroat practices in mining and marketing coal took away their margin of profit and they had no money to install equipment. For these and many other reasons this measure appeals favorably to all groups regardless of whether they are interested in farming, manufacturing, lumbering, or what not.

In England and France the percentage of waste in mining bituminous coal is only about 5 percent. In the United States the waste is more than 25 percent.

Mr. Speaker, due to the cutthroat procedure and methods employed in mining and marketing of bituminous coal in Pennsylvania the last 50 years, we have wasted enough coal in the bituminous region alone to pay off the entire $29,000,000,000 of our national debt. In other words, if this waste coal had been sold at the market price, we could have paid off the entire $29,000,000,000 indebtedness of the National Government.

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE,
Harrisburg, July 10, 1935.

Hon. J. BUELL SNYDER,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: I was very glad to have your kind letter of July 8, and to know that the prospects of the Guffey-Snyder bituminous-coal bill are favorable.

Because of the deplorable conditions existing in the bituminous industry of this State, it is most important to the welfare of our people that this bill be enacted into law. The depression in the bituminous industry has created conditions which can be remedied only by such regulation as that provided in the Guffey-Snyder bill. I sincerely believe that in effect it will aid not only the operators and their employees, but, by stabilizing the industry, will also benefit all the people of our State.

With many thanks for your congratulations upon our work here, and with very best personal regards, I am,

Most sincerely yours,

GEORGE W. EARLE.

PRIVILEGES OF THE HOUSE

Mr. O'CONNOR. Mr. Speaker, by direction of the Committee on Rules, I file a report, together with a resolution, pertaining to the privileges of the House.

The SPEAKER. The Clerk will read the report.

Mr. YOUNG. Mr. Speaker, I make the point that there is not a quorum present.

The SPEAKER. The Chair will count.

Mr. RANKIN. Will not the gentleman withhold that until the resolution is read and we know what it is about? It may be a good one—they could bring out one.

Mr. YOUNG. No.

The SPEAKER (after counting). Two hundred and twenty-four Members are present, a quorum.

The Clerk will read the report.

The Clerk read as follows:

Mr. O'CONNOR, from the Committee on Rules, submitted the following report of the Committee on Rules, pursuant to House Resolution 288 of the House of Representatives:

"Since the adoption of this resolution by the House on July 8, 1935, your committee has been acting under the authority granted therein and has held numerous hearings at which witnesses have been examined. On August 9, 1935, your committee caused to be subpenaed one H. C. Hopson, alleged to be closely identified with the Associated Gas & Electric Co. The said H. C. Hopson appeared before the committee pursuant to said subpena on August 13 and was examined. He was then served with a subpena to appear forthwith and to hold himself in readiness to appear at the call of the committee. On August 14 said H. C. Hopson again appeared before the committee and was further examined. At 10:30 a. m. on August 14 a further subpena was served upon Mr. Hopson to appear forthwith and to hold himself in readiness. Your committee was compelled to recess at about 11:20 a. m. on that day to answer a call of the House. Your committee is informed that at 11:30 a. m. Mr. Hopson was subpenaed by another body to appear instanter before said body. The said H. C. Hopson during the entire day of August 14, 1935, remained in the custody of your committee and your committee refused to release him from said jurisdiction. On the afternoon of August 14, 1935, between the hours of 2:30 and 6:30, your committee, through its authorized representative, was examining Mr. Hopson in its offices. Your committee is informed that the committee of another body insisted upon the appearance of Mr. Hopson forthwith before the other body, and on the failure of said H. C. Hopson to so appear another body at about 5 p. m. on August 14, 1935, adopted a resolution, known as 'Senate Resolution 186', directing said H. C. Hopson to show cause why he should not be punished for contempt of that body for his failure to appear. The facts were not presented to the other body, of which the committee of the other body had full knowledge that your committee had not completed its examination of said H. C. Hopson and that he was still under the jurisdiction and being examined by your committee and in its custody. At the time the said committee was being presented and agreed to by the other body Mr. Hopson was actually in the jurisdiction of and custody of and being examined by your committee, all of which the committee of the other body well knew and was so advised. The first subpena served upon the said Hopson by the committee of the other body was served at 11:30 a. m. on August 14, 1935. No request was made of your committee by another committee to relinquish its jurisdiction of the said Hopson. Your committee, therefore, feels that it has proper jurisdiction of said Hopson and that the continuation of any action in another body will interfere with the jurisdiction of your committee. Jefferson's Manual, section 345, provides—'If either House have occasion for the presence of a person in custody of the other, they ask the other their leave that he may be brought up to them in custody.'

"Your committee believes that some action should be taken by the House to protect it and its committee in the conducting of its hearings, and to that end your committee recommends the adoption of the resolution directing the Sergeant at Arms of the House to take the said H. C. Hopson into custody and to hold him as a witness for your committee."

Mr. RANKIN (interrupting the reading of the report). Mr. Speaker, I make the point of order that, so far as the resolution is concerned, if the committee has a resolution to offer, they have the right to do so; but they do not have the right to bring in a written speech here and have it read to the House without unanimous consent, and I doubt if they could then, since the speech is a criticism of the United States Senate.

I make a point of order against the further reading of the report.

The SPEAKER. The Chair understands this to be a report submitted by the committee, upon which it intends to base its resolution which it insists is a question of privilege, and the Chair overrules the point of order and directs the Clerk to proceed with the reading of the report.

Mr. RANKIN. Mr. Speaker, I make the further point of order that it is in violation of the rules of the House, because it is criticizing the United States Senate.

The SPEAKER. The report, as the Chair has heard it read up to this time, only states the facts that occurred before the committee in the prosecution of its inquiry made under the orders of the House, and the Chair does not understand that it contains any statement of criticism, but simply a statement of facts.

Mr. RANKIN. Mr. Speaker, as I understand the rules, if any Member rose here and made the statement just read from this report and a point of order were made, according to the precedents of the House it would be held out of order. I do not think they have the right to have read a report criticizing the Senate.

The SPEAKER. As the Chair understands, it is simply a controversy between a committee of the House and a committee of another body, and the committee of the House is making its report to the House, under whose authority it was acting, preliminary to the resolution which it proposes to offer. The Chair thinks the House is entitled to hear the report made by the committee and, therefore, overrules the point of order made by the gentleman from Mississippi.

Mr. RANKIN. I submit to the Chair that if they are going to bring in a report they should first submit a resolution and then use whatever argument they propose to use in support of the resolution and not come in with a long statement criticizing the Senate. I submit that such a statement criticizing the Senate is in violation of the rules.

The SPEAKER. The Chair will again state that the Chair understands this report to be the basis for a resolu-

tion and the Committee having been authorized to make the investigation, the Chair thinks it should be privileged to make its report to the House.

The Chair thinks the point of order is not well taken, and the Clerk will continue the reading of the report.

The Clerk resumed the reading of the report.

Mr. RANKIN (further interrupting the reading of the report). Mr. Speaker, I raise the further point of order that the statement does not show that Hopson is in the custody of the House committee. It merely shows he was subpenaed as a witness. Any man who ever tried a case before a court of law or of equity knows that one court or one body has not the right to withhold a witness from being subpenaed by another court or another coordinate body.

The SPEAKER. That is a matter for the House itself to determine.

Mr. RANKIN. Of course, they have not a right to do so. If we are going to protect Hopson with this kind of stuff, let us come out in the open and admit that we are shielding him from having to testify before the Senate committee.

The SPEAKER. The question raised by the gentleman from Mississippi is one for the House to determine and not for the Chair to decide. The Chair therefore overrules the point of order and the Clerk will report the resolution.

House Resolution 340

Whereas the House did on July 8, 1935, adopt a resolution, House Resolution 288, authorizing the Committee on Rules to investigate any and all charges of attempts or attempts to intimidate or influence Members of the House of Representatives with regard to the bill S. 2796 or any other bills affecting public-utility holding companies during the Seventy-fourth Congress by any person, partnership, trust, association, or corporation;

Whereas under the authority conferred upon said Committee on Rules by said House Resolution 288, the said committee had caused to be issued a subpena directed to H. C. Hopson to appear before said committee and to testify concerning the matters committed to the said Committee on Rules for investigation;

Whereas said subpena was on August 9, 1935, served upon said H. C. Hopson by an officer duly authorized by the Chairman of the said Committee on Rules to perform such act;

Whereas the said H. C. Hopson pursuant to said subpena appeared before the said Committee on Rules to give such testimony as the said committee desired to take; and the said H. C. Hopson appeared before said committee on August 13 and 14, and at 10:30 a. m. on August 14 was further subpenaed to appear before said committee forthwith;

Whereas agents of another body have attempted to serve the said H. C. Hopson at 11:30 a. m. on August 14 with a subpena in order to compel the said H. C. Hopson to appear before another body forthwith to give testimony;

Whereas, pursuant to the instructions of the said Committee on Rules, the chairman of said committee did instruct the said H. C. Hopson to hold himself at all times in readiness to appear before the said Committee on Rules to give such testimony as the said committee might desire to take;

Whereas the said H. C. Hopson did hold himself at the disposal of the said Committee on Rules and subject to any instructions that the said Committee on Rules might have to give, and was being examined by an official of said committee and was in the custody of the committee on August 14 from about 2:30 p. m. until about 6:30 p. m., and said Committee on Rules has not completed its examination of said witness;

Whereas attempts have been made, and probably will be made, to deprive the said Committee on Rules of the person of the said H. C. Hopson and thus deprive the said Committee on Rules of necessary testimony;

Whereas any interference with the proper proceeding of the Committee on Rules in the investigation committed to them by House Resolution 288 is an invasion of the prerogatives and privileges of the House of Representatives;

Whereas the testimony of the said H. C. Hopson is necessary in order that the said Committee on Rules may come to a just and proper determination of the matter committed to them by the said House Resolution 288;

Whereas it now appears necessary, by reason of the facts herein stated, for the House to exercise such power and authority as to it appertains in order to guard and protect the integrity of the proceedings of itself and its Committee on Rules from any and all interferences; and

Whereas the accomplishment of such objectives requires the apprehension of the witnesses subpenaed by the said Committee on Rules: Therefore, be it

Resolved, That the Speaker of the House of Representatives issue his warrant commanding the Sergeant at Arms of the House of Representatives, or his deputy, to take into custody the body of H. C. Hopson wherever found; that the said Sergeant at Arms, or his deputy, shall keep in custody the said H. C. Hopson until such time as the Committee on Rules shall discharge him.

Provided, however, That the said witness may be available for examination by the Senate Committee at such times as his attendance is not required by the House Committee.

Mr. RANKIN. Mr. Speaker, I make the point of order that this is a defense of Hopson. I make the point of order that it is not a privileged resolution. In the first place, the resolution does not state that Hopson is in the custody of the House of Representatives.

The resolution does not state that Hopson has refused to appear before the Rules Committee. It seems to be an attempt to keep Hopson, as I heard it read—it seems to be an attempt to keep Hopson from having to appear before the committee of the Senate. This whole thing seems to me to be pure camouflage and is an insult to the intelligence of the House.

To issue a warrant for a man who is not in contempt of the House of Representatives in order to keep him from being cross-examined by a Senate committee is simply a farce.

The SPEAKER. What is the gentleman's point of order?

Mr. RANKIN. I make the point of order that the resolution is not in order, that it is not privileged, that it does not state a cause of action, that it does not state that Hopson is in contempt of the House but shows him to be in contempt of the Senate. It asks the House of Representatives to issue a warrant for a man in order that he may be held, for what? From the Senate of the United States where he is wanted for investigation. I submit that the resolution is not privileged.

The SPEAKER. Does the gentleman from New York wish to be heard on the point of order?

Mr. O'CONNOR. No, Mr. Speaker; I have not heard any point of order made yet.

Mr. RANKIN. I am sure that anything that would tend to bring these culprits to justice would not be heard by the gentleman from New York [Mr. O'CONNOR].

The SPEAKER. The Chair is ready to rule. As the Chair construes the resolution, it involves the dignity and authority of the House. The House has authority to protect its own agents and its own committees in the discharge of the duties vested in them. It seems to the Chair that this is distinctly a matter of privilege for the consideration of the House.

The argument of the gentleman from Mississippi has no bearing upon the point of order which he has made that the resolution is not privileged. These are matters that go to the merits of the proposition, and, in the last analysis, must be decided by the House itself.

The Chair repeats that the resolution is one which involves the dignity and authority of the House in protecting its committees, which in this instance happens to be the Committee on Rules, in the investigation which it has been authorized to make. The Chair overrules the point of order.

Mr. O'CONNOR. Mr. Speaker, I think this is the first time that I have participated in any question of privilege, either a question of personal privilege or the privileges of the House. I do so with no interest in myself and without great interest in the committee, but with an interest in the dignity of the proceedings of this House. I believe the question is raised succinctly in this issue whether or not there are two coordinate branches of the Legislature or whether one is subordinate to the other. This matter has been given a great deal of attention since yesterday afternoon, when the issue arose. It has been thoroughly considered for at least an hour and a half by the Rules Committee, every member expressing his views upon it. The report comes from the committee and the resolution suggested was approved by the committee. The report and the resolution state the situation substantially.

Any suggestion of the gentleman from Mississippi [Mr. RANKIN] that the Committee on Rules of the House of Representatives is trying to protect this man Hopson or keep him away from the Senate is without any foundation whatever, and no other man in the House would dare suggest such an accusation against the Committee on Rules. I do not care about his accusations toward me. I have

heard them before, and I am confident the House pays no attention to him.

Before the Rules Committee reported on this matter, and while it was in session, the gentleman from Mississippi [Mr. RANKIN] took the floor this morning under a reservation of the right to object, and said:

I understand there is a resolution to be called up here today asking the House of Representatives to ratify the action of the Chairman of the Rules Committee, which a great many of us regard as an interference with the Senate investigation of the power lobby. If this resolution is going to be called up today we want to know it.

And he made similar statements—absolutely without any foundation in fact. Interference? It was another body that interfered with our body. [Applause.] Our committee subpenaed Hopson. We have had him under examination, and no living human being could honestly say when we recessed yesterday that we were through with him. It was obvious that we would have to examine him another day or maybe 2 days, and then the other body could have him, with pleasure. Why all this rush as to whether he appears today in another body or 2 days from now? We expect he will be living on Saturday, or next week, and that he will be available for testimony before another body.

Let me tell the House just what has happened. This House first passed a resolution to investigate the lobby, days before such an inquiry was even suggested in another body. The chairman announced that the committee was going to examine a Mr. Gadsden, the supposed head of these utilities organizations, and would subpena his records at the Mayflower Hotel.

As soon as that announcement was made, another body, through its committee, subpenaed Mr. Gadsden and seized the records at that hotel. Our committee thereafter produced a Mr. Robinson, and in his examination, for the first time, the name of Mr. Hopson came out when we announced that we wanted Mr. Hopson. Never before was there any suggestion of another body wanting him to testify. The other committee knew yesterday that we were examining this witness. It knew that we were not through with him, yet they had their subpena servers actually invade our committee. Such a situation was never heard of before. With a witness sitting in one court, for another body to reach its hand in and take him would not be tolerated in any jurisdiction in this country. That was the situation which confronted your Committee on Rules.

The committee was reluctant to raise this issue in the House because at first blush it might look like a small matter, but when you consider it, it goes to the very foundations of the integrity of this body, whether or not we must yield a witness in the middle of his examination to a subpena of another body. When that situation arose yesterday I took the position that this House could not out of self-respect do other than refuse to yield him. It was up to Mr. Hopson to go if he wanted to go. He could go, but if he went, he would have been in contempt of our body. He was in our custody, being examined, when this demand for his presence before a committee of another body was made. They knew that, and without making any statement before the other body, without explaining to the other body the situation, and without a word said in respect to it, the resolution was passed late in the day with only a few Members on the floor.

I hold a copy of a newspaper in my hand, which is always most "friendly" to me and which blackguards me in its editorial columns as "one of the active leaders for the utilities here" and continues to state, contrary to any fact whatsoever, that I "led the fight to kill the death sentence." I call upon any witness here to state one word I uttered or one finger I ever raised in reference to that matter.

Mr. RANKIN. The gentleman voted against it.

Mr. O'CONNOR. That is more of that "squirting", and that will go out of the RECORD, if I see fit.

The SPEAKER. Does the gentleman yield to the gentleman from Mississippi?

Mr. O'CONNOR. I do not.

Mr. RANKIN. I make the point of order and demand the gentleman's words be taken down. I make the point of order against his language.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. He asked any of us to point out any word he uttered, and when I did he comes back with that offensive statement.

The SPEAKER. The gentleman from New York will proceed.

Mr. O'CONNOR. A careful reading of the resolution will see that it provides in the first instance to protect the integrity of our proceedings. When we are proceeding with the examination of a witness, if we are to be placed in the position where someone can reach in and take him away from us, 1 minute or 1 day before we are through with him, then we cannot function; and when the committee of another body, chosen after we were created, with never an original idea of its own, tries to use our efforts and our work, we must protect ourselves and the House. This resolution follows the usual form—that the Sergeant at Arms of the House take the witness into custody wherever he may be.

Now, the appended proviso to that is important. The resolution provides, in my own handwriting, at my own suggestion—

Provided, however, That the witness may be available at any time for Senate committee hearings when he is not actually needed before the House committee.

What could be fairer than that?

Mr. TARVER. Will the gentleman yield?

Mr. O'CONNOR. I yield for a question.

Mr. TARVER. What legal right has the House of Representatives to order the arrest of a witness who has not disobeyed a subpena of the committee of the House, from the standpoint of the witness himself? Would not that be illegal confinement?

Mr. O'CONNOR. The witness, himself, indicated that in this dilemma he might go to the other body, and that anticipatory breach of his obligation to this House would justify action against him, we believe.

Now, the exact situation was such that we wanted to present this to the House.

This newspaper to which I was referring, under the heading "J. J. O'CONNOR, lobbyist", accuses me of lobbying in the other body yesterday. Well, I shall take a plea to that. When this matter came up in the other body I happened to be there and immediately I did all I could in an attempt to explain to some of the clear-thinking men, over there, the situation. I told them that the adoption of the resolution would be an affront to the House. I said, "You do not know the real story. The members of this committee were told that we had dismissed this man. Everybody knows there was no justification for that." Some of the leaders talked with the introducer of the resolution, and it was suggested that the matter go over until today, and I left with that understanding; but much to my surprise, before any information could be conveyed to the other body, this resolution was passed.

I understand, today, however, Mr. Speaker, that the distinguished chairman of the other committee has taken the floor, in the other body, and has said that in view of the situation, as it is now understood, that the other body now does not intend to interfere or attempt to subpena any of the witnesses of the House committee until we are through with them. That understanding, of course, relieves us of this constant fear that any witnesses we might call would be immediately seized.

Mr. DIES. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. DIES. It is my understanding that the statement made was that the Senate committee would not undertake to get any witness that was needed by our committee while that witness was in the course of examination. In other words, it is our position that so long as we do not actually need a witness for examination, there is no anticipation

on the part of our committee to keep the Senate from examining him.

Mr. O'CONNOR. And there never has been. If, under the provisions in Jefferson's Manual, there had been any request of that committee to permit this witness to appear there when we did not want him, it would have been granted, and I would have granted it myself.

Mr. McFARLANE. Will the gentleman yield for a question?

Mr. O'CONNOR. For a question; yes.

Mr. McFARLANE. Has the Rules Committee, making this investigation, been authorized to sit while the House was in session?

Mr. O'CONNOR. The Rules Committee is always authorized to sit during the sessions of the House.

Mr. McFARLANE. For the purpose of this investigation?

Mr. O'CONNOR. This resolution, like all investigation resolutions, provides, that the committee may sit whether the House is in session or not.

Mr. COX. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. COX. Does not the very temperate statement made by Senator BLACK before the Senate this morning dissipate all necessity for the adoption of this resolution?

Mr. O'CONNOR. The gentleman is just anticipating what I am going to say in a second, if he will permit me.

This statement was made in the other body after the Rules Committee had brought in this report and resolution. We thought, however, the situation should be brought to the attention of the House; that it involved the privileges of this House and the dignity of this House, but in view of the attitude which I understand was stated in another body, I do not propose to press the resolution at this time. [Applause.]

Mr. Speaker, I ask that the resolution pend on the calendar.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I have no apology for anything that I have stated on this proposition. I pointed out in the beginning that Mr. O'CONNOR was not the right man to conduct this investigation.

It never occurred to me then that he would use the power of his position to interfere with the Senate investigation.

His performance here today is ridiculous.

There was absolutely no use of bringing this whitewash statement and this whitewash resolution before the House. As a matter of fact, the representative of the Sergeant at Arms of the Senate was interfered with the other day when their representatives attempted to subpena this man Hopson after he had left the Rules Committee, and was interfered with by a man purporting to be acting on instructions from the Chairman of the Rules Committee.

Now, this kind of stuff is bringing the House of Representatives into ill repute, and it is heaping upon us criticism from one end of the country to the other. It is disgracing the House of Representatives.

I, for one, am not going to sit idly by and see this stuff go into the RECORD and these attacks made on the Members of this House who are utterly disgusted with this proceeding. For that reason I have risen to say to you that I am not going to help in any way whatsoever to intefere with the Senate in its effort to get this man Hopson before the Senate committee to investigate him under oath.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. DIES. Does not the gentleman believe it is an absolutely fair propostion for our committee to say that only when we actually have the witness before us for examination do we say the other body may not have the witness?

Mr. RANKIN. I do not believe there was the slightest reason for bringing this whitewashing statement and resolution before this House, not the slightest reason on earth. There was not the slightest reason on earth for the representatives of the Rules Committee, or those policemen purporting to represent the Rules Committee, interfering with the Senate committee's attempt to subpena this man and thereby helping him to hide out and preventing the Senate from investigating him. The best thing that could be done, let me say to the gentleman from Texas [Mr. DIES], would be to turn this $50,000 back into the Federal Treasury and let the Senate committee proceed with its investigation.

Mr. WEARIN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. WEARIN. Does the gentleman know that I have introduced a resolution in the House involving the unexpended balance of the fund appropriated to carry on this investigation in order to cease unnecessary duplication of effort?

Mr. RANKIN. I hope it will be taken up and passed, and that we will stop this and quit leading the country to believe that the Rules Committee is interfering with the Senate's attempts to investigate the most corrupt lobby that ever infested this Capitol.

Mr. Speaker, I am getting tired of the Member from New York [Mr. O'CONNOR] making his offensive statements in this House. I have not gone into his record. All I have tried to do on this floor was my duty as best I could. I thought the resolution to have the Rules Committee make this investigation was a mistake. I thought it was a mistake to make the gentleman from New York chairman of the committee. I am thoroughly convinced now that I was right in that opinion. [Applause.]

PUBLIC WORKS ON RIVERS AND HARBORS

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 322.

The Clerk read as follows:

House Resolution 322

Resolved, That immediately upon the adoption of this resolution the bill H. R. 6732, with Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table, to the end that all Senate amendments be, and the same are, disagreed to and the conference requested by the Senate upon the disagreeing votes of the two Houses be agreed to.

Mr. O'CONNOR. Mr. Speaker, this is a rule sending the river and harbor bill to conference.

When the bill came back to the House with Senate amendments unanimous consent was asked to send the bill to conference, but objection was made which necessitated the Rivers and Harbors Committee applying to the Rules Committee for a rule to send it to conference. In the hearing before the Rules Committee it appeared that there were certain matters in this bill of an extraneous nature that were not properly in a river and harbor bill, and that were objectionable for other reasons. They are known as amendments "no. 71 and no. 72." These amendments embody the provisions of the so-called "Parker Dam" bill which had been reported out in the House under a rule and is still pending. In the Senate that bill was taken bodily and inserted in the river and harbor bill.

As I recall, everybody on the Rules Committee felt that this practice was improper; so delay was made before a rule was granted to let the conferees determine whether they were going to strike out that extraneous matter. As soon as we were advised by some of the conferees on both sides of the Capitol that they were disposed to strike out this extraneous matter, the Rules Committee granted the rule. We hope this tentative agreement will be carried out, and that both amendments, no. 71 and no. 72, will be stricken from the bill.

Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, the statement of the gentleman from New York, the Chairman of the Rules Committee, with reference to the understanding of the Rules Committee as far as amendments nos. 71 and 72 are concerned, is the

same as my understanding of the matter was at the time this rule was reported by the committee. Since the meeting of the Committee on Rules reporting the rule, however, I saw a statement in one of the New York papers which purported to state the situation, in which it was said that the understanding was that amendment no. 72 would not be agreed to in conference, but it left some doubt in regard to amendment no. 71. I think the Chairman of the Committee on Rivers and Harbors will be willing to say for the RECORD that the same understanding prevailed as to amendment no. 71 as was had with respect to amendment no. 72, namely, that these two amendments would not be agreed to in conference but, if necessary, would be brought back to the House for separate votes. Is my understanding correct?

Mr. MANSFIELD. The understanding was, as stated to the Committee on Rules, that amendment no. 72 would undoubtedly be withdrawn. I could not state as to amendment no. 71. Amendment no. 71 is the amendment which legalizes Parker Dam, which was nullified by a decision of the Supreme Court. A great deal of the money has been expended. It may be a very meritorious proposition and it might be well to retain it in the bill.

So far as I personally am concerned, I shall not agree to either amendment no. 71 or amendment no. 72 remaining in the bill, unless instructed so to do by this House.

Mr. MAPES. We all, of course, have perfect confidence in the gentleman from Texas.

My understanding of his statement is that amendment no. 72 will undoubtedly be withdrawn by the conferees on the part of the Senate?

Mr. MANSFIELD. I think that is true beyond doubt.

Mr. MAPES. And before agreeing to amendment 71 the gentleman will bring it back to the House for a vote?

Mr. MANSFIELD. Yes. There are a few other amendments that I object to very strenuously.

Mr. MAPES. Yes. I understand the gentleman's position, but some of us thought that inasmuch as these two amendments have been linked together and reported out of a committee in the form of a separate bill they should be brought up separately and not attached as riders to this river and harbor bill.

Mr. MANSFIELD. I think the gentleman is correct.

Mr. MAPES. I thank the gentleman. I understood that to be his position.

Mr. Speaker, I want to say just one more word. I read a short time ago an article in a paper which stated that the administration had refused to allocate funds to make the dream come true of some of those who are advocating the construction of a canal across the State of Florida on the ground, as the article said, that a project of that magnitude ought not to be undertaken by the Government on the ipse dixit of any one individual, but if undertaken at all it should be authorized by the legislative body of the Government. Of course, that position is entirely sound. It is unfortunate that it was not taken by the administration before. As a result of its not being taken before we have amendments 71 and 72 in this bill. It is a violent proposition to think that one man, because of a peculiar twist in his mental operations, or because he wants to erect a monument to himself, or for any reason for that matter, should be able to involve the Government in an expenditure amounting to hundreds of millions of dollars without any specific authorization by Congress so to do.

This Grand Coulee Dam proposition, for example, has been knocking around the Congress for a great many years. It has never been authorized by the Congress, but the moment the N. R. A. Act was passed appropriating $3,300,000,000, funds were allocated by the administration to start the project. As the minority report on H. R. 5057, which contained these two amendments in a separate bill sets forth:

> The Grand Coulee project calls for a present expenditure of $63,000,000 and we are reliably informed it is the intention of the Reclamation Service to expand this development so that it will have an ultimate cost of $179,000,000. This will bring into production 1,200,000 acres of arid land and is a part of the Columbia Basin reclamation project which will cost $393,000,000.

Mr. Speaker, think of one man involving the Government in an expenditure of $393,000,000 without an authorization of the legislative body.

Mr. WOODRUFF. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from Michigan.

Mr. WOODRUFF. Of course, that does not refer to the hundreds of millions of acres of now arid land which will be brought into production to compete with the millions of acres already under cultivation and which, of course, produces an exportable surplus and a surplus for which we have no markets.

Mr. MAPES. That is correct. The statement which I have made applies also to the Passamaquoddy and other projects that have been started without the approval of Congress. Some one man starts an improvement which involves the Government in the expenditure of hundreds of millions of dollars and then we are asked to validate what he has done.

Mr. FORD of California. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from California.

Mr. FORD of California. The gentleman, of course, will make it clear in his statement that the Parker Dam does not involve any expenditure on the part of the Government?

Mr. MAPES. Nothing comparable with these other expenditures.

Mr. FORD of California. Comparable or otherwise. The Parker Dam will be paid in toto by the Metropolitan District of Los Angeles County, Calif. There is a very small allocation to be made by the Government because that dam will aid in controlling the river, and for this reason the Government has put a small amount of money in it.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman from Michigan [Mr. MAPES] 3 additional minutes.

Mr. MAPES. Mr. Speaker, as the gentleman from California indicates it may be that the Parker Dam project should be considered separately and on its own merits, but it is in bad company in this amendment.

I call attention to the language of this amendment. It validates expenditures already made and authorizes and adopts all contracts and agreements that have been executed in connection therewith and the President is authorized, through his agents, to construct, operate, and maintain dams, structures, canals, and incidental work necessary to such projects. As I understand it, there has never been any definition of the project in connection with the Grand Coulee Dam development and no engineer or anyone else can tell what the project may ultimately develop into; so we are asked again to give almost unlimited authority to someone to spend the Government's money without a clearly defined project in mind.

I am glad to know that this sort of thing will not have the approval of the conferees who will be appointed on this bill, and that they will see to it that no such blanket authorization is attached to this bill.

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN.]

Mr. BIERMANN. Mr. Speaker, I hope the House conferees will be particularly insistent on striking out Senate amendment no. 35, which gives a status of respectability to the recent expenditures on the upper Mississippi 9-foot channel.

I wish to call to the attention of the House something of the history of this 9-foot channel. In 1930 the House passed the last river and harbor bill, and it made no mention of the upper Mississippi River, but then as now, another body inserted in the House bill a provision for the upper Mississippi 9-foot channel. At that time an expenditure of seven and a half million dollars was authorized for the upper Mississippi 9-foot channel, and with that was

$6,000,000 still unexpended on the 6-foot channel. From that day until now Congress has not authorized the expenditure of a single penny on the upper Mississippi 9-foot channel.

I want to cite some figures regarding the upper Mississippi River to show how utterly foolish this expenditure is. In 1878, the Congress authorized a 4½-foot channel. That proved a failure. In 1907 the Congress authorized a 6-foot channel. That proved a failure. In 1930, as I have said, the Congress authorized a 9-foot channel, and that most assuredly will prove a failure.

Let me cite some figures regarding the traffic borne, and all these figures that I cite may be verified by the hearings on the upper Mississippi River held February 18–19, 1935, before the board of review of the Public Works Administration.

In 1889 the upper Mississippi bore a traffic of 3,947,000 tons on a 4½-foot channel. In 1910 it bore a traffic of 1,836,000 tons, and this was on a 6-foot channel. In 1934, last year, and these figures are from the Inland Waterways Corporation, of which General Ashburn is the head, the traffic was 146,000 tons.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. DONDERO. As I recall the testimony on that subject, it was to the effect they had a railroad on each side of the river now carrying any part of this traffic either up or down for less money than the interest on the investment if we go ahead with this project.

Mr. BIERMANN. Much less, and if I have the time I shall put the figures in the RECORD.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. CULKIN. The gentleman, I know, wants to be entirely fair. Was it not the aim and theory of the people who urged the development of the upper Mississippi and its deepening, that it would be used for the transportation of grain to the Gulf with an all-season canal?

Mr. BIERMANN. I do not know whether it was or not.

Mr. CULKIN. And may I say to the gentleman that the House Committee on Rivers and Harbors did not put this provision in the bill.

Mr. BIERMANN. That is true, and I want to absolve the House from the blame of approving it in this conference.

Mr. CULKIN. That provision was the child of the Senate, although there is ample economic theory to sustain it now.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. Let me first make this statement.

Regarding the transportation of grain, the upper Mississippi River is not used for the transportation of grain. The Mississippi runs in the wrong direction and is open at the wrong time of the year. It is frozen about 5 months of the year, and I may say to the gentleman from New York that with a 9-foot channel the rate for the transportation of grain will be identical with what it is with the 6-foot channel, and I predict it will not be used. What difference does it make to the farmer whether his grain is transported over 6 feet or 9 feet or 4½ feet of water, if the rate is the same?

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. GILCHRIST. Mr. Speaker, I ask unanimous consent that the gentleman may have 5 more minutes. His district is adjacent to the Mississippi River, and I think we ought to listen to the gentleman.

The SPEAKER. The time is at the disposal of the committee in charge of the resolution.

Mr. BIERMANN. In 1930 the Army Engineers estimated the cost of this 9-foot channel at $98,000,000. The next year they estimated it at $124,000,000, and a couple of years ago they raised the estimate to $143,000,000, and now the Mississippi Valley Committee that reported last fall to the P. W. A., estimated the cost at $156,000,000, and only God knows what it will cost if this criminal folly finally shall be accomplished.

In the report of the Mississippi Valley Committee to the P. W. A. they say in regard to this project—and I quote their exact words:

> It is not possible by any calculation of business accounting to discover an economic justification for the vast expenditures on the projected improvement of these waterways.

These are the exact words of the Mississippi Valley Committee. Now, the proponents of this proposition—and I cite pages 6 and 7 of the hearings before the P. W. A.—contend that if a 9-foot channel is accomplished they will have traffic totaling more than ten and a half million tons on the upper Mississippi River. Last year it was 146,000 tons. In other words, putting 3 feet more of water into the channel and maintaining the same freight rates, they contend, would multiply the traffic by 72.

The Northwest Shippers Association, an organization of business men and shippers in St. Paul and Minneapolis, says:

> We make the positive, unequivocal assertion that the supporters of the 9-foot project cannot furnish a list of shippers who will submit estimates of tonnage to be shipped by themselves which will aggregate as much as 10 percent of the predicted tonnage—no, not even 5 percent; not even 2 percent.

But let us take the figures of the proponents of the 9-foot channel, ridiculously high as they are. Let us assume that adding 3 feet of water, while leaving the freight rates the same, will increase the traffic from 146,000 tons in 1934 to 10,501,791 tons, as predicted. With that tonnage they say the shippers would save $6,941,802 annually in freight. Let us accept that fantastic figure.

Let us see what the annual cost to the Government would be. Interest on the latest estimated cost of $156,300,000, at 4 percent, would be $6,252,000; annual upkeep, as estimated by the Army engineers, would be $1,750,000; the total annual cost to the Government would be $8,002,000.

So if we take the proponents' figures as to what the shippers will save, and if we take the Government's figures on the cost, we find that the Government will pay out each year a million dollars more than the rosiest figures of what the shippers will save. It is well to bear in mind that the Government gets no revenue from this project. All its service is performed absolutely gratis.

Nearly all of the 90,000-acre wildlife refuge recently established by the Government will be ruined if this folly continues to completion. Clamming will be ruined and button factories closed. None of these people can be compensated for the destruction of their businesses by the Government.

In southern Iowa thousands of farmers will have their farms ruined or badly damaged by seepage if this 9-foot channel is completed. The law declares seepage to be "consequential" damage, and the farmers cannot be compensated.

The upper Mississippi 9-foot channel project is a criminal folly, and this House should not give it even a shade of respectability by approving Senate amendment 35. I hope our conferees will insist on striking it out.

[Here the gavel fell].

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, I am certain that no one wanted to send this river and harbor bill to conference by a rule, but many of us thought it would be our only opportunity to discuss sections 71 and 72. We have the highest regard for the Chairman of the Rivers and Harbors Committee and for the conferees of the House, but when this bill comes back from the Senate with sections 71 and 72, sections that already have been introduced in a Senate bill, and introduced in the House in a separate bill, the Rules Committee having reported a rule for its consideration some of us were afraid there would be no discussion on these two sections.

We spent a half a day this week in the consideration of a matter that involved only $75,000. The amount of this

bill totals $300,000,000, a very large amount. This amount is the amount of money that the new tax bill proposes to raise in a year and certainly it should be given serious consideration.

I am happy to hear the statement made here on the floor that these amendments will be considered separately when the conference committee reports.

These amendments are far-reaching. They do this. They bring into competition with agricultural land that we are now taking out of production, by voluntary and compulsory allotment, additional acreage to the extent of 3,000,000 acres, costing the citizens many millions of dollars in taxes. These two amendments will bring into production about 3,000,000 additional acres of farm land, and the taxpayers will be asked to pay $300,000,000 for the construction of these projects to bring into production this land.

Now, I am not opposed to reclamation projects. I think an all-wise Creator in His wisdom created large acreages of arid land to be preserved for a time when we need it, but we do not need them now. Let us preserve them until we do need them, until consumption catches up with our production.

We have 370,000,000 acres in production. It takes 285,000,000 acres of producing land for domestic consumption, 25,000,000 acres for nonfood crops like cotton, flax, and tobacco, or a total of 310,000,000 acres. In 1925 to 1929 we had an export market for 66,000,000 acres, and this year we may export the products from only 10,000,000 acres, and, therefore, we have a possible surplus of about 50,000,000 acres. We are taking out of production 35,000,000 acres of productive land by our allotment program. Let us not bring more acreage into production until our domestic consumption and export market will warrant a cost of production to the farmers.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from California.

Mr. COLDEN. The gentleman does not include in his remarks the Parker Dam, which provides water for domestic use for about 2,000,000 people in southern California, who have authorized the expenditure of nearly $200,000,000, to provide something to drink for people that come from Kansas and from the other States, and, as the gentleman knows, the inclination of the people of Kansas is for lots of water.

Mr. CARLSON. I wrote the minority report on H. R. 8057, and I favored excluding all but the Parker Dam, and if it gets back here with the Parker Dam only I shall support it.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Michigan.

Mr. MICHENER. Is the gentleman familiar with the Grand Coulee, and with that part of the proposition whereby they are constructing a low dam and a high dam? As a matter of fact, they are telling us that they are constructing a low dam at a cost of $60,000,000, when, in fact, they are using the money for a foundation for a $400,000,000 project. Is not that true?

Mr. CARLSON. The Grand Coulee and other dams are a part of the Columbia River Basin reclamation project, which will cost $393,000,000.

The SPEAKER pro tempore. The time of the gentleman fram Kansas has expired.

Mr. DIES. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Speaker, I dislike very much being put in the position of appearing to oppose any improvement or any project that another State or locality may be able to get, but self-preservation is the first law of nature. There is a bit of a job in this bill which is putting and will continue to put, if it goes through, the Members of other mountain States on the spot. That is the provision in amendment 71 of the Senate bill authorizing the construction of what is known as "Head Gate Rock Dam" in the State of Arizona, a dam which I am apprised will cost in the neighborhood of $10,000,000. If that particular dam has any place in a river and harbor bill, then every dam that could be built on every stream that heads in the Rocky Mountains belongs in this bill.

I understand this was a little matter of accommodation between two distinguished Members of another body, and they took pains not to put it in amendment 72, but to interlard it in amendment 71. It seems to be generally considered that amendment 72, which authorizes the construction of an unknown number of unidentified projects should go out of the bill. Neither of these amendments belongs here, amendment 71 or amendment 72. As has been stated to you, they are embodied in a separate bill which will be open to amendment, and in which other projects such as the Head Gate Rock Dam could be incorporated, or a dam we want in my State or your State could be incorporated, but it has no place in here. I think the Parker Dam should be validated; it is under way; and I think the Grand Coulee should be validated, but in the separate bill introduced for that purpose by Senator JOHNSON, of California.

Mr. Speaker, referring to the dam in my State, and I mention it only because it is illustrative of many similar situations and of the discrimination that is being worked against meritorious projects in many other States if this amendment 71 is allowed to remain in the bill, I want to mention the extraordinary endorsements and recommendations it has been given, and in the securing of which endorsements I have been actively engaged for more than 2 years past, but all of which apparently counts for little, as against just tossing in as an amendment at the other end of the Capitol a dam that was never heard of.

Here are the approvals and endorsements of Caddoa Dam, a flood-irrigation project on the Arkansas River in the State of Colorado, located just below the mouth of the lowest of the flood tributaries of that stream, and catching all of the flood waters of the eastern slope of the Rocky Mountains in southeastern Colorado:

An all-State conference of Colorado water users and representatives, held at Denver in September 1933.

The Arkansas Basin Committee, representing seven States, to wit: Colorado, Kansas, Missouri, Arkansas, Oklahoma, New Mexico, and Texas.

The National Rivers and Harbors Congress in their convention held in Washington, D. C., in 1934, and again in 1935.

The Mississippi Valley Committee of the Public Works Administration, October 1, 1934, as a class A project.

The Senators, Representatives, and Governors of the five States, Colorado, Kansas, Oklahoma, New Mexico, and Texas, in a joint petition to the President unanimously recommending the construction of Caddoa, Colo.; Conchos, N. Mex.; and Fort Reno, Okla., flood-control dams.

Favorable report of Army engineers in response to House Document No. 308.

Favorable report of Brig. Gen. H. B. Ferguson to chief of Army engineers.

Favorable report of Army engineers to Public Works Allotment Board.

Committee on Flood Control, House of Representatives, which has incorporated it in H. R. 8455.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. DIES. Mr. Speaker, I yield the gentleman 2 minutes more.

Mr. MARTIN of Colorado. Mr. Speaker, there is a flood dam control bill, last above referred to, which has been reported by the Flood Committee of this House. That committee after months and months of investigation, based upon records of the office of the Army engineers, has reported a flood dam bill of approximately $370,000,000, which embraces nearly every State in the Union. It is a national program. So that all you gentlemen have an interest in getting an even break on this thing. Why as a matter of favoritism at the other end of the Capitol should one of these flood dams in that whole lot be picked out and inserted in this amendment in this bill? You will have the people of the surrounding States saying to you, "Why the devil did not you fellows get

a dam in some of these bills?" That is what this sort of thing leads to.

I am not against that dam. I want to see it built, but it has no place in this bill. It ought to be taken out, and the only way it can be taken out apparently is to take the whole amendment out; and as far as I am concerned I am ready to vote out both of these amendments and instruct our conferees to that effect.

Mr. HOUSTON. Can the gentleman tell us when this other bill is coming here?

Mr. MARTIN of Colorado. The Committee on Rules, I believe, reported out a rule. We appeared in its behalf the other day. Is not that true?

Mr. DIES. I think that is true.

Mr. MARTIN of Colorado. The Committee on Rules has reported out a rule on the flood dam bill. Let this dam go in the flood-control bill where it belongs, not "joker" it through in this way.

The SPEAKER pro tempore. The time of the gentleman from Colorado has again expired.

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, I am a member of the Committee on Rivers and Harbors, of rather diligent service. I am, of course, familiar with some of these transportation problems. In common with the able Chairman of the Committee on Rules, and the distinguished Chairman of the Committee on Rivers and Harbors, I, of course, view with alarm and disgust the extraordinary procedure which the other body followed when it wrote into this bill a confirmation of bureaucracy at its worst. Sections 71 and 72 of the pending bill (H. R. 6732), just referred to by the gentleman from Colorado [Mr. MARTIN], ratify and confirm all the acts of bureaucracy—past, present, and future.

The Members of this House in an evil hour delegated to bureaucracy the power to apportion public funds. The result of that has been most wasteful and disastrous. Ickes—"Honest Harold"—coming from the lunatic fringe of my own party, has allocated more money in 1 year for rivers and harbors than Congress has spent in a hundred years. He allocated to reclamation in 1 year $105,000,000, with a probable ultimate disbursement of a billion dollars, although it was the foresworn, positive purpose of Congress, in which the gentleman from Colorado and other true reclamationists joined, to stop reclamation until the Nation had caught up. Ickes did not know what he was doing. He ignored Congress; he ignored the experience of Congress; and put into effect, if you please, projects which had been repeatedly condemned by Congress as not economic.

I call as testimony on that question the distinguished majority leader, the gentleman from Colorado [Mr. TAYLOR]. Not only that, but this hapless bureaucrat has proceeded in the public press, through the medium of his threescore ghost writers, who are illegally on the pay roll of the United States, to pillory Congress, past and present. I do not have time to go into that. Books are printed, carrying his name, which he hardly ever saw before they were printed. He has ghost writers galore, and today this gentleman who has brought this confusion in the public works in America is a potential candidate for the Presidency on the Republican ticket. If he cannot get that, he is going to compromise by running on the Democratic ticket. He is actively scheming to dethrone the present occupant of the White House, who rescued him from obscurity. That, of course, is simply discussion, perhaps in the nature of gossip and only spoken in passing. Salt Creek will claim Ickes ere many moons pass.

Mr. BIERMANN. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. BIERMANN. Can the gentleman tell us of any place in all his program of expenditure where there has been a more criminal and foolish waste of $65,000,000 than the $65,000,000 that Ickes put into the upper Mississippi 9-foot channel?

Mr. CULKIN. I confess that the upper Mississippi channel is a moot question. It has potentialities.

Mr. BIERMANN. For evil?

Mr. CULKIN. No. It has potentialities for lessened freight rates. I am obliged to say that in view of the threatening attitude of the gentleman from Minnesota [Mr. CHRISTIANSON]. [Laughter and applause.]

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. CULKIN. Yes; I yield.

Mr. CHRISTIANSON. There is more involved in the upper Mississippi than the amount of freight that will actually be carried by towboats. The upper Mississippi project was fostered by my people because the Interstate Commerce Commission had raised railroad rates for the reason that potential competition on the river had ceased. It was hoped that by a return of potential competition on the river a reduction would be forced in the rail rate structure.

Mr. CULKIN. What the gentleman says is true, that sometimes the mere existence of a waterway is so potential that it saves millions in freight rates to the people.

I have no quarrel with Parker Dam. Parker Dam is planned economy, and in no sense planned economy of the Russian type.

Mr. MANSFIELD. It is a loan and grant?

Mr. CULKIN. It is in the nature of a loan and grant. I do have a quarrel with such propositions as Caspar Alcova. I do have a quarrel with Fort Peck Reservoir, into which millions and hundreds of millions are being dumped; propositions that have no basis in true transportation economics.

Mr. WHITE. Will the gentleman yield for a question?

Mr. CULKIN. No; I cannot yield. I will say to the Members of this House that I have been a member of the Rivers and Harbors Committee for 6 years, and I think the chairman will bear out my statement that I served fairly diligently, yet during that 6 years I never heard of Fort Peck Reservoir. Then I came back here last year and found that "Honest Harold" Ickes has put that in work, at an approximate final cost of $125,000,000. I had never heard of it. It is without justification. It is a shameful waste of public funds. Those two sections, 71 and 72, are simply a ratification and confirmation of the un-American and unintelligent bureaucracy that has affected us and well-nigh destroyed America. I say to the House that unless this House shakes itself free from such delegations of power and from the results of them, the influence of Congress, greatly diminished now, will utterly disappear. I am told that "Honest Harold" and his minions are now dangling P. W. A. funds before the members of a certain committee for the purpose of getting a bill out which adds to this bureaucrat's power. I shall say more about that at a later time.

Reclamation, as evidenced in the Grand Coulee, where the salmon industry, worth $300,000,000, is bound to be destroyed, in the view of expert conservationists, should be taken out of the national picture. The salmon industry brings into the Pacific States $15,000,000 a year. It is to be destroyed so that something that will ultimately correspond to and be as useful as the Egyptian pyramids may be constructed in the desert of northern Washington. I speak in the interest of the farmers East and West who are already on the land.

I ask you to read my extension of remarks on that subject put into the RECORD on April 5. It will, at least, give you my viewpoint on it and you are under no obligation to agree with it.

This bill as it left the House was a constructive piece of legislation. No legislation born under the auspices of JOE MANSFIELD could be other than clean and economic. [Applause.] It comes back in this scarred and battered form. Speaking for myself, if the House makes me one of the conferees, I will do everything within my power to put the shackles on bureaucracy and to return this bill to the House with these most objectionable features stricken from the measure. [Applause.]

Mr. DIES. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Speaker, I would like to impress this one fact clearly on the Members of the House: The validation of the Parker Dam project provided for in this bill is not the validation of a project that is going to cost the

United States Government any money. This dam is a part of the metropolitan district of California's water system. The people of the district voted $220,000,000 of bonds to build this water system. This dam will cost $13,000,000. We are paying the cost of this project. The Reclamation Service is simply letting the construction contract. The metropolitan district is supplying the money.

The purpose of this dam is the diversion from the Colorado River of 1,500 second-feet of water for the domestic use of something like 3,000,000 people in southern California, including Los Angeles and about 15 other towns. This is not a project to be paid for by the Federal Government. The city of Los Angeles is paying 70 percent of the cost and the other cities the remaining 30 percent. We voted $220,000,000 to build the metropolitan district aqueduct from the Colorado River to Los Angeles. The Parker Dam is merely the diversion dam to get the water out of the river and into our aqueduct. By building the dam we save a lift of several hundred feet. We are taking the water over a 1,700-foot mountain. It has to be pumped. We will use electricity from Boulder Dam for this purpose. This dam is not something the taxpayers of the United States are being asked to pay for; it is our own project, paid for with our own money. It is under way, and this delay is costing us from $10,000 to $20,000 a day.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. FORD of California. I yield.

Mr. MANSFIELD. The gentleman introduced in the House a separate bill involving these same projects. Embraced in amendment no. 71 is a legalization of the Parker Dam and of the Grand Coulee Dam and the authorization of the Head Gate Rock Dam. Should all these be eliminated except the legalization of the Parker Dam, would that be satisfactory to the gentleman?

Mr. FORD of California. Yes. I bow to the will of the majority of this House.

Mr. MARTIN of Colorado. We would go through with the gentleman on that.

Mr. MANSFIELD. Does the gentleman from Colorado think there would be any objection to that?

Mr. MARTIN of Colorado. No; I cannot feel that there would be any objection to that.

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. O'CONNOR].

GUFFEY COAL BILL

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file a report.

Mr. SNELL. Mr. Speaker, reserving the right to object, and I shall not object, will the gentleman tell us what the report will be on?

Mr. O'CONNOR. It is proposed that the Committee on Rules will meet at 3:30 o'clock this afternoon to consider an application for a rule on the so-called "Guffey coal bill."

Mr. RICH. Mr. Speaker, reserving the right to object, can the gentleman inform us whether this bill will be called up this week?

Mr. O'CONNOR. If the Rules Committee reports out a rule it is expected to call up the rule and the bill tomorrow.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield for an inquiry?

Mr. O'CONNOR. I yield.

Mr. TREADWAY. Does the request come from the Chairman of the Ways and Means Committee?

Mr. O'CONNOR. I have just talked to the chairman and members of that committee. They have requested me to set a hearing, and I have set it at 3:30 o'clock this afternoon.

Mr. TREADWAY. And if the rule is reported it is expected to call up the so-called "Guffey coal bill" tomorrow?

Mr. O'CONNOR. Yes.

The SPEAKER pro tempore (Mr. COOPER of Tennessee). Is there objection to the request of the gentleman from New York?

There was no objection.

PUBLIC WORKS ON RIVERS AND HARBORS

Mr. DIES. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Speaker, since I have been a Member of this House I have heard a great deal of discussion from the gentleman from New York on reclamation projects in the West. Now, I have been in Oswego, N. Y., the district the gentleman comes from, and I have been out in the big fine irrigated projects in our Northwest; particularly have I been in Wenatchee, the home of the famous delicious apple. I was there when it was nothing but a barren waste, inhabited by coyotes and jack rabbits. Then the Great Northern Railroad was put through there, and by the industry of these western people water was brought on that land, and the country proved ideal for the production of fruit. It is a wonderful community. It is a community where there are fine hotels. You will find them crowded with salesmen, travelers, drummers from New York selling all kinds of manufactured products, silk hosiery, dresses, other kinds of apparel, and the products of industry.

I know relief conditions out in these big wonderful communities of the West where people are self-supporting. I will venture to say that the relief burden carried by the United States Government is 10 to 1 in Oswego as compared with the communities in this irrigated country where people are self-supporting, where they brought water to their land and produce the good things man desires.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. WHITE. I yield.

Mr. FITZPATRICK. I will guarantee that New York gets less in proportion to the amount of taxes it pays than does the gentleman's State.

Mr. WHITE. I yielded for a question.

Mr. CULKIN. The fact is that the figures for New York on Federal relief are 54 percent as against 95 percent paid by the Federal Government in all the irrigation States.

Mr. WHITE. So far as the business structure of this country is concerned, New York occupies the same position as the fellow who milks the cows while the people in the West do the feeding.

Mr. CULKIN. I may say to the gentleman that we raised more dairy products in New York State last year in point of value than any State in the Union.

Mr. WHITE. And there are more people on relief over there.

Mr. CULKIN. My farmers are not on relief and they are not coming to the Public Treasury. Their lot is not happy but they are not continually squawking for Government aid. New York State paid $75,000,000 in processing taxes last year and our farmers received $75,000. We pay one-third of the taxes of the country.

Mr. WHITE. I want to say that the people on these wonderfully irrigated projects in the West have stood the depression with a better spirit and better business conditions exist there, and there are less people on relief in these irrigated districts of the West than in any section of the United States, and I have seen most of them. The gentleman finds fault with these irrigation projects, but does he find fault with Holland, a country that is entirely dependent on reclaimed land? Let me say that the people of the United States have paid millions and millions in tribute as interest on borrowed money to the thrifty people of Holland, who have reclaimed their land and built thereon such communities as we are building in the West, and became money lenders to the rest of the world.

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. RANSLEY. Mr. Speaker, I also yield 2 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, House Resolution 322 aims to send the river and harbor bill, H. R. 6732, to conference. The river and harbor bill passed the House last spring without a dissenting vote. The bill was the accomplishment of the Rivers and Harbors Committee of three Congresses,

the Seventy-second, Seventy-third, and the Seventy-fourth. The deliberations of the Rivers and Harbors Committee extended over a period of 5 years and every project in the bill had the careful consideration of the committee. The committee knew what went into the bill, and, as I stated, the bill passed the House without a dissenting vote and that fact is proof of the genuineness that every item in it was purely of a river and harbor character.

When the bill comes back to the House we find it loaded down with 151 amendments, including nos. 71 and 72, highly controversial items. Neither one of those amendments would be in the bill today if Congress had followed the orderly procedure of government established in this country for more than 100 years. However, we have abdicated our power and authority and turned over to the executive department of the Government power that the Congress should have exercised. Therefore we have in the bill today such amendments as 71 and 72 which have no place therein.

In addition to that there are in the bill items covering power, electric energy, flood control, reclamation and irrigation, not one of which ever came before the Rivers and Harbors Committee for one minute's consideration. In spite of that fact we are today to consider 151 amendments in the bill, none of which ever had any consideration on the part of the Rivers and Harbors Committee of the House. How can anyone expect this House to put its stamp of approval on projects of that kind, over which we had no control and about which we know nothing?

Mr. DEROUEN. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Louisiana.

Mr. DEROUEN. As a matter of fact, the Rivers and Harbors Committee of the House would not have entertained these propositions?

Mr. DONDERO. The gentleman is correct. Had these items come before the Rivers and Harbors Committee they would not have been given one minute of consideration for the reason that this committee had no jurisdiction over the items, which should have gone to some other committee.

Mr. RICH. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Pennsylvania.

Mr. RICH. Amendments 71 and 72 involve a bill presented to the House by the Flood Control Committee. If those amendments are agreed to under this procedure, the Membership of the House will have no say whatever in passing the legislation, but, on the contrary, it will be a matter of legislation by conferees?

Mr. DONDERO. I think the gentleman is correct.

In this bill is item no. 35, to which the gentleman from Iowa [Mr. BIERMANN] calls attention, pertaining to the upper Mississippi River. I understand that that item has been rejected by the Congress on more than one occasion. The question of freight rates for the products of Minnesota and the Northwest, which may go down a 9- or 6-foot channel, is highly controversial and questionable. The truth about the matter is that wheat will go down the Great Lakes in boats just as it has been for the past 75 years. The estimated cost of building dams and of deepening the upper Mississippi from a 6- to a 9-foot channel is $156,000,000. The amount of commerce going down the Mississippi has greatly decreased in recent years. There is a railroad now on each side of the Mississippi where the deepening of the channel is now under way, which affords ample and adequate transportation facilities for all products produced in the upper Mississippi Valley. If an increase in freight rate over the water rate is considered it would be more than offset by the interest on the huge sum the Government proposes to expend on that unwise and wasteful project. The House should insist that the objectionable features and foreign subjects not considered by the House or its committee be stricken from the bill.

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to, and the Chair appointed the following conferees: Mr. MANSFIELD, Mr. GAVAGAN, Mr. DEROUEN, Mr. SEGER, and Mr. CULKIN.

EXTENSION OF REMARKS

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein a statement of the relative sums paid by New York and the so-called "irrigation States" in the matter of relief.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

UNIFORM SYSTEM OF BANKRUPTCY

Mr. LEWIS of Colorado. Mr. Speaker, I call up House Resolution 304.

The Clerk read the resolution, as follows:

House Resolution 304

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8587, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania, and at this time I yield 3 minutes to myself.

Mr. Speaker, this is an open rule with 1 hour's debate for the consideration of the bill to amend the Bankruptcy Act, which has been considered by the Judiciary Committee. The members of the Judiciary Committee will present the matter in detail. So far as I am concerned, I am sure the bill can be explained better by members of the Judiciary Committee than by this member of the Rules Committee.

May I ask the gentleman from Pennsylvania if he desires to yield any time?

Mr. RAMSAY. No.

Mr. LEWIS of Colorado. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8587) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8587, with Mr. LEE of Oklahoma in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SUMNERS of Texas. Mr. Chairman, this bill has to do with railroad reorganization. The committee is familiar with the effort which has been made to get away from the old system of equity reorganization with reference to which at least a great many people have felt a sort of racket had developed.

The Congress adopted legislation known as "section 77" of the Bankruptcy Act. The general plan of this legislation was to have the persons in interest agree upon a plan of reorganization. I shall not go into the details, but one diffi-

culty that has been encountered, which, according to persons in best position to know, makes it impossible to reorganize, is that the persons in interest group themselves into a great many classes. I believe in the Missouri Pacific case there were probably 72 classes. Under the law as it is now, reorganization cannot be effected unless the consent of two-thirds of each class is obtained.

This legislation, of course, we all know is largely experimental. I would not undertake, on my responsibility, to tell you I feel certain that the bill that is offered will work. We do not know. However, those in the best position to know feel hopeful that the bill that is offered will work. It seeks to get around the difficulty of permitting one class to block a plan. We pursue a method very similar to the present method of getting a plan presented. This plan is first to be approved by the Railroad Commission. It is in the mind of those who have helped to frame this legislation that probably the Railroad Commission is in a better position than a court to help work out a plan in the first instance.

I shall not take up your time to go into details. There is nothing exciting about what I am trying to say, but I am trying to give you a brief and helpful analysis without going into too much detail.

After the Commission has approved the plan then it must go to court where it is either to be approved or rejected. As I have said, I am not going to take up your time to go into the details of this technical arrangement for the moving of this plan back and forth between the parties in interest, the Interstate Commerce Commission and the courts. Of course, it is necessary to have the courts approve the plan.

There is an effort in this arrangement to combine what is known as the "general equity" powers of the court and the bankruptcy powers of the court.

To preserve rights of stockholders and creditors, not otherwise provided for, which might be injured by reorganization under depressed conditions, a "rain check" provision for the issuance of options or warrants to receive securities in the reorganized company in the event of early return to prosperous conditions may be included in the plan.

Two-thirds of the creditors of each class who vote will bind the class instead of the two-thirds of the entire class required by present law.

In the event the consent of two-thirds of those who vote is not obtained, the judge may nevertheless effectuate the plan if he finds that the objections are not reasonably justified in the light of the respective interests of the objectors.

A shorter and less expensive method of determining valuation, when that is an issue, is provided.

There are a number of savings attempted to be made in this bill. It is attempted in this bill to simplify and hasten the proceedings. The reason the Committee on the Judiciary has been so anxious, and is now so anxious, to bring this matter to a final determination before adjournment, is that there are now some 40,000 to 50,000 miles of railroad in this country in receiverships. They have not been able to reorganize for the reasons I have indicated.

In the Rock Island case the Supreme Court intimated very strongly that unless something is done——

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. DUNN of Pennsylvania. I understood the gentleman to say that there are some 40,000 or 50,000 miles of railroads in receiverships. How many railroad companies does that represent?

Mr. SUMNERS of Texas. About 55, I am informed, and a great many more are on the ragged edge.

The Supreme Court, in the Rock Island case, made it very clear that unless progress is made under section 77, these proceedings must be dismissed, which would mean that they would go back through the old equity route that we are all trying to get away from.

I believe this is probably about all that would likely be helpful that I can say at this moment. If there are any other questions that you would like to ask me before I take my seat, I shall be pleased to yield.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. McFARLANE. What changes in the present law does this bill make, briefly stated?

Mr. SUMNERS of Texas. The most important change is that whereas under the present law there is required the consent of two-thirds of each class, it is made possible for the Commission and the court, after consideration of the plan—and they may modify the plan—if it is a fair and just plan and meets the constitutional requirements, it is possible to have a plan effectuated which has not been approved by two-thirds of each class.

Mr. McFARLANE. Is there any limitation placed on the amount for settlement, under this bill?

Mr. SUMNERS of Texas. No; it is not a matter of amount.

Mr. McFARLANE. It is a bankruptcy proceeding.

Mr. SUMNERS of Texas. This is a reorganization. The purpose of this legislation is to avoid the scrapping of a road and selling it. The purpose of it is to allow the stockholders of these railroad companies and the bondholders to get together and work out a plan under which a crippled road can get its matters adjusted.

Mr. BEITER. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. BEITER. In a future reorganization, will the same officers be permitted to hold positions under the reorganization?

Mr. SUMNERS of Texas. That is a matter to be controlled by the parties in interest as to what is done after the reorganization.

Mr. BIERMANN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. BIERMANN. It now takes two-thirds, and under your plan it states no definite number?

Mr. SUMNERS of Texas. That is right; and we feel that we have fully protected the constitutionality of the bill by providing that the plan must meet with—I have not the exact language of the bill in my mind—but it must comply with the law of the land.

Mr. McLAUGHLIN. I can give the gentleman the exact language of the bill.

Mr. SUMNERS of Texas. I wish the gentleman would read it.

Mr. McLAUGHLIN (reading):

> After such hearing, and without any hearing if no objections are filed, the judge shall approve the plan if satisfied that: (1) It complies with the provisions of subsection (b) of this section, is fair and equitable, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of various classes of creditors and stockholders.

Mr. SUMNERS of Texas. That is the language of the bill.

Mr. LEWIS of Colorado. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. LEWIS of Colorado. The gentleman spoke about various classes. He was referring to the stockholders and creditors——

Mr. SUMNERS of Texas. And bondholders. Now, Mr. Chairman, I reserve the remainder of my time.

Mr. HANCOCK of New York. Mr. Chairman, I think it ought to be stated that this very important bill has taken the time of the Judiciary Committee for fully 3 weeks. Since I have been a member of that committee no bill has received such careful study or painstaking effort as the members of the committee have given this measure.

I do not pretend to be an expert in railroad matters. I do not know enough about the technical questions involved in this bill to enlighten the House, and I will not attempt it. The bill was drawn by the able counsel for the Coordinator of Transportation.

Our committee heard representatives of the insurance companies and the savings banks, who are the chief investors in railroad securities. We also heard representatives of railroad management, the Coordinator of Transportation, and counsel of the R. F. C. All of these gentlemen offered helpful suggestions. Many of them were incorporated in the bill. In my humble opinion, it is as good a bill as can be drawn. It represents the best judgment of those qualified to speak on this very technical subject. So far as I know there is no real opposition to it anywhere. I am willing to take the responsibility of saying to my colleagues on this side of the aisle that the bill is entitled to their support.

I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, the nature of this bill is such that it cannot be explained in detail in any time available for general debate. There are certain types of technical legislation which cannot possibly be written on the floor, and this is one of them. My colleague on the committee, Mr. HANCOCK of New York, has in a general way stated my position and, I think, the position of all the members on the committee. I do want to amplify his statement where he says that the bill had been studied for 3 weeks by the committee.

As a matter of fact, the Subcommittee on Bankruptcy, of which I am a member, convened for the consideration of this legislation within a few days after the beginning of this session of Congress. The subcommittee and the entire committee have spent hours, days, and large parts of weeks in the preparation of this bill.

Of course, there was much compromise and possibly every sentence in the bill does not meet with the approval of a single member of the committee, yet on the whole I am sure we believe it to be headed in the right direction.

In passing upon this bill we are not embarking upon a new policy. When the Congress passed section 77 of the bankruptcy law this method of railroad reorganization was given legislative sanction. The purpose of this legislation is to accelerate railroad reorganization as contemplated when section 77 was enacted.

Before the enactment of said section 77 the only method by which a railroad might be reorganized was through the equity courts. The costs were unconscionable. The delays were interminable. And, 9 times out of 10 an agreement between the executives and the primary security holders resulted in the wiping out of the small equity holders. In short, the court was even at the mercy of what I might call "racketeers" in these equity receiverships. While they were not exactly racketeers, they were specialists, and I fear were even more interested in the fees and commissions allowed, than in protecting the interests of innocent investors. This bankruptcy procedure provides a short route and an equitable and, possibly, with these amendments, an effective route.

I realize that there is one group of people who feel that the purpose of this reorganization is to get things in shape for eventual Government ownership and operation. On the other hand, another group feels that the only way to avoid Government ownership and Government operation of the railroads is by proper and effective reorganization, and that without this act and these amendments there can be no accomplished reorganization unless the same be brought about by agreement of all the parties.

Personally, I am opposed to Government ownership and operation unless as a last necessity.

The genesis of this bill was in the office of the Coordinator of Railroads. Mr. Craven, counsel to the Coordinator, presented a bill to our committee. It has been rewritten many times. Mr. Craven has given splendid assistance. He cooperated at all times and never dictated. He apparently had no pride of authorship but his was a spirit of helpfulness. Many crude committee amendments have been worked out by Mr. Craven, and I am sure that I speak the sentiment of the entire committee when I utter this word of appreciation.

Extensive hearings were held before the committee. All parties in interest were given a full and a free hearing. The printed volumes are accessible to the House. I do not recall at this time of any absolute objection to these proposed changes in toto. Of course, the railroad executives, the railroad managers, the railroad operators, the primary and secondary security holders, shareholders, as well as the Government agencies, including the R. F. C., the P. W. A., and others, all had suggestions, which suggestions were prompted by the special interests of the pleaders. We do not contend that this bill complies with the wishes of all. But it is a compromise and a putting together of the suggestions of all in behalf of what we believe to be the best interests of all.

Personally, I do not believe that this is the opportune time to force unreasonable reorganization of the railroads. Due consideration must be given under these amendments to the equities and priorities of those interested. And that which is an innovation provides them with what we in the committee came to call the "rain check" provision of the bill. This provision will be explained by the gentleman from Nebraska [Mr. MCLAUGHLIN]. It guarantees to the last equity holder every possible chance to realize on his investment if business does pick up and the railroads again become profitable.

I do not want to be understood as stating that the changes provided for in these amendments are minor and routine only, because this is not the case. When we consider that we are altering the numbers and percentages required before a plan may be submitted, and when it is remembered that we are in substance dealing with values of railroads, as well as limiting and directing as to the costs of reorganization, it can be readily seen that these changes are fundamental.

This bill must next go to the Senate, where it will have committee attention; and then we must all realize that the Senate floor is a much better place to consider, debate, and discuss legislation of this type. Over there they have no 5-minute speeches, and one desiring to discuss an amendment has sufficient time.

I join with the gentleman from New York [Mr. HANCOCK] in the hope that the Members on this side of the aisle will hesitate before opposing these changes in section 77. The Coordinator of Railroads, Mr. Eastman, advised the committee that it was practically impossible to effect reorganization as contemplated by section 77B without these amendments. The law should, therefore, be made effective or repealed. And, inasmuch as all interests seem to be pretty well protected, it is my hope that the bill passes.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. DUFFEY].

Mr. DUFFEY of Ohio. Mr. Chairman, it has well been said that this particular legislation is technical. Also that the bill, as drawn, is not entirely perfect. However, it goes so far in the way of improvement on existing legislation that the committee saw fit to bring it in, even at this late hour. In a practical sense, the railroad question has been a football around the courts, and between particular groups, which has prevented the right kind of reorganization. If this bill becomes law, it will not adversely affect stockholders or bondholders, but in large measure will assist them. They would have a voice in the proceedings in court; they would have an opportunity to know all the facts, and weigh in the balance their security or obligation, before final disposition. In addition to that, upon reorganization well considered and properly approved on constitutional grounds, they will have a more accurate knowledge of the actual value of their holdings, as compared with the uncertainty of today. The testimony before the committee reveals that a number of the railroads already are in receivership; and many more about due for a similar fate. These receiverships are stopped and cannot be completed either because of the inadequacy of the present law, or because of lack of agreement and harmony among those who are interested parties to the litigation. Therefore, this proposed legislation is a step in the right direction, and grants larger and more discretionary power to the court. Yet the jurisdiction of the court is itself withheld until the Coordinator of Railroad Transportation has had an opportunity to investigate and approve any proposed plan. Of course, technical legislation such as this must, in large measure, be taken on faith; but I think the Members of the House

can well afford to go along with the Committee on the Judiciary, in the passage of this legislation, upon the theory that it is such a vast improvement, and for the further reason that it can hereafter be corrected, if found necessary.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. McLAUGHLIN].

Mr. McLAUGHLIN. Mr. Chairman, the bill under consideration has had the attention of the Committee on the Judiciary and of a special subcommittee of that committee since this Congress began its present session, as has been outlined by my colleague from Michigan [Mr. MICHENER]. In the drafting of this bill the committee has had the able assistance of Mr. Craven, attorney for the Coordinator of Transportation, Mr. Eastman, but he has not dictated this bill in any sense, and has been entirely cooperative in the matter of amendments or changes to the bill as it was originally suggested by him.

The reason for the existence of section 77 of the Bankruptcy Act which was passed in the last day of the Seventy-second Congress is well known, perhaps, to all of us. Evils had crept into the receivership system of railroad reorganizations, which cried for legislative assistance in order that they might be corrected. Today there are 55 railroads in receivership and 49,000 miles of railroad included in those systems. Section 77 has not worked perfectly, for many reasons, and it is the purpose and the intention of the committee in proposing this legislation to the Congress that the evils which are present in the section as it now stands on the statute books may be corrected.

I call your attention to the outstanding features of this bill with relation to the features of the present law which need correction. The present act provides that two-thirds of those voting, whether they be creditors or stockholders, can bind all of a class, instead of two-thirds of the entire class, as in the present law. In other words, under the present law, a minority of one-third may block a reorganization. That is corrected by the bill H. R. 8587 which is now before us.

Second, the act provides that the court may make the plan operative over dissenting creditors, if he finds that their rejection is not justified in the light of their interest. This provision facilitates reorganizations in those cases where no reasonable objection is presented.

The third point in the proposed law is that it requires the court to find that the plan affords due recognition to the rights of each class and will conform to the law of the land regarding participation of the various classes, creditors, and stockholders; and provides a short method of valuation, based on earning power. I shall not read that in detail unless someone desires it to be read.

One of the evils of the present receivership reorganization system is that in determining valuation, a great amount of time is consumed and a large amount of money is expended. There is a short-cut method provided in this act which will do away with the necessity of that tremendous expenditure of time and money.

One of the important features of this bill is what is known in the parlance of the committee, as the "rain-check feature", which provides that stockholders may receive evidences of their interest of participation in the corporation, so that if the rehabilitation of the railroad reaches a point where the stock again has a value, the stockholders automatically participate as they did under the old corporation.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. SUMNERS of Texas. I yield the gentleman from Nebraska 1 additional minute, Mr. Chairman.

Mr. McLAUGHLIN. Further, the regulation of stockholders and creditors' committees by the Interstate Commerce Commission, and the limitation of compensation of the same by the court and by the Interstate Commerce Commission, is provided in this act. That corrects an abuse which very much needed correction.

Lastly, the bill under consideration will expedite receiverships. One of the evils of the old system has been that receiverships exist over a long period of time and large fees are extracted from the estate of the corporation. The law under consideration limits the time within which a plan must be submitted, to a period of 6 months. In the opinion of the committee and in the opinion of the sponsors of the bill, who assisted the committee, this provision is of great value.

Perhaps the outstanding beneficial feature of this whole legislation is the protection afforded the public, the railroads, railroad employees, and those interested as holders of railroad securities, by the double check of the necessity of approval of the plan of reorganization by both the Interstate Commerce Commission and the court. It is the earnest hope of the committee that this bill, when enacted into law, will facilitate receiverships, bring about sound reorganizations, and strengthen the railroads of this country.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. HANCOCK of New York. Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I do not want to make any remarks on this bill. I have asked for this time for the purpose of asking a question. I am submitting it to the constitutional lawyers of the House, not with the idea of trying to prevent the passage of this act, because I am for it myself; but I would like to have explained what the difference is between the procedure in respect to railroad companies and the procedure that we attempted to adopt under the Bankruptcy Act in reference to trying to save what was left of the farm homes. The Supreme Court, on the Frazier-Lemke Bankruptcy Act, said that the bankruptcy law was passed, in the first instance, for the benefit of the creditors and not for the benefit of the debtors. I notice in this act there are certain circumstances which may arise when the court can order a reorganization without the consent of the creditors. I would like to have some constitutional lawyer—and there are many of them here—explain why you are sure that this law is constitutional, when we just found out that the one referring to farm lands was not constitutional.

Mr. SUMNERS of Texas. Since no constitutional lawyers arise to consider the question, it devolves on the chairman to answer the question, if he can. There is not very much similarity between this bill and the Frazier-Lemke bill, we believe. I do not want to discuss the Frazier-Lemke bill, but I direct the gentleman's attention to one outstanding difference. The Frazier-Lemke bill sought to withhold the property mortgaged from the mortgagee, and at the same time reduce the amount of money which the mortgagor had promised to pay. I do not want to discuss that, but I will say this to the gentleman—and I appreciate the spirit in which he asked the question. We are hopeful that the inclusion of the language requiring the plan to conform to the law of the land will meet the constitutional objections insofar as the law is concerned; but, of course, a given plan might not meet the test of constitutionality. It might be held that the plan did not itself conform to the law of the land. According to our view, however, that would not affect the constitutionality of the law.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HOEPPEL].

Mr. HOEPPEL. Mr. Chairman, I must confess that I have not thoroughly analyzed this bill, but, as I have the fullest confidence in the chairman and members of the committee favorably reporting it, I shall be pleased to vote for it. I will vote for any reasonable legislation which will make our railroads more prosperous, because I know that when they are prosperous the men employed in the railroad business will also be prosperous.

Mr. Chairman, I rise at this time particularly to call attention to the forceful and timely remarks made yesterday by the gentleman from Ohio [Mr. CROSSER] appealing to Congress to enact legislation providing for the retirement of

railroad personnel. I feel that we should not adjourn this Congress until we enact legislation which will permit our aged and disabled railroad workers to be retired. The gentleman from Ohio [Mr. CROSSER] called attention to the fact that he was unable to obtain a rule for the consideration of the legislation, yet when a rule was asked for consideration of the Army promotion bill it was promptly granted, and I notice in the RECORD today 60 pages listing the names of some 5,000 officers who have been promoted to higher rank, some of whom will immediately receive an increase and all of whom will receive an increase in pay within 3 years. Most of these officers will soon be placed on the retired list. They have not contributed one cent from their pay toward their retirement.

The railroad workers are willing to and will contribute to their retirement fund. Furthermore, permit me to call your attention to the fact that there is a bill in the Senate now to add 1,000 more officers to the Army. This indicates that 1,000 of the able-bodied officers who were promoted yesterday will be placed on the retired list with as high pay as $362 per month after less than 20 years' service. It is patently inconsistent that we should provide retirement benefits for able-bodied Army officers after only 15 years of service and at the same time refuse to do the right thing with the old, outworn railroad workers of the country, many of whom have worked 30 and 40 years, and even longer, in a most hazardous occupation, far more hazardous than that of Army officers in time of peace who were so generously provided for in the recent Army promotion bill which the Congress enacted. With this background of extreme favoritism to the Military Establishment the Congress should show at least some solicitude for our railroad workers, and we should not adjourn until the bill providing for their retirement is enacted into law.

Mr. DUFFEY of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. DUFFEY of Ohio. A Senate committee this morning favorably reported a railroad employees' pension bill.

Mr. HOEPPEL. That information, of course, is as pleasing to me as was the action of the President in signing the Spanish War veterans' bill. Permit me to state that the President performed a most notable act when he signed the Spanish War veterans' pension-restoration bill, regardless of the criticism of the Republican press. The Republican Members of the House of Representatives were as much interested and as favorably inclined to Spanish War veterans' pension legislation as were we Democrats, and the Republican Members, therefore, should be given equal praise with the Democrats for having contributed to the effacement of the provisions of the Economy Act applying to Spanish War veterans.

The welfare of hundreds of thousands of railroad workers is involved in the railroad retirement bill, and in the three categories which I have mentioned—that is, the Army officers, the Spanish War veterans, and the railroad workers—this Congress has ignored only the appeal of the railroad workers. In merited recognition of the outstanding service rendered by the railroad personnel in national emergencies and at all times, and in view of the further fact that the railroad retirement bill is a contributory bill, whereas the officers' promotion bill is noncontributory and all pensions a gratuity, I cannot see how we as representatives of the people can deny the appeal of our railroad workers for a square deal in legislation. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I understand from my colleagues on the other side of the aisle and from my associates on this side of the aisle that no further time is desired in general debate.

The CHAIRMAN. The Clerk will read the bill for amendment.

Mr. SUMNERS of Texas. Mr. Chairman, as has been explained, and as is well understood, this is a highly technical bill. The House is under great pressure to take care of other measures. I have sounded out the Members and find no objection to what I am about to propose.

Mr. Chairman, I ask unanimous consent that the reading of the bill may be dispensed with; but pending that I desire to submit a parliamentary inquiry, for while I think I am properly advised, I do not want to take any chances. There are a number of amendments; practically all of them are minor and technical dealing with a correction of language and punctuation. I want the privilege of offering these amendments provided my unanimous-consent request is granted.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MICHENER. As I understand the gentleman's request it is that the reading of the bill be dispensed with but that it be printed in the RECORD.

Mr. SUMNERS of Texas. That is right.

Mr. MICHENER. And that then it may be in order to consider the committee amendments?

Mr. SUMNERS of Texas. That is right.

Mr. CELLER. Will other amendments be in order?

Mr. SUMNERS of Texas. Yes.

Mr. Chairman, I will restate my request.

I ask unanimous consent that the reading of the bill may be dispensed with, but that it be printed in the RECORD; and that amendments may be offered to any section of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The bill reads as follows:

Be it enacted, etc., That section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and it is hereby, amended to read as follows:

"SEC. 77. Reorganization of railroads engaged in interstate commerce: (a) Any railroad corporation may file a petition stating that it is insolvent or unable to meet its debts as they mature and that it desires to effect a plan of reorganization. The petition shall be filed with the court in whose territorial jurisdiction such corporation, during the preceding 6 months or the greater portion thereof, has had its principal executive or operating office, and a copy of the petition shall at the same time be filed with the Interstate Commerce Commission (hereinafter called the 'Commission'): *Provided*, That when any railroad, although engaged in interstate commerce, lies wholly within one State, such proceedings shall be brought in the Federal district court of the district in which its principal operating office in such State during the preceding 6 months or the greater portion thereof has been located. The petition shall be accompanied by payment to the clerk of a filing fee of $100, which shall be in addition to the fees required to be collected by the clerk under other sections of this act. Upon the filing of such a petition, the judge shall enter an order either approving it as properly filed under this section, if satisfied that such petition complies with this section and has been filed in good faith, or dismissing it, if he is not so satisfied. If the petition is so approved, the court in which such order is entered shall, during the pendency of the proceedings under this section and for the purposes thereof, have exclusive jurisdiction of the debtor and its property wherever located, and shall have and may exercise in addition to the powers conferred by this section all the powers, not inconsistent with this section, which a Federal court would have had if it had appointed a receiver in equity of the property of the debtor for any purpose. Process of the court shall extend to and be valid when served in any judicial district. The Supreme Court of the United States shall promulgate rules relating to the service of process outside of the district in which the proceeding is pending, and any other rules which it may deem advisable in order to aid district courts and circuit courts of appeal in exercising the jurisdiction herein conferred upon them. The railroad corporation shall be referred to in the proceedings as a 'debtor.' Any railroad corporation the majority of the capital stock of which having power to vote for the election of directors is owned, either directly or indirectly through an intervening medium, by any railroad corporation filing a petition as a debtor, may file, with the court in which such other debtor has filed such a petition, and in the same proceeding, a petition, which shall also be filed at the same time with the Commission, stating that it is insolvent or unable to meet its debts as they mature, and that it desires to effect a reorganization in connection with, or as a part of the plan of reorganization of such other debtor; and upon the filing of such petition, the judge shall enter an order either approving it as properly filed under this section, if satisfied that such petition complies with this section and has been filed in good faith, or dismissing it if not so satisfied, and thereupon such court, if it approves such petition, shall have the same

jurisdiction with respect to such debtor, its property, and its creditors and stockholders, as the court has with respect to such other debtor. Creditors of any railroad corporation, having claims aggregating not less than 5 percent of all the indebtedness of such corporation as shown in the latest annual report which it has filed with the Commission at the time when the petition is filed, may, if such corporation has not filed a petition under this section, file with the court in which such corporation might file a petition under this section, a petition stating that such corporation is insolvent or unable to meet its debts as they mature and that such creditors have claims aggregating not less than 5 percent of all such indebtedness of such corporation and propose that it shall effect a reorganization; copies of such petition shall be filed at the same time with the Commission and served upon such corporation. Such corporation shall, within 10 days after such service, answer such petition. If such answer shall admit the jurisdiction of the court, and the material allegations of the petition, the judge shall enter an order approving the petition as properly filed if satisfied that it complies with this section and has been filed in good faith, or dismissing it, if not so satisfied. If such answer shall deny either the jurisdiction of the court or any material allegation of the petition the judge shall summarily determine the issues presented by the pleadings without the intervention of a jury and if he shall find that the material allegations are sustained by the proofs and that the petition complies with this section and has been filed in good faith, the judge shall enter an order approving the petition; otherwise he shall dismiss the petition. If any such petition shall be so approved, the proceedings thereon shall continue with like effect as if the railroad corporation had itself filed a petition under this section. In case any petition shall be dismissed, neither the petition nor the answer of a debtor shall constitute an act of bankruptcy or an admission of insolvency or of inability to meet maturing obligations or be admissible in evidence, without the debtor's consent, in any proceedings then or thereafter pending or commenced under this act or in any State or Federal court. If, in any case in which the issues have not already been tried under the provisions of this subdivision, any of the creditors shall, prior to the hearing provided for in paragraph (1) of subsection (c) of this section, appear and controvert the facts alleged in the petition, the judge shall determine, as soon as may be, the issues presented by the pleadings, without the intervention of a jury, and, unless the material allegations of the petition are sustained by the proofs, shall dismiss the petition.

"(b) A plan of reorganization within the meaning of this section (1) shall include provisions modifying or altering the rights of creditors generally, or of any class of them, secured or unsecured, either through the issuance of new securities of any character or otherwise; (2) may include provisions modifying or altering the rights of stockholders generally, or of any class of them, either through the issuance of new securities of any character, or otherwise; (3) may include, for the purpose of preserving such interests of creditors and stockholders as are not otherwise provided for, provisions for the issuance to any such creditor or stockholder of options or warrants to receive, or to subscribe for, securities of the reorganized company in such amounts and upon such terms and conditions as may be set forth in the plan; (4) shall provide for fixed charges (including fixed interest on funded debt, interest on unfunded debt, amortization of discount on funded debt, and rent for leased railroads) in such an amount that, after due consideration of the probable prospective earnings of the property in light of its earnings experience and all other relevant facts, there shall be adequate coverage of such fixed charges by the probable earnings available for the payment thereof; (5) shall provide adequate means for the execution of the plan, which may include the transfer of any interest in or control of all or any part of the property of the debtor to another corporation or corporations, the merger or consolidation of the debtor with another corporation or corporations, the retention of all or any part of the property by the debtor, the sale of all or any part of the property of the debtor either subject to or free from any lien at not less than a fair upset price, the distribution of all or any assets, or the proceeds derived from the sale thereof, among those having an interest therein, the satisfaction or modification of any liens, indentures, or other similar interests, the curing or waiver of defaults, the extension of maturity dates of outstanding securities, the reduction in principal and/or rate of interest and alteration of other terms of such securities, the amendment of the charter of the debtor, and/or the issuance of securities of either the debtor or any such other corporation or corporations for cash, or in exchange for existing securities, or in satisfaction of claims or rights or for other appropriate purposes; and may deal with all or any part of the property of the debtor; may reject contracts of the debtor which are executory in whole or in part, including unexpired leases; and may include any other appropriate provisions not inconsistent with this section.

"The adoption of any executory contract or unexpired lease by the trustee or trustees of a debtor shall not preclude a rejection of such contract or lease in a plan of reorganization approved hereunder, and any claim resulting from such rejection shall not have priority over any other claims against the debtor because such contract or lease had been previously adopted. The term 'securities' shall include evidences of indebtedness either secured or unsecured, bonds, stock, certificates of beneficial interest therein, certificates of beneficial interest in property, options, and warrants to receive, or to subscribe for, securities. The term 'stockholders' shall include the holders of voting-trust certificates. The term 'creditors' shall include, for all purposes of this section all holders of claims of whatever character against the debtor or its property, whether or not such claims would otherwise constitute provable claims under this act, including the holder of a claim under a contract executory in whole or in part including an unexpired lease.

"The term 'claims' includes debts, whether liquidated or unliquidated, securities (other than stock and option warrants to subscribe to stock), liens, or other interests of whatever character, including interest thereon accruing after the filing of the debtor's petition. For all purposes of this section unsecured claims, which would have been entitled to priority if a receiver in equity of the property of the debtor had been appointed by a Federal court on the day of the approval of the petition, shall be entitled to such priority and the holders of such claims shall be treated as a separate class or classes of creditors. In case an executory contract or unexpired lease of property shall be rejected, or shall not have been adopted by a trustee appointed under this section, or shall have been rejected by a receiver in equity in a proceeding pending prior to the institution of a proceeding under this section, or shall be rejected by any plan, any person injured by such nonadoption or rejection shall for all purposes of this section be deemed to be a creditor of the debtor to the extent of the actual damage or injury determined in accordance with principles obtaining in equity proceedings. The provisions of section 60 of this act shall apply to a proceeding under this section. For all purposes of this section any creditor or stockholder may act in person or by an attorney at law or by a duly authorized agent or committee subject to the provisions of subsection (p) hereof. The running of all statutes of limitation shall be suspended during the pendency of a proceeding under this section.

"(c) After approving the petition:

"(1) The judge shall forthwith require the debtor to give such notice as the order may direct to the mortgage trustees, creditors, and stockholders, and to cause publication thereof for such period and in such newspapers as the judge may direct, of a hearing to be held not later than 30 days after the date of such order, at which hearing or any adjournment thereof the judge shall appoint one or more trustees of the debtor's property. Such appointments shall become effective upon ratification thereof by the Commission without a hearing, unless the Commission shall deem a hearing necessary. Where a trustee is appointed who within 1 year prior thereto has been an officer, director, or employee of the debtor corporation, any subsidiary corporation, or any holding company connected therewith, the judge shall appoint another trustee or trustees who shall not have had any such affiliations: *Provided*, That the appointment of such additional trustee or trustees shall not be required for a debtor the annual operating revenues of which were less than $1,000,000 for the previous calendar year. Where proceedings are pending upon the effective date of this amendatory section, the provisions of this paragraph shall not apply, but the provisions relating to the appointment of trustees and substitute trustees contained in clauses (1) and (2) of subdivisions (c) of this section as it existed prior to the effective date of this amendatory section shall apply.

"(2) The judge shall fix the amount of the bond of every trustee. He may thereafter terminate any such appointments on cause shown, and may in that event and in the event of a vacancy from any other cause, in the manner and within the qualifications herein provided for the appointment of trustees, appoint a substitute trustee or trustees, and in the same manner and within the same qualifications may appoint an additional trustee, and shall fix the amount of the bond of every such substitute or additional trustee or trustees. The judge shall, in his discretion, confirm the appointment of such legal counsel for the trustees as they shall select, with power of removal. The trustee or trustees and their counsel shall receive only such compensation from the estate of the debtor as the judge may from time to time allow within such maximum limits as may be approved by the Commission as reasonable. The trustee or trustees so appointed, upon filing such bond, shall have all the title and shall exercise, subject to the control of the judge and consistently with the provisions of this section, all of the powers of a trustee appointed pursuant to section 44 of this act or any other section of this act, and, to the extent not inconsistent with this section, if authorized by the judge, the powers of a receiver in an equity proceeding, and, subject to the control of the judge and the jurisdiction of the Commission as provided by the Interstate Commerce Act as now or hereafter amended, the power to operate the business of the debtor. Prior to the appointment of a trustee, the debtor on behalf of the court shall continue in the possession of the property and shall operate the business thereof during such period, and shall have all the title to and shall exercise all power consistent with the provisions of this section, subject at all times to the control of the judge, and to such limitations, restrictions, terms, and conditions as he may from time to time impose and prescribe.

"(3) The judge may, upon not less than 15 days' notice published in such manner and in such newspapers as the judge may in his discretion determine, which notice so determined shall be sufficient, for cause shown, and with the approval of the Commission, in accordance with section 20 (a) of the Interstate Commerce Act, as now or hereafter amended, authorize the trustee or trustees to issue certificates for cash, property, or other consideration approved by the judge, for such lawful purposes and upon such terms and conditions and with such security and such priority in payments over existing obligations, secured or unsecured, or receivership charges, as might in an equity receivership be lawful.

"(4) The judge shall require the officers of the debtor or the trustee or trustees, at such time or times as the judge may direct, and in lieu of the schedules required by section 7 of this act, to file with the court such schedules and submit such other information as may be necessary to disclose the conduct of the debtor's affairs and the fairness of any proposed plan; and shall direct the officers of the debtor, or the trustee or trustees, within such time as the judge shall set, to prepare and file with the court a list of all known bondholders and creditors of the debtor, and the amounts and character of their debts, claims, and securities, and the last-known post-office address or place of business of each bondholder and creditor, and a list of all known stockholders of the debtor, with the last-known post-office address or place of business of each, which lists the judge may require to be brought down to date at any time. The contents of such lists shall not constitute admissions by the debtor or the trustees in a proceeding under this section or otherwise.

"(5) It shall be the duty of anyone having information as to the names and addresses of the holders of any securities of the debtor to divulge such information to the trustee or trustees, upon written request therefor and, upon petition by any party in interest, and after hearing, the judge may order the production of any such information by anyone having and refusing to divulge it to any trustee, upon written request therefor. The judge may direct that the cost of preparing such information shall be borne by the debtor's estate.

"(6) The nonadoption or rejection of a lease shall not absolve the lessor from the duty to operate the property except with permission of the Commission as provided in section 1 of the Interstate Commerce Act, as amended February 28, 1920, or as hereafter amended.

"(7) The judge shall promptly determine and fix a reasonable time within which the claims of creditors may be filed or evidenced and after which no claim not so filed or evidenced may participate except on order for cause shown; the manner in which such claims may be filed or evidenced and allowed, and for the purposes of the plan and its acceptance, after notice and hearing, the division of creditors and stockholders into classes according to the nature of their respective claims and interests. Such division shall not provide for separate classification unless there be substantial differences in priorities, claims, or interests. The trustee or trustees under any mortgage, deed of trust, or indenture outstanding against the property may, within the time prescribed, file a verified claim in behalf of all bonds or securities outstanding under such mortgage, deed of trust, or indenture, in which event it shall be unnecessary for the holders of such bonds or securities to file claims in their own behalf, but nothing herein shall constitute such trustee or trustees the representative or representatives of such holders for the purpose of accepting or rejecting any plan of reorganization.

"(8) The judge shall cause reasonable notice of the period in which claims may be filed, of hearings on application for the dismissal of the proceedings, or for the final allowance of fees or expenses to be given creditors and stockholders by publication or otherwise.

"(9) The judge shall direct the trustee or trustees, and may request the Commission, through such of its agencies as it may designate, to report to him any facts pertaining to irregularities, fraud, misconduct, or mismanagement, as a consequence of which the debtor may have a cause of action arising therefrom against any person or corporation.

"(10) The judge may direct the debtor or the trustee or trustees to keep such records and accounts, in addition to the accounts prescribed by the Commission, as will permit of such a segregation and allocation, as the necessities of the case may require, of the earnings and expenses between and to the divisions and parts of the railroad or other property of the debtor which are separately subject to the liens of the various mortgages or deeds of trust, or are separately subject to lease, and may refer to the Commission for its recommendations after hearings thereon if the parties shall so request and/or the Commission determine necessary or desirable, as to the method or formula by which such segregation and allocation shall be made; and thereafter such segregation and allocation may be made at the expense of the debtor's estate.

"(11) The Commission may direct such of its agencies as it may designate to file in the proceedings before the Commission a report, and additional or supplemental reports at such time or times as the Commission shall designate, of such data with reference to the property, business, earnings, and corporate organization of the debtor and such other facts as the Commission, after hearing, if it deems necessary, shall determine to be necessary or helpful information for the purposes of the preparation of reorganization plans, and for the purpose of aiding in determining the method of formula of allocating earnings permitted by subdivision (10) of this subsection (c). Such report or reports shall be prima facie evidence of the facts therein stated in any proceeding under this section. The actual cost of preparing said report or reports shall be certified by the Commission and shall be borne by the debtor's estate.

"(12) The judge may, within such maximum limits as are fixed by the Commission, allow a reasonable reimbursement, to be paid out of the debtor's estate, for the actual and reasonable expenses incurred in connection with the proceeding and plan by parties in interest, trustees under indentures, depositaries, reorganization managers and committees or other representatives of creditors or stockholders, and by such assistants as the Commission with the approval of the judge may specially employ. Appeals from orders of the court fixing such reimbursements may be taken to the circuit court of appeals independently of other appeals in the proceeding and shall be heard summarily. The Commission shall, at such time or times as it may deem appropriate, after hearing, fix the maximum reimbursement which may be allowed by the court pursuant to the provisions of paragraph (12) of this subsection (c) and, after hearing if the Commission shall deem it necessary, the maximum compensation which may be allowed by the court pursuant to the provisions of paragraph (2) of this subsection (c).

"(13) The judge may on his own motion or at the request of the Commission refer any matters for consideration and report, either generally or upon specified issues, to one of several special masters who shall have been previously designated to act as special masters in any proceeding under this section by order of any circuit court of appeals and may allow such master a reasonable compensation for his services and actual and reasonable expenses. The circuit court of appeals of each circuit shall designate three or more members of the bar as such special masters whom they deem qualified for such services, and shall from time to time revise such designations by changing the persons designated or their number, as the public interest may require: *Provided, however,* That there shall always be three of such special masters qualified for appointment in each circuit who shall hear any matter referred to them under this section by a judge of any district court. The debtor, any creditor or stockholder, or the duly authorized committee, attorney or agent of either or the trustee or trustees of any mortgage, deed of trust or indenture pursuant to which securities of the debtor are outstanding, shall have the right to be heard on all questions arising in the proceedings, and, upon petition therefor and cause shown, any such person or any other interested party may be permitted to intervene. The judge may, after hearing, make reasonable rules defining the matters upon which notice shall be given to other than interveners and the manner of giving such notice.

"(d) The debtor, after a petition is filed as provided in subsection (a), shall file a plan of reorganization within 6 months of the entry of the order by the judge approving the petition as properly filed, or if heretofore approved, then within 6 months of the effective date of this act, and not thereafter unless such time is extended by the judge from time to time for cause shown, no single extension at any one time to be for more than 6 months. Such plan shall also be filed with the Commission at the same time. Such plans may likewise be filed at any time before, or with the consent of the Commission during, the hearings hereinafter provided for, by the trustee or trustees, or by or on behalf of the creditors being not less than 10 percent in amount of any class of creditors, or by or on behalf of any class of stockholders being not less than 10 percent in amount of any such class, or with the consent of the Commission by any party in interest. After the filing of such a plan, the Commission, unless such plan shall be considered by it to be prima facie impracticable, shall, after due notice to all stockholders and creditors given in such manner as it shall determine, hold public hearings, at which opportunity shall be given to any interested party to be heard, and following which the Commission shall render a report and order in which it shall approve a plan, which may be different from any which has been proposed, that will in its opinion meet with the requirements of subsections (b) and (e) of this section, and will be compatible with the public interest; or it shall render a report and order in which it shall refuse to approve any plan. In such report the Commission shall state fully the reasons for its conclusions.

"The Commission may thereafter, upon petition for good cause shown filed within 60 days of the date of its order, and upon further hearings if the Commission shall deem necessary, in a supplemental report and order modify any plan which it has approved, stating the reasons for such modification. The Commission, if it approves a plan, shall thereupon certify the plan to the court, together with a transcript of the proceedings before it and a copy of the report and order approving the plan. No plan shall be approved or confirmed by the judge in any proceeding under this section unless the plan shall first have been approved by the Commission and certified to the court.

"(e) Upon the certification of a plan by the Commission to the court, the court shall give due notice to all parties in interest of the time within which such parties may file with the court their objections to such plan, and such parties shall file, within such time as may be fixed in said notice, detailed and specific objections in writing to the plan and their claims for equitable treatment. The judge shall, after notice in such manner as he may determine to the debtor, its trustee or trustees, stockholders, creditors, and the Commission, hear all parties in interest in support of, and in opposition to, such objections to the plan and such claims for equitable treatment. After such hearing, and without any hearing if no objections are filed, the judge shall approve the plan if satisfied that: (1) It complies with the provisions of subsection (b) of this section, is fair and equitable, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of various classes of creditors and stockholders; (2) the approximate amounts to be paid by the debtor, or by any corporation or corporations acquiring the debtor's assets, for expenses incident to the reorganization, have been fully disclosed so far as they can be ascertained at the date of such hearing, are reasonable, are within such maximum limits as are fixed by the Commission, and are within such maximum limits to be subject to the approval of the judge; (3) the plan provides for the payment of all costs of administration and

all other allowances made or to be made by the judge, except that reimbursement provided for in subsection (c), paragraph (12) of this section, may be paid in securities provided for in the plan if those entitled thereto will accept such payment, and the judge is hereby given power to approve the same.

"If the judge shall not approve the plan, he shall file an opinion, stating his conclusions and the reason therefor, and he shall enter an order in which he may either dismiss the proceedings, or in his discretion and on motion of any party in interest refer the proceedings back to the Commission for further action, in which event he shall transmit to the Commission a copy of any evidence received. If the proceedings are referred back to the Commission, it shall proceed to a reconsideration of the proceedings under the provisions of subsection (d) hereof. If the judge shall approve the plan, he shall file an opinion, stating his conclusions and the reasons therefor, and enter an order to that effect, and shall send a certified copy of such opinion and order to the Commission. The plan shall then be submitted by the Commission to the creditors of each class whose claims have been filed and allowed in accordance with the requirements of subsection (c) hereof, and to the stockholders of each class, and/or to the committees or other representatives thereof, for acceptance or rejection, within such time as the Commission shall specify, together with the report or reports of the Commission thereon or such a summarization thereof as the Commission may approve, and the opinion and order of the judge: *Provided*, That submission to any class of stockholders shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, (a) that at the time of the finding the corporation is insolvent, or that at the time of the finding the equity of such class of stockholders has no value, or that the plan provides for the payment in cash to such class of stockholders of an amount not less than the value of their equity, if any, or (b) that the interests of such class of stockholders will not be adversely and materially affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan and its stockholders are bound by such acceptance: *Provided further*, That submission to any class of creditors shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, that the interests of such class of creditors will not be adversely and materially affected by the plan, or that at the time of the finding the interests of such class of creditors have no value, or that the plan provides for the payment in cash to such class of creditors of an amount not less than the value of their interests. For the purpose of this section the acceptance or rejection by any creditor or stockholder shall be in writing, executed by him or by his duly authorized attorney, committee, or representative. If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America, is a creditor or stockholder, the President of the United States or any officer or agency he may designate, is hereby authorized to act in respect of the interest or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission.

"Upon receipt of such certification, the judge shall confirm the plan if satisfied that it has been accepted by or on behalf of creditors of each class to which submission is required under this subsection holding more than two-thirds in amount of the total of the allowed claims of such class which have been reported in said submission as voting on said plan, and by or on behalf of stockholders of each class to which submission is required under this subsection holding more than two-thirds of the stock of such class which has been reported in said submission as voting on said plan; and that such acceptances have not been made or procured by any means forbidden by law: *Provided*, That, if the plan has not been so accepted by the creditors and stockholders, the judge may nevertheless confirm the plan if he is satisfied and finds, after hearing, that it makes adequate provision for fair and equitable treatment for the interests or claims of those rejecting it; that such rejection is not reasonably justified in the light of the respective rights and interests of those rejecting it and all the relevant facts; and that the plan conforms to the requirements of clauses (1) to (8), inclusive, of the first paragraph of this subsection (e). If the judge shall confirm the plan, he shall enter an order and file an opinion with a statement of his conclusions and his reasons therefor. If the judge shall not confirm the plan, he shall file an opinion, with a statement of his conclusions and his reasons therefor, and enter an order in which he shall either dismiss the proceedings, or, in his discretion and on the motion of any party in interest, refer the case back to the Commission for further proceedings, including the consideration of modifications of the plan or the proposal of new plans. In the event of such a reference back to the Commission, the proceedings with respect to any modified or new plan shall be governed by the provisions of this section in like manner as in an original proceeding hereunder.

"If it shall be necessary to determine the value of any property for any purpose under this section, the Commission shall determine such value and certify the same to the court in its report on the plan. The value of any property used in railroad operation shall be determined on a basis which will give due consideration to the earning power of the property, past, present, and prospective, and all other relevant facts. In determining such value only such effect shall be given to the present cost of reproduction new and less depreciation and original cost of the property, and the actual investment therein, as may be required under the law of the land, in light of its earning power and all other relevant facts.

"(f) Upon confirmation by the judge, the provisions of the plan and of the order of confirmation shall, subject to the right of judicial review, be binding upon the debtor, all stockholders thereof, including those who have not, as well as those who have, accepted it, and all creditors secured or unsecured, whether or not adversely affected by the plan, and whether or not their claims shall have been filed, and, if filed, whether or not approved, including creditors who have not, as well as those who have, accepted it. Upon confirmation of the plan, the debtor and any other corporation or corporations organized or to be organized for the purpose of carrying out the plan, shall have full power and authority to, and shall put into effect and carry out the plan and the orders of the judge relative thereto, under and subject to the supervision and the control of the judge, the laws of any State or the decision or order of any State authority to the contrary notwithstanding. The property dealt with by the plan, when transferred and conveyed to the debtor or to the other corporation or corporations provided for by the plan, or when retained by the debtor pursuant to the plan, shall be free and clear of all claims of the debtor, its stockholders and creditors, and the debtor shall be discharged from its debts and liabilities, except such as may consistently with the provisions of the plan be reserved in the order confirming the plan or directing such transfer and conveyance or retention, and the judge may require the trustee or trustees appointed hereunder, the debtor, any mortgagee, the trustee of any obligation of the debtor, and all other proper and necessary parties, to make any such transfer or conveyance, and may require the debtor to join in any such transfer or conveyance made by the trustee or trustees. Upon the termination of the proceedings a final decree shall be entered discharging the trustee or trustees, and making such provisions as may be equitable, by way of injunction or otherwise, and closing the case. Upon confirmation of a plan the Commission shall, without further proceedings, grant authority for the issue of any securities, assumption of obligations, transfer of any property, sale, consolidation or merger of the debtor's property, or pooling of traffic, to the extent contemplated by the plan and not inconsistent with the provisions and purposes of the Interstate Commerce Act as now or hereafter amended. The provisions of title I and of section 5 of the Securities Act of 1933, as amended, shall not apply to the issuance, sale, or exchange of any of the following securities, which securities and transactions therein shall, for the purposes of said Securities Act, be treated as if they were specifically mentioned in sections 3 and 4 of the said Securities Act, respectively: (1) All securities issued pursuant to any plan of reorganization confirmed by the judge in accordance with the provisions of this section; (2) all securities issued pursuant to such plan for the purpose of raising money for working capital and other purposes of such plan; (3) all securities issued by the debtor or by the trustee or trustees pursuant to subdivision (c), clause (3) of this section; (4) all certificates of deposit representing securities of, or claims against, the debtor, with the exception of such certificates of deposit as are issued by committees not subject to subsection (p) hereof. The provisions of subdivision (a) of section (14) of the Securities Exchange Act of 1934 shall not be applicable with respect to any action or matter which is within the provisions of subsection (p) hereof.

"(g) If in the light of all the existing circumstances there is undue delay in a reasonably expeditious reorganization of the debtor, the judge, in his discretion, shall, on motion of any party in interest or on his own motion, after hearing and after consideration of the recommendation of the Commission, dismiss the proceedings. Upon the filing of such an order of dismissal, all right, title, or interest of the trustee or trustees shall vest by operation of law in the debtor unless otherwise provided by such order.

"(h) The provisions of subdivisions 1, 2, and 3 of schedule A of title VIII of the Revenue Act of 1926, as amended by sections 721, 722, and 723 of the Revenue Act of 1932, and the provisions of subdivisions 8 and 9 of the same schedule A as added by sections 724 and 725 of the Revenue Act of 1932, and any amendments thereto unless specifically providing to the contrary, shall not apply to the issuance, transfer, or exchange of securities or the making or delivery of conveyances to make effective any plan of reorganization confirmed under the provisions of this section.

"(i) If a receiver or trustee of all or any part of the property of a debtor has been appointed by a Federal or State court, whether before or after this amendatory section takes effect, a petition or answer may be filed under this section at any time thereafter by such debtor, or its creditors as provided in subsection (a) of this section, and if such petition is approved, the trustee or trustees appointed under this section, or the debtor until such trustee or trustees are appointed, shall be entitled forthwith to possession of and be vested with title to such property, and the judge shall make such orders as he may deem equitable for the protection of obligations incurred by the receiver or receivers or prior trustee or trustees and for the payment of such reasonable administrative expenses and allowances in the prior proceedings as may be fixed by the court appointing such receiver or trustee. Whether or not a receiver or trustee has been appointed by a Federal or State court prior or subsequent to the institution of a proceeding under this section and upon the dismissal of such proceeding under this section, the judge may include in the order of dismissal appropriate provisions directing the trustee or trustees, or the debtor if no trustee has been appointed, at the time of such order of dismissal, to transfer possession of the debtor's property within the territorial jurisdiction of such Federal or State court to the prior receiver or trustee,

if a prior receiver or trustee has been so appointed by such Federal or State court, or to a receiver or trustee appointed by such Federal or State court, upon such terms as the court in the proceeding under this section may deem equitable for the protection of the obligations incurred by any trustee or trustees appointed under this section and for the payment of administrative expenses and allowances in the proceeding hereunder. Upon the filing of such order of dismissal all title to the property in the trust estate shall vest as therein provided. For the purposes of this section the words 'Federal court' shall include the district courts of the United States and of the Territories and possessions to which this title is or may hereafter be applicable, the Supreme Court of the District of Columbia, and the United States Court of Alaska.

"(j) In addition to the provisions of section 11 of this act for the staying of pending suits against the debtor, the judge may enjoin or stay the commencement or continuation of suits against the debtor until after final decree; and may, upon notice and for cause shown, enjoin or stay the commencement or continuance of any judicial proceeding to enforce any lien upon the estate until after final decree: *Provided*, That suits or claims for damages caused by the operation of trains, busses, or other means of transportation may be filed and prosecuted to judgment in any court of competent jurisdiction and proceedings under section 77 or under this amendatory act shall not be grounds for the removal of any cause of action to the United States District Court which was not removable before the passage and approval of said section 77 and any order removing any cause of action or enjoining the prosecution of any such cause of action in any court is null and void and any cause of action heretofore removed from a State court on account of said section 77 shall be remanded to the court from which it was removed, and any order staying the prosecution of any cause of action or appeal shall be vacated. The title of any owner, whether as trustee or otherwise, to rolling-stock equipment leased or conditionally sold to the debtor, and any right of such owner to take possession of such property in compliance with the provisions of any such lease or conditional sale contract, shall not be affected by the provisions of this section.

"(k) A certified copy of the final order confirming a plan of reorganization, or of any other order or decree entered in a proceeding under this section, shall be evidence of the jurisdiction of the court, the regularity of the proceedings, and the fact that the order or decree was made. A certified copy of an order directing the transfer and conveyance of the property dealt with by the plan as provided in subsection (f) of this section, or as specified in an order dismissing the proceedings as provided in subsection (i), shall be evidence of the transfer and conveyance of title accordingly, and if recorded shall impart the same notice that a deed, if recorded, would impart.

"(l) In proceedings under this section and consistent with the provisions thereof, the jurisdiction and powers of the court, the duties of the debtor and the rights and liabilities of creditors, and of all persons with respect to the debtor and its property, shall be the same as if a voluntary petition for adjudication had been filed and a decree of adjudication had been entered on the day when the debtor's petition was filed.

"(m) The term 'railroad corporation' as used in this amendatory section means any common carrier by railroad engaged in the transporation of persons or property in interstate commerce, except a street, a suburban, or interurban electric railway which is not operated as a part of a general railroad system of transportation or which does not derive more than 50 percent of its operating revenues from the transportation of freight in standard railroad freight equipment. Wherever used in this section the term 'person' shall include an individual, corporation, partnership, association, joint-stock company, unincorporated organization, or a government or political subdivision thereof.

"(n) In proceedings under this section, claims for personal injuries to employees of a railroad corporation, claims of personal representatives of deceased employees of a railroad corporation, arising under State or Federal laws, and claims now or hereafter payable by sureties upon supersedeas, appeal, attachment, or garnishment bonds executed by sureties without security for and in any action brought against such railroad corporation or trustee appointed pursuant to this section, shall be preferred against and paid out of the assets of such railroad corporation as operating expenses of such railroad. No judge or trustee acting under this act shall change the wages or working conditions of railroad employees except in the manner prescribed in the Railway Labor Act, as amended June 21, 1934, or as it may be hereafter amended. No reorganization effected under this act and no order of the court or commission in connection therewith shall relieve any carrier from the obligation of any final judgment of any Federal or State court rendered prior to January 1, 1929, against such carrier or against one of its predecessors in title, requiring the maintenance of offices, shops, and roundhouses at any place, where such judgment was rendered on account of the making of a valid contract or contracts by such carrier or one of its predecessors in title.

"(o) The trustee or trustees, from time to time, shall determine what lines or portions of lines of railroad and what other property of the debtor, if any, should be abandoned or sold during the pendency of the proceedings in the interest of the debtor's estate and of ultimate reorganization but without unduly or adversely affecting the public interest, and shall present to the judge petitions, in which other parties in interest may join, for authority to abandon or to sell any such property; and upon order of the judge made after a hearing pursuant to such reasonable notice by publication or otherwise as the judge may direct to parties in interest, authorizing any such abandonment or sale, but only with the approval and authorization of the Commission when required by the Interstate Commerce Act as amended February 28, 1920, or as it may be hereafter amended, the trustee or trustees shall take all steps and carry out all proceedings necessary for the consummation of any such abandonment or sale in accordance with the order of the judge. Any such order of the judge shall be a final order for the purposes of appeal. The judge may order and decree any sale of property, whether or not incident to an abandonment, under this subsection at public or private sale and subject to or free from liens. The proceeds derived from any such sales shall be received by the trustee or trustees subject, in case the property was sold free from lien, to any liens thereon at the time of sale, and shall be applied or disposed of in such manner as the judge by further order shall direct. The expense of such sale shall be borne in such manner as the judge may determine to be equitable. The judge may order the trustee or trustees of the debtor to deposit such proceeds with any mortgage trustee entitled thereto, to be applied in payment of all or part of such mortgage.

"(p) It shall be unlawful for any person, during the pendency of proceedings under this section or of receivership proceedings against a railroad corporation in any State or Federal court, (a) to solicit, or permit the use of his name to solicit, from any creditor or shareholder of any railroad corporation by or against whom such proceedings have been instituted, any proxy or authorization to represent any such creditor or shareholder in such proceedings or in any matters relating to such proceedings, or to vote on his behalf for or against, or to consent to or reject, any plan of reorganization proposed in connection with such proceedings; or (b) to use, employ, or act under or pursuant to any such proxy or authorization from any such creditor or shareholder which has been solicited or obtained prior to the institution of such proceedings; or (c) to solicit the deposit by any such creditor, or shareholder, of his claim against or interest in such railroad corporation, or any instrument evidencing the same, under any agreement authorizing anyone other than such depositor to represent such depositor in such proceedings or in any matters relating to such proceedings, including any matters relating to the deposited security or claim; or to vote such claim or interest or to consent to or reject any such plan of reorganization; or (d) to use, employ, or act under or pursuant to any such agreement with such depositor which has been solicited or obtained prior to the institution of such proceedings; unless and until, upon proper application by any person proposing to make such solicitation or to use, employ, or act under or pursuant to such proxies, authorizations, or deposit agreements, and after consideration of the terms and conditions (including provisions governing the compensation and expenses to be received by the applicant, its agents and attorneys, for their services) upon which it is proposed to make such solicitation or to use, employ, or act under or pursuant to such proxies, authorizations, or deposit agreements, the Commission after hearing by order authorizes such solicitation, use, employment, or action: *Provided, however*, That nothing contained in this section shall be applicable to or construed to prohibit any person, when not part of an organized effort, from acting in his own interest, and not for the interest of any other, through a representative or otherwise, or from authorizing a representative to act for him in any of the foregoing matters, or to prohibit groups of not more than twenty-five bona fide holders of securities or claims from acting together for their own interests and not for others through representatives or otherwise or from authorizing representatives of such groups to act for them in respect to any of the foregoing matters. The Commission shall make such order only if it finds that the terms and conditions upon which such solicitation, use, employment, or action is proposed are reasonable, fair, and in the public interest, and conform to such rules and regulations as the Commission may provide. The Commission shall have the power to make such rules and regulations respecting such solicitation, use, employment, or action and with respect to the terms and the provisions of such proxies, authorizations, and deposit agreements, and with respect to such other matters in connection with the administration of this subsection as it deems necessary or desirable to promote the public interest, and to insure proper practices in the representation of creditors and stockholders through the use of such proxies, authorizations, or deposit agreements and in the solicitation thereof. It shall be unlawful for any person to solicit any such proxy, authorization, or the deposit of any claim or interest or to use, employ, or act under or pursuant to any such proxy, authorization, or deposit agreement which has been solicited or obtained prior to the institution of such proceedings in violation of the rules and regulations so prescribed.

"Every application for authority shall be made in such form and contain such matters as the Commission may prescribe. Every such application shall be made under oath, signed by, or on behalf of, the applicant by a duly authorized agent having knowledge of the matters therein set forth. The Commission may modify any order authorizing such solicitation, use, employment, or action by a supplemental order, but no such modification shall invalidate action previously taken, or rights or obligations which have previously arisen, in conformity with the Commission's prior order or orders authorizing such solicitation, use, employment, or action.

"The Commission may, in its discretion, make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this subsection (p)

or any rule or regulation thereunder, and may require or permit any person to file with it a statement in writing, under oath, or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated. The Commission is authorized, in its discretion, to publish information concerning any such violations, and to investigate any such facts, conditions, practices, or matters as it may deem necessary or proper to aid in the enforcement of the provisions of this subsection (p), in the prescribing of rules and regulations thereunder, or in securing information to serve as a basis for recommending further legislation concerning the matters to which this subsection relates.

"Any person who willfully violates any provision of this subsection, or any rule or regulation made thereunder the violation of which is made unlawful, or any person who willfully and knowingly makes, or causes to be made, any statement in any application, report, or document required to be filed hereunder or under any rule or regulation authorized hereby, which statement is false or misleading with respect to any material fact, shall be guilty of a misdemeanor, and on conviction in any United States court having jurisdiction, shall be punished by a fine of not less than $1,000 nor more than $10,000 or by imprisonment for not less than 1 year nor more than 3 years, or by both such fine and imprisonment, in the discretion of the court; but no person shall be subject to imprisonment under this section for the violation of any rule or regulation if he proves that he had no knowledge of such rule or regulation.

"The provisions of this subsection (p) shall not be applicable to any person or committee which has begun to solicit, obtain, or use proxies, authorizations, or deposit agreements prior to the effective date of this amendatory section in connection with proceedings under this section as in force prior to such effective date or receivership proceedings against a railroad then pending in any State or Federal court, unless such person or committee makes application to the Commission and receives authority to act as in this subsection provided, in which event the provisions of this subsection (p) shall be applicable to such person or committee, but such authorization shall not be upon terms which shall invalidate any action theretofore taken, or any rights or obligations which have theretofore arisen: *Provided*, That with respect to committees which are not subject to this subsection (p) the judge shall scrutinize and may disregard any limitations or provisions of any deposit agreements, committee, or other authorizations affecting any creditor or stockholder acting under this section and may enforce an accounting thereunder or restrain the exercise of any power which he finds to be unfair or not consistent with public policy, including the collection of unreasonable amounts for compensation and expenses.

"(q) The provisions of section 12 of the Interstate Commerce Act, as amended March 2, 1889, February 10, 1891, and February 28, 1920, shall be applicable to enable the Commission to perform its duties under this section and the provisions of such section shall apply to the debtor, any subsidiary or affiliated company, or any other person as herein defined.

"(r) If any provision of this amendatory section, or the application thereof to any person or circumstances, is held invalid, the remainder of this amendatory section, or application of such provision to other persons or circumstances, shall not be affected thereby.

"(s) Proceedings pending under this section (act of Mar. 3, 1933) on the effective date of this amendatory section shall continue under, and be governed by, the provisions of this amendatory section: *Provided*, That the enactment of this amendatory section shall not invalidate any action taken before its effective date pursuant to this section as it existed prior to the enactment of this amendatory section."

Mr. SUMNERS of Texas. Mr. Chairman, there are a number of minor committee amendments, consisting of corrections of language and punctuation. I ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the committee amendments, as follows:

Page 3, line 17, after the word "debtor", strike out the comma.

Page 3, line 19, after the word "petition", add "a copy of."

Page 4, line 22, after the word "court", strike out the comma.

Page 8, line 22, after the word "of", strike out "the debtor's petition" and insert in lieu thereof the following: "a petition under this section."

Page 10, line 10, after the word "judge", insert a comma and "subject to ratification by the Commission as herein provided."

Page 10, line 20, after the word "of", strike out "subdivisions" and insert in lieu thereof the following: "subdivision."

Page 12, line 2, after the word "to", insert "the property."

Page 14, line 8, after the word "shown", strike out the semicolon and insert in lieu thereof a comma.

Page 17, line 3, after the word "such", strike out "reimbursement."

Page 17, line 7, after the word "maximum", strike out "reimbursement" and insert in lieu thereof the following: "allowances."

Page 21, line 4, after the word "of" following the word "participation", insert "the."

Page 21, line 15, after the word "that", strike out the word "reimbursement" and insert "allowances."

Page 21, line 7, after the word "expenses", insert "and fees."

Page 33, line 3, after the word "standard", insert "steam."

Page 37, line 7, after the word "claims", insert "or groups of mutual institutions."

Page 8, line 21, after the word "character", strike out the remainder of the sentence.

The committee amendments were agreed to.

Mr. SUMNERS of Texas. Mr. Chairman, I send an amendment to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. SUMNERS of Texas: On page 13, line 24, after the word beginning with line 24, strike out lines 24 through line 3 on page 14, inclusive, and insert the following:

"(6) If a lease of a line of railroad is rejected, and if the lessee, with the approval of the judge, shall elect no longer to operate the leased line, it shall be the duty of the lessor at the end of a period to be fixed by the judge to begin the operation of such line, unless the judge, upon the petition of the lessor, shall decree after hearing that it would be impracticable and contrary to the public interest for the lessor to operate the said line, in which event it shall be the duty of the lessee to continue operation on or for the account of the lessor until the abandonment of such line is authorized by the Commission in accordance with the provisions of section 1 of the Interstate Commerce Act, as amended."

The committee amendment was agreed to.

Mr. SUMNERS of Texas. Mr. Chairman, I offer another committee amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. SUMNERS of Texas: On page 16, line 19, beginning with line 19 on page 16, strike out from line 19 through the word "employ", on line 2, page 17, and insert in lieu thereof the following:

"(12) Within such maximum limits as are fixed by the Commission, the judge may make an allowance, to be paid out of the debtor's estate, for the actual and reasonable expenses (including reasonable attorney's fees) incurred in connection with the proceedings and plan by parties in interest and by reorganization managers and committees or other representatives of creditors and stockholders, and within such limits may make an allowance to be paid out of the debtor's estate for the actual and reasonable expenses incurred in connection with the proceedings and plan and reasonable compensation for services in connection therewith by trustees under indentures, depositaries, and such assistants as the Commission with the approval of the judge may especially employ."

Mr. CELLER. This is an amendment which was agreed to, and covered compensation paid attorneys?

Mr. SUMNERS of Texas. That is my understanding.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word, in order to get an explanation. I am vitally concerned with the allowance made to attorneys in connection with reorganizations. From the reading of the amendment I was unable to understand it.

Mr. SUMNERS of Texas. I may say to the gentleman from New York that this was one of the highly controversial issues that came to the committee. A large percentage of the committee felt that each class should pay their own attorney fees. The chairman of the committee shared in this view as an original proposition, but from my examination into the question and from the best technical advice we could get, the majority of the committee became apprehensive that unless it was possible to pay some attorney fees from the estate, the small person in interest might not be represented. In view of the fact that they have not been able to make satisfactory progress under existing law with reference to reorganization, and in view of the fact that the Railroad Commission would fix the total of the fees that could be allowed for reorganization and the courts are given a further power to check this, the committee was afraid to take the responsibility to eliminate these fees, taking the position that we should let it run along awhile and see what will happen.

Mr. MARCANTONIO. At any rate the attorney fees may be checked by the court?

Mr. SUMNERS of Texas. May be checked by the court and by the Commission. I should say they can be checked by the Commission first and then by the court. I say very candidly that if the committee had felt the situation was not so

critical with regard to reorganization of these roads it very probably would have taken a chance on eliminating the fees, but it did not want to take that responsibility at this time.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SUMNERS of Texas. Mr. Chairman, I offer an amendment, which I send to the desk:

The Clerk read as follows:

Committee amendment by Mr. SUMNERS of Texas: On page 31, line 6, after the word "decree", strike out, beginning with the word "*Provided*", down to and including the period on line 20, and insert in lieu thereof the following:

"*Provided*, That suits or claims for damages caused by the operation of trains, busses, or other means of transportation may be filed and prosecuted to judgment in any court of competent jurisdiction and any order staying the prosecution of any such cause of action or appeal shall be vacated. Proceedings under section 77 or under this amendatory act shall not be grounds for the removal of any cause of action to the United States District Court which was not removable before the passage and approval of said section 77 and any order removing any cause of action or enjoining the prosecution of any such cause of action in any court is null and void and any cause of action heretofore removed from a State court on account of said section 77 shall be remanded to the court from which it was removed."

Mr. MICHENER. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. What amendment is this?

Mr. MILLER. This is the amendment I proposed in committee with reference to suits.

Mr. MICHENER. I thought the amendment which the gentleman offered in committee was included in the bill.

Mr. MILLER. This is the same amendment. It is only a transposition of two sentences.

The committee amendment was agreed to.

Mr. CELLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: On page 31, line 24, after the word "contract", insert a comma and the words: "and powers of sale contained in pledge contracts securing loans from any governmental agency (including the power of a purchaser from any such governmental agency to prove in full against the debtor's estate any obligations of the debtor so purchased)."

Mr. CELLER. Mr. Chairman, I simply offer this amendment in a pro forma way and I shall not press it but withdraw the amendment so there may not be any vote upon it. I do this out of respect to my chairman, who earnestly requested me so to do.

I want to call the committee's attention, however, to the fact that the Government, through its agencies, the Public Works Administration, the Treasury Department, and the Reconstruction Finance Corporation, has lent millions and millions of dollars to the railroads and it is my earnest conviction that subdivision (j) on pages 30 and 31, does not give sufficient protection to these three agencies to protect the Government with respect to these loans. For example, by July 1, 1935, there had been lent by the Reconstruction Finance Corporation to the railroads over $413,000,000. There had been lent by the Public Works Administration well nigh $200,000,000, let alone what has been lent by the Treasury Department, the figures as to which I have not at the moment.

Those who hold equipment-trust certificates practically have title to all the rolling stock in the event of a reorganization of this character and can go in and repossess themselves of the rolling stock, whereas the Government, lending far more proportionately in the last 2 years than was ever lent on rolling stock could have all its actions and all its rights stayed in the proceedings just as though it were an ordinary creditor. The Government is not an ordinary creditor in the true sense of the word. It has come forward in an emergency and has been extremely lavish in lending money to the railroads to save the railroads from wreckage, and I do believe therefore that the Government should be given a little more preference than is accorded it in this bill.

Mr. LLOYD. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Washington.

Mr. LLOYD. If I correctly understood the gentleman he made the statement that the equipment trust certificate holders could repossess themselves of the rolling stock?

Mr. CELLER. Under subdivision (j) we have provisions that the court may not stay, for example, holders of equipment-trust certificates.

Mr. LLOYD. Was not that exactly what the Supreme Court held in the Rock Island case they could not do?

Mr. CELLER. That the equipment trust certificate holders could not repossess themselves of the rolling stock?

Mr. LLOYD. Yes.

Mr. CELLER. I do not recall that particular pronouncement of the Supreme Court.

Mr. LLOYD. Was not that the very pronouncement in the Rock Island case?

Mr. CELLER. But whatever the Court may have said, so far as this provision in the pending bill is concerned, the equipment trust certificate holders are given the right to proceed in court or otherwise to avail themselves of whatever remedies may be within their grasp. They are not to be limited or stayed. But the R. F. C. is stayed. It may be they, equipment trust holders, are limited by the Supreme Court decision, but the Government should be put in no worse position than at least the equipment trust certificate holders, and it is the purpose of my amendment to let the Government go in like it was a proceeding in equity and avail itself of all its rights which it may have under its pledges. When the Government, through the R. F. C. or the P. W. A., made these huge loans it took from the railroad certain securities. Under this reorganization scheme the Government would be stayed, for example, in the sale of the stocks or the bonds or whatever the securities may have been that were pledged to the Government by the railroads, and I think this is wrong and I just offer the amendment for what it may be worth for the record.

My amendment would offer to the Reconstruction Finance Corporation and to the Public Works Administration and to the Treasury Department, and to other governmental agencies which have loaned millions of dollars to the railroads, the similar right to pursue remedies accorded them in the pledge contracts securing loans from such governmental agencies. In other words, the bill as now drawn exempts the rights of equipment trustees and equipment certificate holders from the provisions of the act. This was done so as not to impair the ability of the railroads to finance the purchase of new equipment to the conventional practice of issuing equipment-trust certificates.

It is equally important that loans made by the Government to the railroads should not be endangered; in other words, that with respect to loans made by the Government—the Government should have the same rights with respect to liquidation of collateral as it would have in an equity receivership. A large part of the loans which the Reconstruction Finance Corporation has made to the railroads was made during the first years of its activities, before the enactment of the present section 77. These loans were accordingly made before there was any knowledge that section 77 would be enacted.

The proposed amendment does not give the Government any preferential rights to displace existing liens. It merely leaves the Government with the rights it would have in an equity receivership.

The proposed amendment is worded to take care of all of these loans. There is particular reason for the provision with respect to the Reconstruction Finance Corporation loans, since under the Reconstruction Finance Corporation Act the Reconstruction Finance Corporation cannot make a loan to a railroad except in cases where the railroad cannot obtain funds on reasonable terms through private channels. Loans from the Reconstruction Finance Corporation to railroads accordingly are loans made in cases where the railroad company could not get the money from anybody else on reasonable terms. They have been made to keep the financial structure afloat and to tide the company over until a restoration of more normal times would restore its credit and borrowing capacity. Accordingly, there is every reason for clarifying their status under this bill.

It should not be implied that if the Reconstruction Finance Corporation loans are given the status suggested, the Reconstruction Finance Corporation will exercise its power to liquidate its collateral harshly or in a manner oppressive to other interests. As a matter of fact, the precise opposite has been the case. I am informed that up to date the Reconstruction Finance Corporation has not foreclosed in a single instance on collateral which it holds as security for a loan made to a railroad. All that should be made clear is that the Government through the Reconstruction Finance Corporation has the right to do so should circumstances change or should it be advisable in the public interest to sell any of its railroad collateral in a special situation.

The reason for the words in parenthesis, namely "(including the power of a purchaser from any such governmental agency to prove in full against the debtor's estate any obligations of the debtor so purchased)", is that the bare right to sell collateral is valueless unless the purchaser of the collateral gets a clear title.

At this time I want to comment favorably on the action of the Reconstruction Finance Corporation, its directors and officers, in coming to the aid of the railroads. They have been severely criticized in some quarters. Such criticism is unjustified. These men at the Reconstruction Finance Corporation have sincerely and generously gone about their tasks in rehabilitating primarily the railroads and other entities. They have made mistakes. That is natural. But their mistakes have been at the lowest minimum.

Mr. Jesse Jones, chairman, Mr. Merriam, and the other directors have rendered yeoman service. Mr. James Alley, General Counsel, and Mr. Stanley Reed, before him, have worked diligently and effectively as legal officers of this agency.

Whenever I have gone to the Reconstruction Finance Corporation I have been most courteously treated. Of course, I have not always received all that I requested. I have no complaint. I have only praise for the heads and the fine staff of the Corporation.

I ask unanimous consent to withdraw the pro forma amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. KVALE. Mr. Chairman, I object, and ask recognition in opposition.

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes.

Mr. KVALE. Mr. Chairman, I do not intend to consume the entire 5 minutes. I want to offer an observation that may not be entirely pertinent to the remarks of the gentleman from New York, but in reply to the same general subject which the gentleman has been discussing.

In the State of Minnesota there is a railroad which has been in receivership and which has been attempting to come out of the red and into the black for some time. For the past few months it has been operating in the black. Now, it is being seriously considered by the Reconstruction Finance Corporation to advance a loan to other railroads which are also in receiverships in order to dismember this one railroad, tear it physically apart, physically tear up mile after mile of track, deny service to community after community, and let these other railroads which are also in receiverships, having the advantage of a Government loan, take up this line which is in receivership and dismember it.

Mr. MARCANTONIO. What railroad is being helped?

Mr. KVALE. The Minneapolis & St. Louis.

Mr. MARCANTONIO. What others are being helped?

Mr. KVALE. The Rock Island is another one, the North Western is another, the Great Northern is another, the Wabash is another, and the Illinois Central. Millions of dollars are at stake. Service to community after community is being disrupted and I call this situation to the attention of the committee and of this body at this time in connection with the remarks of the gentleman from New York.

Mr. CELLER. If the gentleman will permit, does the gentleman desire to have my amendment stay in and does the gentleman intend to support it?

Mr. KVALE. I certainly do. I hope the gentleman presses for the adoption of his amendment and I hope the committee will accept it. I do not think it will help this situation particularly, but I think it will have a salutary effect and I think the gentleman acted wisely when he offered the amendment.

Mr. CELLER. I thank the gentleman, but I do not think it would help in the situation which he has mentioned.

Mr. KVALE. No; I think not.

Mr. CELLER. I only offered it to help the Government agencies. I hope the gentleman will not object to the withdrawal of my amendment.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. KVALE. I yield.

Mr. MARCANTONIO. I think the time is not far off when this Congress, or perhaps the next Congress, will investigate the loans being made to railroad companies, and more particularly the Van Sweringens.

Mr. LUNDEEN. Will the gentleman yield?

Mr. KVALE. I yield.

Mr. LUNDEEN. I would like to have the gentleman state whether or not the railroad employees favor this dismemberment. I understand they are all opposed to it. We have received numerous protests from the various railway labor organizations against this dismemberment of the Minneapolis & St. Louis Railroad. I understand the Minneapolis & St. Louis Railroad Co. has the largest pay roll in Minneapolis. I want to join with the gentleman in his able protest. I am hostile to the destruction of the road just at a time when they are nicely getting on their feet. The railroad employees are opposed to the dismemberment of the Minneapolis & St. Louis Railroad and that settles it for me.

Mr. KVALE. They are bitterly opposed to it; all the units are opposed to it, and the railroad itself is opposed to it. All they ask is an opportunity to keep on for a few months and they will get themselves out of it.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. KVALE. Yes.

Mr. CHRISTIANSON. The dismemberment of this railroad will leave several small towns without any railroad at all?

Mr. KVALE. Yes. Mr. Chairman, I withdraw my objection to the request of the gentleman from New York to withdraw his amendment.

The CHAIRMAN. Without objection, the amendment of the gentleman from New York [Mr. CELLER] will be withdrawn.

There was no objection.

The CHAIRMAN. Under the rule, the Committee will rise.

The Committee rose; and the Speaker having resumed the chair, Mr. LEE of Oklahoma, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 8587, and, under the provisions of House Resolution 304, had directed him to report the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion by Mr. SUMNERS of Texas to reconsider the vote whereby the bill was passed was laid on the table.

SOIL EROSION, UINTA AND WASATCH NATIONAL FORESTS

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 4339) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah, which I send to the desk.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. There is a committee amendment printed in italics in the bill. If it is understood that that will surely be adopted so that there will be a check on the funds, I am willing to withdraw my objection.

Mr. ROBINSON of Utah. That is so understood.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Uinta and Wasatch National Forests, in the State of Utah, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from the entire receipts from the sale of natural resources or occupancy of public land within the Uinta and Wasatch National Forests, which receipts are hereby appropriated for that purpose until said lands have been acquired.

With the following committee amendment:

Page 2, line 6, after the word "hereby" insert the words "authorized to be".

The amendment was agreed to, and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEAVE TO PRINT

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that Members may have 5 legislative days within which to extend their own remarks on the bankruptcy bill.

The SPEAKER. Is there objection?

There was no objection.

WATCH SMUGGLING ACT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9071), to provide for the licensing of importers of watches, watch movements, and watch parts, to protect the revenue, and for other purposes, which I send to the desk.

The SPEAKER. Is there objection?

Mr. BLAND. Mr. Speaker, I reserve the right to object. I am not going to object, but when are we going to reach the Consent Calendar?

Mr. McFARLANE. I reserve the right to object. What appropriation is carried in this bill to help the Watch Trust enforce these smuggling laws?

Mr. McCORMACK. There is no Watch Trust and there is no appropriation.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That when used in this act, unless the context otherwise requires—

(a) The term "person" includes individuals, partnerships, associations, joint-stock associations, and corporations.

(b) The terms "license" and "licensee" mean, respectively, any license issued under this act, and any person licensed under this act.

(c) The term "watches, watch movements, and watch parts" means watches, watch movements, and watch parts as described in subsections (a) and (c) of paragraph 367 of schedule 3 of title I of the Tariff Act of 1930: *Provided*, That, notwithstanding the foregoing, the term shall not include any watches admitted free of duty into the United States under any provision of law.

(d) The term "United States", when used in a geographical sense, includes all Territories and possessions of the United States, except the Philippine Islands, the Virgin Islands, the Canal Zone, American Samoa, and the island of Guam.

SEC. 2. (a) After 180 days after the enactment of this act, no person shall, except by special permit which may be issued in his discretion by a collector of customs under such conditions as the Secretary of the Treasury may prescribe, import into the United States any watches, watch movements, or watch parts who has not been licensed for that purpose by the Secretary of the Treasury pursuant to such rules and regulations as he may prescribe. A fee of such amount as the Secretary of the Treasury may deem necessary to provide for the administrative costs of issuing such license, but not more than $100, shall be paid by the licensee. All merchandise subject to the provisions of this act shall be entered at such ports of entry as shall be designated by the Secretary of the Treasury. The Secretary of the Treasury shall furnish to the collectors of customs at such designated ports current lists of the names and addresses of all licensees, together with the distinguishing mark or symbol assigned for the use of such licensees under section 4 of this act.

(b) Licenses issued under this act shall not be transferable, shall remain in effect for 1 year from date of issuance, unless sooner suspended or revoked by the Secretary of the Treasury, and shall be renewable annually.

SEC. 3. (a) No license shall be issued under this act to any person who (a) has been convicted of violation of the customs laws: *Provided*, That a license may be issued to an applicant after a period of 5 years has expired from the date of such conviction, provided that such applicant has been of good moral character subsequent to the date of said conviction, (b) fails or refuses to comply with the provisions of this act or any rules or regulations issued hereunder, or (c) fails to file the voluntary inventory provided for by section 7 of this act: *Provided*, That a license may be issued at any time within 240 days after the enactment of this act, subject to revocation if the licensee fails to file such inventory within such a period of 240 days. The Secretary of the Treasury shall, after due notice and opportunity for a hearing, revoke the license of any licensee upon conviction of such licensee for any violation of the customs laws, or suspend or revoke the license of any licensee who fails or refuses to comply with the provisions of this act or any rules or regulations issued hereunder.

(b) Any licensee whose license has been suspended or revoked by action of the Secretary of the Treasury may, by appropriate proceedings in equity in a district court or the Supreme Court of the District of Columbia, to be commenced within 30 days from the date of such suspension or revocation, have the action of the Secretary of the Treasury reviewed, and the court may affirm or reverse the action of the Secretary of the Treasury if it is based upon an error of law, is wholly unsupported by the evidence, or is clearly arbitrary or capricious. The commencement of such proceedings shall, unless specifically ordered otherwise by the court, operate as a stay of the Secretary's action.

(c) It shall be unlawful for any person forbidden by or under authority of this act or any regulations issued hereunder from obtaining or holding a license to employ any licensee as officer, agent, or employee, or to be an officer, agent, or employee of any licensee.

SEC. 4. After 180 days after the enactment of this act, all watches and watch movements, whether complete or incomplete, having more than 1 jewel, or having 1 jewel and 1 or more bouchons or bushings, and all pillar plates and top bridges if imported separately, which are imported into the United States must, unless imported under the special permit authorized by section 2 (a) of this act, in addition to any other marking required by law, be permanently marked with a distinguishing mark or symbol, in such place and manner and pursuant to such rules and regulations as the Secretary of the Treasury may prescribe, which mark or symbol must be marked on such watches, watch movements, and above-named watch parts in the country of manufacture. The Secretary of the Treasury shall approve and assign for the use of licensees the distinguishing marks or symbols required by this section. No such mark or symbol shall be approved or assigned for the use of more than one licensee.

SEC. 5. If any person importing watches, watch movements, or watch parts into the United States, or dealing in imported merchandise of such character, or purchasing imported merchandise of such character at a Government sale, fails, at the request of the Secretary of the Treasury or a collector of customs, as the case may be, to permit a duly accredited officer of the United States to inspect his stock or books, papers, records, accounts, documents, or correspondence pertaining to such merchandise or the purchase or importation thereof, then such person shall be subject to a penalty of not more than $1,000 and, while such failure continues, the Secretary of the Treasury, under regulations prescribed by him, (1) shall prohibit the importation of merchandise into the United States by or for the account of such person and (2) shall instruct the collectors of customs to withhold the delivery of merchandise imported by or for the account of such person. If such failure continues for a period of 1 year from the date of such instructions, the collector shall cause the merchandise, unless previously exported, to be sold at public auction as in the case of merchandise forfeited under the customs laws.

SEC. 6. Any watch, watch movement, or watch part imported into the United States in violation of any provision of this act or any rule or regulation issued hereunder shall be seized and forfeited in the same manner as forfeitures incurred for violation of the customs laws.

SEC. 7. Within 240 days after the enactment of this act any importer, wholesaler, or retailer of watches, watch movements, or watch parts may voluntarily file with the collector of customs in the district in which such importer, wholesaler, or retailer is operating an inventory of all watches and watch movements, whether complete or incomplete, having more than 1 jewel, or having 1 jewel and 1 or more bouchons or bushings, and all pillar plates and top bridges if imported separately, on hand on the one hundred and fiftieth day after the enactment of this act, which were imported into the United States prior to 150 days after the enactment of this act. If any such watch, watch movement, or above-named watch part be not marked pursuant to section 4 of this act, and if with respect to any such watch, watch movement, or above-named watch part no voluntary inventory has been filed pursuant to this section, this shall be prima facie evidence in any administrative or judicial proceeding for the forfeiture of such watch, watch movement, or above-named watch part under the provisions of this act or any provision of the customs laws, that such watch, watch movement, or above-named watch part was in fact unlawfully imported into the United States.

SEC. 8. In addition to the specific powers conferred by this act, the Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

The Secretary of the Treasury shall give reasonable public notice and afford to interested parties opportunity for hearing, prior to prescribing regulations to carry out the provisions of this act.

SEC. 9. If any clause, sentence, or part of this act, or the application thereof to any person or circumstances, is held invalid, the application thereof to other persons, or circumstances, and the remainder of the act, shall not be affected thereby.

SEC. 10. This act may be cited as the "Watch Smuggling Act."

Mr. TREADWAY. Mr. Speaker, I move to strike out the last word. There seems to have been something of a misunderstanding this morning when this bill was brought up before. The bill has been before the Committee on Ways and Means for some time. Previous to this Congress a similar bill was before the House. A statement was made on the floor this morning which I think should not go uncontradicted. I am heartily in favor of this measure, but I want to correct any impression that any Member of the House may have that in any tariff bill written when the Republican Party was in control there were any rates approaching from 4,000 to 5,000 percent, as the gentleman from Mississippi [Mr. RANKIN] stated this morning. I contradicted that at the time and I want now to verify my contradiction by telling the House roughly what the rates are in the schedule. In the preparation of the last tariff act there was no more difficult schedule before us and there was no harder work done on any schedule, with the assistance of the Tariff Commission and their experts, than on the watch schedule. It is extremely complicated and very difficult to analyze.

Since the colloquy which occurred this morning I have secured the following figures from the Tariff Commission and offer them for the Record at this time to show how absurd it is for any one to say there is a rate running from 4,000 to 5,000 percent. With not more than 1 jewel, the minimum is 47.1 and the maximum 120.7; from 1 to 7 jewels, 31.6 to 107; 7 to 15 jewels, 18 percent to 65.8; over 17 jewels, 27½ percent. The parts range from 10 percent to 104 percent, and the cases from 46½ percent to 71.9 percent. There are additional rates for other items such as separate jewels and miscellaneous pieces. When a Member of the House comes on the floor and makes any reference to rates so ridiculous as the statement made here this morning, a member of the Committee on Ways and Means cannot allow such a statement to pass unnoticed. That is the reason I took the floor this morning.

I trust that the bill of my colleague from Massachusetts will be unanimously passed. This has nothing whatever to do with the tariff. It is a protection to the revenues of the country and the enforcement of laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FRED HERRICK

Mr. WHITE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 491) for the relief of Fred Herrick and consider the same.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object in order to propound an inquiry to the Speaker as to what the program is to be for the remainder of the afternoon. There has been considerable misunderstanding, and as it is 4 o'clock, I think we should know.

The SPEAKER. There are several Members who have unanimous-consent requests which they desire to bring before the House. It was the judgment of the Chair, if the House was willing, that we should take up the Consent Calendar for the balance of the afternoon, under the order made at the convening of the House today.

Is there objection to the request of the gentleman from Idaho?

Mr. TABER. Reserving the right to object, Mr. Speaker, what is this bill, and why should a private bill come up at this time other than on the Private Calendar?

Mr. WHITE. There is no politics in this bill. It was introduced by myself in the House and by Senator STEIWER in the Senate. It is one of the most meritorious bills that ever came before this House.

Mr. TABER. What does it provide?

Mr. WHITE. It is for the relief of a man who put up $50,000 as earnest money to buy Government timber. He spent $1,000,000 building railroads and building a sawmill on Government land, and then the Government forfeited his contract before he cut a stick of timber and made $52,000 on the deal in addition to taking $50,000 of the money which he put up as liquidated damages when there was no damage, but, on the contrary, forfeited his title to a 30-mile railroad and a steel and concrete sawmill built at his expense.

Mr. RICH. Reserving the right to object, this is a banker's bill?

Mr. WHITE. It is not a banker's bill.

Mr. MILLARD. Reserving the right to object, how much money is involved?

Mr. WHITE. Fifty thousand dollars of the man's own money, which he put up as a Government bond. It is simply refunding the money that he put up himself.

Mr. HANCOCK of New York. Reserving the right to object, was the bill referred to the Committee on Claims?

Mr. WHITE. My bill was referred to the Committee on Claims.

Mr. HANCOCK of New York. And it is now on the Private Calendar?

Mr. WHITE. No. It has been objected to.

Mr. HANCOCK of New York. It was objected to when reached on the Private Calendar?

Mr. WHITE. Yes. This is the Senate bill.

Mr. HANCOCK of New York. Then it is in the omnibus bill, I assume.

Mr. WHITE. No; my bill, H. R. 3218, is in the omnibus bill; this is a Senate bill on the Speaker's table.

Mr. HANCOCK of New York. I understand we are to have an opportunity to take up the omnibus bill, when this item can be properly considered. I object to taking up private bills and passing them in this way, Mr. Speaker.

The SPEAKER. Objection is heard.

STATE OF NEBRASKA

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1864) for the relief of the State of Nebraska.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

Mr. RICH. Reserving the right to object, why should this bill come in here as a private bill at this particular time?

Mr. McLAUGHLIN. This is not a private bill.

Mr. RICH. Will the gentleman please explain the bill?

Mr. McLAUGHLIN. A check was issued by the United States Government to the State of Nebraska for Federal payment on pavement in January 1934. By inadvertence the check was misplaced and has never been cashed. We are asking that the bill be passed in order that a duplicate check may be issued, without requiring a bond by the State of Nebraska.

Mr. RICH. I have no objection.

Mr. ZIONCHECK. Reserving the right to object, has this bill been assigned to the Consent Calendar and is it on the Consent Calendar now?

Mr. McLAUGHLIN. This bill was referred to the Committee on the Judiciary and was unanimously reported out by that committee.

Mr. ZIONCHECK. Is it on the Consent Calendar?

Mr. WOLCOTT. It is no. 488 on the Consent Calendar.

Mr. ZIONCHECK. If it is on the Consent Calendar, I am constrained to object, Mr. Speaker.

Mr. McLAUGHLIN. It is no. 488 on the Consent Calendar. This bill passed the Senate last year but did not pass this House because the time expired, and the very same thing may happen this year unless the gentleman will withhold his objection and let it pass. It is not a controversial bill.

Mr. ZIONCHECK. The State of Nebraska can wait a while.

Mr. McLAUGHLIN. It may have to wait another year if the gentleman persists in his objection.

Mr. WOLCOTT. Mr. Speaker, the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska (Mr. McLAUGHLIN)?

Mr. McFARLANE. Mr. Speaker, I object.

Mr. Speaker, I ask that we start calling the Consent Calendar and treat all alike. Let us take the Consent Calendar as we come to it.

Mr. McLAUGHLIN. Will the gentleman withhold his objection?

Mr. McFARLANE. I will reserve it, but I guarantee the gentleman I will object.

Mr. McLAUGHLIN. I may say that this bill, for some reason, did not go to the Committee on Claims. It went to the Committee on the Judiciary and it was fully considered by that committee and reported out unanimously. I would appreciate it very much if the gentleman would withhold his objection. This is a very meritorious bill.

Mr. McFARLANE. There are many meritorious bills on the calendar. Why not let it take its place?

Mr. McLAUGHLIN. The point is that if the bill is not passed now, the chances are that it will not be passed at the present session. The State of Nebraska has been without this money since January 1934. If we pass this bill, it will get this money. It is not a controversial bill. I ask the gentleman to kindly withdraw his objection.

Mr. McFARLANE. Very well, Mr. Speaker; I will withdraw my objection.

Mr. ZIONCHECK. Mr. Speaker, I object.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

NAVAL RESERVE AND MARINE CORPS RESERVE

The Clerk called the first bill on the Consent Calendar, H. R. 5731, to amend in certain particulars the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve", as amended, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GRAZING RESERVE FOR INDIANS OF FORT M'DERMITT, NEV.

The Clerk called the next bill, H. R. 4126, to reserve certain public-domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nev.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EQUESTRIAN STATUE OF GEN. ROBERT E. LEE

The Clerk called the resolution (H. J. Res. 232) authorizing the erection of an equestrian statue of Gen. Robert E. Lee in the Arlington National Cemetery.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, in view of the fact that the sponsor of the bill is not here, I ask unanimous consent that it may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. McFARLANE. Mr. Speaker, I object.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. JENKINS of Ohio, Mr. TABER, and Mr. WOLCOTT objected.

BRIDGE ACROSS OHIO RIVER AT SISTERSVILLE, W. VA.

The Clerk called the next bill, H. R. 7592, to extend the times for commencing and completing the construction of a bridge across the Ohio River at Sistersville, W. Va.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, is this a public toll bridge or a private toll bridge?

Mr. JOHNSON of West Virginia. This is a public toll bridge, but is self-liquidating.

Mr. ZIONCHECK. And after it has been liquidated it will be a free bridge?

Mr. JOHNSON of West Virginia. Yes.

Mr. ZIONCHECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Ohio River at Sistersville, W. Va., authorized to be built by the Sistersville Bridge Board of Trustees by an act of Congress approved June 18, 1934, are hereby extended 1 and 3 years, respectively, from June 18, 1935.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 6, strike out the word "Trustees" and insert the word "Trustees,".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT RULO, NEB.

The Clerk called the next bill, S. 1988, to extend the time for the construction of a bridge across the Missouri River at or near Rulo, Neb.

The SPEAKER. Is there objection?

Mr. McFARLANE. Mr. Speaker, I object.

Mr. LUCKEY. Mr. Speaker, will not the gentleman withhold his objection?

Mr. McFARLANE. Mr. Speaker, I withhold my objection for the moment.

Mr. ZIONCHECK. Mr. Speaker, I think there has been a misunderstanding with regard to this bill. Is this located in Richardson County?

Mr. LUCKEY. Yes; Richardson County.

Mr. ZIONCHECK. It is not to be a private toll bridge.

Mr. COSTELLO. Has this bridge been approved by the Department of Agriculture?

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to insert at this point a letter from the Department of Agriculture approving this project. The Department of Agriculture objected to this bridge at one time but now they have withdrawn their objection, inasmuch as it is not to be a private toll bridge but a public toll bridge.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The letter referred to follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., August 14, 1935.

Hon. HENRY C. LUCKEY,
House of Representatives.

DEAR MR. LUCKEY: Receipt is acknowledged of your letter of August 6 relating to the adverse report of this Department on S. 1988, which provides for extending for 1 and 3 years, respectively, the times for commencing and completing the construction of a bridge over the Missouri River at or near Rulo, Nebr., authorized by act of Congress approved March 4, 1933.

The act approved March 4, 1933, authorized certain individuals named therein, their heirs, legal representatives, and assigns to construct a privately owned toll bridge at or near Rulo. Upon request of the Chairman of the Senate Committee on Commerce for a report on S. 1988, the Department recommended against favorable action on the bill. From your letter it appears that the individuals who were granted authority to construct the bridge have assigned all of their rights to the Commissioners of Richardson County. It is also understood that the county proposes to construct the bridge and provide for its payment by the creation of a sinking fund from the collection of tolls sufficient for its amortization, after which it will be operated as a free structure.

In view of the foregoing, the Department would have no further objection to the passage of this bill; and, should the Committee on Interstate and Foreign Commerce request its opinion, favorable action will be recommended.

Sincerely yours,

H. A. WALLACE, *Secretary.*

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by an act of Congress approved March 4, 1933, to be built by John C. Mullen, John H. Hutchings, and William Shepherd, their heirs, legal representatives, and assigns, across the Missouri River at or near Rulo, Nebr., are hereby extended 1 and 3 years, respectively, from March 4, 1935.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Amend the title so as to read: "An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr."

RECONSTRUCTION FINANCE CORPORATION

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8279) to authorize the Reconstruction Finance Corporation to make loans to institutions organized for the purpose of making loans for the payment of taxes on real estate, and for other purposes. This is no. 309 on the Consent Calendar.

Mr. Speaker, I make this request because the Chairman of the Banking and Currency Committee momentarily is in the Chamber from a conference on the banking bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. McFARLANE and Mr. ZIONCHECK objected.

CLEAR LAKE AND LOST RIVER, STATE OF CALIFORNIA

The Clerk called the next bill, H. R. 6773, to deepen the irrigation channel between Clear Lake and Lost River, in the State of California, and for other purposes.

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

UTE INDIANS

The Clerk called the next bill, S. 381, for the relief of the Confederated Bands of Ute Indians located in Utah, Colorado, and New Mexico.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $161,400 be, and the same is hereby, authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payment to the Confederated Bands of Ute Indians in full compensation as to claim for principal sum for 64,560 acres of land in western Colorado, taken from the said Indians by the United States and set aside as a naval oil reserve by Executive orders, dated December 6, 1916, and September 27, 1924; said sum to be placed on the books of the Treasury Department to the credit of the Confederated Bands of Ute Indians in the proportions specified by the act of June 15, 1880 (21 Stat. L. 199), to bear interest at 4 percent per annum and from the date of the passage of this act, but without prejudice to the claim of said Indians for 4 percent interest on said sum from the dates of said Executive orders, respectively.

SEC. 2. The Secretary of the Treasury is hereby authorized to pay, out of said appropriation when made, such fees and expenses as the Secretary of the Interior may deem reasonable, on a quantum meruit basis, for services rendered by attorneys or agents having approved or heretofore approved contracts with said Indians, or approved assignments thereof, not to exceed, however, a total of 10 percent of the amount appropriated hereunder, as follows:

(1) A contract with Southern Ute Band and the Ute Mountain Band approved July 7, 1928, a partial assignment of which was approved on May 28, 1929.

(2) A contract with the Uintah and White River Bands, approved on October 8, 1932, an assignment of which was approved on February 13, 1935.

(3) A contract with the Uncompahgre Band approved October 8, 1932, an assignment of which was approved on February 13, 1935.

Mr. TABER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 3, after line 3, insert "*Provided*, That from the amounts authorized to be appropriated for the foregoing purposes shall be deducted all gratuities granted to said tribe as defined in the second deficiency appropriation bill for 1935."

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 6, after the word "act", strike out all down to the end of line 8.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JURISDICTION OF COURT OF CLAIMS

The Clerk called the next bill, H. R. 7779, conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon.

Mr. LESINSKI, Mr. McFARLANE, and Mr. COSTELLO objected.

EXPERIMENTAL STATION OF BUREAU OF MINES AT SALT LAKE CITY

The Clerk called the next bill, H. R. 7322, to provide for the establishment and maintenance of a central research and experiment station of the Bureau of Mines at Salt Lake City, Utah.

Mr. COSTELLO and Mr. McFARLANE objected.

Mr. MURDOCK. May I make a short statement? Salt Lake City is right in the center of probably the greatest metal-mining section of the United States. This bill was thoroughly considered by the Committee on Mines and Mining and after full consideration by the Bureau of Mines. I do not think there is any question but what the work of the Bureau of Mines there certainly justifies the small amount of this appropriation.

Mr. COSTELLO. Does not the Bureau of Mines operate similar stations of this sort near there?

Mr. MURDOCK. They operate a very small inconsequential station out there that has not the facilities to carry on the necessary work. By reason of the location of Salt Lake City, being in the center of our metal-mining industry, we are asking that this appropriation may be made.

Mr. ZIONCHECK. Are there not 11 experimental stations in the United States now?

Mr. MURDOCK. That is true, but the facilities that now exist at Salt Lake City are practically worthless.

Mr. ZIONCHECK. Is that not true of the other 10 or 11 stations outside of Pittsburgh?

The regular order was demanded.

The SPEAKER. The regular order is: Is there objection to the consideration of the bill?

Mr. LESINSKI, Mr. COSTELLO, and Mr. BACON objected.

BRIDGE ACROSS CHESAPEAKE BAY BETWEEN BALTIMORE AND KENT COUNTIES, MD.

The Clerk called the next bill, S. 2156, to extend the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md., authorized to be built by the Chesapeake Bay Bridge Co. by section 11 of the act of Congress approved March 4, 1933, and extended by act of Congress approved June 12, 1934, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HYDROELECTRIC DEVELOPMENT ON COLUMBIA RIVER

The Clerk called the next bill, H. R. 5449, to provide for the development of hydroelectric power at Cabinet Gorge on the Clark Fork of the Columbia River in the proximity of the Montana-Idaho State line, and for the rehabilitation of irrigation districts, and for other purposes.

The SPEAKER. Is there objection?

Mr. LESINSKI, Mr. McFARLANE, Mr. COSTELLO, Mr. MILLARD, Mr. TABER, and Mr. BACON objected.

ANDREW JOHNSON HOMESTEAD, GREENEVILLE, TENN.

The Clerk called the next bill, H. R. 1420, to provide for the acquisition of the Andrew Johnson Homestead, Greeneville, Tenn., as a national shrine.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That for the purpose of preserving the Andrew Johnson Homestead, located between Main and College Streets, Greeneville, Tenn., as a national shrine and memorial to Andrew Johnson, the seventeenth President of the United States, the Secretary of the Interior is authorized and directed to acquire the lands embraced within such homesteads, together with all the buildings and appurtenances thereon, at a cost not to exceed $100,000.

SEC. 2. The administration, protection, and development of such shrine shall be exercised under the direction of the Secretary of the Interior by the Office of National Parks, Buildings, and Reservations, subject to the provisions of the act entitled, "An act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary, to carry out the provisions of section 1 of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That when title to the site of the Andrew Johnson homestead and the site of the tailor shop in which Andrew Johnson worked (now owned and administered by the State of Tennessee), located in Greeneville, Tenn., together with such buildings and property located thereon as may be designated by the Secretary of the Interior as necessary or desirable for national-monument purposes shall have been vested in the United States, said area and improvements, if any, together with the burial place of Andrew Johnson, now administered as a national cemetery, shall be designated and set apart by proclamation of the President for preservation as a national monument for the benefit and inspiration of the people and shall be called the 'Andrew Johnson National Monument.'

"SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to acquire on behalf of the United States out of any funds allotted and made available for this project by proper authority or out of any donated funds, by purchase at prices deemed by him reasonable, or by condemnation under the provisions of the act of August 1, 1888 (25 Stat. 357), or to accept by donation, such land, interests in land, and/or buildings, structures, and other property within the boundaries of said national monument as determined and fixed hereunder, and he is further authorized to accept donations of funds for the purchase and/or maintenance thereof.

"SEC. 3. That the administration, protection, and development of the aforesaid national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535), entitled 'An act to establish a National Park Service, and for other purposes', as amended."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read: "A bill to provide for the Andrew Johnson Homestead National Monument."

UINTAH, WHITE RIVER, AND UNCOMPAHGRE BANDS OF UTE INDIANS

The Clerk called the next bill, H. R. 6019, authorizing an appropriation for payment to the Uintah, White River, and Uncompahgre Bands of the Ute Indians in the State of Utah for certain coal lands, and for other purposes.

Mr. LESINSKI, Mr. McFARLANE, and Mr. COSTELLO objected.

Mr. MURDOCK. Will the gentlemen withdraw their objection and allow the bill to go over without prejudice?

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

JURISDICTION OF COURT OF CLAIMS, TRIBES OF INDIANS IN OREGON

The Clerk called the next bill, S. 2097, conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon.

Mr. LESINSKI, Mr. McFARLANE, and Mr. COSTELLO objected.

FEDERAL BUILDING SITES

The Clerk called the next bill, H. R. 7626, to dispose of Federal building sites to States, municipalities, counties, or other civil divisions.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I want to clear up a matter on page 2, line 11, where it provides that the total price shall in no case be less than 50 percent of the appraised value of the land. That means usually appraisals made by the appraising officer of the municipality. Inasmuch as the municipality in this case will take over the property, it seems to me, knowing as I do the intention of the committee as to how this appraisal should be made, that it would be proper to clarify this language so that there will be no misunderstanding about the matter.

Mr. LANHAM. There is no objection to an amendment of that nature.

Mr. WOLCOTT. It is the intention of the committee and of the Congress, I am sure, to have the appraisal made by the Government, and not by the municipalities.

Mr. LANHAM. In connection with the committee consideration of this bill, it was clearly their intention that the appraisal should be made by the Government and not by municipalities.

Mr. WOLCOTT. The gentleman means to have an appraisal placed upon it by the Department and not by the municipality taking over the property?

Mr. LANHAM. That is right.

Mr. ZIONCHECK. Mr. Speaker, I think this should be corrected by way of an amendment, because I do not think a discussion on the floor of the House would have any bearing upon an interpretation by a court.

Mr. LANHAM. I think it would show the legislative intent, in view of the fact that was the opinion of the committee; however, I have no objection to an amendment of that character.

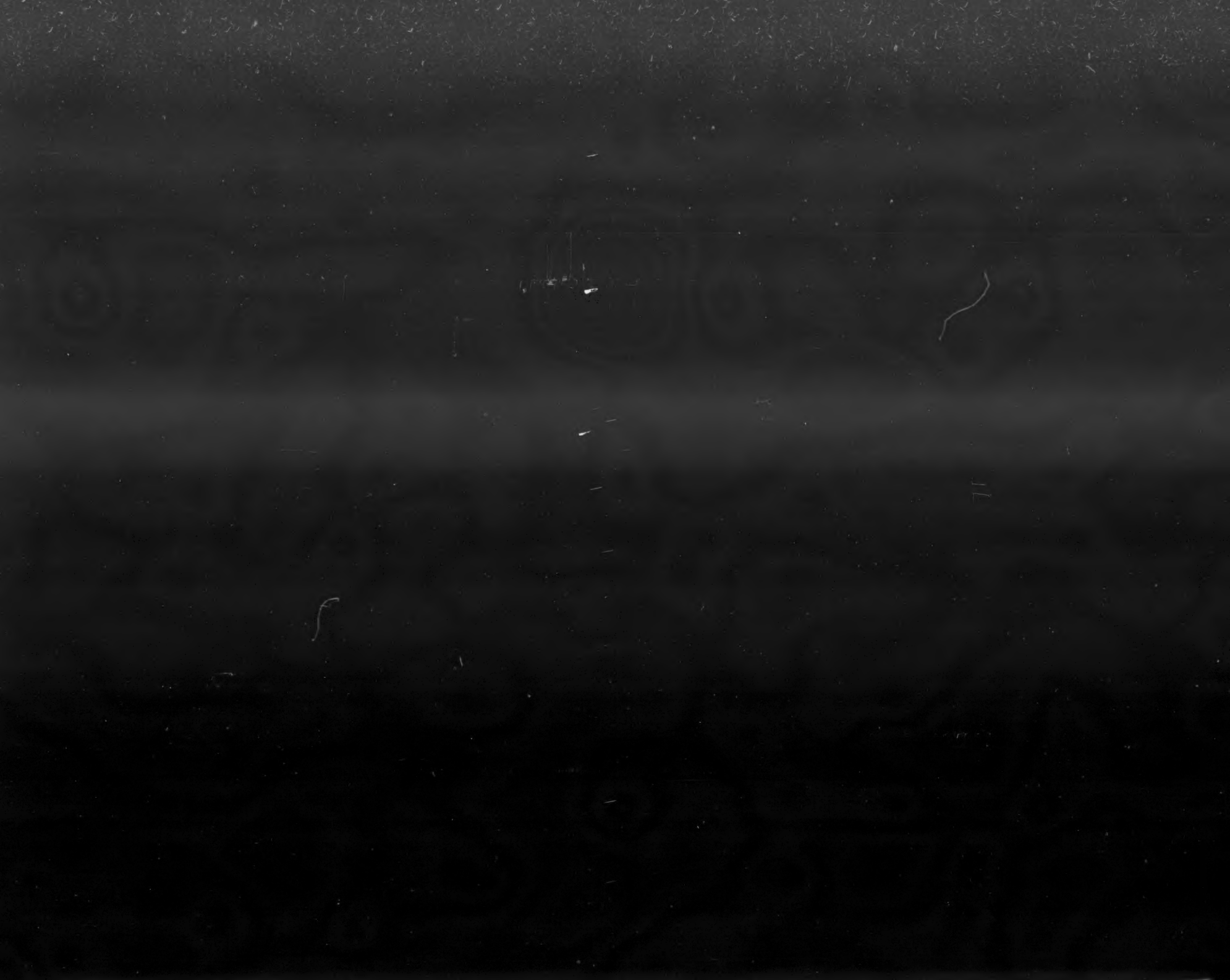
The SPEAKER. Is there objection?

There was no objection.

Mr. DOBBINS. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2626) be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to suitably dispose of certain Federal buildings and the sites thereof under the control of the Treasury Department, which have been supplemented by new structures, and for which the Secretary of the Treasury has determined there is no further Federal need, he is hereby authorized, in his discretion, if he deems it to be in the best interests of the Government, to sell such buildings and sites or parts of sites to States, counties, municipalities, or other duly constituted political subdivisions of States for public use upon such terms, pursuant to such rules and regulations promulgated by him, as he deems proper, and to convey the same by the usual quitclaim deed, and he may enter into long-term contracts for the payment of the purchase price in such installments as he deems fair and reasonable and may furthermore waive any requirements for interest charges on deferred payments: *Provided*, That the total purchase price shall in no case be less than 50 percent of the appraised value of the land: *Provided further*, That the proceeds of the sales shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That in the event portions of any Federal building sites under the control of the Treasury Department are desired by municipalities by reason of any duly authorized, comprehensive street-widening program, the Secretary of the Treasury may deed to such municipalities, without cost, such areas needed for street uses as may be dedicated without jeopardy to the Federal interest.



Mr. DOBBINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOBBINS: Page 1, line 5, after the words "which have been", strike out the word "supplemented" and insert in lieu thereof the word "supplanted."

The amendment was agreed to.

Mr. McFARLANE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McFARLANE: Page 2, line 8, of the Senate bill, after the word "the", insert the word "present"; and after the word "land", in line 8, page 2, add "the appraisal to be made by the Treasury Department."

Mr. McFARLANE. Mr. Speaker, this amendment will meet the suggestion of the gentleman from Michigan.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. WOLCOTT. My suggestion was that you take out the word "appraised" and not substitute the word "present", because this is permanent legislation and the value of the property might be very much less or very much more in the future than at the present time.

Mr. McFARLANE. I accept that amendment. The thought I had in mind was the appraisal at the time the property is sold.

Mr. WOLCOTT. Does it not accomplish the purpose if it reads in this way, "that the total purchase price shall in no case be less than 50 percent of the appraised value of the land as appraised by the Treasury Department"?

Mr. McFARLANE. I wanted it understood that it was to be the value at the time they disposed of the property.

Mr. WOLCOTT. Then I think you should say at the time of the disposal of the property instead of the present time, because the property may not be sold for 50 or 100 years from now.

Mr. McFARLANE. It is agreeable to me for the gentleman to offer that as an amendment to the amendment.

Mr. WOLCOTT. Then, Mr. Speaker, I offer as an amendment to the amendment that the word "present" be stricken from the amendment.

The Clerk read as follows:

Amendment to the amendment offered by Mr. WOLCOTT: Strike from the amendment the word "present" after the word "the", on page 2, line 8.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 7626 was laid on the table.

MEMORIAL TO FOURTH DIVISION, AMERICAN EXPEDITIONARY FORCES

The Clerk called the next resolution, House Joint Resolution 120, to provide for the erection of a suitable memorial to the Fourth Division, American Expeditionary Forces.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. Without objection, the Clerk will report a similar Senate joint resolution (S. J. Res. 69).

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the Director of the National Park Service be, and he is hereby, authorized and directed to grant permission to the Fourth Division Memorial Association, American Expeditionary Forces, through Maj. Gen. George H. Cameron, United States Army, retired, president, or his successors in office, for the erection as a gift to the people of the United States on public grounds in the District of Columbia, a memorial to the Fourth Division: *Provided*, That the design and location for the memorial shall be approved by the National Commission of Fine Arts: *Provided further*, That such monument shall be erected under the supervision of the Director of the National Park Service, of the Department of the Interior, and that the United States shall be put to no expense in or by the erection of said monument.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House joint resolution (H. J. Res. 120) was laid on the table.

BRIDGE ACROSS THE BLACK RIVER NEAR POPLAR BLUFF, MO.

The Clerk called the bill (H. R. 7740) granting the consent of Congress to the State Highway Commission of Missouri to construct, maintain, and operate a free highway bridge across the Black River at or near the north line of section 2, township 24 north, range 6 east, near Poplar Bluff, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of Missouri to construct, maintain, and operate a free highway bridge and approaches thereto across the Black River, at a point suitable to the interests of navigation, at or near the north line of section 2, township 24 north, range 6 east, near Poplar Bluff, Mo., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, line 1, strike out "an" and insert the word "the."

Page 2, line 3, after the figures "1906", insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MONONGAHELA RIVER AT ELIZABETH, PA.

The Clerk called the bill (H. R. 7897) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a bridge across the Monongahela River at Elizabeth, in the county of Allegheny, Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania and its successors and assigns, to construct, maintain, and operate a free bridge and approaches thereto across the Monongahela River, at a point suitable to the interest of navigation, at the Borough of Elizabeth, between Forward and Jefferson Townships, Allegheny County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, after the word "Pennsylvania", strike out the words "and its successors and assigns."

Page 1, line 5, after the word "free", insert "highway."

Page 1, line 7, strike out the word "interest" and insert the word "interests."

Page 1, line 8, before the word "the", insert "or near."

Page 2, line 5, after the figures "1906", insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Amend the title so as to read: "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Elizabeth, in the county of Allegheny, Commonwealth of Pennsylvania."

BRIDGE ACROSS THE ALLEGHENY AT PORT ALLEGANY, PA.

The Clerk called the bill (H. R. 7924), granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a bridge across the Allegheny River at Port Allegany, in the county of McKean, State of Pennsylvania.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania, and its successors and assigns, to construct, maintain, and operate a free bridge and approaches thereto across the Allegheny River, at a point suitable to the interests of navigation, at the borough of Port Allegany, in Liberty Township, county of McKean, in the Commonwealth of Pennsylvania, in accordance with the provisions of

the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, after the word "Pennsylvania", strike out "and its successors and assigns."

Page 1, line 5, after the word "free", insert the word "highway."

Page 1, line 7, after the word "at", insert "or near."

Page 2, line 4, after the figures "1906", insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Amend the title so as to read: "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Port Allegany, in the county of McKean, Commonwealth of Pennsylvania."

BRIDGE ACROSS ALLEGHENY RIVER, FORD CITY, PA.

The Clerk called the bill (H. R. 7928) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at or near Ford City, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge and approaches thereto across the Allegheny River at a point suitable to the interests of navigation, at the borough of Ford City, and between Manor and North Buffalo Townships, county of Armstrong, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 25, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 7, after the word "at", insert "or near", and on page 2, line 4, strike out the figures "25" and insert "23", and after the figures "1906" insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to, and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS SUSQUEHANNA RIVER AT WYALUSING, PA.

The Clerk called the bill (H. R. 7932) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a bridge across the Susquehanna River, at Wyalusing, in the county of Bradford, Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania, and its successors and assigns, to construct, maintain, and operate a free bridge and approaches thereto across the Susquehanna River, at a point suitable to the interests of navigation, at or near the borough of Wyalusing, and between Wyalusing and Terry Townships, Bradford County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, after the word "Pennsylvania", strike out the comma and the words "and its successors and assigns", and on line 5, after the word "free" insert the word "highway."

Page 2, line 4, after the figures "1906" insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River at or near Wyalusing, in the county of Bradford, Commonwealth of Pennsylvania."

BRIDGE ACROSS PUGET SOUND

The Clerk called the bill (H. R. 7979) to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as "The Narrows" in the State of Washington.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across Puget Sound, State of Washington, at or near a point commonly known as "The Narrows", at a point suitable to the interests of navigation, authorized to be built by the county of Pierce, a legal subdivision of the State of Washington, by the act of Congress approved May 28, 1934, are hereby extended 1 and 3 years, respectively, from May 28, 1934.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 6, strike out the words "at a point suitable to the interests of navigation" and in line 8, strike out the word "the" where it occurs the second time and insert the word "an", and on page 2, line 2, strike out "May 28, 1934" and insert "the date of approval hereof."

The committee amendments were agreed to and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MAHONING RIVER, EDINBURG, PA.

The Clerk called the bill (H. R. 8098) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Edinburg, in the county of Lawrence, Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge and approaches thereto across the Mahoning River, at a point suitable to the interests of navigation, at or near the village of Edinburg, in Mahoning Township, county of Lawrence, in the Commonwealth of Pennsylvania, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, line 1, correct the spelling of the word "accordance", line 2, strike out the word "an" where it occurs the first time and insert "the" and line 4, insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS OHIO RIVER, OWENSBORO, KY.

The Clerk called the bill (H. R. 8131) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Owensboro, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Ohio River, at or near Owensboro, Ky., authorized to be built by the State Highway Commission of Kentucky, by an act of Congress approved June 9, 1932, and extended, respectively, 1 and 3 years from June 9, 1933, by an act of Congress approved June 9, 1933, are hereby extended 1 and 3 years, respectively, from the date of passage of this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 7, after the word "and", insert "heretofore", and after the word "extended", strike out the comma and the words "respectively, 1 and 3 years from June 9, 1933", and in line 9, after the word "hereby", insert the word "further."

Page 2, line 2, strike out "passage of this act" and insert "approval hereof."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS ALLEGHENY RIVER AT EMLENTON, PA.

The Clerk called the bill (H. R. 8183) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at Emlenton, in the county of Venango, Commonwealth of Pensylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge and approaches thereto across the Allegheny River, at a point suitable to the interests of navigation, at the borough of Tionesta, in Tionesta Township, and Scrubgrass Townships, Venango County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 7, after the word "at", insert "or near"; and on page 2, line 4, after the figures "1906", insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Emlenton, in the county of Venango, Commonwealth of Pennsylvania."

BRIDGE ACROSS ALLEGHENY RIVER AT TIONESTA, PA.

The Clerk called the bill (H. R. 8187) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at Tionesta, in Tionesta Township, and in the county of Forest, and in the Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge, and approaches thereto across the Allegheny River, at a point suitable to the interests of navigation, at the borough of Tionesta, in Tionesta Township, Forest County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 5, strike out the word "bridge", and insert "bridge." Line 7, after the word "at", insert the words "or near."

Page 2, line 3, after the figures "1906", insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Tionesta, in Tionesta Township, in the county of Forest, and in the Commonwealth of Pennsylvania."

BRIDGE ACROSS ALLEGHENY RIVER AT EAST BRADY, PA.

The Clerk called the next bill, H. R. 8189, granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at East Brady, in the counties of Clarion and Armstrong, and in the Commonwealth of Pennsylvania.

The SPEAKER. Is there objection?

There being no objection the Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania, to construct, maintain, and operate a free highway bridge, and approaches thereto across the Allegheny River, at a point suitable to the interests of navigation, at the borough of East Brady, between Brady Township, Clarion County, and Bradys Bend Township, Armstrong County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, strike out "' Pennsylvania," and insert "Pennsylvania";

Page 1, line 5, strike out "bridge," and insert "bridge";

Page 1, line 7, after the word "at", insert "or near";

Page 2, line 6, after the figures insert "and subject to the conditions and limitations contained in this act."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near East Brady, in the counties of Clarion and Armstrong, and in the Commonwealth of Pennsylvania."

BRIDGE ACROSS LAKE CHAMPLAIN AT WEST SWANTON, VT.

The Clerk called the next bill, S. 2681, to extend the times for commencing and completing the construction of a bridge across Lake Champlain at or near West Swanton, Vt., and for other purposes.

The SPEAKER. Is there objection?

There being no objection the Clerk read, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act granting the consent of Congress to the State Board of Public Works of the State of Vermont to construct, maintain, and operate a toll bridge across Lake Champlain at or near West Swanton, Vt.", approved June 18, 1934, is amended by striking out the word "twenty-five" and inserting in lieu thereof the word "fifty."

SEC. 2. The times for commencing and completing the construction of such bridge are hereby extended 1 and 3 years, respectively, from June 18, 1935.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the times for commencing and completing the construction of a bridge across Lake Champlain, at or near West Swanton, Vt., authorized to be built by the State Board of Public Works of the State of Vermont, by an act of Congress approved June 18, 1934, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

"SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read as follows: "An act to extend the times for commencing and completing the construction of a bridge across Lake Champlain at or near West Swanton, Vt."

FORT SMITH NATIONAL CEMETERY RESERVATION, ARK.

The Clerk called the next bill, S. 634, to authorize the sale of a portion of the Fort Smith National Cemetery Reservation, Ark., and for other purposes.

Mr. LESINSKI. Mr. Speaker I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RICHMOND NATIONAL BATTLEFIELD PARK

The Clerk called the next bill, H. R. 1415, to provide for the establishment of the Richmond National Battlefield Park, in the State of Virginia, and for other purposes.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I object.

Mr. BLAND. Will the gentleman reserve his objection?

Mr. RICH. I will reserve the objection.

Mr. BLAND. This is a bill of my colleague, Mr. MONTAGUE. I simply wish to bring to the attention of the gentleman that this property is now owned by the State of Virginia and is intended to be turned over to complete the system of parks with the Fredericksburg Park, the Petersburg Park, and these other battlefields around Richmond. The roads are already built.

Mr. RICH. I just wish to say to the gentlemen that the State of Virginia has more parks that they have turned over to the Federal Government than they know what to do with. It is time we stopped turning over these State parks to the Federal Government, because the Federal Government cannot stand it. I object.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, as it is my colleague's bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COLONIAL NATIONAL MONUMENT, VA.

The Clerk called the next bill, H. R. 5722, to provide for the addition or additions of certain lands to the Colonial National Monument in the State of Virginia.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

OFFICIAL REGISTER OF THE UNITED STATES

The Clerk called the next bill, H. R. 8473, to provide for the compiling and publishing of the Official Register of the United States.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Reserving the right to object, I wonder if the chairman of the committee would explain just why this bill is necessary? We publish at this time a Register. I wish the gentleman would explain the difference between this new Register and the present Register?

Mr. RAMSPECK. The Chairman of the Committee on Printing is not present. I introduced this bill at the request of the president of the Civil Service Commission. Because of the change in the date of the convening of Congress and of the inauguration of new officials it was necessary to change the date of publishing the Register, because under the old statute it was published before the changes were made, and very soon it was of no value. That is the real purpose of it.

Mr. CELLER. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. CELLER. Of course, I shall not object. I just wish to state that the Committee on the Judiciary passed a bill, which was subsequently passed by this House and passed by the Senate and signed by the President, called a bill for the setting up of an Official Register. This bill provides for the setting up of an Official Register for the purpose of publishing data coming out of the Civil Service Commission. I think the author of the bill might take heed and change the title of the publication, because there might be confusion.

Mr. WOLCOTT. I notice also another difference, that this publication would be made by the Civil Service Commission and not by the Bureau of the Census, as heretofore.

Mr. RAMSPECK. If the gentleman has read the report, that change was made not by us but was made by section 2 of Public Act No. 539 of the Sixty-eighth Congress.

Mr. WOLCOTT. Mr. Speaker, I withdraw my reservation of objection.

Mr. TABER. Reserving the right to object, how much will this bill cost?

Mr. RAMSPECK. I do not think it will cost anything. It is simply changing the date of doing something we have been doing for years.

Mr. TABER. Is it the same thing?

Mr. RAMSPECK. Yes.

The SPEAKER. Is there objection?

There being no objection the Clerk read as follows:

Be it enacted, etc., That the United States Civil Service Commission shall cause to be compiled, edited, indexed, and published each year an Official Register of the United States, which shall contain a full and complete list of all persons occupying administrative and supervisory positions in the legislative, executive, and judicial branches of the Government, including the District of Columbia, in connection with which salaries are paid from the Treasury of the United States. The Register shall show the name; official title; salary, compensation, and emoluments; legal residence and place of employment for each person listed therein: *Provided, however*, That the Official Register shall not contain the name of any postmaster or assistant postmaster, or any officer of the Army, Navy, and Marine Corps, unless such officer is assigned as an administrative officer.

SEC. 2. To enable the United States Civil Service Commission to compile and publish the Official Register of the United States as early as practicable after the 1st of June of each year, the Executive Office, the legislative and judicial branches of the Government, the Commissioners of the District of Columbia, and the head of each executive department, independent office, establishment, and commission of the Government shall, as of the 1st day of May of each year, beginning with May 1, 1936, supply to the United States Civil Service Commission the data required by this Act, upon forms approved and furnished by the Commission, in due time to permit the publication of the Official Register as herein provided; and no extra compensation shall be allowed to any officer, clerk, or employee of the United States Civil Service Commission for compiling the Official Register.

SEC. 3. Of the Official Register there shall be printed, bound, and delivered to the Superintendent of Documents and charged to the congressional allotment for printing and binding a sufficient number of copies for distribution as follows: To the President of the United States, 4 copies, 1 copy of which shall be for the library of the Executive Office; to the Vice President of the United States, 2 copies; to each Senator, Representative, Delegate, and Resident Commissioner in Congress, 3 copies; to the Secretary and the Sergeant at Arms of the Senate and to the Clerk, the Sergeant at Arms, and the Doorkeeper of the House of Representatives, each 1 copy; to the library of the Senate and the House, each, not to exceed 15 copies; to the library of the Supreme Court, 2 copies; to the Library of Congress, for international exchange and for official use in Washington, D. C., not to exceed 150 copies; to the municipal library of the District of Columbia, 2 copies; and to the Commissioners of the District of Columbia, 10 copies. The "usual number" shall not be printed.

SEC. 4. The head of each executive department, independent office, or establishment of the Government, not mentioned above, desiring copies of the Official Register shall issue, on or before May 1 of each year, a requisition upon the Public Printer for the number of copies of the Official Register necessary to meet its official requirements, the cost of such supply to be charged to the appropriations available for printing and binding for such executive department, independent office, or establishment.

SEC. 5. That section 510 of the Revised Statutes of the United States and section 2 of the act discontinuing the printing of certain Government publications, and for other purposes (43 Stat. 1105), approved March 3, 1925, and all acts or parts of acts amendatory thereof or supplementary thereto, be, and the same are hereby, repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT SMITH NATIONAL CEMETERY RESERVATION, ARK.

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to return to Calendar No. 301, the bill S. 364, to authorize the sale of a portion of the Fort Smith National Cemetery Reservation, Ark., and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized, under such terms and conditions as he deems advisable, to sell and convey by quitclaim deed to the Midland Valley Railroad Co., its successors and assigns, the right, title, and interest of the United States in and to a tract of land containing approxi-

mately one-tenth acre, outside of the wall enclosure of the Fort Smith National Cemetery Reservation, Ark.

SEC. 2. That the Secretary of War shall cause an appraisal to be made of the aforesaid land, the cost of such appraisal to be paid by the Midland Valley Railroad, and said land shall be sold at not less than the appraised value thereof, the proceeds from such sale to be deposited into the Treasury to the credit of the fund known as the "military post construction fund" as provided in section 4 of the act of March 12, 1926 (44 Stat. 203).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOMESTEAD NATIONAL MONUMENT OF AMERICA, GAGE COUNTY, NEBR.

The Clerk called the next bill, S. 1307, to establish the Homestead National Monument of America in Gage County, Nebr.

Mr. BACON. Mr. Speaker, I object.

Mr. STEFAN. Mr. Speaker, will the gentleman withhold his objection?

Mr. BACON. Mr. Speaker, I withhold my objection to permit the gentleman to make an explanation.

Mr. STEFAN. This bill provides for the establishment of the Homestead National Monument, memorializing the first patented homestead in the United States. We appropriate thousands and thousands of dollars for statues and monuments all over the United States——

Mr. BACON. I may say to the gentleman that is one of the things I object to, the appropriation of thousands and thousands of dollars to establish national monuments all over the country. I am strongly of the belief that the States themselves should establish and maintain these monuments, and not put this burden on the Federal Government.

Mr. YOUNG. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is called for. Is there objection to the consideration of the bill?

Mr. BACON. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RECONSTRUCTION FINANCE CORPORATION

The Clerk called the next bill, H. R. 8279, to authorize the Reconstruction Finance Corporation to make loans to institutions organized for the purpose of making loans for the payment of taxes on real estate, and for other purposes.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, would the proponent of this bill be willing to have inserted in the RECORD at this point a copy of the statute of New York for the benefit of other States who may not have statutory provisions enabling them to comply with the provisions of the pending bill, that they may have a pattern for suitable legislation?

Mr. CELLER. I shall be happy to do so.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that the New York State statute may be printed at this point in the RECORD for the information of other States.

Mr. McFARLANE. Mr. Speaker, reserving the right to object, and I shall not object, I want to ask the gentleman a question. I do not see any provision in this bill protecting the Government as to loans. It provides that money to pay these taxes shall be loaned to some money changer, some lending concern. What protection will the Government have for money loaned these concerns?

Mr. CELLER. The Government in turn would receive from the corporation lending the money conditional tax receipts. For example, when a taxpayer borrows he turns over, with the consent of the city, a conditional tax receipt. That is a lien on the property.

Mr. McFARLANE. I understand——

Mr. CELLER. The corporation which has loaned this money turns over these conditional receipts to the R. F. C.

Mr. McFARLANE. I am thinking of the many cases where taxes on the property amount to more than the property is worth.

Mr. CELLER. These corporations would not lend money on that kind of property and, therefore, would have no need to offer the R. F. C. that type of security.

Mr. McFARLANE. Does not the gentleman think we ought to write a limitation in the bill as to the amount of money that can be loaned on any property, not more than a certain percentage of the assessed value?

Mr. ZIONCHECK. Would not the gentleman feel that a limitation on railroads and banks would be more equitable and more in point rather than a limitation on loans to taxpayers?

Mr. CELLER. I do not think that would be essential at this time.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The statute referred to follows:

[Explanation: Matter in italics is new; matter in brackets [ ] is old law to be omitted]

The people of the State of New York, represented in senate and assembly, do enact as follows:

SECTION 1. Sections 97, 97-a, 97-b, 97-c, and 97-d of chapter 62 of the laws of 1909, entitled "An act in relation to taxation, constituting chapter 60 of the consolidated laws", as added by chapter 596 of the laws of 1934, is hereby amended to read as follows:

SEC. 97. Payments of taxes from loan corporations. Any municipal corporation may as hereinafter provided accept payment for taxes on real estate, *water rates*, or special assessments from any corporation organized under the laws of the State of New York for the purpose of extending loans to taxpayers for the payment of taxes and may as hereinafter provided issue therefor a conditional tax receipt. Such payment shall be conditionally credited by the municipal corporation against the taxes due on the specific property for which payment is made, but shall not extinguish the tax lien existing against said property by reason of said taxes, until the conditional tax receipt endorsed as paid is surrendered for cancelation to the municipal corporation. *Such payments may be used by the municipal corporation in the same manner as if they were made by the taxpayer directly.*

SEC. 97-a. Limitations. Municipal corporations may accept such payments from corporations extending loans for such purpose provided that such lending corporation shall have a minimum paid up capital of at least $1,000,000 and shall charge not more than 4 percent interest on unpaid balances on moneys loaned, nor more than 2 percent of the amount of the loan as a service charge for making said loan: *Provided, however,* That in the event of a default in the payment of such a loan the lending corporation may charge 6-percent interest per annum on all sums in default: *And provided furthermore,* That the lending corporation shall deposit the conditional tax receipt [with a banking institution] within 3 days after receiving the same *with a banking institution, trust company, State bank, national bank, or Federal Reserve bank of the district in which the municipal corporation is located.*

SEC. 97-b. Deposit and delivery of conditional tax receipts. Immediately upon the execution of the loan contract between the borrowing taxpayer and the lending corporation the said lending corporation shall pay to the municipal corporation the moneys provided for therein. The borrowing taxpayer shall make payments on [account of the] *said* loan to the banking institution with which the conditional tax receipt shall have been deposited *for the account of the lending corporation.* Such payments *when made* shall be *entered and acknowledged* [endorsed] *by the banking institution* upon the conditional tax receipt, and said conditional tax receipt shall remain in the possession of the said banking institution until the loan is fully discharged, or until there occurs a default. In the event the loan is fully discharged the conditional tax receipt endorsed as paid, shall be delivered to the borrowing taxpayer or person making the payment. In the event of default the conditional tax receipt shall be returned to the lending corporation at its option.

SEC. 97-c. Surrender of conditional tax receipt and issue of tax bill. Upon the surrender to the municipal corporation of the conditional tax receipt evidencing the discharge of the obligation created by the loan contract in connection with which the said conditional tax receipt was issued, the municipal corporation shall issue in lieu thereof a receipted tax bill. Such receipted tax bill shall bear the date of the conditional tax receipt and no *interest and/or* penalty shall be charged to the taxpayer for the period intervening between the date of the issuance of said conditional tax receipt and the date of its surrender; *but until such receipted tax bill shall be issued all penalties and/or interest imposed by the municipal corporation for tax default shall be added to the tax lien until the discharge of the obligation created by the loan contract in connection with which the said conditional tax receipt was issued, and such penalties and/or interest shall be canceled and be deemed satisfied upon the discharge of such obligation provided such obligation is discharged prior to the disposition of the tax lien as provided in section 97-d of this article.* If subsequent to the issuance of the conditional tax receipt and independently of the payment by the lending corporation to the municipal corporation of the taxes covered by the conditional tax receipt, payment of said taxes shall be made by any person *directly*

to the municipality in order to obtain a receipted tax bill, the lending corporation shall *forthwith* be repaid by the municipal corporation *from such payment* the balance due to it on the loan contract and it shall thereupon surrender to the municipal corporation the conditional tax receipt.

SEC. 97–d. Tax sales. Notwithstanding the issuance of a conditional tax receipt as provided by this act, the procedure now provided for by law for the sale *or offering for sale* of tax liens or properties for nonpayment of taxes shall in all cases remain unchanged as if the conditional tax receipt had not been issued, provided, however, that [no] such sale *or offering for sale* shall *not* be held before the expiration of 1 year from the date of the issuance of any conditional tax receipt, [nor later than] *but must be held within* 3 years from said date, notwithstanding the provision of any general or special law or charter provision to the contrary. Prior to said sale *or offering for sale*, however, the lending corporation shall be required to exhibit to the municipal authority having jurisdiction over the sale of tax liens or properties the conditional tax receipt showing payments made on account of the loan contract, if any, which payments shall be credited against the amount due for taxes against the property to be sold which credit shall be given as of the date of the conditional tax receipt. The municipal corporation receiving the proceeds of the tax sale shall *forthwith* pay out of said proceeds the amount due to the lending corporation on the loan contract in connection with which the conditional tax receipt was issued and the said conditional tax receipt shall be surrendered by the lending corporation upon receipt of said payment. *Until payment from the proceeds of the sale has been made to the lending corporation or a receipted tax bill has been issued in exchange for the conditional tax receipt the lending corporation, or its assigns, shall have an interest in and lien upon the tax lien or properties to the extent of the unliquidated portion of its loan; and the municipal corporation shall hold such interest and lien for the account of the lending corporation subject to the provisions of this article.*

SEC. 2. This act shall take effect immediately.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Reconstruction Finance Corporation Act, as amended, is amended by inserting after section 5e thereof the following new section:

"SEC. 5f. The Reconstruction Finance Corporation, in addition to the foregoing powers, is authorized and empowered to make loans to any institution organized for the principal purpose of lending money to taxpayers, for the payment of real-estate taxes, water rates, special assessments or special taxes on real estate, against the security of liens originating from such real-estate taxes, water rates, special assessments or special taxes, or any interest therein, and held by the taxing authority: *Provided further*, That such institution extends such loans at interest rates not exceeding 4 percent per annum plus a single service charge not exceeding 2 percent of the amount of the loan: *And provided further*, That if the State law under which the institution operates permits the institution to increase the interest rate in cases of default, such institutions shall not increase the interest rate to exceed 6 percent per annum in such cases."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRESNO COUNTY, CALIF.

The Clerk called the next bill, H. R. 7224, to conserve the water resources and to encourage reforestation of the watersheds of Fresno County by the withdrawal of certain public lands included within the Sequoia National Forest from location and entry under the mining laws.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the public lands of the United States within the boundaries of the Sequoia National Forest located in the State of California and hereinafter described are hereby withdrawn from location or entry under the mining laws of the United States:

All Government lands in sections 1, 2, 3, 4, 9, 10, 11, and 12, township 13 south, range 29 east; sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, and 24, township 13 south, range 30 east; sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, township 13 south, range 31 east; and sections 7, 8, 18, 19, 20, and 21, township 13 south, range 32 east, all Mount Diablo meridian, California.

SEC. 2. That this act shall not defeat or affect any lawful right which has already attached under the mining laws and which is hereafter maintained in accordance with such laws: *Provided*, That the President, upon recommendation of the Secretary of the Interior and the Secretary of Agriculture may, by Executive order, when in his judgment the public interest would best be served thereby, and after reasonable notice has been given through the Department of the Interior, restore to location and entry under the mining laws any of the lands hereby withdrawn therefrom.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS TENNESSEE RIVER AT SHEFFIELD, ALA.

The Clerk called the next bill, H. R. 8229, to amend the act approved June 12, 1934, relating to the granting of the consent of Congress to certain bridge construction across the Tennessee River at a point between the city of Sheffield, Ala., and the city of Florence, Ala.

Mr. CARMICHAEL. Mr. Speaker, I ask unanimous consent that an identical Senate bill, S. 3105, be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That the act entitled "An act granting the consent of Congress to the State of Alabama, its agent or agencies, and to Colbert County and to Lauderdale County in the State of Alabama, and to the city of Sheffield, Colbert County, Ala., and to the city of Florence, Lauderdale County, Ala., or to any two of them, or to either of them, to construct, maintain, and operate a bridge, and approaches thereto, across the Tennessee River at a point between the city of Sheffield, Ala., and the city of Florence, Ala., suitable to the interests of navigation", approved June 12, 1934, is amended to read as follows:

"That the consent of Congress is hereby granted to the State of Alabama, its agent or agencies, and to Colbert County and to Lauderdale County in the State of Alabama, and to the city of Sheffield, Colbert County, Ala., and to the city of Florence, Lauderdale County, Ala., and to the Highway Bridge Commission, Inc., of Alabama, or to any two of them, or to either of them, to construct, maintain, and operate a bridge, and approaches thereto, across the Tennessee River, at a point suitable to the interests of navigation, between Colbert County and Lauderdale County in the State of Alabama, in accordance with the provisions of an act entitled 'An act to regulate the construction of bridges over navigable waters', approved March 2, 1906.

"SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved."

Mr. CARMICHAEL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARMICHAEL: Page 2, after line 20, add a new section to read as follows:

"SEC. 2. The times for commencing and completing the construction of the bridge authorized to be built by such act approved June 12, 1934, as amended by section 1 of this act are hereby extended 1 and 3 years, respectively, from the date of the enactment of this amendatory act."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 8229) were laid on the table.

PRELIMINARY EXAMINATION OF GOLDSBOROUGH CREEK, WASH.

The Clerk called the next bill, H. R. 7994, to provide a preliminary examination of Goldsborough Creek, in Mason County, State of Washington, with a view to the control of its floods.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. There is a similar Senate bill on the subject which, without objection, will be substituted for the House bill.

There being no objection the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of Goldsborough Creek, in Mason County, State of Washington, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", ap-

proved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN LANDS IN DUVAL COUNTY, STATE OF FLORIDA

Mr. SEARS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 8345) authorizing the Secretary of the Navy to accept without cost to the United States certain lands in Duval County, State of Florida, with an amendment, which I send to the Clerk's desk.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is this bill on the Consent Calendar?

Mr. SEARS. No.

Mr. WOLCOTT. Mr. Speaker, I am constrained to object.

Mr. SEARS. Will the gentleman withhold his objection?

Mr. WOLCOTT. I will reserve my objection, but I shall object. I do not see any purpose in the gentleman explaining it now. I have no objection to the gentleman calling the bill up after we finish with the calendar.

Mr. SEARS. This is the only way to get the bill considered.

Mr. WOLCOTT. There are also about 15 Members who have bills on this calendar that they would like to have taken up.

Mr. SEARS. This building is about two-thirds completed. It was built out of P. W. A. funds. The city of Jacksonville donated the land and spent about $20,000. Now, unless the Government accepts this property we cannot complete the building with P. W. A. funds; therefore we must pass the bill during this session.

Mr. SNELL. That is another proposition of the Government spending money in a locality, then having to take over the property.

Mr. SEARS. This is not going to cost the Government anything.

Mr. SNELL. Is the gentleman sure of that?

Mr. SEARS. Absolutely. I have an amendment to take care of the situation. The Government will lease this building back to the State of Florida for $1 a year. The city of Jacksonville is not going to complete the building.

Mr. SNELL. And now they want the Federal Government to complete it?

Mr. SEARS. Out of P. W. A. funds.

Mr. SNELL. That will cost the Government some money.

Mr. SEARS. The Federal Government has about $70,000 in the building now. If we do not pass the bill the $70,000 goes back to the city of Jacksonville. The city of Jacksonville is willing for the Government to have their $30,000 which the city has put in the building, and the public-works fund is going to be spent to complete the building. The Naval Reserves are subject to call.

Mr. SNELL. Yes; but they are a purely local institution.

Mr. SEARS. In case of war they are subject to call.

Mr. SNELL. Every community that has Naval Reserves keeps them up.

Mr. SEARS. We are now paying rent. It does not cost the Government a dime, I will say to the gentleman from New York. I have an amendment to offer that the State of Florida must maintain this building.

Mr. SNELL. The gentleman does not mean to say that it will not cost the Government any money, because he has already admitted that the Government has to pay for the completion of the building.

Mr. SEARS. $30,000.

Mr. SNELL. Then it is going to cost the Government some money.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. LESINSKI. Mr. Speaker, I object.

ENFORCEMENT OF TWENTY-FIRST AMENDMENT

The Clerk called the next bill, H. R. 8368, to enforce the twenty-first amendment.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. MARCANTONIO objected.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SEARS. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

Mr. SEARS. I did not object to the bill. I objected to the bill being passed over without prejudice.

The SPEAKER. The gentleman from Michigan will state his parliamentary inquiry.

Mr. WOLCOTT. Unanimous consent was requested to pass over the bill without prejudice. Objection was made. Is not the question now on the consideration of the bill?

The SPEAKER. An objection had previously been made; however, the Chair will put the question again. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I had intended to ask that this bill be passed over without prejudice because it is a bill of such importance I think it should not be considered on the Consent Calendar. I had intended to ask that it go over without prejudice for the reason that the Committee on the Judiciary should at least bring this up under suspension of the rules in order that we may have some time for the consideration of the measure.

Mr. Speaker, I renew the request that the bill be passed over without prejudice.

Mr. CELLER. Mr. Speaker, I shall be happy to consent to this request. I think the measure is important and I think it would be well, in any event, to have the chairman present. He is unavoidably detained from the Chamber at the present time.

Mr. WOLCOTT. We may be able to take it up later and agree upon time for its consideration.

Mr. CELLER. That would be agreeable to me.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AIRPLANE LANDING FIELD IN HAWAII

The Clerk called the next bill, H. R. 7974, to withdraw and restore to their previous status under the control of the Territory of Hawaii certain Hawaiian homes lands now in use as an airplane landing field.

Mr. BURDICK. Mr. Speaker, in respect of this bill, I ask unanimous consent that it may go over without prejudice, because there is some further information I want to submit to the House.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

STEERING RULES IN NAVIGABLE WATERS OF THE UNITED STATES

The Clerk called the next bill, S. 2556, to amend and supplement the steering rules respecting orders to helmsmen on all vessels navigating waters of the United States, and on all vessels of the United States navigating any waters or seas, in section 1 of the act of August 19, 1890, section 1 of the act of June 7, 1897, section 1 of the act of February 8, 1895, and section 1 of the act of February 19, 1895.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of August 19, 1890 (ch. 802, 26 Stat. 320; U. S. C., title 33, secs. 61 to 141, arts. 1 to 31), is amended and supplemented by adding at the end thereof as section 142, title 33, of the United States Code the following:

"ART. 32. All orders to helmsmen shall be given as follows:

"'Right rudder' to mean 'Direct the vessel's head to starboard.'

"'Left rudder' to mean 'Direct the vessel's head to port.'"

SEC. 2. Section 1 of the act of June 7, 1897 (ch. 4, 30 Stat. 96; U. S. C., title 33, secs. 154 to 231, arts. 1 to 31), is amended and supplemented by adding at the end thereof as section 232, title 33, of the United States Code the following:

"ART. 32. All orders to helmsmen shall be given as follows:

"'Right Rudder' to mean 'Direct the vessel's head to starboard.'

"'Left Rudder' to mean 'Direct the vessel's head to port.'"

Article 18, rule VIII, of said section 1 is amended to read as follows:

"RULE VIII. When steam vessels are running in the same direction, and the vessel which is astern shall desire to pass on the right or starboard hand of the vessel ahead, she shall give one short blast of the steam whistle, as a signal of such desire, and if the vessel ahead answers with one blast, she shall direct her course to starboard, or if she shall desire to pass on the left or port side of the vessel ahead, she shall give two short blasts of the steam whistle as a signal of such desire, and if the vessel ahead answers with two blasts, shall direct her course to port; or if the vessel ahead does not think it safe for the vessel astern to attempt to pass at that point, she shall immediately signify the same by giving several short and rapid blasts of the steam whistle, not less than four, and under no circumstances shall the vessel astern attempt to pass the vessel ahead until such time as they have reached a point where it can be safely done, when said vessel ahead shall signify her willingness by blowing the proper signals.

"The vessel ahead shall in no case attempt to cross the bow or crowd upon the course of the passing vessel."

SEC. 3. Section 1 of the act of February 8, 1895 (ch. 64, 28 Stat. 645; U. S. C., title 33, secs. 241 to 293, rules 1 to 28), is amended and supplemented by adding at the end thereof as section 294, title 33, of the United States Code, the following:

"RULE 29. All orders to helmsmen shall be given as follows:

"'Right rudder' to mean 'Direct the vessel's head to starboard.'

"'Left rudder' to mean 'Direct the vessel's head to port.'"

SEC. 4. Section 1 of the act of February 19, 1895 (ch. 102, 28 Stat. 672; U. S. C., title 33, secs. 301 to 351, rules 1 to 26), is amended and supplemented by adding at the end thereof as section 352, title 33, of the United States Code, the following:

"RULE 27. All orders to helmsmen shall be given as follows:

"'Right rudder' to mean 'Direct the vessel's head to starboard.'

"'Left rudder' to mean 'Direct the vessel's head to port.'"

SEC. 5. The provisions of this act shall become fully effective for all ocean and coastwise vessels on January 1, 1936, and for all vessels on the Great Lakes, bays, sounds, harbors, rivers, and lakes other than the Great Lakes, of the United States on January 1, 1937.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. GEN. GEORGE W. GOETHALS

The Clerk called the next bill, S. 2743, to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone.

Mr. McFARLANE. Mr. Speaker, reserving the right to object, I would like to have the author explain this bill and tell us why $75,000 is to be appropriated for this purpose at this time.

Mr. BLAND. Mr. Speaker, all I can say to the gentleman is that there was a commission appointed and a study has been made and they have asked for $100,000 for this purpose. It was thought there should be suitable recognition of the distinguished services of General Goethals and the War Department and all others who were interested desired to have this memorial erected. We think it is a fitting memorial to the distinguished service of Goethals at Panama.

Mr. McFARLANE. Does not the gentleman think that $50,000 would be ample for this purpose?

Mr. BLAND. They asked for $100,000 and the War Department suggested that it be cut to $75,000.

Mr. McFARLANE. I think we would not object to the bill if it was reduced to $50,000.

Mr. BLAND. I would like for the gentleman to agree to the $75,000. I do not know whether they will be able to erect a fitting memorial otherwise, and I think if we are going to erect a memorial to General Goethals we ought not to quibble about $25,000. This is my own view of the matter.

Mr. McFARLANE. If the gentleman will accept an amendment reducing it to $50,000, I will withdraw my objection.

Mr. BLAND. I, of course, am under compulsion. If the bill is amended it will have to go back and be agreed to by the Senate and I do not know whether the people who are behind the measure would be willing to accept $50,000 or not, and I would like for the gentleman in recognition of the distinguished service of General Goethals to let the bill go through at $75,000.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SESQUICENTENNIAL CONSTITUTIONAL COMMISSION

Mr. BLOOM submitted a conference report on the joint resolution (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention, establishing a commission to be known as the "Sesquicentennial Constitution Commission", and for other purposes.

THE CONSENT CALENDAR

CREDITING DISBURSING OFFICERS' ACCOUNTS

The Clerk called the bill (H. R. 3421) to authorize crediting disbursing officers' accounts covering shipments of privately owned automobiles from October 12, 1927, to October 10, 1929.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

There was no objection.

TRANSFER OF LAND IN CHARLOTTE, MICH.

The Clerk called the bill (H. R. 7875) to provide for the transfer of certain land in the city of Charlotte, Mich., to such city.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to transfer to the city of Charlotte, Mich., all the right, title, and interest of the United States in and to a certain portion of the post-office site (such site comprising lots 1, 4, and 5, of block 31) in such city, described as follows: A strip of land 6 feet in width on the east side of such post-office site, and extending for a distance of 175 4/10 feet south from Lovett Street to the alley running east and west through block 31. Such strip of land is required by such city for alley purposes.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SARATOGA NATIONAL HISTORICAL PARK, N. Y.

The Clerk called the bill (H. R. 89) to provide for the creation of the Saratoga National Historical Park, in the State of New York, and for other purposes.

The SPEAKER. Is there objection?

Mr. DITTER. I object.

TO PROMOTE THE MINING OF COAL, PHOSPHATE, OIL, OIL SHALE, GAS, ETC.

The Clerk called the bill (H. R. 8289) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437, U. S. C., title 30, secs. 185, 221, 223, and 226), as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 13, 14, 17, and 28 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, and 226), as amended, are amended to read as follows:

"SEC. 13. That the Secretary of the Interior is hereby authorized, until and including July 1, 1935, but not thereafter, under such necessary and proper rules and regulations as he may prescribe, to grant to any applicant qualified under this act a prospecting permit, which shall give the exclusive right, for a period not exceeding 2 years, to prospect for oil or gas upon not to exceed 2,560 acres of land wherein such deposits belong to the United States and are not within any known geological structure of a producing oil or gas field upon condition that the permittee shall begin drilling operations within 6 months from the date of the permit, and shall, within 1 year from and after the date of permit, drill one or more wells for oil or gas to a depth of not less than 500 feet each, unless valuable deposits of oil or gas shall be sooner discovered, and shall, within 2 years from date of the permit, drill for oil or gas to an

aggregate depth of not less than 2,000 feet unless valuable deposits of oil or gas shall be sooner discovered. The Secretary of the Interior may, if he shall find that the permittee has been unable, with the exercise of diligence, to test the land in the time granted by the permit, extend any such permit for such time, not exceeding 2 years, and upon such conditions as he shall prescribe: *Provided*, That all permits outstanding on the effective date of this amendatory act, which on said date shall not be subject to cancelation for violation of the law or operating regulations and which have theretofore been extended by the Secretary of the Interior, shall be, and the same are hereby, extended until December 31, 1936, subject to the applicable conditions of such prior extensions: *And provided further*, That the Secretary of the Interior is hereby authorized, in his discretion, to extend for an additional period for not to exceed 1 year any permit on which diligence has been exercised during the extension period hereby granted, but no extension of any permit beyond December 31, 1937, shall be granted under authority of this act or any other act. Whether the lands sought in any such application and permit are surveyed or unsurveyed the applicant shall, prior to filing his application for permit, locate such lands in a reasonably compact form and according to the legal subdivisions of the public-land surveys if the land be surveyed, and in an approximately square or rectangular tract if the land be an unsurveyed tract, the length of which shall not exceed two and one-half times its width, and if he shall cause to be erected upon the land for which a permit is sought a monument not less than 4 feet high, at some conspicuous place thereon, and shall post a notice in writing on or near said monument, stating that an application for permit will be made within 30 days after date of posting said notice, the name of the applicant, the date of the notice, and such a general description of the land to be covered by such permit by reference to courses and distances from such monument and such other natural objects and permanent monuments as will reasonably identify the land, stating the amount thereof in acres, he shall, during the period of 30 days following such marking and posting, be entitled to a preference right over others to a permit for the land so identified. The applicant shall, within 90 days after receiving a permit, mark each of the corners of the tract described in the permit upon the ground with substantial monuments, so that the boundaries can be readily traced on the ground, and shall post in a conspicuous place upon the lands a notice that such permit has been granted and a description of the lands covered thereby: *Provided*, That in the Territory of Alaska prospecting permits not more than five in number may be granted to any qualified applicant for periods not exceeding 4 years, actual drilling operations shall begin within 2 years from date of permit, and oil and gas wells shall be drilled to a depth of not less than 500 feet, unless valuable deposits of oil or gas shall be sooner discovered, within 3 years from date of the permit and to an aggregate depth of not less than 2,000 feet unless valuable deposits of oil or gas shall be sooner discovered, within 4 years from date of permit: *Provided further*, That in said Territory the applicant shall have a preference right over others to a permit for land identified by temporary monuments and notice posted on or near the same for 6 months following such marking and posting, and upon receiving a permit he shall mark the corners of the tract described in the permit upon the ground with substantial monuments within 1 year after receiving such permit: *And provided further*, That any person holding a permit to prospect for oil or gas issued under this act or extended under the authority of this or any other act in force on or after July 1, 1935, or for which timely and acceptable application for extension shall have been filed prior to said date, shall have the right, prior to the termination of such permit, to exchange the same for a lease to the area described in the permit without proof of discovery, at a royalty of not less than 12½ percent or value of the production, to be determined by the Secretary of the Interior by general rule and under such other conditions as are fixed in section 17 of this act: *And provided further*, That no such lease shall be subject to the acreage limitations of section 27 of this act, as amended, until 1 year after the discovery of valuable deposits of oil or gas thereon: *And provided further*, That an applicant for any such prospecting permit whose application is pending on the date of the passage of this act shall have the right within 6 months thereafter to have his application for permit considered as an application for lease under section 17 hereof, otherwise his application shall be rejected.

"SEC. 14. That upon establishing to the satisfaction of the Secretary of the Interior that valuable deposits of oil or gas have been discovered within the limits of the land embraced in any permit, the permittee shall be entitled to a lease for one-fourth of the land embraced in the prospecting permit: *Provided*, That the permittee shall be granted a lease for as much as 160 acres of said lands, if there be that number of acres within the permit. The area to be selected by the permittee shall be in compact form and, if surveyed, to be described by the legal subdivisions of the public-land surveys; if unsurveyed, to be surveyed by the Government at the expense of the applicant for lease in accordance with rules and regulations to be prescribed by the Secretary of the Interior, and the lands leased shall be conformed to and be taken in accordance with the legal subdivisions of such surveys; deposits made to cover expense of surveys shall be deemed appropriated for that purpose, and any excess deposits may be repaid to the person or persons making such deposit or their legal representatives. Such leases shall be for a term of 20 years upon a royalty of 5 percent in amount or value of the production and the annual payment in advance of a rental of $1 per acre, the rental paid for any one year to be credited against the royalties as they accrue for that year, and shall continue in force as prescribed in section 17 hereof for leases issued prior to July 1, 1935. The permittee shall also be entitled to a preference right to a lease for the remainder of the land in his prospecting permit at a royalty of not less than 12½ percent in amount or value of the production, and under such other conditions as are fixed for oil or gas leases issued under section 17 of this act, the royalty to be determined by competitive bidding or fixed by such other method as the Secretary may by regulations prescribe: *Provided further*, That the Secretary shall have the right to reject any or all bids.

"SEC. 17. All lands subject to disposition under this act, which are known or believed to contain oil or gas deposits, may be leased by the Secretary of the Interior after July 1, 1935, to the highest responsible qualified bidder by competitive bidding under general regulations. Such lands shall be leased in units of not exceeding 640 acres, which shall be as nearly compact in form as possible. Such leases shall be conditioned upon the payment by the lessee of such bonus as may be accepted and of such royalty as may be fixed in the lease, which shall not be less than 12½ percent nor more than 25 percent in amount or value of the production, and the payment in advance of a rental to be fixed in the lease of not less than 25 cents per acre per annum, which rental shall not be waived, suspended, or reduced unless and until a valuable deposit of oil or gas shall have been discovered within the lands leased: *Provided*, That the rental paid for any one year shall be credited against the royalties as they accrue for that year.

"The Secretary of the Interior, for the purpose of more properly conserving the oil or gas resources of any area, field, or pool, shall also require that leases hereafter issued be conditioned upon an agreement by the lessee to operate under such reasonable cooperative or unit plan for the development and operation of any such area, field, or pool as said Secretary may determine to be practicable and necessary or advisable, which plan shall adequately protect the correlative right of all parties in interest, including the United States.

"Leases hereafter issued under this section shall be for a period of 5 years and so long thereafter as oil or gas is produced in paying quantities when the lands to be leased are not within any known geological structure of a producing oil or gas field, and for a period of 10 years and so long thereafter as oil or gas is produced in paying quantities when the lands to be leased are within any known geological structure of a producing oil or gas field: *Provided*, That no such lease shall be deemed to expire by reason of suspension of prospecting, drilling, or production pursuant to any order of the said Secretary: *Provided further*, That no lease on lands not within any known geological structure of a producing oil or gas field shall be issued if the Secretary shall find upon certification to him by the Director of the Geological Survey, that there is no reasonable prospect of the discovery of oil or gas on the lands for which application is made: *And provided further*, That the person first making application for the lease of any lands not within any known geological structure of a producing oil or gas field who is qualified to hold a lease under this act shall, during the period of 30 days after the filing of such application be entitled to a preference right over others to a lease of such lands without competitive bidding.

"Leases issued prior to July 1, 1935, under the authority of this act shall continue for a period of 20 years with the preferential right in the lessee to renew the same for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the department having jurisdiction thereof, unless otherwise provided by law at the time of the expiration of such periods: *Provided*, That any such lease that has become the subject of a cooperative or unit plan of development or operation, or other plan for the conservation of the oil and gas of a single area, field, or pool, which plan has the approval of the Secretary of the department or departments having jurisdiction over the Government lands included in said plan as necessary or convenient in the public interest, shall continue in force beyond said period of 20 years until the termination of such plan: *Provided further*, That said Secretary or Secretaries shall report all leases so continued to Congress at the beginning of its next regular session after the date of such continuance.

"Any cooperative or unit plan of development and operation, which includes lands owned by the United States, shall contain a provision whereby authority, limited as therein provided, is vested in the Secretary of the department or departments having jurisdiction over such land to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under said plan. The Secretary of the Interior is authorized whenever he shall deem such action necessary or in the public interest, with the consent of lessee, by order to suspend or modify the drilling or producing requirements of any oil and gas lease not subject to such a cooperative or unit plan, and no lease shall be deemed to expire by reason of the suspension of production pursuant to any such order.

"Whenever it appears to the Secretary of the Interior that wells drilled upon lands not owned by the United States are draining oil or gas from lands or deposits owned in whole or in part by the United States, the Secretary of the Interior is hereby authorized and empowered to negotiate agreements whereby the United States or the United States and its permittees, lessees, or grantees shall be compensated for such drainage.

"Whenever the average daily production of the oil wells on an entire leasehold or on any tract or portion thereof segregated for royalty purposes shall not exceed 10 barrels per well per day, the Secretary of the Interior, for the purposes of encouraging the greatest ultimate recovery of oil and in the interest of conservation of natural resources, is authorized to reduce the royalty on future

production when in his judgment the wells cannot be successfully operated upon the royalty fixed in the lease. The provisions of this paragraph shall apply to all oil and gas leases issued under this act, not included in an approved cooperative or unit plan of development and operation.

"Any lease issued after July 1, 1935, under the provisions of this section, except those earned as a preference right as provided in section 14 hereof, shall be subject to cancelation by the Secretary of the Interior after 30 days' notice upon the failure of the lessee to comply with any of the provisions of the lease, unless, or until, the land covered by any such lease is known to contain valuable deposits of oil or gas. Such notice in advance of cancelation shall be sent the lease owner by registered letter directed to the lease owner's record post-office address, and in case such letter shall be returned as undelivered, such notice shall also be posted for a period of 30 days in the United States land office for the district in which the land covered by such lease is situated, or in the event that there is no district land office for such leased land, then in the post office nearest such land. Leases covering lands known to contain valuable deposits of oil or gas shall be canceled only in the manner provided in section 31 of this act.

"SEC. 28. That rights-of-way through the public lands, including the forest reserves of the United States, may be granted by the Secretary of the Interior for pipe-line purposes for the transportation of oil or natural gas to any applicant possessing the qualifications provided in section 1 of this act, to the extent of the ground occupied by the said pipe line and 25 feet on each side of the same under such regulations and conditions as to survey, location, application, and use as may be prescribed by the Secretary of the Interior and upon the express condition that such pipe lines shall be constructed, operated, and maintained as common carriers and shall accept, convey, transport, and/or purchase without discrimination, on a 100 percent volume-measurement basis, oil and/or natural gas produced from Government lands in the vicinity of the pipe line in such proportionate amounts as the Secretary of the Interior may, after a full hearing with due notice thereof to the interested parties and a proper finding of facts, determine to be reasonable: *Provided*, That the Government shall in express terms reserve and shall provide in every lease of oil lands hereunder that the lessee, assignee, or beneficiary, if owner, or operator or owner of a controlling interest in any pipe line or of any company operating the same which may be operated accessible to the oil derived from lands under such lease, shall at reasonable rates and without discrimination accept and convey the oil of the Government or of any citizen or company not the owner of any pipe line, operating a lease or purchasing gas or oil under the provisions of this act: *Provided further*, That no right-of-way shall hereafter be granted over said lands for the transportation of oil or natural gas except under and subject to the provisions, limitations, and conditions of this section. Failure to comply with the provisions of this section or the regulations and conditions prescribed by the Secretary of the Interior shall be ground for forfeiture of the grant by the United States District Court for the district in which the property, or some part thereof, is located in an appropriate proceeding."

SEC. 2. (a) That the Secretary of the Interior is authorized to issue new leases to lessees holding oil or gas leases under any of the provisions of this act at the time this amendatory act becomes effective, such new leases to be in lieu of the leases then held by such lessees and to be at a royalty rate of not less than 12½ percent in amount or value of the production and upon such other terms and conditions as the Secretary of the Interior shall by general rule prescribe.

(b) Nothing contained in this amendatory act shall be construed to affect the validity of oil and gas prospecting permits or leases previously issued under the authority of the said act of February 25, 1920, as amended, and in existence at the time this amendatory act becomes effective, or impair any rights or privileges which have accrued under such permits or leases.

SEC. 3. That the provisions of this amendatory act shall not be in force and effect until July 1, 1935.

SEC. 4. That nothing in this act shall be construed as affecting existing leases within the borders of the naval petroleum reserves and naval oil-shale reserves.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sinclaire, its Assistant Enrolling Clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8492) entitled "An act to amend the Agricultural Adjustment Act, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate Nos. 128 and 155 to the foregoing bill.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 163, to said bill with the following amendment in which it requests the concurrence of the House, viz:

On page 7, line 4, of the House amendment after "year" insert "after the first allotment year."

The message also announced that the Senate had passed a concurrent resolution of the following title:

S. Con. Res. 24, Concurrent Resolution authorizing the Clerk of the House of Representatives in the enrollment of H. R. 8492 to make certain necessary changes in the language of said bill.

THE CONSENT CALENDAR

MONUMENT TO GENERAL GOETHALS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to return to Calendar No. 321, S. 2743, to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the President of the United States is authorized, through such person or persons as he may designate, to select an appropriate site within the Canal Zone and to cause to be erected thereon a suitable memorial of heroic size to Maj. Gen. George W. Goethals in commemoration of his signally distinguished services in connection with the construction and operation of the Panama Canal.

SEC. 2. The design and location of such memorial and the plan for the development of the site shall be submitted to the Commission on Fine Arts for advisory assistance.

SEC. 3. There is hereby appropriated a sum not to exceed $75,000 for every object connected with the purposes of this act, including site development and any essential approach work, said sum to be paid out of the general fund of the Treasury of the United States.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the following committee amendments:

Page 2, strike out all of section 2.

Page 2, strike out "Sec. 3" and insert "Sec. 2."

Page 2, after the word "hereby" strike out the word "appropriated" and insert: "authorized to be appropriated out of any moneys in the Treasury of the United States not otherwise appropriated."

Page 2, line 9, after the word "work" strike out the words "said sum to be paid out of the general fund of the Treasury of the United States."

The committee amendments were agreed to.

Mr. BLAND. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 9, strike out the comma, insert a period, and strike out the remainder of the paragraph.

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 7, strike out "$75,000" and insert "$50,000."

Mr. COSTELLO. I think the bill should be reduced to that amount.

Mr. McFARLANE. This amount of $50,000, I think, is ample under the circumstances and conditions of the country. People are hungry, unemployed, appropriations are running into the hundreds of millions, and $50,000 to build a monument, I think, is ample.

Mr. BLAND. Mr. Speaker, the only thing I have to say in reply is that I think we ought to do the proper thing if we are going to do honor. Those who have studied it feel that $75,000 is the proper amount.

The SPEAKER. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. McFARLANE) there were—ayes 30, noes 31.

Mr. McFARLANE. Mr. Speaker, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BANKRUPTCY PROCEEDINGS

The Clerk called the bill (S. 1425), to amend Section 80 of Chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

RELIEF OF PUBLIC-SCHOOL DISTRICTS

The Clerk called the bill (H. R. 8628), to provide for the relief of public-school districts and other public-school authorities, and for other purposes.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object.

Mr. TERRY. Mr. Speaker, this is a bill authorizing the Reconstruction Finance Corporation to make loans to public-school districts where, in the opinion of the R. F. C., the security offered by the school districts is adequate and the need is demonstrated. The bill provides that, when the school district applies to it for a loan, the R. F. C. shall investigate the financial ability of the district, and if the R. F. C. finds an agreement has been made by the school districts with the bondholders which agreement will, in the opinion of the R. F. C., furnish a sufficient reduction in the outstanding obligations, then the R. F. C. is authorized to make the loan upon such terms as it may see proper. The House bill was passed on by the Banking and Currency Committee of the House and unanimously approved. A similar Senate bill was passed on by the Senate Banking Committee and unanimously approved, and passed the Senate last week.

Mr. TABER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. TERRY. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 3123, be substituted for the House bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Reconstruction Finance Corporation is hereby authorized and empowered to make loans out of the funds of the Corporation in an aggregate amount not exceeding $10,000,000 to or for the benefit of tax-supported public-school districts or other similar public-school authorities in charge of public schools, organized pursuant to the laws of the several States, Territories, and the District of Columbia. Such aggregate amount shall be allocated equitably among the several States and Territories and the District of Columbia on the basis of demonstrated need. Such loans shall be made for the purpose of enabling any such district or authority which, or any State, municipality, or other public body which, is authorized to incur indebtedness for the benefit of public schools (herein referred to as the "borrower") to reduce and refinance outstanding indebtedness or obligations which have been incurred prior to the enactment of this act for the purpose of financing the construction, operation, and/or maintenance of public-school facilities.

Such loans shall be subject to the same terms and conditions as loans made under section 5 of the Reconstruction Finance Corporation Act, as amended, except that (1) the term of any such loans shall not exceed 33 years; (2) each such loan shall, in the opinion of the Corporation, be reasonably and adequately secured, and, in respect to the type of security, shall be secured (a) by bonds, notes, or other obligations for the payment of which shall be pledged the full faith and credit and taxing power of the borrower or of such taxing authority as may be authorized pursuant to State law to levy assessments, taxes, or other charges for the benefit of public schools, and/or (b) by bonds, notes, or other obligations which are a lien on real property of the borrower, and/or (c) by such other collateral as may be acceptable to the Corporation; (3) the borrower shall agree not to issue during the term of the loan any other obligations so secured, and insofar as it may lawfully do so, shall agree not to assume during such term any further indebtedness for the benefit of public schools, except with the consent of the Corporation; (4) the borrower shall agree, insofar as it may lawfully do so, that so long as any part of such loan shall remain unpaid the borrower will in each year apply to the repayment of such loan or to the purchase or redemption of the obligations issued to evidence such loan, an amount equal to the amount by which the assessments, taxes, and other funds received by it for the benefit of public schools exceeds (a) the cost of operation and maintenance of the public-school facilities which are financed in whole or in part by such amount of assessments, taxes, or other charges, received by it; (b) the debt charges on its outstanding obligations; and (c) provisions for such reasonable reserves as may be approved by the Corporation.

No loan shall be made under this section until the Corporation (a) has caused an appraisal to be made of the taxpaying ability of the taxing district or other territory throughout which assessments, taxes, or other charges are authorized to be levied for the purpose of paying the costs of, or for the purpose of securing funds to repay indebtedness incurred to finance the construction, operation, and/or maintenance of the public-school facilities on account of which the indebtedness was incurred or obligations assumed which are to be reduced and refinanced in connection with a loan from the Corporation made under this section; (b) has been satisfied that an agreement has been entered into with the holders of outstanding bonds, notes, and/or other obligations incurred by or for the benefit of the tax-supported public-school district or other similar public-school authority in charge of public schools which indebtedness or obligations are to be reduced and refinanced in connection with a loan from the Corporation, under which agreement it will be possible to purchase, reduce, or refund all or a major portion of the aggregate of outstanding indebtedness and obligations incurred by or on behalf of such district or authority at a price determined by the Corporation to be reasonable after taking into consideration the average market price of the evidences of the indebtedness or obligations to be reduced and refinanced over the 6 months' period ending January 1, 1935, and under which a substantial reduction will be brought about in the aggregate of such outstanding indebtedness and obligations; and (c) has determined, in view of such appraisal of taxpaying ability and of such substantial reduction in the aggregate of such outstanding indebtedness and obligations, that the operation of the public-school facilities to refinance indebtedness or obligations incurred for the benefit of which a loan from the Corporation is applied for under this section, is economically sound and will promote the general welfare of the community.

When any loan is authorized pursuant to the provisions of this section and it shall then or thereafter appear that repairs and necessary extensions or improvements to the public-school facilities, to refinance the indebtedness or obligations incurred for the benefit of which such loan is authorized, are necessary or desirable for the further assurance of the ability of the borrower to repay such loan, the Corporation, within the limitation as to total amount provided in this section, may make an additional loan or loans to such borrower for such purposes.

The proceeds of any loan applied for by a borrower under this section may be paid either to such borrower or to the holders or representatives of the holders of the bonds, notes, and/or other obligations to be reduced and refinanced in connection with such loan, and such loans may be made upon promissory notes collateraled by such bonds, notes, and/or other obligations, or through the purchase of securities issued or to be issued by such borrower.

SEC. 2. No loan shall be made by the Corporation under this act where any part of the proceeds of such loan are to be used for purposes authorized by section 16 of the act approved June 19, 1934 (Public, No. 417, 73d Cong.).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill (H. R. 8628) was laid on the table.

House Resolution 310 was laid on the table.

FRANK P. ROSS

Mr. SABATH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1186) for the relief of Frank P. Ross.

Mr. SNELL. Has that bill been under consideration before?

Mr. SABATH. It has been, and was objected to.

Mr. TABER. Mr. Speaker, I object.

AGRICULTURAL ADJUSTMENT ACT

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 7, line 4 of the House amendment, after the word "year", insert "after the first allotment year."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was agreed to and a motion to reconsider was laid on the table.

Mr. JONES. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution No. 24.

The Clerk read as follows:

Senate Concurrent Resolution 24

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of the bill (H. R. 8492) entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", to make the following necessary changes in the language of the bill:

In paragraph "(4)" of the amendment made by section 12 of the bill to subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, strike out "August 15" wherever it appears and in lieu thereof insert "September 1."

Strike out so much of subdivision "(B)" of paragraph "(6)" of the amendment made by section 12 of the bill to subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, as reads as follows:

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any 12 months' period ending after the date of the adoption of this amendment consisting of the 2 months immediately preceding and the first 10 months of any marketing year—

; and insert in lieu thereof the following:

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any period of 12 successive months ending after July 1, 1935, consisting of the first 10 months of any marketing year and the last 2 months of the preceding marketing year."

In subsection "(f)" of "Section 21", added by section 30 of the bill to the Agricultural Adjustment Act, as amended, strike out "refund or credit" wherever it appears (except in the last sentence thereof) and in lieu thereof insert "refund, credit, or abatement."

The SPEAKER. Is there objection to the consideration of the Senate concurrent resolution?

Mr. SNELL. Reserving the right to object, as I understand, that is merely a clerical change?

Mr. JONES. Clerical changes and one clarifying change. That is all.

The SPEAKER. Is there objection?

There was no objection.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. WARREN. Mr. Speaker, I offer a concurrent resolution and ask unanimous consent for its immediate consideration.

The Clerk read the House concurrent resolution as follows:

House Concurrent Resolution 34

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed in the enrollment of the bill (H. R. 8492), entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", to make the following necessary changes in the language of the bill:

In title II of the said act following section 204, insert the following new section:

"Section 204(a). The quantity determined and proclaimed by the Secretary of Agriculture pursuant to section 203, and the quantity apportioned to each State pursuant to section 204, may at such intervals as the Secretary of Agriculture finds necessary to effectuate the declared policy and purposes of this act be adjusted by him: *Provided*, That the quantity so determined and proclaimed shall not be increased or decreased by more than 5 percent."

And in section 229 of said title II of said act, strike out all of paragraph "(b)."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. WARREN]?

There was no objection.

The House concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

House Resolution 320 was laid on the table.

THE CONSENT CALENDAR

UNIFORM SYSTEM OF BANKRUPTCY THROUGHOUT THE UNITED STATES

The Clerk called the next bill on the Consent Calendar, H. R. 7858, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARCANTONIO. Reserving the right to object, will the gentleman explain the bill?

Mr. SUMNERS of Texas. Mr. Speaker, this bill is deemed necessary by the Treasury Department because of the fact that some of the lower courts are holding that the claim of the Government for taxes may be adjudicated as any other claims.

This bill provides that the Secretary of the Treasury may adjust taxes in those cases where the corporations cannot settle, but makes it impossible for the Government to be deprived of its taxes without the consent of the Secretary of the Treasury.

Mr. HANCOCK of New York. May I add that it leaves the claims of corporations whose stock is entirely owned by the Government in the same class as general creditors. It gives them no preference.

Mr. SUMNERS of Texas. We are unanimous about it, I believe.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and is hereby, amended by striking out the last sentence of subdivision (e), clause (1), of section 77B, and inserting in lieu thereof the following:

"If the United States of America, or any agency thereof, or any corporation, the majority of the stock of which is owned by the United States of America, is a creditor or stockholder of the corporation seeking reorganization under this section, the Secretary of the Treasury is hereby authorized to accept or reject a plan in respect of such interests or claims of the United States which shall be deemed to be affected by the plan. As long as the United States of America, or any agency thereof, or any corporation the majority of the stock of which is owned by the United States of America, is a creditor or stockholder of the corporation seeking reorganization under this section, no plan of reorganization, which does not provide for payment in full of such interests or claims of the United States within 90 days after confirmation by the judge, shall be confirmed in any proceeding under this section except upon the acceptance, as aforesaid, by the Secretary of the Treasury, certified to the court."

With the following committee amendments:

Strike out all after the enacting clause and insert the following:

"That subdivision (1) of subsection (e) of section 77B of the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', as amended, be, and is hereby, amended to read as follows:

"'(e) A plan of reorganization shall not be confirmed until it has been accepted in writing, whether before or after the filing of the petition or answer under this section, and such acceptance shall have been filed in the proceeding by or on behalf of creditors holding two-thirds in amount of the claims of each class whose claims have been allowed and would be affected by the plan and by or on behalf of stockholders of the debtor holding a majority of the stock of each class: *Provided, however*, That such acceptance shall not be requisite to the confirmation of the plan by any creditor or class of creditors (a) whose claims are not affected by the plan, or (b) if the plan makes provision for the payment of their claims in cash in full, or (c) if provision is made in the plan for the protection of the interests, claims, or liens of such creditor or class of creditors in the manner provided in subdivision (b), clause (5), of this section: *And provided further*, That such acceptance shall not be requisite to the confirmation of the plan by any stockholder or class of stockholders (1) if the judge shall have determined either that the debtor is insolvent or that the interests of such stockholder or stockholders will not be affected by the plan, or (2) if provision is made in the plan for the protection of the interests of such stockholder or class of stockholders in the manner provided in subdivision (b), clause (4), of this section. With such acceptance there shall be set forth, verified in such manner as the judge shall require, what, if any, contracts of the debtor are executory in whole or in part, and what unexpired leases have been rejected and surrendered. With such acceptance there shall be filed a statement, verified in such manner as the judge shall require, showing what, if any, claims and shares of stock have been purchased or transferred by those accepting the plan after the commencement or in contemplation of the proceeding, and the circumstances of such purchase or transfer: *Provided, however*, That if the judge is satisfied that by reason of the number of securities outstanding and the extent of the public dealing therein the preparation of such a statement would be impractical, he may direct that it be not final. If the United States of America is a creditor on claims for taxes, the claims thereof shall be deemed to be affected by the plan, and the Secretary of the Treasury is hereby authorized to accept a plan in

respect of such claims; and no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance of a lesser amount by the Secretary of the Treasury certified to the court: *Provided*, That if the Secretary of the Treasury shall fail to accept or reject a plan for more than 60 days after written notice so to do his consent shall be conclusively presumed.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ADDITIONAL DISTRICT JUDGE, EASTERN DISTRICT OF NEW YORK

The Clerk called the next bill, H. R. 8657, to provide for the appointment of an additional district judge in the United States District Court for the Eastern District of New York.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, how far is it intended to go with the Consent Calendar this afternoon?

Mr. McFARLANE. We have two more bills we wish to consider this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LAW CLERKS FOR UNITED STATES DISTRICT COURT JUDGES

The Clerk called the next bill, H. R. 6376, to amend section 118 of the Judicial Code to provide for the appointment of law clerks to United States District Court judges.

The SPEAKER. Is there objection?

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ESTABLISHMENT OF NEW DIVISION OF NORTHERN DISTRICT OF GEORGIA

The Clerk called the next bill, H. R. 7955, to establish a new division of the northern district of Georgia with terms of court to be held at Newnan, Ga.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the author of the bill explain the necessity for the establishment of this new division in the northern district of Georgia?

Mr. OWEN. This new division of the court in the northern district at Newnan, Ga., is necessary because of the congestion of the docket at Atlanta. Litigants now have to wait 3 and 4 years before their cases can be tried. There will be no expense to the Government through the passage of this bill. The cost will be borne by the State. As a matter of fact, it will mean an actual saving of money for the Federal Government.

Mr. WOLCOTT. Will this necessitate the appointment of a new judge?

Mr. OWEN. Not at all. I have the approval of the Bureau of the Budget and the Attorney General's Office.

Mr. WOLCOTT. Is court held there now?

Mr. OWEN. No.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 77 of the Judicial Code, as amended (U. S. C., Supp. VII, title 28, sec. 150 (b)), is hereby amended to read as follows:

"(b) The northern district shall include four divisions, constituted as follows: The Gainesville division, which shall include the territory embraced on January 1, 1925, in the counties of Banks, Barrow, Dawson, Forsyth, Habersham, Hall, Jackson, Lumpkin, Rabun, Stephens, Towns, Union, and White; the Atlanta division, which shall include the territory embraced on such date in the counties of Campbell, Cherokee, Clayton, Cobb, De Kalb, Douglas, Fannin, Fulton, Gilmer, Gwinnett, Henry, Milton, Newton, Pickens, and Rockdale; the Rome division, which shall include the territory embraced on such date in the counties of Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield; and the Newnan division, which shall include the territory embraced on such date in the counties of Carroll, Soweta, Fayette, Haralson, Heard, Pike, Spalding, Troup, and Upson."

SEC. 2. Subsection (d) of such section 77, as amended (U. S. C., Supp. VII, title 28, sec. 150 (d)), is hereby amended by striking out the word "Pike" and the word "Upson."

SEC. 3. Subsection (c) of such section 77, as amended (U. S. C., Supp. VII, title 28, sec. 150 (c)), is hereby amended to read as follows:

"(c) Terms of the district court for the Gainesville division shall be held at Gainesville on the fourth Mondays in April and November; for the Atlanta division at Atlanta on the second Monday in March and the first Monday in October; for the Rome division at Rome on the third Mondays in May and November; and for the Newnan division at Newnan on the first Mondays in April and November."

With the following committee amendments:

Page 2, line 10, strike out "Troup and Upson" and insert in lieu thereof "and Troup."

Page 2, line 13, strike out the words "by striking out the word 'Pike' and the word"; and on line 14, strike out the word "Upson", and insert in lieu thereof the following:

"to read as follows:

"'(3) The middle district shall include six divisions, constituted as follows: The Athens division, which shall include the territory, embraced on January 1, 1925, in the counties of Clarke, Elbert, Franklin, Greene, Hart, Madison, Morgan, Oconee, Oglethorpe, and Walton; the Macon division, which shall include the territory embraced on such date in the counties of Baldwin, Bibb, Bleckley, Butts, Crawford, Hancock, Houston, Jasper, Jones, Lamar, Monroe, Peach, Pulaski, Putnam, Twiggs, Upson, Washington, and Wilkinson; the Columbus division, which shall include the territory embraced on such date in the counties of Chattahoochee, Clay, Harris, Marion, Meriwether, Muscogee, Quitman, Randolph, Stewart, Talbot, and Taylor; the Americus division, which shall include the territory embraced on such date in the counties of Crisp, Dooly, Lee, Macon, Schley, Sumter, Terrell, Webster, and Wilcox; the Albany division, which shall include the territory embraced on such date in the counties of Baker, Calhoun, Decatur, Dougherty, Early, Grady, Miller, Mitchell, Seminole, Turner, and Worth; and the Valdosta division, which shall include the territory embraced on such date in the counties of Berrien, Brooks, Colquitt, Cook, Echols, Irwin, Lanier, Lowndes, Thomas, and Tift.'"

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED CONFEDERATE VETERANS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8710) to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans, to be delivered to a United States property and disbursing officer, 3,000 blankets, olive drab, no. 4, and 3,000 canvas cots, to be used at their annual encampment to be held at Amarillo, Tex., in September 1935 (Union Calendar 599, Consent Calendar, No. 456.)

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, do I understand this bill is on the Consent Calendar, No. 456?

Mr. McSWAIN. Yes; and I want to explain why it is somewhat of an emergency nature.

Mr. SNELL. I have two very important bills I have been trying to get considered for the last 3 months. If the gentleman is going to ask that these bills be taken up out of turn, then I am going to get some action on my bills. I think we ought to go through the calendar in a regular and orderly way, and let these bills take their chances with the others.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. SNELL. Mr. Speaker, I am very sorry that it should have to be this bill, but I object.

WAR DEPARTMENT INVESTIGATION—OUR ARMY IS EFFICIENT AND HONEST

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter which I wrote to Mr. G. A. Harter. This is a modification of the request I made this morning. I have eliminated that portion of the request to include the editorial to which the gentleman from Pennsylvania objected.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, fearing lest the fact that a very small number of Army officers have been discovered by the investigation of the Military Affairs Committee into War Department transactions to be dishonorable and disloyal may create a false impression, and noting that this

small number is an insignificantly small percentage of the total number of officers, I am offering for publication, with the consent of the House, an editorial which appears in the independent magazine entitled "Our Army" in the August 1935 issue, and a letter from myself to the editor of that magazine responding to that editorial.

We have been making and are continuing to make a most rigid and thorough examination. Our purpose has not been to create any sensation or to besmirch the name of any person. Our sole purpose has been to find the facts with reference to the consistent rumors that came to our ears about favoritism in the letting of contracts to buy supplies and in the sale of surplus property. We have not published all the testimony that we have taken, and much of our testimony has been taken in executive session. The purpose of this method of procedure has been to protect the names of innocent persons, whose conduct might be open to mere suspicion but could be satisfactorily explained when all the facts are known. We have not made any charges that have not been sustained. We have been more than careful to ascertain the whole truth before reporting any facts to the Congress or to the press.

Mr. Speaker, the Congress and the country can congratulate themselves that after such thorough investigation we have found such a small number of persons connected with the War Department in any way to be guilty of illegal or corrupt or unethical conduct. The effect of our investigation ought, therefore, to be to strengthen and confirm the confidence of the country in the efficiency and honesty of the Army.

Attention may have been centered upon a very few corrupt and unworthy officers, but the public has heard nothing of the thousands of faithful, able, conscientious, and high-minded officers that are constantly serving the country and constantly preparing themselves to render greater service to the country in the event of any emergency. Furthermore, another effect of this investigation, of this house cleaning, and of this full exposure of the facts connected with any wrongdoing will be to prevent its continuance and repetition in the future. This investigation will be a warning to all War Department officials for the next hundred years. The investigation has already saved the Government millions of dollars, and the effect of this investigation in the future will be to save the Government perhaps tens of millions of dollars.

Mr. Speaker, for these reasons I am asking permission to publish in connection with these remarks my letter in reply to the editorial referred to as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C., August 14, 1935.

Hon. G. A. HARTER,
Editor and President, Our Army,
Brooklyn, N. Y.

DEAR MR. HARTER: I have read with much interest your editorial in the August 1935 number of Our Army under the caption "Boot Out the Doughboys, if Any."

I am very glad indeed that you apprehend the situation so clearly. Our committee has been seriously misunderstood, and myself particularly, in connection with this investigation. In fact, such misunderstanding was based upon positive misrepresentation in certain quarters. The truth is that we knew of conditions that had to be corrected or the Army and the cause of national defense generally would suffer seriously in the public esteem. We have not tried to besmirch the name and reputation of any person, whether officer or civilian. We have kept the facts confidentially to ourselves until we were sure of our ground, and until the only way to correct same was by the publication of the facts.

I promised the House of Representatives when it passed the resolution authorizing the investigation of War Department affairs and transactions by this committee, that it would not be a publicity stunt, hunting headlines, and seeking sensations. I promised that it would be a businesslike and legal and constitutional finding of facts. I further promised that no man would be shielded, however high and however powerful. We have not published all the facts, and we have not yet finished the investigation. But the public can judge the truth of this statement by our past record in this connection, that when we do publish allegations of fact they can and will be substantiated by abundant evidence.

The Army and the Congress and the country may well congratulate themselves that such a small number, and such a low percentage, of officers have yielded to the powerful temptations of such characters as Joseph Silverman. One of the most unwise pieces of legislation ever enacted was the act of Congress of 1919 authorizing the War Department to sell surplus war property by private negotiation. All such property ought to be sold only after due advertisement and at public auction to the highest bidder for cash.

I have recently introduced a bill which has the approval of the War Department repealing that act of 1919 and specifying that all such property must be sold only after advertisement and to the highest bidder. The only way to remove temptations and to avoid suspicion and to prevent favoritism, and indirectly and finally to prevent corruption, graft, and bribery, is to provide that property to be acquired by the public, for the public, and with public funds, shall be acquired only after advertisement and after open competitive bidding, and that the contract be let to the lowest responsible bidder. By the same token, the only safe and sane and sound method of selling of surplus Government property of any sort, whether War Department property or the property of any other branch or activity of the Government, is to advertise the same and to permit all persons to bid on the same and to accept the highest cash bid.

I think I am justified in asking you and in asking the country to take my word for it that such principles will in the future govern the conduct of the War Department. I am also justified in asking the country to believe me when I say that our Army is sound and honest. This house cleaning has done worlds of good. This investigation has been a warning that will last a hundred years. The haste and rush of war, and the confusion and slack business methods prevailing immediately after the war permitted the growth of certain sentiments and customs that finally bore fruit in the conditions that we have investigated and that we have uprooted.

One other statement in conclusion. Much, if not most, of the favoritism shown by the War Department, and for that matter such other departments as I have information about, grows out of the abuse of the making of specifications for the article to be bought. By the insertion of a slight and apparently innocent word or two, it is often possible to restrict possible bidders to one firm which proves to be a favorite firm. Our committee has proposed that the War Department—and this practice should be followed by other departments—that whenever it is proposed to buy articles of War Department use, such as trucks or automobiles, that there be a conference between the agents of the Government having the power to prescribe specifications on the one side and all representatives of the several branches of the industry affected that wish to participate in such conference on the other side, and that these should gather around the table and ascertain what results of performance in the articles to be bought, the military requirements are.

For illustration, the Government is interested only in the power to render service by transportation of automobiles and trucks. It is not interested in the technicalities of the splash system of lubrication or the full-forced-feed lubrication. To specify one particular method of lubrication would be to exclude other manufacturers. Probably Dodge trucks and Chevrolet trucks of the same market price have about the same power of performance. When these representatives of the War Department and of industry agree upon what qualities of performance and durability the military requirements are, then these and these only should be open and fair bidding among the manufacturers.

Again let me thank you for your editorial and to assure you that the Committee on Military Affairs of the House of Representatives is trying its best to serve the cause of national defense by establishing and confirming the confidence of the Congress and the country in the integrity and efficiency of our Army.

Yours very sincerely,

J. J. MCSWAIN,
Chairman.

EXTENSION OF REMARKS

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by the attorney general of Indiana at Booneville, Ind.

Mr. TABER. Mr. Speaker, reserving the right to object, is not this the same address which was inserted by the gentleman from Indiana, Mr. LUDLOW, this morning?

Mr. BOEHNE. I do not recall. I shall investigate and if I find it is, I will not extend it.

Mr. TABER. The gentleman from Indiana, Mr. LUDLOW, inserted an address by the attorney general of Indiana this morning.

Mr. BOEHNE. This is a nonpolitical speech.

Mr. TABER. Is this an address on Lincoln?

Mr. BOEHNE. Yes.

Mr. TABER. That was inserted this morning.

Mr. BOEHNE. Mr. Speaker, I withdraw the request.

MY REPORT TO THE PEOPLE OF THE THIRD CONGRESSIONAL DISTRICT OF WASHINGTON

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, in accordance with the practice I have followed in previous sessions, I desire at this time to briefly review the first session of the Seventy-fourth Congress and my activities therein.

IMPROVEMENT DURING PAST YEAR

During the past year further substantial progress has been made in restoring business, agriculture, and industry, and noteworthy improvement in economic conditions has occurred in southwest Washington, as well as throughout the country. Our people are again facing the future with faith and confidence. What a contrast to the distress, despair, and hopelessness of 1932–33; and with the continued support of the people, we will achieve still further progress and improvement in the months to come.

MY VOTING RECORD

As the representative of the people of the Third Congressional District of the State of Washington, to whom I have the honor of submitting this report, I would state that I voted against adjournment and in favor of continuing Congress in session until the legislative program was completed, and I voted for the following outstanding measures:

First. The $4,880,000,00 work relief bill.

Second. The bill for the immediate cash payment of the veterans' adjusted-service certificates, and also to pass it over the veto of the President.

Third. The $1,750,000,000 home-mortgage relief bill.

Fourth. The McGroarty (Townsend) old-age pension amendment to the social-security bill.

Fifth. The social-security bill providing for old-age pensions, unemployment insurance, maternity and child welfare, Public Health Service, and aid for the crippled and blind. Voted for this measure after the McGroarty (Townsend) amendment, which I voted for, had been defeated 206 to 56.

Sixth. The bill to take the profits out of war.

Seventh. Signed the petition to have the Frazier-Lemke farm-refinancing measure passed.

Eighth. The Farm Credit Act of 1935, extending until January 1, 1940, the time during which the Land Bank Commissioner may make direct loans to farmers on first or second mortgages at reduced interest rates.

Ninth. The bill extending the National Recovery Act, as amended, to April 1, 1936, containing section 3 (a), providing for restriction of shingle imports to protect labor pay rolls and industries of southwest Washington.

Tenth. The resolution extending the $3 excise tax on imported lumber to protect the labor pay rolls and industries of southwest Washington.

Eleventh. The Agricultural Adjustment Act amendments, providing benefits and aid to the farmers, and section 30, adding section 22, A–D, authorizing limitation of imports to protect the domestic market and our own farmers against foreign imports, as favored by the Grange and other farm organizations.

Twelfth. The Wagner-Connery Labor Relations Board Act, as amended.

Thirteenth. The National Youth Administration, a $50,000,000 program to aid unemployed youth between the ages of 16 and 25 and give them a chance to learn a trade and work in private industry and to gain high-school, college, and post-graduate educations, and to formulate their own work-relief projects.

Fourteenth. The Wheeler-Rayburn public-utility bill, to protect the consuming public and honest investors.

Fifteenth. The so-called "gold-clause bill", abolishing the special privilege of bondholders to sue the Government and recover alleged damages on account of the devaluation of the dollar.

Sixteenth. The bill extending the functions of the Reconstruction Finance Corporation for 2 years and authorizing loans to industries for labor pay rolls.

Seventeenth. The bill extending the guaranty of bank deposits.

Eighteenth. The tax bill, to increase the rate of income, inheritance, gift, corporate, and excess-profits taxes, as recommended in the President's message.

RIVER AND HARBOR PROJECTS

During this session an omnibus river and harbor bill, the first in 5 years, was reported out by the Committee on Rivers and Harbors, of which I am a member, and carried 9 projects for southwest Washington and 4 surveys for new projects, the largest number of southwest Washington projects ever included in a river and harbor bill.

First. Grays Harbor jetties: This project to reconstruct the north and south jetties to an elevation of 16 feet at a cost of $4,565,000, the biggest single project west of the Mississippi River, after having been repeatedly rejected by United States Army Engineers for many years, has been approved and P. W. A. funds allocated to start actual construction. Dredging the inner channel of Grays Harbor, at an annual cost of $58,000, which local taxpayers have paid since 1919, has now been assumed by the Federal Government.

Second. Port of Vancouver: This is a project to provide a channel 300 feet wide and 30 feet deep from the mouth of the Willamette River to the Interstate Highway Bridge at Vancouver, Wash., with two turning basins, each generally 2,000 feet long, 800 feet wide, and 30 feet deep, at a cost of $140,000 for new work and annual maintenance of $35,000, for which P. W. A. funds have just been obtained to commence actual construction. It follows closely the allocation of $58,000 P. W. A. funds secured last year to dredge the channel and basins to a depth of 28 feet.

Third. Willapa Harbor and Narrows: This is a project for the further improvement of Willapa Harbor and River by straightening the "Narrows", consisting of a sharp S bend about a mile downstream from Raymond, at a cost of $207,000, and P. W. A. funds have just been received to start the work. Last year an allocation of $80,000 P. W. A. funds was secured to dredge and deepen the main channel.

Fourth. Olympia Harbor: Two revised and modified projects to dredge and deepen the channel to 30 feet and provide certain turning basins have been approved at a total cost of $105,467 for new work, which has been secured from P. W. A., and the projects completed, and a third modified project is now pending to widen the outer reach to 500 feet at its present depth of 30 feet.

Fifth. Bakers Bay: This project to provide a channel 200 feet wide and 10 feet deep, extending through the easterly passage at Sand Island to the Port of Ilwaco, which has been advocated for many years, has been approved, and all together $80,000 P. W. A. funds were secured, and the project has been constructed.

Sixth. Surveys for new projects: The omnibus river and harbor bill also carries items for preliminary examinations and surveys of Shelton Harbor, in Mason County, a highly important lumber, pulp, and forest products manufacturing community; Vancouver Lake and Columbia River, to furnish a fresh-water harbor ideal for industrial sites and purposes of national defense; Elokomin (Cathlamet) Slough, to serve important lumber and manufacturing interests; and the Chehalis River from the mouth of the Skookumchuck River to the Grays Harbor County line, Washington.

Each and every one of these projects possesses great merit and will be of permanent value and benefit to the business and agricultural districts in which they are situated and to the future development of commerce and navigation. Furthermore, they will provide needed employment to many worthy unemployed citizens.

OLYMPIA-GRAYS HARBOR-WILLAPA HARBOR CANAL

Remarkable progress on this project, which has been successfully revived after having been dormant for nearly 40 years, has been made. During the past year the United States Army Engineers recommended the Puget Sound-Grays Harbor unit of the canals to the National Resources Board, to provide a 13-foot navigation canal at a cost of $25,213,000. At the Thirtieth Annual Convention of the National Rivers and Harbors Congress, held in Washington, D. C., this spring, the projects committee of that powerful

waterways organization approved the entire project. To secure funds for a project of this magnitude will require a continuation of the efforts of the past 2 years until the desired objective is achieved.

The route of the Willapa Harbor unit would not, according to the engineers, be permitted to damage the cranberry bogs or oyster beds of Pacific County, and at the public hearing held at Aberdeen 2 years ago I insisted upon this precaution being taken.

FLOOD CONTROL

The United States Army Engineers are proceeding pursuant to my bills passed by Congress, Public Laws Nos. 336, 337, 338, and 339, with their preliminary examinations of the Cowlitz, Chehalis, Lewis, and Columbia Rivers and all their tributaries with a view to the control of their floods, which is the first legislation of this character affecting the rivers of southwest Washington, which has ever been enacted. The recommendations and plans of the Federal engineers will constitute a basis for obtaining Federal participation, in order that after a delay of 30 years without any action being taken, the property and lives of our citizens will be protected. I have actively cooperated with municipal, county, and State officials in formulating a practical cooperative flood-control program for our section of the State, and by our continued joint efforts we will attain our objective.

THE TOWNSEND BILL

I have studied the Townsend old age revolving pension plan for over a year and feel that I know something about it. In the last Congress I placed in the RECORD a statement of the objects and purposes of the plan, the first public and official notice which it received in the Congress of the United States. (See CONGRESSIONAL RECORD, Apr. 4, 1934, pp. 6039–6040.)

Last December when I came to the Capital, a month before Congress convened, I was one of a small group of Congressmen who met with Dr. Townsend and issued the call for the meeting in the House caucus room at which he made his first public explanation of his plan in the Nation's Capital, and I attended the session. Later I joined with Dr. Townsend, the gentleman from California [Mr. MCGROARTY], and several other colleagues in drafting the first bill, H. R. 3977; and I also collaborated with them in revising that bill and formulating H. R. 7154, the present McGroarty bill.

I voted against changing the discharge rule to require 218 instead of 145 signatures. I was the eighteenth Member to sign the petition on the Clerk's desk to discharge the committee and bring the first McGroarty bill before the House for consideration and vote, and I was one of 103 Members who voted against the previous question in order to insure that the revised McGroarty bill would be submitted as a substitute for title I of the committee bill, but we were defeated in our effort. I am pleased, however, that the question of germaneness was resolved in favor of such procedure, and was one of the 56 Members who voted in favor of the bill.

We have made an excellent start in our campaign to secure the enactment of this legislation and I intend to support it vigorously in the next session of Congress.

VETERANS' LEGISLATION

During this session I have continued my efforts in behalf of a greater measure of justice to the veterans of our wars. It has been my honor and pleasure to serve as one of the 22 members of the Steering Committee appointed by Congressman WRIGHT PATMAN, of Texas, to conduct the fight for immediate cash payment of the adjusted service certificates which came within 5 votes of being enacted into law and will be passed in the next session of Congress.

I have led the contest for the passage of my bill (H. R. 6995) to restore the pensions of the veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, their widows and dependents, in the Committee on Pensions, of which I am a member, wrote the favorable committee report, secured its passage on the floor of the House, aided in its passage through the Senate, and in securing the approval of the President.

SOCIAL LEGISLATION

I have actively favored in this session, the same as I did in the last Congress, the legislation sponsored by the American Federation of Labor, also by the Railroad Brotherhood of Locomotive Firemen and Enginemen providing for a 6-hour day, full crews, train limits, hours of service law, employers' liability law, and section 7 (b) Emergency Railroad Transportation Act, and reenactment of a retirement pension system for railroad employees. I have supported all measures in the interests of higher wages, shorter hours, and better working conditions for the men who labor and by their labor make possible the comfort and happiness of mankind. For the same reasons I have continued to go on record in favor of legislation sought by the postal employees, rural and substitute carriers, and all Government employees, who are faithful and efficient public servants and deserving of just treatment at the hands of the Federal Government. I have also actively supported all farm legislation sponsored by the National Grange, as I am more convinced than ever that we can have no permanent business prosperity unless it is based on agriculture and it is therefore essential that our grain, dairy, fruit, and all other farmers be recognized and treated in all our legislation on a parity with industry. We have made substantial progress in our efforts to rehabilitate agriculture, as evidenced by increased prices of all farm products, but our goal will not have been attained until the farmer receives a reasonable profit above the cost of production.

OUR PUBLIC SCHOOLS

I have actively favored providing in the P. W. A. appropriation bill adequate funds to pay the salaries of school teachers and maintain our public schools, as well as institutions of higher learning, as I consider the cause of public education to be paramount and favor the following program:

First. Adequate free public education to the children of the United States.

Second. Adequate pay for public school teachers, as a matter of justice and as a means of retaining in and attracting to the teaching profession the most competent, devoted, and best-equipped men and women.

Third. An annual minimum of at least 8 months' teaching in the public schools of all the States.

Fourth. An adequate number of safe, commodious, and well-equipped school buildings.

Fifth. Free textbooks for all public-school pupils.

Sixth. A Nation-wide system of county libraries, equipped with sufficient reference and reading material.

Seventh. Adequate assistance by the Federal Government, through appropriations and otherwise, in accomplishing the above-named objects.

Eighth. Such other allied purposes as may serve the best interests of the teachers and pupils and shall make the public schools a more effective, liberal, and far-reaching force in local, State, and National life.

I also favor the creation of a Federal Department of Education, to be headed by a Secretary of Education to sit in the President's Cabinet, with all the facilities and resources of the Federal Government enlisted in behalf of the cause of education. We are now the only civilized nation in the world which has failed to grant to education a national department and a cabinet officer—no less than 72 of the leading nations of the earth have included a minister of education among their cabinet officers.

CORRESPONDENCE WITH MY CONSTITUENTS

During the present session of Congress my mail has averaged fully 200 letters each day, all of them rating a reply, and many requiring personal attention with governmental agencies. While to Members of Congress this voluminous correspondence is quite exacting, we must bear in mind that these are trying times, and we should cheerfully render this service to which our constituents are entitled. I pride myself on the fact that every communication which I have ever received from my district has had prompt attention.

FEDERAL PROJECTS IN SOUTHWEST WASHINGTON

In every nook and corner of our nine counties useful Federal projects are under way. In addition to new roads and

many public works, C. C. C. camps, the Longview subsistence homesteads, the Kelso and Montesano post offices, and numerous river and harbor projects are in progress.

UNITED CONFEDERATE VETERANS

Mr. McSWAIN. Mr. Speaker, I renew my unanimous-consent request for the present consideration of H. R. 8710, because it is somewhat urgent.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lend, at his discretion, to the reunion committee of the United Confederate Veterans, to be delivered to a United States property and disbursing officer, for use at the United Confederate Veterans' Encampment, to be held at Amarillo, Tex., September 3, 4, 5, and 6, 1935, ten 15-foot hospital ward tents, with all pegs, poles, and equipment necessary for their erection; 3,000 olive-drab blankets, no. 4; 3,000 canvas cots; 900 mess kits, complete: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the Confederate reunion committee: *Provided further*, That said property shall be returned without any expense to the United States.

With the following committee amendments:

On page 1, line 5, after the word "veterans" strike out "to be delivered to a United States property and disbursing officer", and

Page 2, line 11, after the word "further" strike out "That said property shall be returned without any expense to the United States", and insert in lieu thereof "That the Secretary of War, before delivery of such property, shall take from said reunion committee of the United Confederate Veterans a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans 3,000 blankets, olive drab, no. 4, and 3,000 canvas cots, to be used at their annual encampment to be held at Amarillo, Tex., in September 1935."

Mr. McSWAIN. Mr. Speaker, may I have the RECORD express my appreciation and the appreciation of those interested in this bill to the gentleman from New York [Mr. SNELL] for waiving his objection?

HOUR OF MEETING TOMORROW

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 351. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Improved Benevolent and Protective Order of Elks of the World, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 739. To provide for the establishment of a national monument on the site of Fort Stanwix in the State of New York;

S. 985. For the relief of Hudson Bros., of Norfolk, Va.;

S. 1046. For the relief of E. Jeanmonod;

S. 2073. To provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes;

S. 2247. Directing the conveyance of certain lands to the regents of the University of New Mexico;

S. 2361. To fix the compensation of registers of district land offices;

S. 2577. To eliminate the requirement of cultivation in connection with certain homestead entries;

S. 2695. To add certain lands to the Medicine Bow National Forest, Wyo.; and

S. 2993. For the relief of Carrie Price Roberts.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 290. Joint resolution to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.), pursuant to the order heretofore made, the House adjourned until tomorrow, Friday, August 16, 1935, at 11 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, Executive communications were taken from the Speaker's table and referred as follows:

459. A communication from the President of the United States, transmitting a supplemental estimate of apropriation for the Interstate Commerce Commission for the fiscal year 1936 (H. Doc. No. 280); to the Committee on Appropriations and ordered to be printed.

460. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1936 (H. Doc. No. 281); to the Committee on Appropriations and ordered to be printed.

461. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the Department of Justice for payment of rewards under criminal laws (H. Doc. No. 282); to the Committee on Appropriations and ordered to be printed.

462. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the District of Columbia for the fiscal years 1935 and 1936 (H. Doc. No. 283); to the Committee on Appropriations and ordered to be printed.

463. A letter from the Secretary of the Interior, transmitting a radiogram from Acting Governor Robert Herrick of the Virgin Islands, requesting the return of the Navy to the islands (H. Doc. No. 284); to the Committee on Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. UTTERBACK: Committee on the Judiciary. Senate Joint Resolution 163. Joint resolution to authorize the acceptance of bids for Government contracts made subject to codes of fair competition; without amendment (Rept. No. 1804). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Rules. House Resolution 343. Resolution for the consideration of H. R. 9100; without amendment (Rept. No. 1806). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLER of Minnesota: A bill (H. R. 9142) amending second-class-mailing laws and regulations; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: A bill (H. R. 9143) providing for the cash payment of adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

By Mr. AYERS: A bill (H. R. 9144) conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. LUNDEEN: A bill (H. R. 9145) to provide for the refunding of all benefits to Spanish-American War veterans and their widows and dependents of which they were deprived by the so-called "economy acts" for the period between March 20, 1933, and August 13, 1935; to the Committee on Pensions.

By Mr. GEARHART: A bill (H. R. 9146) to levy a tax upon the ginning of cotton, to place the cotton industry on a sound commercial basis, and for other purposes; to the Committee on Agriculture.

By Mr. LEE of Oklahoma: A bill (H. R. 9147) to give the cotton farmer Government benefits on domestically consumed cotton without limiting production, and for other purposes; to the Committee on Agriculture.

By Mr. WHITE: Resolution (H. Res. 341) providing for the printing of the speech of Senator John P. Jones, of Nevada, delivered in the Senate on October 14, 1893; to the Committee on Printing.

By Mr. WEARIN: Resolution (H. Res. 342) to impound and return to the Treasury certain moneys authorized in House Resolution 289; to the Committee on Accounts.

By Mr. CELLER: Joint resolution (H. J. Res. 381) to prohibit the allotment of funds for the participation of American athletes in the Olympic games to be held in Germany; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 9148) granting an increase of pension to Ellie M. Young; to the Committee on Invalid Pensions.

By Mr. DELANEY: A bill (H. R. 9149) conferring jurisdiction on the Court of Claims to hear and determine the claims of James Calvin Jones; to the Committee on Patents.

By Mr. EKWALL: A bill (H. R. 9150) for the relief of the legal guardian of Roy D. Cook, a minor; to the Committee on Claims.

By Mr. HOEPPEL: A bill (H. R. 9151) to authorize the retirement of Frank T. Hines with the rank of major general in the Army, with the pay and allowances of such rank on the retired list; to the Committee on Military Affairs.

Also, a bill (H. R. 9152) to authorize the retirement of William Mitchell, with the rank of brigadier general in the Army, with the pay and allowances of such rank on the retired list; to the Committee on Military Affairs.

By Mrs. KAHN: A bill (H. R. 9153) for the relief of Evelyn Harriett B. Johnstone; to the Committee on Claims.

By Mr. KOPPLEMANN: A bill (H. R. 9154) for the relief of the Century Indemnity Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9311. By Mr. LAMNECK: Petition of Workmen's Circle, Branch No. 154, Columbus, Ohio, protesting against the renewed anti-Semitic atrocities in Germany; to the Committee on Foreign Affairs.

9312. By Mr. PIERCE: Petition of Hood River County Pomona Grange, Hood River, Oreg., dated August 6, 1935, and relating to the Tydings-McCormack bill and disapproving the same; to the Committee on the Judiciary.

9313. Also, petition of Hood River County Pomona Grange, Hood River, Oreg., dated August 6, 1935, and relating to the disposal of electric power generated at Bonneville Dam; to the Committee on Military Affairs.

SENATE

FRIDAY, AUGUST 16, 1935

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, August 15, 1935, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On August 14, 1935:

S. 12. An act to amend the Packers and Stockyards Act;

S. 470. An act for the relief of the Hauser Construction Co.;

S. 556. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 928. An act for the relief of Rene Hooge;

S. 1024. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.;

S. 1359. An act for the relief of A. N. Ross;

S. 1781. An act for the relief of George Voeltz;

S. 1980. An act for the relief of Lewis Worthy and Dennis O. Penn;

S. 2169. An act for the relief of certain disbursing officers of the Army of the United States;

S. 2533. An act for the relief of the rightful heirs of Tiwastewin or Anna;

S. 2958. An act authorizing the Secretary of the Treasury to execute a quitclaim deed of certain land located in the village of Lyons, N. Y.;

S. 3192. An act to increase the limit of cost for the Department of Agriculture Extensible Building; and

S. 3289. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1935 reunion at Amarillo, Tex.

On August 15, 1935:

S. 405. An act for the suppression of prostitution in the District of Columbia;

S. 659. An act for the relief of Walter J. Bryson Paving Co.;

S. 997. An act to provide for the establishment of a national monument on the site of Red Hill, the estate of Patrick Henry;

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement;

S. 1811. An act providing for the publication of statistics relating to spirits of turpentine and rosin;

S. 2034. An act to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes;

S. 2818. An act for the relief of Blanche L. Gray;

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928; and

S. J. Res. 96. Joint resolution to carry out the intention of Congress with reference to the claims of the Crow Tribe of Indians of Montana and any band thereof against the United States.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Austin	Copeland	Logan	Robinson
Bachman	Costigan	Lonergan	Russell
Bailey	Davis	McAdoo	Schall
Bankhead	Dieterich	McCarran	Schwellenbach
Barbour	Duffy	McGill	Sheppard
Barkley	Fletcher	McKellar	Shipstead
Bilbo	Frazier	McNary	Smith
Black	George	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulkley	Gore	Murphy	Trammell
Bulow	Guffey	Murray	Truman
Burke	Hale	Neely	Tydings
Byrd	Harrison	Norbeck	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Johnson	Overton	Wheeler
Chavez	King	Pittman	White

Mr. LEWIS. I announce that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Louisiana [Mr. LONG], and the Senator from Idaho [Mr. POPE] are necessarily detained, and that the Senator from West Virginia [Mr. HOLT] is absent from the Senate because of illness.

Mr. VANDENBERG. I announce that my colleague the senior Senator from Michigan [Mr. COUZENS] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. KEYES] and the Senator from Iowa [Mr. DICKINSON] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

DEATH OF WILL ROGERS AND WILEY POST

Mr. ROBINSON. Mr. President, Will Rogers, probably the most widely known private citizen of the United States, and certainly the best beloved, met his death some hours ago in a lonely far-away place. We pause for a moment in the midst of our duties to pay brief tribute to his memory and to that of his gallant companion, Wiley Post.

I do not think of Will Rogers as dead. I shall remember him always as a sensible, courageous, loyal friend, possessed of unusual and notable talents. He made fun for all mankind. His remarkable dramatic power demonstrated on the screen in every moving-picture theater in our land was coupled with rare wit and clear thought. In nothing that he ever said was there an intentional sting. He was kind, generous, patriotic.

His companion was a brave representative of a gallant group who, on the wings of adventure, sought remote places and conquered long distances.

All the Nation mourns the loss of these great citizens. They were both representative of the highest type of manhood. Peace to them!

Mr. McNARY. Mr. President, I join in the expression of sorrow uttered so feelingly by the Senator from Arkansas [Mr. ROBINSON], and in the heartfelt tribute paid by him to Will Rogers and Wiley Post, whose untimely deaths are mourned by us all. I know that every Republican Member of the Senate shares the sentiments which the Senator from Arkansas has expressed.

I have known Mr. Rogers for many years, not intimately, but more than casually. His philosophy and good humor have brightened the pages of the press for many years, and his portrayals on the screen have been characterized by a native wit and a wholesomeness that have elevated the moving-picture industry and been the delight of young and old. He brought happiness, joy, and good feeling to the hearts of millions of Americans. In common with all his fellow citizens, I regret his tragic end, and that of his doughty and valiant companion.

JAMES D. PRESTON

Mr. VANDENBERG. Mr. President, I present for the RECORD an editorial from this morning's Washington Post entitled "Sunny Jim Preston", and I wish to make this observation:

No servant of the Senate ever won or deserved a wider circle of devoted friends than "Sunny Jim" Preston, who has held positions of trust with us for nearly four decades.

No Senate employee ever labored more loyally or more intelligently or with happier zeal.

He is graduating from the Capitol to enter upon larger duties in the new National Archives.

It has occurred to me that the Senate would wish this word of appreciation and good luck to be expressed.

I ask that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[The Washington Post, Aug. 16, 1935]

SUNNY JIM PRESTON

Ordinarily it would be impossible to refer to even the most well-informed and energetic official as an "institution." But in the case of James D. Preston, who is resigning his post as Senate librarian to become assistant to the administrative secretary of The National Archives, no lesser term will serve. For he has been at the Capitol so long—more than 38 years—that in the minds of the multitude of Congressmen and newspapermen with whom he has worked he is regarded fondly as an integral and well-nigh irreplaceable adjunct of the venerable legislative mill.

Years have only stimulated the development of Jim Preston. Beginning his local career at the age of 14, as typist for the Washington correspondent of the Chicago Inter Ocean and Boston Journal, he rose steadily to become superintendent of the Senate press gallery and, more recently, librarian of the Senate. As he worked he cultivated in himself an enthusiasm for vital history, both current and of an older day, particularly in the too-much-disregarded field of official notes and documents. Last year his interest in the technique of conserving such papers carried him abroad, where at his own expense he studied methods used in the British Museum, many of which he introduced to Washington archivists.

Now he leaves the Hill to go to the new Archives Building. His talent and long experience will be invaluable in the important business of restoring and preserving priceless historical papers. But he will always be welcomed back to the Capitol. There his keen eye and careful memory have brought to the Nation, through the hundreds of correspondents he has helped, the steadying aid of orderly facts, quickly and concisely arrayed. And not the least of his contribution has been the charm of a genial and delightful personality, which the archives of all recorded history could not render stale or crabbed.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Board of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the annual report of that Corporation for the year ended December 31, 1934, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS

Mr. LA FOLLETTE presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Banking and Currency:

STATE OF WISCONSIN.

Joint resolution petitioning the Reconstruction Finance Corporation to modify its rules and procedure so as to facilitate loans to small business and industry

Whereas the Federal Government through the Reconstruction Finance Corporation has loaned enormous sums of money to railroads, banks, insurance companies, and public utilities; and

Whereas said Corporation has been authorized by the Congress to make loans directly to business and industry; and

Whereas in practical operation the Reconstruction Finance Corporation in the matter of considering loans to small business and industry has made such requirements, imposing such restrictions and has developed such red tape connected with such loans as to practically nullify the intent of Congress and the grant of this authority, thereby preventing small business and industry from rehabilitating themselves and employing thousands of persons who are in an enforced idleness; and

Whereas the small business men and smaller industries in this country are the lifeblood of the commerce of the Nation and should be given reasonable opportunity to avail themselves of loans as intended by the Congress: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature petitions the Reconstruction Finance Corporation to so modify its policies relative to loans to small business and industry and to so amend its rules and procedure so as to do away with unreasonable and harsh requirements and restrictions and to minimize the red tape with a view to facilitating the making of loans to the smaller business firms and smaller industries in this country, many of which are in dire need of financial assistance; and that said Corporation should not proceed on the basis that because a small business or industry has not made a profit during the past 5 or 10 years it is a poor loan risk; be it further

Resolved, That properly attested copies of this resolution be sent to the directors of the Reconstruction Finance Corporation, to President Roosevelt, and to each Representative from Wisconsin in the Congress.

Mr. CAPPER presented a resolution adopted by Nonpariel Lodge, No. 720, of the Ladies Auxiliary to the Brotherhood of Railroad Trainmen, No. 564, of Hoisington, Kans., favoring the enactment of legislation providing for the establishment of a retirement system for railroad employees, which was referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 1634) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it with amendments and submitted a report (No. 1336) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the resolution (S. Res. 178) directing the Tariff Commission to investigate the production costs of woolen knit gloves and mittens, reported it without amendment.

Mr. COSTIGAN, from the Committee on Banking and Currency, to which was referred the bill (H. R. 6776) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, reported it with amendments.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 996. A bill for the relief of Joe Reno (Rept. No. 1339);

H. R. 1871. A bill for the relief of the Medical College of Virginia, and others, of Richmond, Va. (Rept. No. 1340);

H. R. 2620. A bill for the relief of Sadie Wilkinson (Rept. No. 1341);

H. R. 2621. A bill for the relief of Tom L. Griffith (Rept. No. 1342);

H. R. 2702. A bill for the relief of Emanuel Lieberman (Rept. No. 1343);

H. R. 3408. A bill for the relief of Rufus Jones, a minor (Rept. No. 1338);

H. R. 4601. A bill for the relief of the heirs of Gladys Picklesimer (Rept. No. 1344);

H. R. 4784. A bill for the relief of J. T. Slayback (Rept. No. 1345);

H. R. 4848. A bill for the relief of Charles E. Molster, disbursing clerk, Department of Commerce, and Dr. Louis H. Bauer, a former employee (Rept. No. 1346);

H. R. 5245. A bill for the relief of Elizabeth Leiding (Rept. No. 1347);

H. R. 5351. A bill for the relief of Rose Teiermeyer (Rept. No. 1348);

H. R. 5634. A bill for the relief of the Baltimore Renovating Co. (Rept. No. 1349);

H. R. 5781. A bill for the relief of the widow and next of kin of James J. Curran (Rept. No. 1350);

H. R. 5811. A bill for the relief of Michael A. McHugh (Rept. No. 1351);

H. R. 5905. A bill for the relief of Cal Settles and Rhoda Settles (Rept. No. 1352);

H. R. 6168. A bill for the relief of Charles K. Shade (Rept. No. 1353);

H. R. 6394. A bill for the relief of William K. Caley (Rept. No. 1337);

H. R. 6402. A bill for the relief of Julia M. Crowell (Rept. No. 1354);

H. R. 6889. A bill for the relief of A. Zappone and W. R. Fuchs (Rept. No. 1355);

H. R. 6892. A bill for the relief of certain Indians on the Cheyenne River Reservation (Rept. No. 1356);

H. R. 7076. A bill for the relief of the heirs of John Schrodl (Rept. No. 1357); and

H. R. 8020. A bill for the relief of Jose R. Redlhammer (Rept. No. 1358).

Mr. BAILEY, also, from the Committee on Claims, to which was referred the bill (H. R. 4770) for the relief of Elinora Fareira, reported it with an amendment and submitted a report (No. 1359) thereon.

Mr. NEELY, from the Committee on the Judiciary, to which was referred the bill (S. 2075) to provide for the appointment of additional district judges for the eastern and western districts of Missouri, reported it with an amendment and submitted a report (No. 1360) thereon.

Mr. TYDINGS, from the Committee on the District of Columbia, to which was referred the bill (H. R. 3806) to establish a commercial airport for the District of Columbia, reported it with an amendment and submitted a report (No. 1361) thereon.

Mr. LOGAN. Mr. President, I ask unanimous consent to submit two reports from the Judiciary Committee, and to call the attention of the senior Senator from New Jersey [Mr. BARBOUR] to one of them, and the junior Senator from Connecticut [Mr. MALONEY] to the other.

The VICE PRESIDENT. The reports will be received and placed on the calendar.

Mr. LOGAN, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted a report thereon as indicated:

S. 1687. A bill to incorporate The National Yeomen F; and

S. 2324. A bill to incorporate The Military Order of the Purple Heart (Rept. No. 1362).

Mr. WAGNER, from the Committee on Interstate Commerce, to which was referred the bill (S. 3151) to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, reported it with an amendment and submitted a report (No. 1363) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (H. R. 1965) for the relief of William E. Fossett, reported it without amendment and submitted a report (No. 1364) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 4570) for the relief of Amy McLaurin, reported it without amendment and submitted a report (No. 1365) thereon.

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 2718) for the relief of Walter D. Foster, reported it without amendment and submitted a report (No. 1366) thereon.

Mr. LEWIS, from the Committee on Military Affairs, to which was referred the bill (S. 3381) to provide for the protection and preservation of domestic sources of tin, reported it without amendment and submitted a report (No. 1367) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 3194) to amend section 10A of the Federal Food and Drugs Act of June 30, 1906, as amended, reported it without amendment and submitted a report (No. 1368) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 1645) to provide for the creation of a commission to examine into and report the clear height above the water of the bridge authorized to be constructed over the Hudson River from Fifty-seventh Street, New York, to New Jersey, reported it with amendments and submitted a report (No. 1369) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted a report as indicated:

S. 3030. A bill granting the consent of Congress to the Rockland-Westchester Hudson River Crossing Authority, State of New York, to construct, maintain, and operate a highway bridge and causeway across the Hudson River between a point in the vicinity of the village of Nyack, Rockland County, and the village of Tarrytown, Westchester County, N. Y. (Rept. No. 1370); and

H. R. 7438. A bill to amend the act entitled "An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.", approved June 4, 1934.

Mr. BARKLEY, from the Committee on the Library, to which were referred the following joint resolutions, reported them each without amendment:

S. J. Res. 151. Joint resolution making provision for a national celebration of the bicentennary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence; and

S. J. Res. 164. Joint resolution to authorize the selection of a site and the erection thereon of a suitable monument indicating the historical significance of the first entrance into the city of Washington of a steam railroad, and for other purposes.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 187) providing for a special committee of five Senators to confer with the Secretary of the Treasury regarding the Silver Purchase Act of 1934, reported it without amendment.

CAUSES OF DECLINE OF COTTON PRICES—LIMIT OF EXPENDITURES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the resolution (S. Res. 182) continuing certain resolutions for an investigation of the cause of the decline of cotton prices, and increasing the limit of expenditures, reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARBOUR:

A bill (S. 3428) authorizing the Secretary of War to lend Army tents to the Morris Grange Fair Committee, Troy Hills, N. J.; to the Committee on Military Affairs.

By Mr. WALSH:

A bill (S. 3429) to protect American and Philippine labor and to preserve an essential industry, and for other purposes; to the Committee on Finance.

By Mr. BORAH:

A bill (S. 3430) for the relief of Walter M. Seesee (with accompanying papers); to the Committee on Military Affairs.

By Mr. NEELY:

A bill (S. 3431) granting a pension to Luther Lane; to the Committee on Finance.

By Mr. TRAMMELL:

A bill (S. 3432) for the relief of H. M. Frazee; to the Committee on Military Affairs.

CHANGE IN NAME OF DEPARTMENT OF THE INTERIOR—AMENDMENT

Mr. HASTINGS submitted an amendment intended to be proposed by him to the bill (S. 2665) to change the name of the Department of the Interior and to coordinate certain governmental functions, which was ordered to lie on the table and to be printed.

AMENDMENT TO THIRD DEFICIENCY APPROPRIATION BILL

Mr. SMITH submitted an amendment intended to be proposed by him to the third deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following new paragraph:

"Columbia (S. C.) courthouse: The limit of cost fixed under the Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934, for the building of a courthouse at Columbia, S. C., is hereby increased by $40,000: *Provided*, That such additional sum shall be available for the acquisition and installation of air conditioning equipment in such building and for expenses incidental to such acquisition and installation."

ASSISTANT CLERK TO COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. CONNALLY submitted the following resolution (S. Res. 189), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Resolution No. 111, agreed to January 19, 1934, authorizing the Committee on Public Buildings and Grounds to employ an assistant clerk to be paid from the contingent fund of the Senate hereby is continued in full force and effect until the end of the Seventy-fourth Congress.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 634. An act to authorize the sale of a portion of the Fort Smith National Cemetery Reservation, Ark., and for other purposes;

S. 2156. An act to extend the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md.;

S. 2556. An act to amend and supplement the steering rules respecting orders to helmsmen on all vessels navigating waters of the United States, and on all vessels of the United States navigating any waters or seas, in section 1 of the act of August 19, 1890, section 1 of the act of June 7, 1897, section 1 of the act of February 8, 1895, and section 1 of the act of February 19, 1895;

S. 2832. An act to provide a preliminary examination of Goldsborough Creek, in Mason County, State of Washington, with a view to the control of its floods;

S. 3058. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and for other purposes;

S. 3123. An act to provide for the relief of public-school districts and other public-school authorities, and for other purposes; and

S. J. Res. 69. Joint resolution to provide for the erection of a suitable memorial to the Fourth Division, American Expeditionary Forces.

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 163 to the bill (H. R. 8492) to amend the Agricultural Adjustment Act, and for other purposes.

The message further announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1988. An act to extend the time for the construction of a bridge across the Missouri River at or near Rulo, Nebr.; and

S. 3105. An act to amend the act approved June 12, 1934, relating to the granting of the consent of Congress to certain bridge construction across the Tennessee River at a point between the city of Sheffield, Ala., and the city of Florence, Ala.

The message also announced that the House had passed the following bills of the Senate, severally, with amendments, in which it requested the concurrence of the Senate:

S. 381. An act for the relief of the Confederated Bands of Ute Indians located in Utah, Colorado, and New Mexico;

S. 2626. An act to authorize the sale of Federal buildings;

S. 2681. An act to extend the times for commencing and completing the construction of a bridge across Lake Champlain at or near West Swanton, Vt., and for other purposes; and

S. 2743. An act to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone.

The message further announced that the House had concurred in the concurrent resolution (S. Con. Res. 24), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of the bill (H. R. 8492) entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", to make the following necessary changes in the language of the bill:

In paragraph (4) of the amendment made by section 12 of the bill to subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, strike out "August 15" wherever it appears and in lieu thereof insert "September 1."

Strike out so much of subdivision (B) of paragraph (6) of the amendment made by section 12 of the bill to subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, as reads as follows:

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), or (5) of this subsection or is established pursuant to this para-

graph (6), during any 12-month period ending after the date of the adoption of this amendment, consisting of the 2 months immediately preceding and the first 10 months of any marketing year— "; and insert in lieu thereof the following:

"(B) If the average farm price of any commodity, the rate of tax on the processing of which is prescribed in paragraph (2), (3), (4), or (5) of this subsection or is established pursuant to this paragraph (6), during any period of 12 successive months ending after July 1, 1935, consisting of the first 10 months of any marketing year and the last 2 months of the preceding marketing year—."

In subsection (f) of section 21, added by section 30 of the bill to the Agricultural Adjustment Act, as amended, strike out "refund or credit" wherever it appears (except in the last sentence thereof) and in lieu thereof insert "refund, credit, or abatement."

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 34), in which it requested the concurrence of the Senate, as follows:

House Concurrent Resolution 34

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed in the enrollment of the bill (H. R. 8492), entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", to make the following necessary changes in the language of the bill:

In title II of said act following section 204, insert the following new section:

"SEC. 204a. The quantity determined and proclaimed by the Secretary of Agriculture pursuant to section 203, and the quantity apportioned to each State pursuant to section 204, may at such intervals as the Secretary of Agriculture finds necessary to effectuate the declared policy and purposes of this act be adjusted by him: *Provided*, That the quantity so determined and proclaimed shall not be increased or decreased by more than 5 percent."

And in section 229 of said title II of said act, strike out all of paragraph "(b)."

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4339. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uintah and Wasatch National Forests, Utah;

H. R. 7224. An act to conserve the water resources and to encourage reforestation of the watersheds of Fresno County by the withdrawal of certain public lands included within the Sequoia National Forest from location and entry under the mining laws;

H. R. 7740. An act granting the consent of Congress to the State Highway Commission of Missouri to construct, maintain, and operate a free highway bridge across the Black River at or near the north line of section 2, township 24 north, range 6 east, near Poplar Bluff, Mo.;

H. R. 7858. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 7897. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Elizabeth, in the county of Allegheny, Commonwealth of Pennsylvania;

H. R. 7928. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Ford City, Pa.;

H. R. 7932. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River at or near Wyalusing, in the county of Bradford, Commonwealth of Pennsylvania;

H. R. 7955. An act to establish a new division of the northern district of Georgia with terms of court to be held at Newnan, Ga.;

H. R. 7979. An act to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as "The Narrows" in the State of Washington;

H. R. 7998. An act to exempt from taxation official compensation of certain foreign representatives and to provide for the deductibility from income of certain dividends on preferred stock owned by the United States or instrumentalities thereof;

H. R. 8098. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Edinburg, in the county of Lawrence, Commonwealth of Pennsylvania;

H. R. 8187. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Tionesta, in Tionesta Township, in the county of Forest, and in the Commonwealth of Pennsylvania;

H. R. 8189. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near East Brady, in the counties of Clarion and Armstrong, and in the Commonwealth of Pennsylvania;

H. R. 8279. An act to authorize the Reconstruction Finance Corporation to make loans to institutions organized for the purpose of making loans for the payment of taxes on real estate, and for other purposes;

H. R. 8473. An act to provide for the compiling and publishing of the Official Register of the United States;

H. R. 8587. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 8710. An act to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans 3,000 blankets, olive drab, no. 4, and 3,000 canvas cots, to be used at their annual encampment to be held at Amarillo, Tex., in September 1935; and

H. R. 9071. An act to provide for the licensing of importers of watches, watch movements, and watch parts, to protect the revenue, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 4339. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah; to the Committee on Agriculture and Forestry.

H. R. 7224. An act to conserve the water resources and to encourage reforestation of the watersheds of Fresno County by the withdrawal of certain public lands included within the Sequoia National Forest from location and entry under the mining laws; to the Committee on Public Lands and Surveys.

H. R. 7740. An act granting the consent of Congress to the State Highway Commission of Missouri to construct, maintain, and operate a free highway bridge across the Black River at or near the north line of section 2, township 24 north, range 6 east, near Poplar Bluff, Mo.;

H. R. 7897. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River, at or near Elizabeth, in the county of Allegheny, Commonwealth of Pennsylvania;

H. R. 7928. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at or near Ford City, Pa.;

H. R. 7932. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing, in the county of Bradford, Commonwealth of Pennsylvania;

H. R. 7979. An act to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as "The Narrows", in the State of Washington;

H. R. 8098. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Mahoning River at

or near Edinburg, in the county of Lawrence, Commonwealth of Pennsylvania;

H. R. 8187. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at or near Tionesta, in Tionesta Township, in the county of Forest, and in the Commonwealth of Pennsylvania; and

H. R. 8189. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at or near East Brady, in the counties of Clarion and Armstrong, and in the Commonwealth of Pennsylvania; to the Committee on Commerce.

H. R. 7858. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

H. R. 7955. An act to establish a new division of the northern district of Georgia with terms of court to be held at Newnan, Ga.; to the Committee on the Judiciary.

H. R. 8279. An act to authorize the Reconstruction Finance Corporation to make loans to institutions organized for the purpose of making loans for the payment of taxes on real estate, and for other purposes; to the Committee on Banking and Currency.

H. R. 8473. An act to provide for the compiling and publishing of the Official Register of the United States; to the Committee on Printing.

H. R. 8587. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on Interstate Commerce.

H. R. 9071. An act to provide for the licensing of importers of watches, watch movements, and watch parts, to protect the revenue, and for other purposes; to the Committee on Finance.

REORGANIZATION OF MISSOURI PACIFIC RAILROAD

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of Sunday, August 4, 1935, having to do with the reorganization of the Missouri Pacific Railroad and showing the position of the firm of J. P. Morgan & Co. in connection with the reorganization.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[New York Times, Sunday Aug. 4, 1935]

BANKERS HOLD KEY IN MISSOURI PACIFIC—MORGAN GROUP HAS CONTROL OF ALLEGHANY CORPORATION AND ALSO IS A LENDER TO ROAD—COULD DEFEAT ANY PLAN—POSITION OF FIRM DIFFICULT, S. P. GILBERT OPPOSING VAN SWERINGEN PROJECT

A banking group headed by J. P. Morgan & Co. is seen in Wall Street as holding the key to the reorganization of the Missouri Pacific, which, operating 12,000 miles of line, is the largest railroad system in bankruptcy at this time. It is held that only a change in the bankruptcy law would alter the situation and that it does not appear Congress will change the law at this session.

The position of the banking group in respect to reorganizing the Missouri Pacific is described as bearing on the situation from two angles. Members of the group can take positive action by initiating reorganization plans and they also hold the power to defeat any plan they dislike. This is because the bankers hold securities giving them control of the Alleghany Corporation, which in turn controls the Missouri Pacific, while, as lenders of money to the Missouri Pacific the group has the status of a creditor also.

The bankers can sway the policies of the Missouri Pacific bankruptcy proceedings because they hold a majority of the stock of the Alleghany Corporation, which was pledged as collateral for a $48,000,000 loan which was defaulted on May 1. At that time partners in J. P. Morgan & Co. explained that legal steps were being taken to meet the situation caused by the default.

COULD HAVE STOPPED PLAN

Thus the situation arose that while O. P. Van Sweringen, president of the Alleghany Corporation and chairman of the Missouri Pacific, filed a Missouri Pacific reorganization plan with the Interstate Commerce Commission last week, he could have been estopped from this action had the banking group exercised the power it holds by virtue of the loan default. Consequently, it is believed that Mr. Van Sweringen was acting in harmony with the bankers' views.

Bondholders asserted that Mr. Van Sweringen's plan was notably liberal in its treatment of the Alleghany Corporation's holdings of Missouri Pacific stock, which, in turn, enhanced the value of the Alleghany stock held by the bankers. Under Mr. Van Sweringen's proposals, the Alleghany's control of the Missouri Pacific is reduced from 63 to about 49 percent, although bondholders insisted in conferences with him on a cut to about 15 percent.

Coincidently with being in a position, through the Alleghany holdings, to initiate Missouri Pacific reorganization plans, the Morgan group can also block any plan put forward by the bondholders. As the lenders of $5,800,000 to the Missouri Pacific, J. P. Morgan & Co. obtained an individual creditor's classification in the Missouri Pacific bankruptcy.

MORGAN FIRM'S POWER IN SITUATION

Because the law provides that the approval of two-thirds of each class of creditor be required for a railroad organization under the bankruptcy law, the Morgan firm, as entire component of one class of creditors, could halt undesired reorganizations. In an effort to correct this situation, the Reconstruction Finance Corporation has brought court proceedings to reclassify the Missouri Pacific creditors' list.

The position of the Morgan firm in the Missouri Pacific embroglio is conceded in banking circles to be difficult. On the one hand, S. Parker Gilbert, a partner in the firm, is a member of a committee headed by John W. Stedman, vice president of the Prudential Insurance Co., which is opposing the Van Sweringen reorganization plan for the Missouri Pacific. On the other hand, to accede to the wishes of the majority of the committee for a sweeping cut of the Alleghany's equity in the railway would adversely affect the $48,000,000 loan extended by the Morgan group to O. P. and M. J. Van Sweringen.

THE CALENDAR

The VICE PRESIDENT. Under the unanimous-consent agreement entered into yesterday, the Senate will now proceed to the consideration of unobjected bills on the calendar.

The clerk will call the first bill on the calendar.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. GERRY. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909 (35 Stat. 1109, U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. DUFFY. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam, was announced as next in order.

Mr. McKELLAR. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1878) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co., was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest, was announced as next in order.

Mr. McKELLAR. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 35) authorizing the Committee on the Judiciary to investigate certain phases of the National Recovery Act was announced as next in order.

Mr. KING. Let the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

MICHAEL F. CALNAN—BILL RECOMMITTED

The bill (S. 875) for the relief of Michael F. Calnan was announced as next in order.

Mr. WALSH. Mr. President, I ask that the bill be recommitted to the Committee on Naval Affairs.

The PRESIDENT pro tempore. Without objection, the bill is recommitted to the Committee on Naval Affairs.

BILLS PASSED OVER

The bill (S. 1162) to regulate the business of making small loans in the District of Columbia, and to amend an act to

regulate the business of loaning money, etc., approved February 4, 1913, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 509) to prevent the use of Federal offices or patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. KING. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 24) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

DONALD L. BRUNER

The bill (S. 164) for the relief of Donald L. Bruner was announced as next in order.

Mr. KING. Let the bill go over.

Mr. SHEPPARD. Mr. President, will the Senator permit me to make a brief explanation of the bill?

Mr. KING. I withhold my objection for that purpose.

Mr. SHEPPARD. The purpose of the bill is to authorize and direct the Secretary of War, in determining the retirement and longevity pay of Donald L. Bruner, a captain, United States Army, retired, to consider the longevity service of Bruner to be for a period of 17 years.

He served for a continuous period of 16 years and 1 day. He was brought before an Army retirement board and found to be incapacitated for active service by reason of disability incident to the service, and was retired from active service October 31, 1933. The evidence shows that his retirement was involuntary, that he specifically stated he did not wish to be retired, and that he submitted he was able to continue in the service the remaining days necessary to make out his 17 years of service.

His record in the service is one of most unusual accomplishment and contribution. He was a pioneer in night flying. He invented the first revolving beacon, the first airplane-carried electric landing lights. He is directly responsible for the development of the present standard landing-light units which are built into the leading edges of airplane wings, and he is responsible for many other devices to aid those who travel the air by night. For his remarkable service along this line he was awarded the Distinguished Flying Cross. He is unquestionably given credit for making it possible for military and commercial airplanes to fly during the hours of darkness.

In view of the high order of his public service, the far-reaching character of his contributions to the advancement of military and commercial aviation, and, in view of the fact that his retirement was involuntary and due to physical incapacity resulting from his service and his sacrifices, the committee believe his request should be granted and that he should be given credit for the remaining months which would give him the official status which he desires.

Mr. KING. The only reason why I suggested opposition to the bill was because the Secretary of War states that the War Department is opposed to the measure.

Mr. SHEPPARD. The Secretary of War evidently made that report largely as a routine matter and in keeping with certain precedents and standards observed by the War Department. The Senate Committee on Military Affairs believes that this bill should pass.

Mr. KING. Very well; I withdraw the objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 164) for the relief of Donald L. Bruner was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed, in determining the retirement and longevity pay of Donald L. Bruner, a captain, United States Army, retired, to consider the longevity service of such Donald L. Bruner to be for a period of 17 years.

BILLS PASSED OVER

The bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. KING. I ask that the bill go over.

Mr. CONNALLY. Mr. President, I have filed some amendments to the bill. Has the Senator from Utah considered them?

Mr. KING. Will the Senator let the bill go over for the time being?

Mr. CONNALLY. Very well.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week of 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1589) authorizing the purchase of the United States Supreme Court Decisions and Digest was announced as next in order.

Mr. McNARY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 626) to amend the Agricultural Adjustment Act so as to include hops as a basic agricultural commodity was announced as next in order.

Mr. McNARY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2481) to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous-coal resources of the United States and to establish a national bituminous-coal reserve; to provide for the general welfare; and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

LOSSES OF COOPERATIVE MARKETING ASSOCIATIONS

The joint resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations was announced as next in order.

Mr. McKELLAR. Over.

Mr. FRAZIER. Mr. President, may I inquire if the Senator who made objection would be willing to let the bill go through if it were amended to strike out the cotton feature?

Mr. McKELLAR. Can the Senator assure me that it would not be put back in conference?

Mr. FRAZIER. Of course, if it should be put back in conference, the conference report could be rejected.

Mr. McKELLAR. Let the bill go over. I am having investigation made and will discuss it with the Senator later.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 1460) to fix standards for till baskets, climax baskets, round-stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on this subject, and for other purposes, was announced as next in order.

Mr. VANDENBERG and Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 212) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve Banking System, and creating a Board of Agriculture to supervise the same was announced as next in order.

Mr. ROBINSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1476) to provide for unemployment relief through development of mineral resources, to assist the development of privately owned mineral claims, to provide for the development of emergency and deficiency minerals, and for other purposes, was announced as next in order.

Mr. WHITE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FACILITIES FOR PARK, PARKWAY, AND RECREATIONAL PURPOSES

The bill (S. 738) to aid in providing the people of the United States with adequate facilities for park, parkway, and recreational area purposes, and to provide for the transfer of certain lands chiefly valuable for such purposes to States and political subdivisions thereof was announced as next in order.

Mr. CAREY. Let the bill go over.

Mr. WAGNER. Mr. President, if I understand the situation correctly, the only objection to the bill is that the survey which would be authorized under the bill would be a survey merely of national parks. I am quite willing that the committee amendment should be rejected, which I think would remove the objection.

Mr. CAREY. I should be glad to withdraw my objection if the committee amendment were rejected.

Mr. McKELLAR. Mr. President, will the Senator state what the bill provides?

Mr. WAGNER. It provides for a survey to be conducted by the Secretary of the Interior of areas for recreational purposes in the United States for the purpose of ascertaining where and how we may coordinate Federal and State recreational facilities for the benefit of the public so they may be more widely used for recreational purposes to which they are to be dedicated.

I may say that the Senator from Wyoming [Mr. CAREY], who is familiar with the whole subject, will agree with me that the objection which is made to the bill is that the surveys should include national forests as well as national parks. I am willing to have the Senate reject the committee amendment, which I understand would remove all objection to the bill.

Mr. CAREY. That would remove my objection.

Mr. WAGNER. I may say for the benefit of the Senator from South Carolina [Mr. SMITH], that that is the objection which the Department of Agriculture has made to the particular bill.

Mr. CAREY. I understand there is no objection by the Department to including the words "national forests."

Mr. WAGNER. Exactly, and I am quite willing to remove that objection.

Mr. SMITH. Mr. President, I ask the Senator to let it go over temporarily because I want to confer with some of my friends. If it is all right I shall withdraw my objection.

Mr. WAGNER. Very well.

The PRESIDENT pro tempore. The bill will be passed over temporarily.

BILLS PASSED OVER

The bill (S. 2288) to provide for the measurement of vessels using the Panama Canal, and for other purposes, was announced as next in order.

Mr. AUSTIN. Let that go over.

Mr. GORE. Mr. President, I desire to give notice that I shall move to take up this bill and make it the unfinished business, perhaps this afternoon.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 476) relating to promotion of civil-service employees was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1952) extending the classified executive civil service of the United States was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2405) to provide for a special clerk and liaison officer was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

JOHN L. HOFFMAN

The bill (H. R. 760) for the relief of John L. Hoffman was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. KING subsequently said: Mr. President, I shall be glad if the Senator from Washington [Mr. SCHWELLENBACH] will make a brief explanation of House bill 760. I have some controversial reports in regard to it.

Mr. SCHWELLENBACH. Mr. President, this bill, for the relief of John L. Hoffman, arises out of an injury which he received during the war. The Senator will remember that shortly after the outbreak of the war the Government placed guards at all the bridges.

Mr. KING. I remember the facts, Mr. President. I withdraw the objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

NAVAL AND MARINE CORPS RESERVE

The bill (S. 1607) to amend section 109 of the Criminal Code so as to except officers of the Naval and Marine Corps Reserve not on active duty from certain of its provisions was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 109 of the Criminal Code is amended by adding thereto the following sentence: "While not on active duty, officers of the United States Naval Reserve and Marine Corps Reserve shall not be held to be within the provisions of this section solely by reason of their status as such Reserve officers."

PAY OF ENLISTED MEN OF NAVY AND MARINE CORPS

The Senate proceeded to consider the bill (S. 2460) to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes", which was read, as follows:

Be it enacted, etc., That section 8 of the act of June 6, 1924 (43 Stat. 472; U. S. C., title 10, sec. 981, and title 34, sec. 999), be, and it is hereby, amended by inserting after the words "in the" in line 8, the words "military or", so that said section as thus amended will read as follows:

"SEC. 8. That retired enlisted men of the Army heretofore or hereafter retired who served honorably as commissioned officers of the Army of the United States at some time between April 6, 1917, and November 11, 1918, shall be entitled to receive the pay of retired warrant officers of the Army; and retired enlisted men of the Regular Navy and Marine Corps heretofore or hereafter retired who served honorably as commissioned officers, regular, temporary, or reserve, in the military or naval service at some time between the aforesaid dates, and who at the time of their retirement were members of the Regular Navy or Marine Corps, shall be entitled to receive the pay of retired warrant officers of the Navy and Marine Corps, respectively: *Provided*, That such enlisted man retired prior to July 1, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired prior to that date, and that any such enlisted man retired subsequent to June 30, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired subsequent to that date: *Provided further*, That nothing in this act shall operate to prevent any person from receiving the pay and allowances of his grade, rank, or rating on the retired list when such pay and allowances exceed the pay to which he would be entitled under this act by virtue of his commissioned service."

Mr. CLARK. Mr. President, I should like to have an explanation of this bill.

Mr. McKELLAR. Will the Senator from Florida [Mr. TRAMMELL] explain the bill?

Mr. TRAMMELL. Mr. President, in explanation of this bill I will state that it appears that an enlisted man in the Navy who served as a warrant officer during the war may, upon retirement from the Navy, enlist in the Army and then be entitled to participate in the retirement pay under the provisions of the law in regard to the Army; but as long as he is in the Navy he is unable to do that. The object of this bill is to facilitate and expedite matters, so that the enlisted man in the Navy may have the same benefits without the necessity of resigning from the Navy and then enlisting in the Army. The bill extends the privilege that the man would have if he did that, without the necessity of his taking the circuitous route I have described in order to obtain his retirement pay.

Mr. CLARK. Mr. President, having had an opportunity to examine the bill, I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FOREIGN DECORATIONS FOR NAVAL AND MARINE CORPS OFFICERS

The Senate resumed the consideration of the bill (S. 1975) to authorize certain officers of the United States Navy, and officers and enlisted men of the Marine Corps, to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered.

The PRESIDENT pro tempore. The pending amendment, offered by the senior Senator from Texas [Mr. SHEPPARD], will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

That the following-named officers and enlisted men of the United States Army are hereby authorized to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered:

Gen. Douglas MacArthur; Maj. Gen. Dennis E. Nolan; Maj. Gen. Malin Craig; Maj. Gen. Paul B. Malone; Maj. Gen. Frank Parker; Maj. Gen. Frank R. McCoy; Maj. Gen. Albert J. Bowley; Maj. Gen. Benjamin D. Foulois; Brig. Gen. Frank C. Bolles; Brig. Gen. Casper H. Conrad, Jr.; Brig. Gen. Andrew Moses; Brig. Gen. Thomas W. Darrah; Brig. Gen. Francis LeJ. Parker; Brig. Gen. Guy V. Henry; Brig. Gen. John W. Gulick; Brig. Gen. Robert C. Foy; Col. Joseph A. Baer; Col. Charles Burnett; Col. W. Goff Caples; Col. Edward Davis; Col. Charles W. Exton; Col. James Malcolm Graham; Col. W. Lee Hart; Col. Jacob C. Johnson; Col. Roy C. Kirtland; Col. Osmun Latrobe; Col. E. R. Warner McCabe; Col. Charles H. Patterson; Col. Russell P. Reeder; Col. Francis A. Ruggles; Col. Frederick W. Van Duyne; Col. Richard H. Williams; Lt. Col. Frank M. Andrews; Lt. Col. Lester D. Baker; Lt. Col. Reginald B. Cocroft; Lt. Col. John F. Curry; Lt. Col. Ernest J. Dawley; Lt. Col. Robert H. Fletcher, Jr.; Lt. Col. William W. Hicks; Lt. Col. Donald C. McDonald; Lt. Col. Frederick W. Manley; Lt. Col. Maxwell Murray; Lt. Col. Henry C. Pratt; Lt. Col. John W. N. Schulz; Lt. Col. Martin C. Shallenberger; Lt. Col. Daniel I. Sultan; Lt. Col. Edwin M. Watson; Lt. Col. Barton K. Yount; Maj. George E. Arneman; Maj. Rosenham Beam; Maj. Enrique M. Benitez; Maj. Peter C. Bullard; Maj. Henry B. Cheadle; Maj. Joseph O. Daly; Maj. Herbert A. Dargue; Maj. James A. Dorst; Maj. Asa N. Duncan; Maj. Charles R. Finley; Maj. Abraham Garfinckel; Maj. James A. Gillespie; Maj. Paul R. Hawley; Maj. Charles B. Hazeltine; Maj. Edgar Erskine Hume; Maj. George E. Lovell, Jr.; Maj. Davenport Johnson; Maj. Raymond E. McQuillin; Maj. Joseph J. O'Hare; Maj. James B. Ord; Maj. Alvan C. Sandeford; Maj. Martin F. Scanlon; Maj. James C. R. Schwenck; Chaplain (Maj.) Aristeo V. Simoni; Maj. Julia C. Stimson; Maj. Robert H. Van Volkenburgh; Maj. Robert LeG. Walsh; Maj. Charles A. Willoughby; Maj. Walter F. Winton; Capt. John R. D. Cleland; Capt. Carl W. Connell; Capt. Virgil N. Cordero; Capt. Robert E. Cummings; Capt. Thomas J. Davis; Capt. Vernon C. DeVotie; Capt. Fernand G. Dumont; Capt. Ira C. Eaker; Capt. Richard E. Elvins; Capt. Muir S. Fairchild; Capt. James M. Gillespie; Capt. Leslie R. Groves, Jr.; Capt. Albert F. Hegenberger; Capt. Eugene J. Heller; Capt. Jack C. Hodgson; Capt. Arthur B. McDaniel; Capt. William J. McKiernan, Jr.; Capt. Eugene A. Regnier; Capt. Charles McK. Robinson; Capt. Timothy Sapia-Bosch; Capt. Kinsley W. Slauson; Capt. Bernard S. Thompson; Capt. Leonard D. Weddington; Capt. Ennis C. Whitehead; Capt. Royden Williamson; Capt. Ralph H. Wooten; First Lt. Joseph M. Glasgow; First Lt. John L. Hines, Jr.; First Lt. Kenneth C. Nichols; First Lt. Benjamin B. Talley; First Lt. Hugh B. Waddell; Staff Sgt. Edward F. Springer; Sgt. Leslie B. Hopkins.

The amendment was agreed to.

Mr. LA FOLLETTE and Mr. NYE. Let the bill go over.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

QUARTERS AND SUBSISTENCE OF ARMY, NAVY, AND MARINE CORPS

The Senate proceeded to consider the bill (S. 1976) to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps, which was read, as follows:

Be it enacted, etc., That so much of the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926 (44 Stat. 257; U. S. C., Appendix title 37, sec. 192), which provides "That hereafter enlisted men, including the members of the United States Army Band, entitled to receive allowances for quarters and subsistence shall continue, while their permanent stations remain unchanged, to receive such allowances while sick in hospital or absent from their permanent duty stations in a pay status: *Provided further*, That allowances for subsistence shall not accrue to such an enlisted man while he is in fact being subsisted at Government expense", is hereby amended to read as follows: "That hereafter enlisted men of the Army, Navy, and Marine Corps, including the members of the United States Army, Navy, and Marine Corps Bands and the Naval Academy Band, entitled to receive allowances for quarters and subsistence, shall continue, while their permanent stations remain unchanged, to receive such allowances while sick in hospital or absent from their permanent duty stations in a pay status: *Provided further*, That allowances for subsistence shall not accrue to such an enlisted man while he is in fact being subsisted at Government expense."

Mr. KING. Mr. President, I should like an explanation of this bill.

Mr. TRAMMELL. Mr. President, under the existing law enlisted men of the Army, if they are in a hospital or sick, are not deprived of their allowances. Under the law applicable to men in the Navy, if they are in a hospital or sick, deduction is made of their allowances. The purpose of this bill is to bring about an equal and equitable adjustment of the allowance question between men in the Navy and those in the Army. It is recommended by the Department.

Mr. KING. What would be the cost to the Government?

Mr. TRAMMELL. I do not know that I have the figures. It will not be any great sum, for the bill applies only to those who may be sick or in a hospital. Under existing law, a man may draw his allowance if he is in the Army.

Mr. KING. The bill is favored by the Secretary of the Navy?

Mr. TRAMMELL. It is recommended by the Navy Department. It is a Department bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE MERCHANT MARINE

The bill (S. 2582) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and other purposes, was announced as next in order.

Mr. LA FOLLETTE. Let that go over.

Mr. COPELAND. Mr. President, I ask unanimous consent that this bill be indefinitely postponed. It has been replaced by another bill, which, of course, I hope will pass today.

The PRESIDENT pro tempore. Without objection, the bill will be indefinitely postponed.

CARRIAGE OF GOODS BY SEA

The Senate proceeded to consider the bill (S. 1152) relating to the carriage of goods by sea, which had been reported from the Committee on Commerce with amendments.

Mr. KING. Mr. President, this is a very important bill. Does the Senator from Maine believe it should be taken up with the limitations that are prescribed under the rules?

Mr. WHITE. Mr. President, I feel very strongly that this bill should be disposed of. It has been on the calendar for a substantial time.

Senators have in mind the fact that but a short time ago the Senate ratified a treaty dealing with the same subject matter. This measure simply undertakes, generally speaking, to implement and make effective the terms of the treaty already ratified.

Most of the bill is in the identical language of the treaty. There are a few changes made to apply the terms of the treaty to the peculiar conditions existing in the United States.

I feel that unless the bill shall be passed, what we have done in the negotiation of the treaty, in the consideration of the treaty, and in the ratification of the treaty will have been an utterly futile thing.

I shall be very glad, if the Senator would care to have me do so, to make a very brief and general statement descriptive of the proposed legislation.

Mr. KING. Mr. President, will the Senator permit me to read briefly from a letter I have received from Andrew Furuseth, the head of the seamen's union? The Senator, in his observations and in my time, may make such explanation as he cares to make respecting this letter. I received it just a few days ago from Mr. Furuseth. The Senator is familiar with the important position he holds.

Mr. WHITE. I may say that this is the first intimation I have ever had that there were any objections on the part of Mr. Furuseth to this particular bill. I wonder if he is talking about this particular bill? Does not the objection of Mr. Furuseth relate to the bill fixing load lines?

Mr. KING. He objects to that bill, and also to this one.

Mr. WHITE. I never heard of any objection to this bill by him. The only interest in all the United States that I have heard raising a voice against this bill was one representing a conference composed largely by foreign steamships.

Mr. KING. The Senator may not consider this an objection; but, if he will pardon me, in my time, let me read just a few lines from Mr. Furuseth's letter. He states, with reference to the bill, of which I sent him a copy:

> I have marked the bill with red pencil in places that I do not understand at all, by adding a question sign. In other places where you will find the red marks, the bill has the appearance to me of using language which is capable of reasonable construction which would unduly lessen the responsibility of the carriers; but I frankly confess that I have not sufficient knowledge of the law dealing with the carrying of goods to be sure. In two places it seems plain to me if the carrier can show that the failure is resulting from either the incapacity or the negligence of the men employed, the carrier may thus escape liability.

Mr. WHITE. I may say that one of the outstanding purposes of the proposed legislation is to increase the character and degree of responsibility of the carriers; and the bill was designed in large measure in the interest of the shippers rather than of the carriers.

I shall be very glad if the Senator will permit me to make a very brief statement about the bill.

I have already alluded to the fact that we have ratified the treaty dealing with this subject matter, and I have already said that most of the proposed legislation is in the identical terms of the treaty; that it is important the treaty should be implemented, should be made effective; otherwise, in its ratification we have done a perfectly futile thing.

There are two questions which are left somewhat in doubt by the treaty. The treaty is between this and other nations. The question arises—it is not suggested by me, but by others—whether a treaty between this country and a foreign country covers in the fullest degree questions arising between an American shipper and an American carrier; in other words, whether an American citizen shipping on an American vessel comes within the purview of the treaty provisions. This proposed legislation is desirable to make certain that the general rules and regulations laid down in this international undertaking apply to an American shipping upon an American vessel. Then, another question arises as to whether this treaty covers the case of an American shipper utilizing the vessel of a nation which is not a signatory to the treaty. That question is left doubtful in the treaty. The proposed legislation will remove those two doubts.

The bill is designed to bring about uniformity in ocean bills of lading, precisely as through the years uniformity in bills of lading has been worked out covering land transportation. The legislation supersedes the so-called "Harter Act" from the time the goods are loaded on the ship to the time they are discharged from the ship. Otherwise our law remains precisely as it is, unaffected and unimpaired by the proposed legislation.

Four principal changes in the law will be worked by the legislation:

The first one has reference to the limit of liability. Under this provision I should say generally that the limit of liability of the carrier is substantially increased.

The second change in the law is with respect to notice of a loss. Under the Harter Act the carrier may require, as a condition precedent to liability, notice of loss within a very limited period of time. This bill very substantially restricts the right of the carrier with respect to the requirement of notice.

The present law imposes a very limited restriction on the right to bring suits against the carrier for defaults of one sort or another. This enlarges the time within which a shipper who has suffered damage may bring his suit against the carrier.

The fourth change relates to the burden of proof, and here, again, the change is so made that the shipper, the owner of the goods, is given great advantage over that now accorded him under present law.

These are the principal changes made. There are several verbal changes which are trivial.

There is a second part of the bill, which simply seeks to make the provisions of the treaty applicable to American conditions. The bill has the approval, I think, of all the shipping interests of the United States—and when I say that I refer to the shippers. I think it has the reluctant approval of the ship operators. It is approved by our State Department and I think it has the complete approval of our Department of Commerce. It is approved generally by commercial interests and commercial organizations throughout the country.

Mr. President, this is a general statement of the situation.

Mr. KING. Mr. President, I may say to the Senator that I will withdraw my objection, but I hope the Senator will not have the bill transmitted to the House until tomorrow, in order to give me an opportunity to confer with Mr. Furuseth, and those representing the labor unions.

Mr. WHITE. I shall be very agreeable to the bill being passed and held in the Senate for a day.

The PRESIDENT pro tempore. The clerk will state the first amendment of the Committee on Commerce.

The first amendment of the Committee on Commerce was, in section 3, on page 4, line 14, after the word "section", to insert a colon and the following proviso:

> *Provided*, That nothing in this act shall be construed as repealing or limiting the application of any part of the act, as amended, entitled "An act relating to bills of lading in interstate and foreign commerce", approved August 29, 1916 (U. S. C., title 49, secs. 81–124), commonly known as the "Pomerene Bills of Lading Act."

On page 5, line 11, after the words "bill of lading" and the period, to insert "if the loss or damage is not apparent, the notice must be given within 3 days of the delivery."; after line 12, to insert:

> Said notice of loss or damage may be endorsed upon the receipt for the goods given by the person taking delivery thereof.

On the same page, line 22, after the word "delivered", to insert a colon and the following proviso:

> *Provided*, That if a notice of loss or damage, either apparent or concealed, is not given as provided for in this section, that fact shall not affect or prejudice the right of the shipper to bring suit within 1 year after the delivery of the goods or the date when the goods should have been delivered.

And on page 6, line 17, after the word "this", to strike out "paragraph" and insert "section", so as to make the section read:

RESPONSIBILITIES AND LIABILITIES

SEC. 3. (1) The carrier shall be bound, before and at the beginning of the voyage, to exercise due diligence to—

(a) Make the ship seaworthy;

(b) Properly man, equip, and supply the ship;

(c) Make the holds, refrigerating and cooling chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage, and preservation.

(2) The carrier shall properly and carefully load, handle, stow, carry, keep, care for, and discharge the goods carried.

(3) After receiving the goods into his charge the carrier, or the master or agent of the carrier, shall, on demand of the shipper, issue to the shipper a bill of lading showing among other things—

(a) The leading marks necessary for identification of the goods as the same are furnished in writing by the shipper before the loading of such goods starts, provided such marks are stamped or otherwise shown clearly upon the goods if uncovered, or on the cases or coverings in which such goods are contained, in such a manner as should ordinarily remain legible until the end of the voyage.

(b) Either the number of packages or pieces, or the quantity or weight, as the case may be, as furnished in writing by the shipper.

(c) The apparent order and condition of the goods: *Provided*, That no carrier, master, or agent of the carrier, shall be bound to state or show in the bill of lading any marks, number, quantity, or weight which he has reasonable ground for suspecting not accurately to represent the goods actually received, or which he has had no reasonable means of checking.

(4) Such a bill of lading shall be prima facie evidence of the receipt by the carrier of the goods as therein described in accordance with paragraphs (3) (a), (b), and (c), of this section: *Provided*, That nothing in this act shall be construed as repealing or limiting the application of any part of the act, as amended, entitled "An act relating to bills of lading in interstate and foreign commerce", approved August 29, 1916 (U. S. C., title 49, secs. 81–124), commonly known as the "Pomerene Bills of Lading Act."

(5) The shipper shall be deemed to have guaranteed to the carrier the accuracy at the time of shipment of the marks, number, quantity, and weight, as furnished by him; and the shipper shall indemnify the carrier against all loss, damages, and expenses arising or resulting from inaccuracies in such particulars. The right of the carrier to such indemnity shall in no way limit his responsibility and liability under the contract of carriage to any person other than the shipper.

(6) Unless notice of loss or damage and the general nature of such loss or damage be given in writing to the carrier or his agent at the port of discharge before or at the time of the removal of the goods into the custody of the person entitled to delivery thereof under the contract of carriage, such removal shall be prima facie evidence of the delivery by the carrier of the goods as described in the bill of lading. If the loss or damage is not apparent, the notice must be given within 3 days of the delivery.

Said notice of loss or damage may be endorsed upon the receipt for the goods given by the person taking delivery thereof.

The notice in writing need not be given if the state of the goods has at the time of their receipt been the subject of joint survey or inspection.

In any event the carrier and the ship shall be discharged from all liability in respect of loss or damage unless suit is brought within 1 year after delivery of the goods or the date when the goods should have been delivered: *Provided*, That if a notice of loss or damage, either apparent or concealed, is not given as provided for in this section, that fact shall not affect or prejudice the right of the shipper to bring suit within 1 year after the delivery of the goods or the date when the goods should have been delivered.

In the case of any actual or apprehended loss or damage the carrier and the receiver shall give all reasonable facilities to each other for inspecting and tallying the goods.

(7) After the goods are loaded the bill of lading to be issued by the carrier, master, or agent of the carrier to the shipper shall, if the shipper so demands, be a "shipped" bill of lading: *Provided*, That if the shipper shall have previously taken up any document of title to such goods, he shall surrender the same as against the issue of the "shipped" bill of lading, but at the option of the carrier such document of title may be noted at the port of shipment by the carrier, master, or agent with the name or names of the ship or ships upon which the goods have been shipped and the date or dates of shipment, and when so noted the same shall for the purpose of this section be deemed to constitute a "shipped" bill of lading.

(8) Any clause, covenant, or agreement in a contract of carriage relieving the carrier or the ship from liability for loss or damage to or in connection with the goods, arising from negligence, fault, or failure in the duties and obligations provided in this section, or lessening such liability otherwise than as provided in this act, shall be null and void and of no effect. A benefit of insurance in favor of the carrier, or similar clause, shall be deemed to be a clause relieving the carrier from liability.

The amendment was agreed to.

The next amendment was, in section 4, on page 8, line 10, after the word "general", to insert a colon and the following proviso:

Provided, That nothing herein contained shall be construed to relieve a carrier from responsibility for the carrier's own acts.

In line 24, before the word "privity", to strike out "or" and insert "and"; on page 9, line 14, after the word "of", to strike out "securing or delivering" to insert "loading or unloading"; and in line 20, after the word "package", to insert "lawful money of the United States", so as to make the section read:

RIGHTS AND IMMUNITIES

SEC. 4. (1) Neither the carrier nor the ship shall be liable for loss or damage arising or resulting from unseaworthiness unless caused by want of due diligence on the part of the carrier to make the ship seaworthy, and to secure that the ship is properly manned, equipped, and supplied, and to make the holds, refrigerating and cool chambers, and all other parts of the ship in which goods are carried fit and safe for their reception, carriage, and preservation in accordance with the provisions of paragraph (1) of section 3. Whenever loss or damage has resulted from unseaworthiness the burden of proving the exercise of due diligence shall be on the carrier or other persons claiming exemption under this section.

(2) Neither the carrier nor the ship shall be responsible for loss or damage arising or resulting from—

(a) Act, neglect, or default of the master, mariner, pilot, or the servants of the carrier in the navigation or in the management of the ship;

(b) Fire, unless caused by the actual fault or privity of the carrier;

(c) Perils, dangers, and accidents of the sea or other navigable waters;

(d) Act of God;

(e) Act of war;

(f) Act of public enemies;

(g) Arrest on restraint of princes, rulers, or people, or seizure under legal process;

(h) Quarantine restrictions;

(i) Act or omission of the shipper or owner of the goods, his agent or representative;

(j) Strikes or lockouts or stoppage or restraint of labor from whatever cause, whether partial or general: *Provided*, That nothing herein contained shall be construed to relieve a carrier from responsibility for the carrier's own acts;

(k) Riots and civil commotions;

(l) Saving or attempting to save life or property at sea;

(m) Wastage in bulk or weight or any other loss or damage arising from inherent defect, quality, or vice of the goods;

(n) Insufficiency of packing;

(o) Insufficiency or inadequacy of marks;

(p) Latent defects not discoverable by due diligence; and

(q) Any other cause arising without the actual fault and privity of the carrier and without the fault or neglect of the agents or servants of the carrier, but the burden of proof shall be on the person claiming the benefit of this exception to show that neither the actual fault or privity of the carrier nor the fault or neglect of the agents or servants of the carrier contributed to the loss or damage.

(3) The shipper shall not be responsible for loss or damage sustained by the carrier or the ship arising or resulting from any cause without the act, fault, or neglect of the shipper, his agents, or his servants.

(4) Any deviation in saving or attempting to save life or property at sea, or any reasonable deviation shall not be deemed to be an infringement or breach of this act or of the contract of carriage, and the carrier shall not be liable for any loss or damage resulting therefrom: *Provided, however*, That if the deviation is for the purpose of loading or unloading cargo or passengers it shall, prima facie, be regarded as unreasonable.

(5) Neither the carrier nor the ship shall in any event be or become liable for any loss or damage to or in connection with the transportation of goods in an amount exceeding $500 per package lawful money of the United States, or in case of goods not shipped in packages, per customary freight unit, or the equivalent of that sum in other currency, unless the nature and value of such goods have been declared by the shipper before shipment and inserted in the bill of lading. This declaration, if embodied in the bill of lading, shall be prima facie evidence, but shall not be conclusive on the carrier.

By agreement between the carrier, master, or agent of the carrier, and the shipper another maximum amount than that mentioned in this paragraph may be fixed: *Provided*, That such maximum shall not be less than the figure above named. In no event shall the carrier be liable for more than the amount of damage actually sustained.

Neither the carrier nor the ship shall be responsible in any event for loss or damage to or in connection with the transportation of the goods if the nature or value thereof has been knowingly and fraudulently misstated by the shipper in the bill of lading.

(6) Goods of an inflammable, explosive, or dangerous nature to the shipment whereof the carrier, master or agent of the carrier, has not consented with knowledge of their nature and character, may at any time before discharge be landed at any place or destroyed or rendered innocuous by the carrier without compensation, and the shipper of such goods shall be liable for all damages and expenses directly or indirectly arising out of or resulting from such shipment. If any such goods shipped with such knowledge and consent shall become a danger to the ship or cargo, they may in like manner be landed at any place, or destroyed or rendered innocuous by the carrier without liability on the part of the carrier except to general average, if any.

The amendment was agreed to.

The next amendment was, on page 13, after line 6, to strike out section 9, as follows:

SEC. 9. The monetary units mentioned in this act are to be taken to be gold value.

The amendment was agreed to.

The next amendment was, in section 13, on page 15, line 2, after the word "its", to strike out "island possessions and Alaska" and insert "districts, territories, and possessions", so as to make the section read:

SEC. 13. This act shall apply to all contracts for carriage of goods by sea to or from ports of the United States in foreign trade. As used in this act the term "United States" included its districts, territories, and possessions: *Provided, however,* That the Philippine Legislature may by law exclude its application to transportation to or from ports of the Philippine Islands. The term "foreign trade" means the transportation of goods between the ports of the United States and ports of foreign countries. Nothing in this act shall be held to apply to contracts for carriage of goods by sea between any port of the United States or its possessions, and any other port of the United States or its possessions: *Provided, however,* That any bill of lading or similar document of title which is evidence of a contract for the carriage of goods by sea between such ports, containing an express statement that it shall be subject to the provisions of this act, shall be subjected hereto as fully as if subject hereto by the express provisions of this act: *Provided further,* That every bill of lading or similar document of title which is evidence of a contract for the carriage of goods by sea from ports of the United States, in foreign trade, shall contain a statement that it shall have effect subject to the provisions of this act.

The amendment was agreed to.

The next amendment was, in section 14, on page 15, line 23, after the word "certification", to strike out "of the United States Shipping Board and"; and, on page 16, line 3, after the word "Act", to insert "or by the laws of any foreign country or countries relating to the carriage of goods by sea", so as to make the section read:

SEC. 14. Upon the certification of the Secretary of Commerce that the foreign commerce of the United States in its competition with that of foreign nations is prejudiced by the provisions, or any of them, of title I of this act, or by the laws of any foreign country or countries relating to the carriage of goods by sea, the President of the United States may, from time to time, by proclamation, suspend any or all provisions of title I of this act for such periods of time or indefinitely as may be designated in the proclamation. The President may at any time rescind such suspension of title I hereof, and any provisions thereof which may have been suspended shall thereby be reinstated and again apply to contracts thereafter made for the carriage of goods by sea. Any proclamation of suspension or rescission of any such suspension shall take effect on a date named therein, which date shall be not less than 10 days from the issue of the proclamation.

Any contract for the carriage of goods by sea, subject to the provisions of this act, effective during any period when title I hereof, or any part thereof, is suspended, shall be subject to all provisions of law now or hereafter applicable to that part of title I which may have thus been suspended.

The amendment was agreed to.

Mr. WHITE. Mr. President, I ask that the clerk be authorized to renumber the sections.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL ADJUSTMENT ADMINISTRATION—ENROLLMENT OF HOUSE BILL 8492

The PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 34, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed in the enrollment of the bill (H. R. 8492), entitled "An act to amend the Agriculture Adjustment Act, and for other purposes", to make the following necessary changes in the language of the bill:

In title II of said act following section 204, insert the following new section:

"SEC. 204. (a) The quantity determined and proclaimed by the Secretary of Agriculture, pursuant to section 203, and the quantity apportioned to each State, pursuant to section 204, may at such intervals as the Secretary of Agriculture finds necessary to effectuate the declared policy and purposes of this act be adjusted by him: *Provided,* That the quantity so determined and proclaimed shall not be increased or decreased by more than 5 percent."

And in section 229 of said title II of said act, strike out all of paragraph "(b)."

Mr. SMITH. I move that the Senate concur in the resolution.

The motion was agreed to.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 133) for designation of a street to be known as "Missouri Avenue" was announced as next in order.

Mr. BULKLEY. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 916) to carry into effect the decision of the Court of Claims in favor of claimants in French spoliation was announced as next in order.

Mr. BURKE. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

COMMODITY DIVISIONS IN DEPARTMENT OF AGRICULTURE

The bill (S. 2583) establishing certain commodity divisions in the Department of Agriculture was announced as next in order.

Mr. KING. Let that bill go over.

Mr. SMITH. Mr. President, I do not know that I shall insist upon this bill being considered, but I call attention to the fact that there was never a more important measure reported from the Committee on Agriculture and Forestry than is this. It proposes to divide the Agricultural Department into groups officered by those familiar with the products over which they are supposed to have jurisdiction. I do not feel disposed, because objection has been made, to insist on the bill being considered now; but the Congress will again meet in January, and I shall then insist that men familiar with the things with which they have to deal shall be the administrators and executors of our laws.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

The bill (S. 1389) to amend section 7, title 1, of the Agricultural Adjustment Act (Public, No. 10, 73d Cong., 48 Stat. 31 (1933), 7 U. S. C., art. 601 et seq., as amended by sec. 221 of the National Industrial Recovery Act, Public, No. 67, 73d Cong., 48 Stat. 210, 15 U. S. C., art. 607), so as to eliminate from said section as amended the limitation of time allowed to the Secretary of Agriculture for disposing of all cotton held by him, and for other purposes, was announced as next in order.

Mr. KING. I should like to have an explanation of the bill.

Mr. BANKHEAD. Mr. President, the provisions of this bill were incorporated in the amendments to the Agricultural Adjustment Act recently passed, and I ask that the bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT

The Senate proceeded to consider the bill (H. R. 3462) to amend an act entitled "An act to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913", and for other purposes, which had been reported from the Committee on the District of Columbia with amendments, on page 6, line 7, to strike out the comma after the word "Commission" and the words "if supported by substantial evidence."

The amendment was agreed to.

The next amendment was, on page 6, line 9, before the word "arbitrary", to insert the word "unreasonable", so as to read:

PAR. 66. In the determination of any appeal from an order or decision of the Commission the review by the court shall be limited to questions of law, including constitutional questions; and the findings of fact by the Commission shall be conclusive unless it shall appear that such findings of the Commission are unreasonable, arbitrary, or capricious.

Mr. LA FOLLETTE. Mr. President, I am very much opposed to the amendment under consideration, because I think it weakens the position of the Public Utilities Commission. I appreciate, however, that we are near the close of the session, and that it is not possible at this time to enter

into protracted debate concerning this proposition. Therefore, I content myself with making this statement, and shall rest upon the determination of the Senate on this amendment, because the bill, even with the committee amendment agreed to, is somewhat an improvement over the existing law. But I sincerely hope that the pending committee amendment will be rejected.

Mr. KING. Mr. President, there has been some controversy over this bill for some time. It was referred to a subcommittee and they had hearings, reported back to the full committee, and a few days ago the full committee considered the bill, the Commissioners of the District of Columbia were present, together with representatives of the public utilities and the corporation counsel, and they all agreed that the bill in its present form is agreeable, and recommended its passage.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. LA FOLLETTE. I ask for a division.

On a division, the amendment was rejected.

Mr. KING. Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. KING subsequently said: Mr. President, a short time ago the Senator from Wisconsin, when House bill 3462 was under consideration, opposed an amendment which had been offered by the committee, and the amendment was rejected. I have conferred with the Senator, and I now ask unanimous consent to return to the consideration of that bill.

There being no objection, the Senate resumed the consideration of the bill.

Mr. LA FOLLETTE. Mr. President, I have not changed my opinion concerning the fact that these two committee amendments weaken the bill from the point of view of the public interest. Nevertheless, it is to be recognized that we have reached the point in the session where the objection of one Senator can defeat a bill of this character. Therefore I think after a more deliberate consideration that the bill, even with the committee amendments is an improvement on the existing law. Therefore I ask unanimous consent for the reconsideration of the vote by which the second committee amendment was rejected.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered. The question now is on the second committee amendment, which will be stated.

The CHIEF CLERK. On page 6, line 9, before the word "arbitrary", it is proposed to insert the word "unreasonable."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ANNUITIES TO CIVILIAN TEACHERS

The Senate proceeded to consider the bill (S. 2845) to provide for the retirement and retirement annuities of civilian members of the teaching staffs at the United States Naval Academy and the Postgraduate School, United States Naval Academy, which had been reported from the Committee on Naval Affairs with an amendment, in section 3, on page 2, line 15, to strike out "13th" and to insert in lieu thereof "30th", so as to make the section read:

SEC. 3. The retiring age for all civilian members of the teaching staffs set forth in this act shall be the 30th day of June following their sixty-fifth birthday, or any date between their sixty-fifth birthday and the following 30th day of June upon which their employment may be terminated: *Provided*, That in the discretion of the Secretary of the Navy, such retiring age may be extended to not beyond the seventieth birthday in individual and special cases.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. COPELAND. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

DON C. FEES

The bill (H. R. 4827) for the relief of Don C. Fees was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2524) amending section 112 of the United States Code, annotated (title 28; subtitle "Civil Suits; where to be brought"), was announced as next in order.

Mr. BARBOUR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

REPATRIATION OF NATIVE-BORN WOMEN

The bill (S. 2912) to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes, was announced as next in order.

Mr. KING. Let that bill go over.

Mr. COPELAND. Mr. President, is there any use in my attempting any oratory on this bill, I ask the Senator from Utah?

Mr. KING. None.

Mr. COPELAND. It seems to me that we really ought to pass the bill. The women affected by the bill are entitled to be repatriated, but under the law as it is now they have to come back to the United States to have it done.

Mr. KING. I insist on my objection.

Mr. SMITH. Mr. President, I do not think we ought to pass a measure of this kind. If they see fit to leave this country, let them stay away.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

CHOCTAW INDIANS OF MISSISSIPPI

The Senate proceeded to consider the bill (S. 1440) to enroll on the citizenship rolls certain persons of the Choctaw and Chickasaw Nations or Tribes, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 4, after the word "the", to strike out the words "citizenship rolls of the Choctaw and Chickasaw Nations or Tribes of" and to insert in lieu thereof the words "final citizenship roll of the Mississippi Choctaw", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to enroll on the final citizenship roll of the Mississippi Choctaw Indians the following persons: Robert Fix, Clara Fix Nichols, Philip Fix, and Gertrude Fix Dalton, said persons being the children and descendants of Jesse Fix and Elizabeth Fix, Oklahoma Choctaw Indians. Said persons, when enrolled by the Secretary of the Interior, shall be entitled to a share in the common property of said nations or tribes; and the Secretary of the Interior shall inscribe the names of such persons on the property rolls of said nation or tribes, and they shall be entitled to participate in all future payments made to persons of like status.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to enroll certain persons on the final citizenship rolls of the Mississippi Choctaw Indians."

BILLS PASSED OVER

The bill (S. 2998) to control the trade in arms, ammunition, and implements of war was announced as next in order.

Mr. JOHNSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (S. 1632) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers operat-

ing in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. GEORGE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (H. J. Res. 280) for the designation of a street or avenue in the Mall, to be known as "Maine Avenue", was announced as next in order.

Mr. BULKLEY. I ask that the joint resolution be passed over.

The PRESIDENT pro tempore. The House joint resolution will be passed over.

WAIVER OF TRIAL BY JURY

The bill (S. 2617) to amend the Judicial Code to permit defendants in criminal cases to waive trial by jury was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That chapter 12 of the Judicial Code (U. S. C., title 28, ch. 11) be, and the same is hereby, amended by adding at the end thereof the following section:

"SEC. 288a. In any criminal case except one in which a sentence of death may be imposed, the defendant may, with the approval of counsel for the prosecution, waive trial by jury, and the case may, in such event, be tried by the court without a jury. Such waiver shall be made only in open court by the defendant and not by the defendant's counsel, and such waiver shall be entered on the record."

ESTATES UNDER BANKRUPTCY ACT

The bill (S. 2303) to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. BAILEY. The effect of the amendment proposed by the bill is to amend the bankruptcy act which was passed on June 7, 1934, with reference to subsection 6½ in section 4 only to the extent of making that section applicable to estates on the date of the passage of the act. That was the intention of the Congress. All that is sought by this amendment is to have the intention of the Congress carried out. It will not affect anyone adversely, but will accord real justice, on the same basis as claims before the Compensation Commission. The bill is approved by the Committee on the Judiciary. I am sorry the chairman of the subcommittee the Senator from Indiana [Mr. VAN NUYS] is not here. I am making this statement with his approval. I hope the bill will not be objected to.

There being no objection the Senate proceeded to consider the bill (S. 2303) to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States" approved July 1, 1898, as amended and supplemented, which was ordered to be engrossed for a third reading, read the third, and passed, as follows:

Be it enacted, etc., That clause 6½ of subsection (a) of section 63 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented, is amended by inserting immediately after the words "whether voluntary or involuntary" a colon and the following: "Provided, That the provisions of this clause 6½ shall apply to estates that were pending on June 7, 1934, and are in process of settlement."

SEC. 2. Notwithstanding the provisions of subsection (n) of section 57 of such act of July 1, 1898, as amended and supplemented, claims covered by the amendatory proviso of section 1 of this act may be proved against the estate of the bankrupt at any time within 60 days after the date of enactment of this act.

CLAYTON M. THOMAS

The bill (S. 2704) for the relief of Clayton M. Thomas, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. SHEPPARD. The purpose of this bill is to consider Clayton M. Thomas to have been honorably discharged from the military service on July 17, 1900. He was in the service 2 years during two enlistment periods. On his first enlistment he received an honorable discharge. From his second enlistment, while in the Philippine Islands, he was dishonorably discharged, on conviction by general court martial, for disobeying an order to report at the post hospital at sick call. Evidence before the committee was to the effect that the soldier was not in condition to report as ordered, and letters are on file calling attention to his youth at the time of his trouble. He was under 21 years of age at the time, and is now over 55 years.

Mr. McKELLAR. I have no objection.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 9, to strike out "15th" and insert in lieu thereof "17th", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Clayton M. Thomas, who was a member of Company F, Thirty-first Regiment United States Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 17th day of July 1900: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN P. SEABROOK

The bill (H. R. 2118) for the relief of John P. Seabrook was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2555) an act to extend to Sgt. Maj. Edmund S. Sayer, United States Marine Corps (retired) the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men, was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of that bill.

Mr. JOHNSON. Mr. President, I ask that the bill be temporarily passed over.

The PRESIDING OFFICER. The bill will be temporarily passed over.

SYLVAN M. LEVY

The bill (S. 696) for the relief of Sylvan M. Levy was announced as next in order.

Mr. McKELLAR. Mr. President, I should like an explanation from the Senator from Maryland [Mr. TYDINGS] of this bill.

Mr. TYDINGS. The evidence of Mr. Levy in the court-martial of August 16, 1918, was:

I was taken sick this past winter in the Brooklyn Navy Yard, and I went up to the doctor on board and told him I could not continue with my work, and he took my temperature and he didn't find anything wrong with me except a bad cold, so I went back to work again on the ship * * * and a few days later I still felt sick—in fact, a little worse—and I went up to him again, and he gave me a couple of pills—I don't know what they were for—so I took them and went back to my work.

My recollection is that subsequent to that time he went on leave. While on leave he fell ill. It has been some time since I read this claim—I am speaking from memory, and I may be inaccurate in my statement—but my recollection is that on his return he was court martialed for being away without leave. Some other facts in connection with the case were adduced.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 696) for the relief of Sylvan M. Levy, which had been reported from the Committee on Naval Affairs with an amendment adding a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers and sailors Sylvan M. Levy, formerly of the United States Navy, shall be deemed to have fulfilled all his terms of naval and

military service and to have been honorably discharged therefrom: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL PLANNING BOARD

The bill (S. 2825) to provide for the establishment of a National Planning Board and the organization and functions thereof was announced as next in order.

Mr. VANDENBERG. I ask that the bill be passed over.

Mr. COPELAND. Mr. President, I ask the Senator from Michigan if he will withhold his objection for a moment.

Mr. VANDENBERG. Will the Senator from New York permit me to state what my general objection is, and then perhaps the Senator would like to comment on it. My objection goes to this general practice. This bill proposes to establish a new national planning board of five members with duties similar and in addition to those now assigned to the National Resources Board and to be paid $12,000 apiece. It seems to me, Mr. President, that we are on notice that whenever any of these instrumentalities are established they are established forever, and their pay rolls blossom into wondrous size. I think the experience which we now confront in respect to N. R. A. is a fine demonstration. N. R. A. died on May 27 this year. Or we supposed it died. Yet in the recent month of July it still has 4,000 employees on the pay roll, and the administrative expense for July 1935, 6 weeks after its death, is almost $200,000 more than the administrative expense in July 1934, when it was alive. So far as I am concerned, I am not interested in the creation of any further boards or bureaus or commissions. The taxpayer is the forgotten man.

Mr. COPELAND. Mr. President, I was very much impressed by the testimony which the Commerce Committee took regarding this bill. The purpose of the bill is to provide a board which will act constantly in the effort to ascertain how our national resources may be best served, and how the various States may be aided in their efforts toward conservation. There can be no doubt, I think, in any mind here that what has been done in the way of conservation of mineral resources and the timber resources of the country has been of great value. If one were to read, as I have, the reports of the National Resources Board, he would be impressed with the idea that very much of value has been established. It has been found that we have within our borders manganese and tin and nickel and other minerals in sufficient quantity, if developed, to make us independent of other nations. There ought to be, as I have said, some agency of Government all the time looking forward to what may be done to improve the conditions of those who will follow us. Ten years ago I introduced a bill for advanced planning of public buildings. If we could have had a plan at hand when it came time to find work to take care of unemployed, there would have been legitimate activities available to engage the energies of the people, and it would not have been necessary to manufacture work, employ people in raking leaves, and other such occupations which all of us consider silly.

This bill provides for the continuance of the National Resources Board, which, when it was appointed, was understood to be of temporary character, but the board contemplated by the bill is intended to go on year after year and to do what is done by the wise man who owns a farm or a piece of property or who has a business and who takes an inventory of his resources to see what may be done to improve his welfare and the welfare of his descendants. To my mind it is a sane, sensible, wise bill, and I think the bill ought to be enacted into law.

Mr. LEWIS. Mr. President——

Mr. KING. Objection has been made. I call for the regular order.

Mr. McCARRAN. Mr. President, would it be out of order to discuss the matter in keeping with the discussion of the Senator from New York?

The PRESIDENT pro tempore. Objection has been made. The bill will be passed over. The clerk will call the next bill on the calendar.

HERMAN W. BENSEL

The bill (H. R. 3109) for the relief of Herman W. Bensel was announced as next in order.

Mr. LEWIS. Mr. President, I desire to address myself in brief reply to the able Senator from Michigan [Mr. VANDENBERG]. The eminent Senator from Michigan has just alluded, touching the subject at hand, to what he calls the increase of commissions and bureaus. We noticed on yesterday that the Senator from Michigan delivered a very full and complete opposition address—from his standpoint—touching the then tax bill before the body. Much of the assault aroused the rapture of the galleries, no doubt to the satisfaction of the orator himself. The Senator indulged in the allusion that what was needed is "less bureaus and commissions instead of additional taxes", intimating that the bureaus and commissions were the creations of the present administration. I beg to advise the Senator from Michigan that the record of the Government discloses that in the previous administration, that of President Hoover, there were 42 commissions named. Those commissions have in large degree been continued by the present administration. Two others have been added, and I invite the attention of my able friend from Michigan that in connection with the 17 different measures which brought forth commissions during the administration when he was then an able advocate on the side of the administration in power—the Hoover administration—my able friend from Michigan voted for the laws which produced those commissions, or they could not have existed. I ask my able friend if he will not recall when he condemns the bureaus and the commissions as evil that these were not a product of the present administration; that the whole policy seems to be one of a continued system under all Presidents and since the World War, that the bureaus were not created in the manner alluded to by the present administration. I trust the Senator will correct his errors.

Mr. VANDENBERG. I will have to tell the Senator from Illinois for his information that my position with respect to various bureaus and commissions was precisely the same in the previous administration as it is in the present administration; and if the Senator will consult the RECORD, he will find that I was constantly on the floor trying to do the same thing I am trying now to do.

Mr. LEWIS. Mr. President, I am sorry that the Senator could not have found it agreeable, when he assailed commissions in his speech on the tax bill, to have made his allusions fully touching the past administrations which created the bureaus, and not to have left the impression that the vast tax bill, which he condemned rightfully, and the amount of debt caused thereby had been the result of bureaus and commissions created by the present administration. The able Senator knows that these bureaus and commissions were created by a different administration, particularly that of President Hoover, the immediate predecessor of the present President, and not of that to which he laid the blame. We now have a clearer understanding that we might not any longer leave the record as the able Senator left it yesterday, and assume that it was under the present administration these commissions and bureaus, which he rightfully indicts, had been created.

Mr. VANDENBERG. Mr. President, I can think of nothing more futile or needless or unwelcome than to inject a political discussion into a call of the calendar, but I cannot leave the observation of the Senator from Illinois to stand without this postscript; I suspect if an expert accountant could assess the sum total of all the expenditures of all the new boards and commissions which were created in the previous administration and compare the net result with the moneys appropriated and spent under boards, commission, bureaus, and so forth, under the present administration, the net result would show that the bulk and extent of bureaucratic growth in the last 2 years have no remote precedent

in American history. I withdraw nothing which I said in connection with the tax bill. But that is beside the point. It makes no difference what the administration may be; I hope I may always devote myself, without reference to politics, to the most practicable and sensible economy which may be available.

Mr. LEWIS. The Senator now states that he suspects what would be the result of the procedure to which he has adverted. It is a mere suspicion of the able Senator, in which aspect he has been quite fluent generally. I say there is no evidence to prove the charge he makes. I conclude with the single observation that the fact that my able friend falls into suspicion of all that is Democratic is nothing but the writhing, wriggling ichor that simmers in the bosoms of Presidential potentialities at certain seasons in campaign aspirations. [Laughter.]

Mr. KING. Mr. President, I am glad the Senator from Michigan has challenged attention to the large number of employees in the defunct N. R. A. I have received a number of complaints from persons, some of whom are working in the N. R. A. and some of whom are not, who state that the personnel that existed when the N. R. A. was alive and functioning is substantially the same and the expenses of operating it today are substantially the same as, if not greater than they were a year ago.

I prepared a resolution, which I intended to offer, calling upon those in charge of the N. R. A. to submit a report showing the number of employees still in the defunct organization and the cost of operating it.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. KING. I yield the floor.

Mr. VANDENBERG. I want to tell the Senator, in his time, that if he will turn to page 13209 of the RECORD he will find that the July 1935 pay roll of the N. R. A. was 351 per diem employees and 3,692 per annum employees.

Mr. COPELAND. Mr. President, certainly I cannot be accused of having supported the administration consistently in all its efforts to do this, that, and the other thing; perhaps I have been as severe in my criticism as has any other Senator on this side of the aisle; but I think the Senator from Michigan entirely misses the point, and when he talks about the N. R. A., and about the number of employees and the expense of Government, he is losing his sense of proportion. There is no Senator in this body who represents a State where the preservation of the natural resources is more important than it is in the State of Michigan. The timber of that section was slashed and cut and the lands denuded by the lumber barons of old; yet new growths of timber are now coming up in Michigan. Does not the Senator from Michigan desire that there should be a conservation of such timber in order that coming generations of citizens in Michigan may have the benefits the citizens of the past generation enjoyed?

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I will yield in a moment. And when we come to natural resources, in what other State is it so necessary that there should be protection of natural resources, considering the great volume of copper that comes from the hills of northwest Michigan and the many other resources of that State? The Senator from Michigan comes here now and finds fault with the administration because of the number of governmental employees. I say he has lost his sense of proportion when he makes a general indictment of the administration, and yet takes this particular bill, which means more, undoubtedly, to him than it does to me, representing in part, as he does, the State of Michigan, where it is so important that the natural resources should be preserved.

I do not believe the citizens of Michigan will be pleased by the attitude of the Senator, able as he is, when he makes an attack upon the administration in general and selects the planning board, which seeks to benefit the future citizens of Michigan, the means of his attack.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. I now yield to the Senator.

Mr. VANDENBERG. The Senator asked me a question, and I should like to answer it.

Mr. COPELAND. I will be glad to hear the answer.

Mr. VANDENBERG. The Senator asked me if I was not interested in conserving the various Michigan resources. I certainly am, and I think we have existing facilities for conservation that are respectable, effective, and practicable. I sustain them without limit. The people of Michigan are well advised of my attitudes. But I have yet to be shown that we need five new national commissioners at $12,000 a year in order to protect the objective to which the Senator refers in Michigan or anywhere else. I will be very happy to confer with the Senator as to the bill. I should not want a general objection to apply to a specific thing, but I have yet to be shown that this is necessary.

Mr. COPELAND. Mr. President, so far as my voice can go to the Wolverine State, I wish to say that it is an invasion of the rights of the citizens who now live there and who are going to live there in the future to take any step which will prevent the preservation of the natural resources of Michigan. I hope that message will be carried to my friends in that State, because, while I have critized many of the employees of the administration and many of the expenditures of the administration, I am not going to shut my eyes to a proposal which will benefit the people of the entire country. I care not whether it be a Democratic movement or an administration activity or whether it be a Republican idea, it is for the benefit of the people; and the Senator from Michigan, in my humble judgment, with all consideration for him and with deep affection for him, I say he is making a great mistake and that he is not doing, in my opinion, what he ought to do for the people of his own State.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. VANDENBERG. Regular order!

Mr. McCARRAN. Mr. President, I am very much in favor of the bill introduced and reported by the Senator from New York, creating a planning board.

Mr. LOGAN. Mr. President, I make the point of order that the Senate is proceeding with the consideration of unobjected bills on the calendar. The bill which is now being discussed was objected to. I make the point of order that its discussion is out of order. There are many Senators here who are interested in measures on the calendar which we should really like to have disposed of.

The PRESIDING OFFICER. The Chair will state to the Senator from Kentucky that the bill now before the Senate is Calendar No. 1022, being House bill 3109. Since there is no rule in the Senate as to the germaneness of the discussion, the Chair is constrained to overrule the point of order. A Senator may speak on any bill he pleases for 5 minutes while the calendar is under discussion.

Mr. McCARRAN. Mr. President, the Planning Board has done a splendid work up to date; I am in favor of continuing with that Planning Board; but I do not see why a planning board should exist at all, when, as a matter of fact, after the Planning Board discovers and allocates the natural resources of the country, then the State Department immediately proceeds to put the products of such resources on the free list and allows Russia to come in and take advantage of them.

After the Planning Board discovered manganese to be a war essential and declared that it should be conserved and its production promoted by every possible means, I am not at all inclined to view with complacence the attitude of the State Department that we should lower the tariff wall on manganese to 50 percent and allow Brazilian manganese and Russian manganese to come in and destroy the very

resource the Planning Board discovered and established. If we are going to provide for a planning board, let it be a planning board for the planning and for the development of America; let it not be a planning board to allow Russia to come in here and compete with those resources which the Planning Board discovers and claims to be nationally essential.

The PRESIDING OFFICER. House bill 3109, for the relief of Herman W. Bensel, is before the Senate. Is there objection to its present consideration?

There being no objection, the Senate proceeded to consider the bill (H. R. 3109) for the relief of Herman W. Bensel, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 6, after the words "Fifty-seventh", to strike out the words "Regiment Volunteer Infantry, National Guard" and insert the word "Infantry", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Herman W. Bensel, who served as a sergeant in Company H, One Hundred and Fifty-seventh Infantry shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on or about the 25th day of April 1918: *Provided*, That no back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. The clerk will state the next bill on the calendar.

FARM-MORTGAGE RELIEF—BUSINESS OF THE SESSION

The bill (S. 3002) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto was announced as next in order.

Mr. GERRY and other Senators asked that the bill go over.

Mr. FRAZIER. Mr. President, I do not know what Senator objected, but I hope he will withhold his objection. I inquire who objected?

Mr. GERRY. I made objection to the consideration of the bill at this time.

The PRESIDING OFFICER. Does the Senator from Rhode Island withhold his objection?

Mr. McCARRAN. Mr. President, I wonder if the Senator from Rhode Island will not withhold his objection for just a moment or so on this bill? It is a very important measure. It is not my bill, but, as a member of the Judiciary Committee, I was authorized to report it. If the Senator will withhold his objection for a brief statement, and then shall desire to renew the objection, that, of course, will be his right.

Mr. GERRY. I shall be very glad to withhold the objection.

Mr. McCARRAN. Mr. President, this bill——

Mr. BORAH. Mr. President, I inquire if the Senator from Rhode Island has withdrawn his objection or has merely withheld it temporarily?

The PRESIDING OFFICER. The Senator from Rhode Island has withheld his objection.

Mr. GERRY. I withhold the objection.

Mr. ROBINSON. Mr. President, I should like to make a brief statement in this connection. For some time efforts have been made by the various Senators who are interested in Senate bill 3002, being Calendar no. 1032, to amend the National Bankruptcy Act, to have the measure considered. Inasmuch as this is a bill to revise a statute passed 2 years ago, which was held to be unconstitutional in some important particulars, I believe that an opportunity should be afforded the Senate to consider the measure. Therefore, a motion will be made at the close of the call of the calendar under the present order to proceed to the consideration of the bill. I do not think the Senate is justified in attempting to discuss it under this order.

Mr. GORE. Mr. President, I hope the Senator will not make it impossible for me to bring up the Panama Canal tolls bill.

Mr. ROBINSON. There are a number of bills, including the one in which the Senator from Oklahoma is interested, which I hope to arrange for the Senate to consider in view of the pressure which has been exerted to have those bills brought forward. We can only consider one bill at a time and my thought is that in all probability the measure in which the Senator from New York [Mr. COPELAND] is interested may be brought before the Senate.

Mr. COPELAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from New York?

Mr. ROBINSON. I yield.

Mr. COPELAND. I have been pressing the leadership to fix a time when we might consider the ship-subsidy bill. It is very vital that something should be done about it. On the 31st of the coming October the mail contracts will be canceled or modified. What will happen then to the American merchant marine?

Mr. ROBINSON. There are a number of bills, including the bill which the Senator from New York has mentioned, which it is my intention to arrange to give the Senate an opportunity to consider as soon as they can be reached. I cannot tell the Senator just when it may be possible to move to take up the bill to which he refers. I have been told that the bill involves some controversial features.

Mr. COPELAND. When it comes to the Panama Canal tolls bill, the Senator from Oklahoma [Mr. GORE] will find tremendous opposition to it.

Mr. ROBINSON. But what I am trying to say now is that I have no disposition to prevent Senators from having consideration of bills which they are pressing and urging for consideration, and I shall facilitate that desire; but we can act on only one bill at a time. We cannot now consider any bill to which objection is made until the present order shall have been disposed of. As soon as that shall have been done I will cooperate with Senators in bringing forward the measures mentioned in order that the Senate may have an opportunity of passing on them. There are still three or four other bills in the same category with those just mentioned.

Mr. GORE. Mr. President, I am not unmindful of the fact suggested by the Senator from New York [Mr. COPELAND], that the Panama Canal tolls bill will encounter opposition. Practically every shipping company in the country and the shipping interests, as a unit almost, are united against this meritorious measure which is designed to strip them of privileges which they have abused at the expense of the American Treasury.

Mr. ROBINSON. Mr. President, I think I ought to add a statement in view of what has just been said concerning the opposition which may develop to certain measures.

At this stage of the session, in my judgment, it would not be practicable to pass a considerable number of measures as to which it appears there is decisive opposition. I think necessarily we will be driven finally to confining consideration to such bills as are not seriously opposed, or are not opposed by any considerable number of Senators.

At the same time I realize the bills referred to are entitled to their opportunity. They probably would have been brought forward earlier but for the fact that the Senate has been constantly engaged in dealing with other legislation.

There is another bill which I feel ought to have consideration before the session closes, and that is the railroad pension bill. We enacted a railroad pension law sometime ago and it went through the mill of the courts, just as did the farmers' bankruptcy act, and was held to be unconstitutional. Since that decision friends of the proposed legislation have been continuously cooperating in an effort to work out and bring forward a measure which would meet the tests set up by the Supreme Court ruling. It is believed that the bill to which I am now referring, which was reported only recently, meets those tests. In any event, it is my purpose, if possible, to arrange for consideration of that measure in order that the Senate may have opportunity to pass upon it.

Mr. WAGNER. The Senator is referring to a bill which I reported today from the Committee on Interstate Commerce. That places it in a position so that any day after tomorrow the Senate may proceed to its consideration.

Mr. ROBINSON. There are still other bills which I have been urged to press for consideration. I do not know whether or not it is going to be possible to bring them before the Senate.

We have enacted a great deal of legislation during the present session. The Senate has labored patiently and diligently. I wish to express now my appreciation for the cooperation in my feeble efforts which has been accorded me upon both sides of the Chamber. I think it has been a notable session in that particular. We have done a great deal of work, and no matter how long we might stay here there would still be some legislation undisposed of, something to be done in the next session, and other sessions which will follow.

I should like to say to Senators now that it is not going to be possible to meet the desires of all respecting legislation which has not been brought forward prior to this time. We will simply do the best we can, and when the major measures shall have been disposed of and important measures shall have been signed, I think we ought to close up shop for a time, if I may use such an undignified term, and get away from the Capitol for a while. I notice that suggestion meets the hearty approval of many of my colleagues.

At the same time, I do not wish, because of the trust which has been reposed in me, to exercise any arbitrary power or to attempt to do so. I wish to emphasize also that we must close this session in a few days. We will leave something undone, something to be accomplished next winter, and possibly in other winters to come.

Mr. LEWIS. Mr. President, I merely wish to add that the petitions which I was authorized to present from railroad organizations, asking that the railroad pension bill be considered, I purpose now to withdraw in view of the statement of the leader on this side that consideration is to be given that measure as soon as convenient.

The PRESIDENT pro tempore. Is there objection to the present consideration of Senate bill 3002, the farm-bankruptcy bill?

Mr. GERRY. I renew my objection.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

BILL PASSED OVER

Mr. COSTIGAN. Mr. President, may I ask the Senator from Arkansas a question?

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired. The clerk will state the next order of business.

The bill (S. 1820) to provide warrant officers of the Coast Guard parity of promotion with warrant officers of the Navy was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2002) to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes, was announced as next in order.

Mr. COSTIGAN. Mr. President, the Senator from Arkansas has happily stated his expectation that the railroad retirement bill may be enacted before the conclusion of the present session. Is the able Democratic leader at liberty to suggest other major measures which are likely to receive similar treatment?

Mr. ROBINSON. No. I have indicated that I thought the measure which was passed over, a bill relating to the revision of the statutes pertaining to farmers' bankruptcy, and the bill referred to by the Senator from New York [Mr. COPELAND] and the one mentioned by the Senator from Oklahoma [Mr. GORE], may be given an opportunity to be considered. However, there are other measures which are in the same category. I am not trying to fix any hard and fast rule. I have no authority to do such a thing.

Mr. McNARY. Mr. President, there is so much noise and confusion in the Chamber that it is impossible to hear what is going on. I am particularly interested in what is being said.

The PRESIDING OFFICER. The point of order is well taken. The Senate will be in order.

Mr. ROBINSON. In answer to the inquiry of the Senator from Colorado, I will state that I am not in a position to attempt to indicate what measures the Senate may choose to take up. I have indicated some measures to consider which I think motions will be made.

Mr. BORAH. Mr. President, in connection with the subject we are discussing, I wish to ask the Senator from South Carolina [Mr. SMITH], the Chairman of the Committee on Agriculture and Forestry, what is the status of the commodities exchange bill.

Mr. SMITH. A report has been authorized tentatively by the committee, looking to certain amendments which I was preparing to offer to it. That was the understanding. The bill is not as yet on the calendar, but as soon as I can get my amendments in shape I shall propose them.

Mr. BORAH. Is that likely to be done today?

Mr. SMITH. I do not know whether it will be done today or not.

Mr. BORAH. The reason why I ask the question is because some of us are very much interested in the bill, and I understood that a report had been authorized.

Mr. SMITH. Yes; it has, with the conditions I have just named.

Mr. McNARY. Mr. President, in a very brief way I wish to continue the discussion precipitated by the Senator from Arkansas.

We realize that there is an end to all things, and among those things is the session of the Congress. I think there is a general feeling in the Senate and the House that as soon as the revenue bill and a few bills on the calendar, and certain conference reports shall have been disposed of, this session of Congress will adjourn sine die. The question comes to me every day, and particularly with force today, after the passage of the revenue bill, "When is it proposed to adjourn?" Those asking the question are entitled to consideration if a specific answer or an estimate may be given.

I realize that after the calendar shall have been concluded we may take up the so-called "Frazier bill", and there probably will be urged upon us 50 bills which are called imperative, because each Senator who has a bill, or the group that supports it, believes the bill should pass at this session. If that sentiment is to prevail, we shall be here until the late days of the fall.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. McNARY. I do.

Mr. BORAH. The Senator is interested in the commodities exchange bill.

Mr. McNARY. Yes.

Mr. BORAH. And the Senator is a member of the committee having charge of it. Can the Senator give us any assurance when that bill will be placed on the calendar?

Mr. McNARY. I may say that I called the matter to the attention of the Committee on Agriculture and Forestry on Friday, and moved that the bill be reported and placed on the calendar. I assumed that that had been done. I will ask the chairman of the committee—and I yield for the purpose of a reply—if the commodities exchange bill has been reported.

Mr. SMITH. It has not as yet been reported. I stated that I was authorized to report it, and the chairman was given the privilege of making certain amendments to the bill. They have not as yet been prepared. I worked on them to some extent this morning. As soon as I get the amendments in proper form I am going to report the bill.

Mr. ROBINSON. Mr. President——

Mr. McNARY. Continuing for just a moment, not with any feeling of criticism, and without anything particularly to suggest, because I recognize that we are a minority party,

the fact is that the minority members have stayed here uncomplainingly until what we thought was the major legislation, or the "must" legislation, had received the careful consideration of the Senate. That, however, is over. I believe the program has been finished in a major way.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. McNARY. In just a moment. We all wish to leave, or we wish to have some specific statement about what time we may leave, how many bills we are to consider, and whether or not we are to supplement the program with a number of bills which are on the calendar.

I yield to the Senator from Arkansas.

Mr. ROBINSON. Mr. President, there are a number of conference reports which have not been submitted and others which have not been agreed upon. I think in all probability these must be acted upon, or a conclusion reached that they shall go over until another session. Notable among the conference reports which are outstanding are those pertaining to the utilities bill, the banking bill, the T. V. A., and I probably could mention some others. The tax bill has not as yet gone to conference, or, if it has, only today.

While these measures are outstanding, it occurs to me that it is consistent to proceed with the consideration of other bills for which there is a genuine demand. I do not think anyone can tell the Senator exactly when the Congress will be ready to adjourn. Certainly, on my part, there will be no delay as to when the major program shall have been completed, or when it shall have been decided that some conference reports may not be disposed of.

I do not believe that any one of the measures mentioned a while ago, particularly including the revision of the farmers' bankruptcy act and the railroad pension bill, will occasion any delay. Of course, if it should develop that a measure which is brought forward here on a motion to proceed to its consideration will require a considerable length of time, as I said in the beginning, it will be necessary to abandon that measure until another session.

My judgment is that the Congress ought to be ready to adjourn by Tuesday night, and certainly not later than Thursday night; but that, as the Senator well understands, is only the opinion of one Senator.

Mr. McNARY. I share the Senator's opinion; and I believe it is the thought of the Senator from Arkansas that after the conference reports shall have been disposed of we may say that the session of the Congress should be concluded.

Mr. ROBINSON. Mr. President, in frankness I think it ought to be stated in that connection that if the body at the other end of the Capitol shall pass what is known as the "Guffey bill", I shall move its consideration when the bill shall have been received here, a similar bill having been heretofore reported by the Senate committee.

LOAD LINES FOR AMERICAN VESSELS IN COASTWISE TRADE

The Senate proceeded to consider the bill (S. 2002) to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes, which was read as follows:

Be it enacted, etc., That load lines are hereby established for merchant vessels of 150 gross tons or over, loading at or proceeding to sea from any port or place within the United States or its possessions for a coastwise voyage by sea. By "coastwise voyage by sea" is meant a voyage on which a vessel in the usual course of her employment proceeds from one port or place in the United States or her possessions to another port or place in the United States or her possessions and passes outside the line dividing inland waters from the high seas, as defined in section 2 of the act of February 19, 1895.

SEC. 2. The Secretary of Commerce is hereby authorized and directed in respect of the vessels defined above to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded and in establishing such load lines due consideration shall be given to, and differentials made for, the various types and character of vessels and the trades in which they are engaged: *Provided*, That no load line shall be established or marked on any vessel, which load line, in the judgment of the Secretary of Commerce is above the actual line of safety. Such regulations shall have the force of law.

SEC. 3. It shall be the duty of the owner and of the master of every vessel subject to this act and to the regulations established thereunder to cause the load line or lines so established to be permanently and conspicuously marked upon the vessel in such manner as the Secretary of Commerce shall direct, and to keep the same so marked. The Secretary of Commerce shall appoint the American Bureau of Shipping, or such other American corporation or association for the survey or registry of shipping as may be selected by him, to determine whether the position and manner of marking on such vessels the load line or lines so established are in accordance with the provisions of this act and of the regulations established thereunder: *Provided, however*, That, at the request of the shipowner, the Secretary of Commerce may appoint, for the purpose aforesaid, any other corporation or association for the survey or registry of shipping which the Secretary of Commerce may approve; or the Secretary of Commerce may appoint for said purpose any officer of the Government, who shall perform such services as may be directed by the Secretary of Commerce. The Secretary of Commerce may, in his discretion, revoke any appointment made pursuant to this section. Such corporation, association, or officer shall, upon approving the position and manner of marking of such load line or lines, issue a certificate, in a form to be prescribed by the Secretary of Commerce, that the same are in accordance with the provisions of this act and of the regulations established thereunder, and shall deliver a copy thereof to the master of the vessel. It shall be unlawful for any vessel subject to this act and to said regulations to depart from any port or place designated in section 1 without bearing such mark or marks, approved and certified by such corporation, association, or officer, and without having on board a copy of said certificate.

SEC. 4. It shall be unlawful for any vessel subject to this act and to the regulations established thereunder to be so loaded as to submerge the load line or lines marked pursuant to this act and to the regulations established thereunder applicable to her voyage; or to be so loaded as to submerge under like conditions the point where such load line or lines ought to be marked pursuant to the provisions of this act and of the regulations established thereunder; or to be so loaded as in any manner to violate the said regulations.

SEC. 5. Whenever the Secretary of Commerce shall certify that the laws and regulations in force in any foreign country relating to load lines are equally effective with the regulations established under this act, the Secretary of Commerce may direct, on proof that a vessel of that country has complied with such foreign laws and regulations, that such vessel and her master and owner shall be exempted from compliance with the provisions of this act, except as hereinafter provided: *Provided*, That this section shall not apply to the vessels of any foreign country which does not similarly recognize the load lines established under this act and the regulations made thereunder.

SEC. 6. It shall be the duty of the master of every vessel subject to this act and to the regulations established thereunder and of every foreign vessel exempted pursuant to section 5, before departing from her loading port or place to provide a ship's record or log book and enter therein a statement of the position of the load line marked applicable to the voyage in question and the actual drafts forward and aft at the time of departing as nearly as the said drafts can be ascertained.

SEC. 7. If any collector of customs has reason to believe on complaint or otherwise that a vessel subject to the provisions of this act is about to proceed on a voyage from a port in the United States or its possessions within his district without conforming to the provisions of section 3 hereof, or when loaded in violation of section 4 hereof, or that any vessel exempted pursuant to section 5 hereof is about to proceed on a voyage from such port when loaded in violation of the laws and regulations of her country with respect to load line, he may serve on the master or officer in charge of such vessel a written order detaining the vessel for the purpose of being surveyed to determine whether or not the provisions of this act are complied with. Where the detention is on the ground that the vessel does not conform to the provisions of section 3 hereof, the collector shall cause an examination of the vessel to be made, and if from such examination it appears that the vessel is not marked with the load line established in conformity with the provisions of this act, the collector shall so notify the master or officer in charge of such vessel and shall detain her until a load line shall have been duly established in accordance with section 3 hereof, provided that in cases of exceptional hardship, subject to regulations issued by the Secretary of Commerce, the collector may cause a proper load line to be provisionally established by one of the agencies or persons designated under section 3 hereof, which provisional load line shall constitute a compliance with the provisions of this act only until completion of the particular voyage in which the vessel is at the time engaged. After such establishment or provisional establishment of a load line the collector shall appoint three disinterested surveyors to examine the loading of the vessel and to report to him whether such vessel is so loaded as to submerge said provisional load line and if from such report it appears that the vessel is so loaded, the collector may by written order served on the master or officer in charge of said vessel detain the vessel until she has been reloaded in whole or in part so as not to submerge said provisional load line or lines. Where the detention is on the ground of a supposed violation of section 4 or section 5 hereof, the collector shall appoint three disinterested surveyors to examine the vessel and her loading and to report to him and if from such report it appears that the vessel is loaded in violation of the provisions of sections 4 or 5 hereof, the collector shall so notify in writing the master or other officer in charge of such vessel and detain the vessel until she has been reloaded in whole or in part so as to conform to the

provisions of sections 4 or 5 hereof. If a vessel is ordered detained by a collector acting under the provisions of this section, the master may within 5 days appeal to the Secretary of Commerce, who, if he so desires, may order a further survey and may affirm, set aside, or modify the order of the collector. Clearance shall be refused to any vessel which shall have been ordered detained.

SEC. 8. (a) If the owner or master of any vessel subject to this act and to the regulations established thereunder shall permit her to depart from any port or place designated in section 1 without having complied with the provisions of section 3, he shall for each offense be liable to the United States in a penalty of $500. If the owner or master of any vessel exempted pursuant to section 5 shall permit her to depart from any port or place designated in section 1 without having the load line or lines required by the laws and regulations of the country to which she belongs marked upon her as required by said law and regulations, he shall for each offense be liable to the United States in a penalty of $500. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this paragraph, or discontinue prosecution therefor on such terms as he may deem proper.

(b) If the master of any vessel subject to this act, or of any foreign vessel exempted pursuant to section 5, shall fail, before departing from any port or place designated in section 1, to enter in and make a part of the ship's record or log book the statement required by section 6, he shall for each offense be liable to the United States in a penalty of $100. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this paragraph.

(c) If any person shall knowingly permit or cause or attempt to cause any vessel subject to this act to depart or arrive, or if, being the owner, manager, agent, or master of such vessel, he shall fail to take reasonable care to prevent her from departing from or arriving at any port or place designated in section 1 when loaded in violation of section 4, or if any person shall knowingly permit or cause or attempt to cause a foreign vessel exempted pursuant to section 5 to depart or arrive, or if, being the owner, manager, agent, or master of such vessel he shall fail to take reasonable care to prevent her from departing from or arriving at any port or place designated in section 1 when loaded more deeply than permitted by the laws and regulations of the country to which she belongs, he shall, in respect of each offense, be liable to the United States, in a penalty of $500 unless the vessel's departure or arrival was, under the circumstances, reasonable and justifiable. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this paragraph.

(d) If the master of any vessel or any other person shall knowingly permit or cause or attempt to cause any vessel to depart from any port or place in the United States or its possessions in violation of any order of detention made pursuant to section 7, he shall, in respect of each offense, be guilty of a misdemeanor and shall be punished by a fine not to exceed $500 or by imprisonment not to exceed 3 months, or both such fine and imprisonment, in the discretion of the court.

(e) If any person shall conceal, remove, alter, deface, or obliterate or shall suffer any person under his control to conceal, remove, alter, deface, or obliterate any mark or marks placed on a vessel pursuant to this act or to the regulations established thereunder, except in the event of lawful change of said marks, or to prevent capture by an enemy, he shall in respect of each offense be guilty of a misdemeanor and shall be punished by a fine not to exceed $1,000, or by imprisonment not to exceed 1 year, or both such fine and imprisonment, in the discretion of the court.

(f) Whenever the owner, manager, agent, or master of a vessel shall become subject to a fine or penalty by way of money payment pursuant to the provisions of this act, the vessel shall also be liable therefor and may be seized and proceeded against in the district court of the United States in any district in which such vessel may be found.

SEC. 9. This act shall take effect 12 months from and after the date of the approval thereof and may be cited as the "Coastwise Load Line Act, 1935."

Mr. LA FOLLETTE. Mr. President, I understand that an amendment is to be offered to this bill, and I desire to have the amendment considered.

Mr. COPELAND. Mr. President, I send to the desk an amendment to the bill which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, it is proposed to strike out lines 11, 12, 13, and 14, and in lieu thereof to insert the following:

That the load-line provisions of this act shall apply to the Great Lakes and that no load line shall be established or marked on any vessel which load line gives a lesser freeboard and less buoyancy than the load line established by the International Treaty on Load Lines of September 30, 1930, and that the regulations established under this proviso shall have the force of law.

The amendment was agreed to.

Mr. KING. Mr. President, in view of the fact that I have had some communications from Mr. Furuseth, the president and legislative representative of the International Seamen's Union of America, I desire to ask the Senator from New York, in charge of the bill, whether, after the conferences he has had recently with Mr. Furuseth, he has any further objection to the bill.

Mr. COPELAND. Mr. Furuseth told me—and I have his letter, just as the Senator has—that if that amendment were made, he would be satisfied; and the amendment was prepared in his presence. I brought it to the floor after a conference with him.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Maine?

Mr. COPELAND. I do.

Mr. WHITE. This matter went over last time at the suggestion of the Senator from Wisconsin [Mr. LA FOLLETTE]. I understand from the Senator from Wisconsin that the amendment is satisfactory to him.

Mr. LA FOLLETTE. Mr. President, if the Senator from New York will permit me, I will say to the Senator from Utah that, in my opinion, the amendment carries out the substance of the suggestion Mr. Furuseth made; but it is drawn in language which was prepared by the legislative counsel with the purpose of couching Mr. Furuseth's suggestion in a more proper form from the point of view of the draftsman. In my opinion, after reading both Mr. Furuseth's suggestion and the amendment offered by the Senator from New York, the amendment accomplishes the results desired by Mr. Furuseth.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I do.

Mr. KING. In one of the communications which I received from Mr. Furuseth—and I wish to say that I have great confidence in him and in his knowledge of all questions relating to sailors and to marine activities—he states:

With reference to the fines and penalties established for violation of the law, the regulation of $500 for overloading a vessel of 5,000 tons net register and over is inadequate, and it would pay the ship to load down and then pay the fine.

Has that criticism been met?

Mr. COPELAND. The bill is designed to prevent exactly that very sort of thing. That criticism has been met.

There is one other amendment, Mr. President. Section 9 should be amended as to the effective date. I have sent forward the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out section 9 as printed in the bill and in lieu thereof to insert the following:

Section 9. The provisions of this act shall become effective as to vessels of 4,000 gross tons and upward not later than 3 months, and as to all other vessels subject thereto not later than 12 months, from and after the date of approval thereof. This act may be cited as the "Coastwise Load Line Act, 1935."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IMPROVEMENTS IN RIVERS AND HARBORS

The Senate proceeded to consider the bill (S. 3071) providing for the placing of improvements on the areas between the shore and bulkhead lines in rivers and harbors, which was read, as follows:

Be it enacted, etc., That where bulkhead lines have been or may be established in or along navigable waters of the United States in accordance with the provisions of section 11 of the River and Harbor Act of March 3, 1899, the Secretary of War may, in his discretion and on the recommendation of the Chief of Engineers, grant authority to the owners of shore lands and the submerged lands in front thereof to fill in and erect structures on the whole or any part of the area between ordinary high-water line on the shore and the established bulkhead line. When such authority has been granted by the Secretary of War and availed of by the grantee, the said area shall be deemed to be exempt from any servitude in favor of the Federal Government for the benefit of navigation and, if required and taken thereafter by the Govern-

ment for navigation purposes, the owners thereof shall be entitled to just compensation for the improvement and structures made and erected in pursuance of such authorization.

Mr. COPELAND. Mr. President, in order to keep faith with the senior Senator from Minnesota [Mr. SHIPSTEAD], who is not in the Chamber, I ask that the bill be amended, on page 1, line 4, after the word "waters", by inserting the words "except the inland waterways."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. LA FOLLETTE subsequently said: A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LA FOLLETTE. Was Calendar No. 1042, being Senate bill 3071, called?

Mr. COPELAND. Yes; and I had the bill amended in accordance with the wishes of the Senator from Minnesota.

The PRESIDING OFFICER. The amendment offered by the Senator from New York was agreed to, and the bill was then passed.

Mr. LA FOLLETTE. There was so much confusion in the Chamber that I assumed that we were still considering Calendar No. 1040, Senate bill 2002. I was advised that the senior Senator from Minnesota had conferred with the Senator from New York and that the understanding was that this bill would be passed over.

Mr. COPELAND. The understanding I had was that there would be an exception as to the inland waterways, and an amendment looking to that end was made.

Mr. LA FOLLETTE. If it is satisfactory to the senior Senator from Minnesota, it is satisfactory to me.

Mr. COPELAND. It is satisfactory to the Senator from Minnesota.

REGULATION OF COMMERCE IN FIREARMS

The bill (S. 3) to regulate commerce in firearms was announced as next in order.

Mr. SMITH. Let that bill go over.

Mr. COPELAND. Mr. President, I am sorry that I happen to have a number of bills all bunched together on the calendar. This bill was objected to by the Senator from South Carolina. It is a firearms bill, which I explained the last time the calendar was called. It has been the major subject of repeated hearings, and the Pistol Association, the Rifle Association, and all the organizations of a similar nature, have united upon the bill. The sportsmen of the country have agreed to it, and I think it ought to be passed in the interest of safety.

Mr. SMITH. I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

RUSSELL H. LINDSAY

The bill (H. R. 1714) for the relief of Russell H. Lindsay was considered, ordered to a third reading, read the third time, and passed.

ENCOURAGEMENT OF TRAVEL IN THE UNITED STATES

The Senate proceeded to consider the bill (S. 33) to encourage travel to and within the United States by citizens of foreign countries, and for other purposes, which was read, as follows:

Be it enacted, etc., That there is hereby created a commission, to be known as the "United States Travel Commission" (hereinafter called the "Commission"), which shall be composed of the Secretary of State and the Secretary of Commerce, who shall serve as members of the Commission without additional compensation.

SEC. 2. (a) The Commission shall assemble, prepare, display, and distribute such informative materials concerning places of interest, means of transportation, and hotel facilities, and such other data as it deems advisable and advantageous for the purpose of encouraging travel to and within the borders of the United States (including Alaska, Hawaii, Puerto Rico, and the Virgin Islands) by citizens of foreign countries.

(b) The Commission is hereby authorized to cooperate with any governmental or private agency, when so requested, for the purpose of encouraging travel in passenger carriers or vessels built in the United States or licensed or documented under the laws of the United States.

(c) The Commission shall have an official seal, which shall be judicially noticed.

(d) The Commission shall make a report to the Congress at the beginning of each regular session of its activities under this act.

SEC. 3. (a) The Commission is authorized (1) without regard to the civil-service laws, to appoint an executive secretary, who shall receive a salary at the rate of not to exceed $8,500 per annum, and such regional directors and foreign representatives as may be necessary to carry out the functions of the Commission under this act, each of whom shall receive compensation at a rate within the range of $4,600 to $8,000 per annum, (2) without regard to the civil-service laws or the Classification Act of 1923, as amended, to appoint and fix the compensation (not to exceed a rate of $6,000 per annum) of such experts as may be necessary for carrying out such functions, and (3) in accordance with the civil-service laws to appoint, and, in accordance with the Classification Act of 1923, as amended, to fix the compensation of such other employees as may be necessary for carrying out such functions. All foreign representatives so appointed shall be citizens of the United States, and no such representatives shall be considered as having the status of a public minister.

(b) The Commission is further authorized to make such rules, regulations, and orders, and to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, and for law books, books of reference and periodicals), as may be necessary for carrying out the functions vested in the Commission by this act.

SEC. 4. The Secretary of State and the Secretary of Commerce may extend to the Commission and its representatives in foreign countries the facilities of their respective departments, but any expense involved in connection with the use of such facilities by the Commission or its representatives shall be paid for out of funds made available to the Commission.

SEC. 5. (a) The Commission is authorized, whenever it deems it to be in the public interest to order to the United States on his statutory leave of absence any such foreign representative who has performed 3 years or more of continuous service abroad. The expenses of transportation and subsistence of such representatives and their immediate families, in traveling from their posts to their homes in the United States and return, shall be paid by the Commission in the same manner as in the case of representatives going to and returning from their posts under orders of the Commission when not on leave, and, while they are in the United States, such representatives shall be available for conference work and for such other duties as the Commission may by regulation prescribe.

(b) The Commission may, under such regulations as it may prescribe, furnish to its representatives stationed in foreign countries, without cost to them and within the limits of any appropriation made therefor, allowances for living quarters, heat, and light, notwithstanding the provisions of section 1765 of the Revised Statutes, but the provisions of this paragraph shall not apply to the representatives of the Commission who are living rent free in Government-owned buildings.

(c) Any officer or employee of the Commission, while on duty outside the limits of the continental United States and away from the post to which he is assigned, shall be entitled to receive his actual traveling expenses, and his expenses actually incurred for subsistence, or a per diem allowance in lieu thereof, to the same extent as is authorized by law in the case of other officers and employees of the United States. Such expenses shall include, in the discretion of the Commission, expenses for subsistence for the entire period while attending a travel conference, and, in any other case, for the entire period (but not exceeding 30 days) while remaining continuously in any one place.

(d) Any officer or employee of the Commission, while on duty within the limits of the continental United States, shall be entitled to receive his actual traveling expenses, and his expenses actually incurred for subsistence, or a per diem allowance in lieu thereof, to the same extent as is authorized by law in the case of other officers and employees of the United States.

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

Mr. McKELLAR. Mr. President, we should have an explanation of this bill.

Mr. COPELAND. Mr. President, the Senator will recall that the bill was debated at great length the last time the calendar was called, and the Senate was right on the verge of passing it when some one interposed an objection.

The purpose of the bill is to have the United States do what other nations are doing, advertise the beauties of our country. Every steamship going out from our ports this year has been loaded down with passengers going abroad to visit foreign countries. I have in my office a mass of material showing what is being done by foreign countries to encourage travel, and it seems to me that at this time, when we are anxious to have money spent in our country, we might well do some advertising of our own. That is the purpose of the bill, which has the endorsement of the Hotel Men's Association, and other great groups of Americans.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WELLPINIT SCHOOL DISTRICT NO. 49, WASHINGTON

The bill (S. 2849) to provide funds for cooperation with Wellpinit School District No. 49, Stevens County, Wash., for the construction of a public-school building to be available for Indian children of the Spokane Reservation, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $75,000 for the purpose of cooperating with Wellpinit School District No. 49, Stevens County, Wash., for the construction and equipment of a public-school building in the vicinity of Wellpinit, Wash.: *Provided*, That the expenditure of any money authorized to be appropriated herein shall be subject to the condition that the school maintained by said district in such building shall be available to all Indian children of the Spokane Indian Reservation on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

BILLS PASSED OVER

The bill (H. R. 7680) to amend the act of May 18, 1934, providing punishment for killing or assaulting Federal officers was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2325) for the relief of James P. Whalen was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF GEORGE R. JONES CO.

The Senate proceeded to consider the bill (S. 1957) for the relief of the George R. Jones Co., a corporation organized under the laws of the State of New Hampshire, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the numerals, to strike out the words "with interest, out of any funds", and to insert in lieu thereof the words "out of any money"; on page 2, line 6, after the word "its", to strike out the words "behalf; that the highest court of the country of Norway has judicially determined that the said bank is discharged from the payment of the said guaranteed bank acceptance, or any part thereof; that said amount was erroneously included in its income-tax return as an item of income by said company for the year 1919; that through proper exclusion of the said item in the correct computation of taxable gross income of said company, there was taxable net income of $30,013.37 for the year 1919 upon the basis of which income taxes in the amount of $3,001.34 were lawfully due from said company to the Treasury Department; that said company paid the amount of $66,928.69 in income taxes for the said year 1919; and that said payment was $63,927.75 in excess of the amount which should have been paid by said company upon its net income for said year; and that said company is entitled to the payment of the said amount of $63,927.75, with interest, from the Secretary of the Treasury" and to insert in lieu thereof the words "behalf: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000"; and on page 3, after line 10, to strike out "It appearing that said George R. Jones Co. is in good faith entitled to the aforesaid refund, and the right to such refund is barred by reason of the expiration of the period of limitation in such cases made and provided, the bar thus imposed thereby, as to this claim, is hereby declared to be inoperative and void, and any right to the United States to a defense to this claim by reason of said limitation is hereby denied", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the George R. Jones Co., a former corporation of Manchester, N. H., the sum of $63,927.75, out of any money in the Treasury not otherwise appropriated, the said principal sum being the amount of money paid into the Treasury of the United States on account of overpayment of income taxes for the year 1919, upon the basis of the erroneous inclusion as taxable income for that year of an item being represented as a cash discount bank acceptance drawn on and guaranteed by the Romsdalske Vexel og Landmandsbank, Norway, payment of which guaranteed draft was subsequently refused by the said bank, and no part of which, in 1919 or subsequently, has been paid to said George R. Jones Co., or to anyone in its behalf: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HARRISON S. MARKHAM

The bill (S. 2868) to provide for the reappointment of Harrison S. Markham as a second lieutenant, United States Army, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to reappoint as a second lieutenant, United States Army, Harrison S. Markham: *Provided*, That such appointment shall be contingent upon the successful completion of a mental and physical examination to be prescribed by the Secretary of War: *Provided further*, That, in the event of reappointment, the appointee shall be placed at the foot of the list of second lieutenants.

BILLS PASSED OVER

The bill (S. 3097) relating to interest and usury affecting parties under the jurisdiction of courts of the United States functioning in countries where the United States exercises extraterritorial jurisdiction was announced as next in order.

Mr. KING. I should like to have an explanation.

The PRESIDING OFFICER. Does any Senator desire to make an explanation of the bill?

Mr. KING. Let it go over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (S. 3049) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL DISTRICT JUDGE, OKLAHOMA

The Senate proceeded to consider the bill (S. 2137) to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma.

Mr. KING. Mr. President, may I say that there are four bills upon the calendar calling for the appointment of judges. In my opinion, none of them should pass, and I have a statement in regard to the matter from the Attorney General.

I am perfectly willing to take the voice of the Senate upon them, but I desire to read the report submitted by the Department of Justice. I think none of the bills should pass. I want to be entirely frank with my colleagues.

Mr. McKELLAR. Mr. President, will not the Senator take the course he has suggested, read the report he has, and let the Senate pass upon the bills? I think the Senate should pass upon them. The bills have been reported by the committee, upon evidence that the additional judges were necessary, and I think the bills ought to be passed. I hope the Senator will let us have a vote on them.

Mr. KING. When we get through with the calendar, we can take them all up at once.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

BILL PASSED OVER

The bill (S. 3072) to amend the Tariff Act of 1930, as amended, was announced as next in order.

Mr. CAPPER. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

FLOYD HULL

The bill (H. R. 4226) for the relief of Floyd Hull was considered, ordered to a third reading, read the third time, and passed.

Mr. KING subsequently said: Mr. President, when Calendar No. 1146, House bill 4226, was reached, I had intended to object to it. I should like to have it go over.

The PRESIDING OFFICER. Without objection, the vote by which the bill was passed will be reconsidered, and, on objection, the bill will be passed over.

ADDITIONAL DISTRICT JUDGE, TENNESSEE

The bill (S. 3179) to appoint one additional judge of the District Court of the United States for the Eastern, Middle, and Western Districts of Tennessee was announced as next in order.

Mr. McKELLAR. Mr. President, this is another of the bills for the appointment of an additional judge. As I understand it, the Senator from Utah agrees that the bills may go over temporarily, and that when we reach the last bill on the calendar we may take the four additional judge bills up together. That will be entirely satisfactory to me, and I hope it will be satisfactory to the other Senators who are interested.

Mr. LOGAN. It will be satisfactory to me.

Mr. McNARY. Mr. President, what is the agreement in regard to Senate bill 3179?

Mr. KING. I did not hear the Senator.

Mr. McNARY. There seems to be some sort of an agreement in regard to Senate bill 3179. I should like to know about it.

Mr. KING. I stated a moment ago, when a bill was reached, calling for an additional Federal judge in Oklahoma, that there were 4 bills upon the calendar calling for additional judges, 1 in Oklahoma, 1 in Tennessee, 1 in West Virginia, and 1 in Kentucky. In my opinion, none of them should be passed, and I stated that as they would come up I would object to their consideration, but would not object to taking the sense of the Senate in regard to the bills after the call of the calendar had been completed, if the Senate desired then to consider them.

Mr. McNARY. Does the Senator want to combine the four bills and consider them at one time?

Mr. KING. I do not wish to combine them, but I am willing to take one at a time after the call of the calendar shall have been completed.

Mr. McNARY. I mean in the sense that they would all come up at one time?

Mr. KING. Yes.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

ANNA CARROLL TAUSSIG

The Senate proceeded to consider the bill (S. 1124) for the relief of Anna Carroll Taussig, which had been reported from the Committee on Claims with amendments, on page 1, line 6, to strike out "$25,000 as compensation" and to insert in lieu thereof "$5,000, in full settlement of all claims against the Government", and to insert a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna Carroll Taussig, the sum of $5,000, in full settlement of all claims against the Government for permanent injuries sustained while riding in an automobile which was run into by a large post-office auto truck used in the mail service, owned by the United States, whereby Anna Carroll Taussig lost her right eye and was permanently scarred and disfigured: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL DISTRICT JUDGE, WEST VIRGINIA

The bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia was announced as next in order.

Mr. KING. Mr. President, this bill is in the same situation with the other additional judge bills, and is to be passed over temporarily.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (S. 3183) to amend the Agricultural Adjustment Act to make all varieties of potatoes included in the species Solanum tuberosum a basic agricultural commodity, to raise revenue by imposing a tax on the first sale of such potatoes, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McNARY. Mr. President, the provisions of Senate bill 3183 have been incorporated in the A. A. A. amendments recently enacted.

Mr. KING. I have objected to the consideration of the bill.

Mr. McNARY. But it is on the calendar, and something should be done with it, because the provisions in the bill were incorporated in the A. A. A. amendments.

Mr. SMITH. That is true.

The PRESIDING OFFICER. Without objection, the bill will be indefinitely postponed.

CHANGE OF NAME OF DEPARTMENT OF THE INTERIOR

The bill (S. 2665) to change the name of the Department of the Interior and to coordinate certain governmental functions was announced as next in order.

SEVERAL SENATORS. Over.

Mr. LEWIS. Mr. President, may I ask the Senators to withhold their objections for just a second, although I recognize the right of any Senator to make objection.

This bill, I may say, is the one to which I alluded yesterday looking to the amalgamation of certain departments with the Department of the Interior, to be designated thereafter as the Department of Conservation and Works. There are Senators who desire to present some views on the question. It is my judgment that by reading the communication of the Secretary of the Interior accompanying the bill Senators may find all that is needed to advise them concerning the bill. If Senators are for the bill, it is sufficient for them to say so. If they are opposed to it, they can state their opposition. I should like the bill to be taken up for consideration at the present time.

Mr. SMITH. I ask that the bill be passed over.

Mr. LEWIS. Mr. President——

Mr. McNARY. I ask for the regular order.

Mr. LEWIS. Mr. President, I ask that the Chairman of the Committee on Public Lands and Surveys [Mr. WAGNER] be permitted to make a statement with reference to the bill. I have usurped his time, and I ask that he be given the privilege of stating the purposes of the bill.

Mr. WAGNER. Mr. President, the full Committee on Public Lands and Surveys reported the bill by unanimous vote, and I am sure if it can be brought before the Senate as a special order, or as the unfinished business, it will receive the approval of the majority of Senators. The bill has been very much misunderstood. In effect the bill simply changes the name of the Department of the Interior to the Department of Conservation and Works. In respect to the provisions of the bill concerning the consolidation of departments,

such action cannot take place unless recommended by the President and then approved by the Congress.

Mr. SMITH. Mr. President, the bill has been objected to, and it might as well be stated that there is no need for considering the bill. I make the point of order that objection has been made.

The PRESIDING OFFICER. The point of order is made that objection has been made to the consideration of the bill.

Mr. WAGNER. Mr. President, I have the floor. I am entitled to the floor.

The PRESIDING OFFICER. The Senator from New York is entitled to the floor, but objection has been made to the bill, and the bill will be passed over.

Mr. WAGNER. If there is objection made to the bill I will say that I shall wait until the next bill on the calendar shall be called, and then I will make my statement.

The PRESIDING OFFICER. The Senator has that privilege. In view of the fact that objection has been heard, the bill will be passed over.

DEPORTATION OF ALIEN CRIMINALS

The bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, was announced as next in order.

Mr. RUSSELL. I ask that the bill be passed over.

Mr. WAGNER. Mr. President, I was simply going to add that the Senator from Illinois [Mr. LEWIS], who is the sponsor of Senate bill 2665, has already given notice that at the appropriate time he will move the consideration of the bill and try to make it the unfinished business. I am sure the Senator will seize the first opportunity for the purpose of making such a motion.

Mr. BORAH. Mr. President, before the Senator concludes his remarks on the bill dealing with the Department of the Interior I wish to ask him a question. I understand the bill proposes to transfer the administration of the Forest Service from the Department of Agriculture to the Department of the Interior.

Mr. WAGNER. No; that is a misunderstanding. If the President should recommend such transfer to Congress, and if Congress should approve it, then and only then would the transfer take place. The bill makes no other authorization than that, which is the authorization we provide in other similar legislation. There is nothing in this bill which makes provision for the transfer the Senator referred to.

SEVERAL SENATORS. Let the bill be passed over.

Mr. SMITH. Mr. President, this bill cannot be passed at this session. Therefore, I ask, What is the use of talking about it in view of the fact that it cannot be passed?

Mr. LEWIS. The able Senator from South Carolina recently urged the passage of a bill and the bill was passed.

Mr. SMITH. That is true, but the bill under consideration cannot be passed at this time.

Mr. WAGNER. The Senator from Idaho directed a question to me. I think, as a matter of courtesy to the able Senator from Idaho, I should be allowed to conclude my answer without being interrupted by the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from New York is entitled to the floor.

Mr. WAGNER. There is not a provision in this bill which transfers any bureau from any other department to the Department of the Interior. The bill authorizes such transfer to be made if the President shall recommend it and the Congress of the United States shall approve it.

Mr. BANKHEAD. Approval of any such transfer must be given by Congress.

The PRESIDING OFFICER. Will Senators please address the Chair before interrupting the Senator who has the floor? Does the Senator from New York yield to the Senator from Alabama?

Mr. BORAH. Mr. President, may I say to the Senator in charge of the bill——

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. BORAH. Mr. President, I have the floor.

The PRESIDING OFFICER. The Chair understood that the Senator from New York had the floor.

Mr. WAGNER. If I have the floor, I shall be glad to yield the floor. I attempted to answer the question of the Senator from Idaho.

The PRESIDING OFFICER. The Chair is now informed that the Senator from Idaho had the floor.

Mr. BORAH. I wish to say to the Senator who is the author of the bill [Mr. LEWIS], and also to the Chairman of the Committee on Public Lands and Surveys [Mr. WAGNER], that there is considerable opposition to the bill in the section of the country from which I come. Those opposing the bill would like to be heard, and I think they are entitled to be heard. In view of the statement of the Senator from South Carolina [Mr. SMITH], would not the Senator be willing to have the bill go back to the committee and give those who are interested a chance to be heard?

Mr. LEWIS. Mr. President, perhaps the able Senator from Idaho is not aware of the fact that there have been hearings before the Committee on Public Lands and Surveys as well as before one other committee of the Senate. I suggest that a time be set aside for consideration of this bill, and then whatever objection Senators may have to the bill may be urged upon the floor. I suggest that the able Senator from Idaho then present the objections which he personally has to the bill, or the objections of his constituents. If the Senator wishes to have the bill recommitted to the committee at that time such a motion would then be appropriate. I suggest that the Senator from Alabama [Mr. BANKHEAD], and the leader of the majority [Mr. ROBINSON] and the Senator from New York [Mr. WAGNER] and I, agree on some hour when it shall be agreeable that the bill be taken up.

Mr. ASHURST. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ASHURST. What is the calendar number under consideration?

Mr. LEWIS. I will say to the Senator that the calendar number of the Department of the Interior bill is 1204.

Mr. BANKHEAD. While the discussion with reference to the Department of the Interior bill is going on I should like to say——

SEVERAL SENATORS. Regular order!

The PRESIDING OFFICER. The regular order has been demanded, and the Chair will say that the Senator from Georgia [Mr. RUSSELL] has objected to Calendar No. 1210, being Senate bill 2969, which is now before the Senate.

Mr. ROBINSON. If the Senator who made the objection with reference to Senate bill 2969 will withhold it for a moment, I should like to make a brief statement.

Mr. RUSSELL. I withhold my objection.

Mr. ROBINSON. I think there may be a misunderstanding as to the purpose of the proposed legislation. I know that the Immigration and Naturalization Service regards this bill as important in connection with the enforcement of our immigration laws. It has no relationship to the immigration policy. It is designed to strengthen the law with reference to criminals, to make it possible to deport one for crime involving moral turpitude, and to make racketeers and gangsters convicted of carrying dangerous weapons subject to deportation. The bill makes the violator of State narcotic laws subject to deportation on the same terms as does the present law with reference to violators of Federal acts. It makes the agent who smuggles other aliens into the country deportable. The present law permits the deportation of the alien who enters illegally, but does not permit the deportation of the alien smuggler. It requires that the recommendations of judges staying the deportation of criminals be approved by the interdepartmental committee consisting of representatives in the Departments of State, Labor, and Justice.

The bill transfers from the Secretary of Labor to supervisory officers in the field the issuance of warrants of arrest and permits the detention of aliens who have entered ille-

gally for a period of 24 hours during the issuance of such warrants. For lack of this authority the Government has lost track of during this year 2,600 aliens who otherwise would have been detained and eventually deported.

The bill also permits aliens who entered before July 1, 1934, and who are not subject to deportation to register, thus putting them in the same category as aliens who entered prior to June 3, 1921, and who under the present law are permitted to register and eventually to become citizens.

The bill also permits aliens who entered the country as visitors or students, but who are entitled to admission as in a nonquota or preference status, to change their status without leaving the country.

The bill further provides for a limited discretion to be vested in the committee representing the Departments of State, Labor, and Justice to stay the deportation of aliens of good character who have not been convicted of crime, and who have been in this country 10 years, or who have members of their immediate families here.

The present law is full of loopholes, and the bill is intended to promote the better enforcement of our immigration law. It does not change the immigration policy.

Mr. RUSSELL. Mr. President, I dislike very much to object to the present consideration of the bill, in view of the statement made by the leader on this side. There are many very desirable features to the bill, but I have been investigating the matter somewhat from the standpoint of the discretion which is conferred on the proposed interdepartmental commission, and I think that a matter of such importance as this should not be considered on the call of the calendar. So I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be pased over.

OATHS OF CUSTOMS AND INTERNAL-REVENUE EMPLOYEES

The bill (S. 3286) to abolish the oath required of customs and internal-revenue employees, prior to the receipt of compensation, and for other purposes, was announced as next in order.

Mr. WALSH. Mr. President, I desire to offer an amendment to this bill.

The PRESIDING OFFICER. The Chair will state that there are two committee amendments to the bill.

Mr. AUSTIN. Mr. President, on behalf of the Senator from Rhode Island [Mr. METCALF], I object to the consideration of the bill.

The PRESIDING OFFICER. Objection is heard.

Mr. WALSH. Mr. President, will the Senator withhold the objection in order that I may explain the bill?

The PRESIDING OFFICER. Does the Senator from Vermont withhold his objection?

Mr. AUSTIN. I withhold the objection temporarily, but I must say to the Senator that, on behalf of the Senator to whom I referred, I shall feel constrained to renew the objection.

Mr. WALSH. Mr. President, whatever objection heretofore urged against the bill has been withdrawn in view of the amendment I have just offered; at least, I understand most of the opposition to the bill if the amendment I have offered is adopted will be removed.

I should like to say a few words about this bill, and explain it very briefly. First of all, the bill was introduced on the recommendation of the Treasury Department. It contains two provisions—first, it provides for the repeal of the antiquated law requiring customs and internal revenue employees to make oath before they receive their compensation, a requirement which is made of no other Government employees. The reason for it is that originally they were paid by fees, and they had to make a declaration about them under oath. So, the first provision of the bill is to repeal that provision of law which works a hardship on customs and internal revenue employees in various sections of the country.

The second feature of the bill is that which undertakes to correct and remove some abuses which have grown up among customhouse brokers; and that is done by trying to regulate the method of withdrawing or canceling their licenses. Under the present law all customhouse brokers must obtain licenses from the Treasury Department. Investigation is made by the Treasury Department into the character and standing of the applicant, and, in due time, a license is granted. When charges are preferred against a customhouse broker, even when one of them is indicted for fraud, there is no power under existing law to remove him immediately. The Treasury Department can order his removal but he has an appeal to the customs court and such appeals can be continued for 2 or 3 years, as they have been in the past, because of the crowded condition of the docket of the customs court, and meanwhile the unfaithful brokers can carry on their business.

The first proposal of the Treasury was to remove a customhouse broker immediately upon a finding by the Treasury Department that he had violated the terms of his license. Because of the opposition of the customhouse brokers, it is proposed to modify that provision by the amendment under which such brokers will still be permitted, as under the present law, to continue to serve as brokers, but the locus of the appeal is changed from the customs court to the court of appeals. That is the principal change that is made in the bill, and even that is in the interest of the customhouse brokers, because the court of appeals deals with all phases of criminal matters, while the Court of Customs does not do that.

There are approximately 1,800 of these customhouse brokers, of whom about 800 are licensed to transact business in the New York customs collection district. These brokers vary in size from large corporations or partnerships, employing many people and having from two to six licensed brokers, to the individual broker who has graduated from a clerkship in a brokerage firm, handles all his own work, and has desk space in some office or conducts his business solely from the brokers' room in the customhouse. These customhouse brokers are quasi-officers of the Treasury Department. As stated before, in order to engage in their business they must make application to the Treasury for a license. Investigation of the applicant is then made by the Treasury Department to determine whether he is of good moral character, thoroughly versed in customs law and procedure, and qualified to render valuable service to importers and exporters. If a favorable report on the applicant follows the investigation, he is permitted to appear before a board of examiners appointed by the collector of customs, to be examined by them as to his knowledge of customs law and procedure and as to his fitness to render proper and efficient service to the public. If he makes a creditable showing at his examination, the Treasury Department issues him a license to do business as a customhouse broker.

The necessity for customhouse brokers lies in the necessarily very technical aspects of customs procedure. The customhouse broker acts as an intermediary between the importer or exporter and the Treasury Department in the entry or clearance of merchandise. He fills out the necessary papers, posts the bonds required, and does the many other things incident to importing or exporting merchandise into or from the United States. In a very large number of cases he enters the merchandise in his own name as consignee and pays the duties or collects the refunds or drawbacks on behalf of the actual importer.

In the hands of customhouse brokers is placed the great bulk of the business of importers who in 1934 paid to the Government over $313,000,000. While the large importers are more or less familiar with customs procedure, the great majority of importers are entirely dependent upon the honesty and competency of their brokers to protect their interests. Even in the case of large importers, however, due to the specialized nature of customs procedure, great reliance must be placed upon their brokers for proper entry of merchandise.

Mr. President, in view of the fact that these customhouse brokers are quasi-officers of the Treasury and that by licensing them the Treasury holds out to importers that it has investigated their character and represents to such importers that they are capable and honest in their conduct of their customs business; and in view of the large opportunities for

profitable fraud open to dishonest persons who, from the very nature of things, occasionally succeed in obtaining licenses as customhouse brokers despite the strictest possible investigation by the Treasury of their character and qualifications, it is essential that the Department have wise discretion in dealing with these brokers and that the Secretary of the Treasury, therefore, be given broad powers to supervise and regulate their activities. Under existing law his powers in these respects are very limited, and it is the purpose of the present amendments to broaden the Secretary's powers so that he can in the future more effectively cope with frauds practiced by customhouse brokers on both importers and the revenues of the United States.

Although a great number of these brokers are entirely above reproach in the conduct of their business, the corrupt practices of certain among them, unhampered by adequate statutory provisions for supervision, have proved a grave menace to importers and customs revenue alike. An investigation is at present being made of the customs situation at New York. Approximately 15 crack Treasury agents have been gathered there from all parts of the country for this purpose. This investigation has already disclosed a large amount of evidence of frauds, corrupt practices, and irregularities on the part of customhouse brokers which have resulted in large losses both to the importers and to the revenue of the United States. In almost every instance these fraudulent practices were made possible by the inadequate supervisory and regulatory powers which the Treasury at present has over these quasi-officers of the Department. A few examples of the fraudulent practices disclosed by the investigation may profitably be cited to show the manner in which dishonest brokers perpetrate their frauds.

Mr. President, the investigation disclosed that in many instances no records are kept by brokers. It showed evidence that brokers were embezzling funds paid to them to be paid over to the customhouse as liquidated damages on account of the nonproduction of consular invoices which are required to accompany each shipment of foreign merchandise of over $100 in value. An attempt was made to examine the books of certain brokers alleged to be implicated, and it was discovered that they had no records. The liquidated damages had not been paid to the customhouse, although the records of the importers showed the liquidated damages had been paid to the broker. In one such instance the broker replied that he did not know whether he had received the money, and if he had there was no demand made upon him by the Government, and for this reason he had not paid the same.

The investigation further disclosed that in many instances entries were made in the name of the broker, and consequently any refunds which were made by the Government were paid to the broker who was the importer of record. This money was, of course, trust money held by the broker for the importer; but the investigation disclosed that in many instances the broker had not turned the money over to the importer but had kept it himself.

The investigation further disclosed that certain brokers informed their importers that a certain amount of duty was due on entries, whereupon the importers sent their checks to the broker for that amount. The amount of duties required was less than the amount paid by the importer to the broker and the broker kept the surplus over and above the duties paid.

Instances were revealed where brokers deliberately entered merchandise at an overvalued figure in order that more than the true amount of duties would be exacted. They would later obtain a refund and pocket it. Since they were the importers of record, the real importers' names never appeared in the proceedings and they would have no knowledge of the fact that refunds had been paid to their brokers. In several cases when the investigation got too close, brokers who had pocketed refunds belonging to their clients would send them a check for the refund, stating that a previous check had been sent several months before but had apparently been lost in the mail.

In one case it developed that a customhouse broker bribed an inspector of a steamship company to certify to less weight than was actually contained in a shipment, so that the freight charge was less than the correct charge. The importer was charged the full amount of the true bill and the broker kept the surplus for himself.

Many minor offenses have been revealed by the investigation, such as charging service fees in the nature of an increased freight bill, passenger service, which is provided gratis by the customhouse, and other petty infractions which annually cost the importer a large sum in the aggregate.

It can safely be said that most frauds upon the customs revenue are the creation of some broker. Almost half of all licensed brokers are doing business at New York. Competition there is particularly keen, and it is this competition which causes brokers to devise various means of saving importers money. While many of these means are honest and are the result of a keener knowledge of the customs law, nevertheless many of the schemes created by the brokers are pure frauds upon the revenue of the United States. It is significant that at the time of the passage of the N. I. R. A. some of the more reputable brokers attempted to adopt a code of fair competition, but this was blocked by reason of the fact that many brokers refused to adopt a uniform brokerage fee, inasmuch as they felt that if they could charge no fee at all they would make more than the amount of the fee in other ways. The sharp practices of the dishonest broker inevitably tend to drag down the ethics of the entire group, since the honest broker finds that he cannot compete on a parity with the shyster unless he is prepared to practice the same shady schemes.

Mr. President, the provisions of the present bill are designed to remedy the situation which has just been disclosed. They will give to the Secretary of the Treasury the power to regulate the conduct of the business of customhouse brokers in such a manner that the opportunity for fraudulent practices will be reduced to an absolute minimum. He will have the power to compel brokers to maintain records of their business transactions, to submit them for examination by customs agents, and to divulge information relating to their business which is essential and necessary in the investigation of frauds. This is analogous to his powers under section 511 of the Tariff Act of 1930 which provides for the inspection of the books, records, and so forth of importers. At present the Secretary has none of the foregoing powers. In addition, under the proposed legislation the Secretary of the Treasury's decision relative to the suspension or revocation of a customhouse-broker license will be final and conclusive on questions of fact, if supported by substantial evidence, but will be subject to limited judicial review by the Federal circuit court of appeals or the Court of Appeals for the District of Columbia. The existing provisions for notice and hearing before the collector of customs are retained.

The scope of judicial review of administrative action provided for by the present bill is similar to that provided for by the Federal Alcohol Control Act—H. R. 8870—as it passed the House on July 24, 1935.

There is no provision in the bill which any honest customhouse broker need fear. It provides ample safeguards against arbitrary administrative acts. On the other hand the crook and shyster may well tremble as they read its provisions for it is aimed directly at them.

Aside from customhouse brokers there are at present approximately 35,000 accountants and attorneys enrolled by the Treasury Department to represent claimants before the Department. These persons, of whom 14,000 are accountants and 21,000 are attorneys, are so licensed under the authority of an act of July 7, 1884, which provides for the strictest type of supervision and regulation by the Secretary of the Treasury over their practice. The provisions for suspending or disbarring them are substantially identical with those provisions of the present bill which provide for suspension or revocation of customhouse-broker licenses. It has been argued that to revoke the license of a customhouse broker is a grave matter, indeed, since it deprives him of his means of livelihood. This argument is equally applicable to the disbarment of other persons practicing before the Treasury, particularly accountants, since many of these specialize entirely in tax work before the Department. If disbarred, they could not return to private prac-

tice, since who would engage an accountant who had been disbarred by the Treasury for shady dealing?

The Treasury has successfully administered the 1884 statute governing the practice of accountants and attorneys before that Department for over 50 years, and it augurs well for the good judgment with which the Department may be expected to administer the present bill, if enacted into law, that in no single case have the courts reversed the Secretary of the Treasury's action in disbarring an accountant or attorney under the 1884 statute. The practice of custom-house brokers does not differ in principle from that of accountants or attorneys representing claimants before the Department.

In both cases they are quasi-officers of the Department, yet the 35,000 accountants and attorneys are subject to the strictest type of supervision and regulation by the Department before which arey practice; while the 1,800 custom-house brokers are at present so little under the control of the same Department that the Secretary of the Treasury cannot even require them to keep records so that he can investigate to determine whether frauds are being practiced on importers or the Government. This is an anomalous situation indeed.

Mr. President, it is a grave thing to deprive a man of his means of livelihood, but it is a far graver thing to permit frauds on importers and on our Government to continue unchecked. By reason of the limited supervision which existing law permits the Treasury to exercise over its custom-house brokers, this is not only a possibility but it is a daily recurring fact.

The provisions of the present bill have been drafted in the light of the knowledge gained from the investigation of these wholesale frauds. Their enactment will effectively prevent the continuance of a situation which is inimical to honest business men and Government alike.

Because I know the Secretary of the Treasury is deeply interested in this bill and that he has been shocked and horrified at the disclosures which have been made in the administration of the present law, it seems to me, in view of the fact that all the reputable brokers are now satisfied, if the amendment proposed by me is adopted, and are willing to accept the bill, I hope the Senators who have any objection will not press them.

The PRESIDING OFFICER. Is there any objection to the present consideration of the bill?

Mr. AUSTIN. I ask that the bill go over.

Mr. COPELAND. Mr. President, let me ask the Senator from Vermont to withhold his objection for just a moment.

Mr. AUSTIN. The objection is really made by the Senator from Rhode Island [Mr. METCALF], in whose behalf I have acted.

Mr. COPELAND. That Senator is not present. Very well. I ask that the letter from the Merchants' Association of New York, which I present, may be printed in the RECORD. The point about it is that the objection of certain citizens of New York have to the bill is as to the right of appeal. I understand that it is proposed to change that, and I assume the amendment the Senator from Massachusetts has offered will restore the right of appeal?

Mr. WALSH. That is correct. So I think the ground on which the Senator from Rhode Island makes the objection has been corrected by the amendment eliminating some of the sections of the bill as originally reported.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York for the printing in the RECORD of the letter presented by him?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE MERCHANTS' ASSOCIATION OF NEW YORK,
New York, August 3, 1935.

Hon. ROYAL S. COPELAND,
United States Senate, Washington, D. C.

DEAR MR. SENATOR: The Merchants' Association of New York sincerely hopes that, as a genuine service to customs brokers and business generally in the New York district, you will vigorously oppose the enactment of S. 3286, which was reported to the Senate favorably by the Committee on Finance on Tuesday, July 30.

Our strong belief that this legislation should not be enacted in its present form rests upon the provisions contained in section VII of the bill, which relates to the revocation or suspension of licenses of customs brokers.

Under existing law a customs broker whose license is suspended or revoked has the right of appeal to the appropriate court for a review of the merits of the decision. The pending bill, S. 3286, removes the right of appeal and leaves the final decision solely in the hands of the Secretary of the Treasury. It is our considered judgment, and we have been familiar with the system of licensing customs brokers over an extended period, that the enactment of section VII will be drastically unfair both because it removes the existing right of appeal to the courts as above referred to, and also because it establishes the right of the Secretary of the Treasury to suspend or revoke the license of any broker "who refuses to comply with the rules and regulations issued under this section", this suspension occurring without any right of appeal for review by the courts and entirely irrespective of the fairness of the rule or regulation involved.

We understand that there are approximately 3,300 customs brokers in the United States, hundreds of them being located in the New York district, and so far as we are aware, there is no record of wholesale wrongdoing on the part of customs brokers which would justify the arbitrary right of a single official to revoke or suspend the license of such a broker, without impartial review, it being understood that the revocation of a customs broker's license amounts to disbarment and the denial to such a broker of the right to practice his profession, thereby depriving him of his livelihood.

We respectfully but strongly urge that you give this legislation your personal attention and, if you can consistently do so, that you use every effort to bring about the defeat of the measure unless section 7 is amended so as to restore the existing right of appeal on the part of a disbarred broker, as a matter of basic fairness in the treatment of a business man by the United States Government

With sincere thanks for any cooperation you are able to extend in this connection, we are

Sincerely yours,

S. C. MEAD, *Secretary.*

The PRESIDING OFFICER. On objection, the bill will be passed over.

TAX EXEMPTION OF COMPENSATION OF FOREIGN REPRESENTATIVES

Mr. PITTMAN. Mr. President, I am informed that there is on the desk a message from the House of Representatives with regard to House bill 7998. This is similar to the bill which was passed by the Senate recently providing for reciprocity with regard to income-tax exemptions of our consular officers in foreign countries and foreign consular officers in this country. It is a matter that the State Department and the Treasury Department are anxious to have passed at once.

I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 7998) to exempt from taxation official compensation of certain foreign representatives and to provide for the deductibility from income of certain dividends on preferred stock owned by the United States or instrumentalities thereof, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 116 of the Revenue Act of 1934 relating to exclusions from gross income is amended by adding at the end thereof a new subsection reading as follows:

"(h) Compensation of employees of foreign governments: Wages, fees, or salary of an employee of a foreign government (including a consular or other officer, or a nondiplomatic representative) received as compensation for official services to such government—

"(1) If such employee is not a citizen of the United States; and

"(2) If the services are of a character similar to those performed by employees of the Government of the United States in foreign countries; and

"(3) If the foreign government whose employee is claiming exemption grants an equivalent exemption to employees of the Government of the United States performing similar services in such foreign country.

"The Secretary of State shall certify to the Secretary of the Treasury the names of the foreign countries which grant an equivalent exemption to the employees of the Government of the United States performing services in such foreign countries, and the character of the services performed by employees of the Government of the United States in foreign countries."

SEC. 2. The provisions of section 1 shall be retroactively applied in computing income under the provisions of the Revenue Act of 1934 and prior revenue acts, or any of such acts as amended, subject to the statutory period of limitations properly applicable to such acts.

SEC. 3. Title I of the Revenue Act of 1934, relating to income tax, is amended by adding after section 120 a new section reading as follows:

"SEC. 121. Deduction of dividends paid on certain preferred stock of certain corporations: In computing the net income, for any taxable year beginning after December 31, 1934, of any national banking association, or of any bank or trust company organized under the laws of any State, Territory, possession of the United States, or the Canal Zone, or of any other banking corporation engaged in the business of industrial banking and under the supervision of a State banking department or of the Comptroller of the Currency, or of any incorporated domestic insurance company, there shall be allowed as a deduction from gross income, in addition to deductions otherwise provided for in this title, any dividend (not including any distribution in liquidation) paid, within such taxable year, to the United States or to any instrumentality thereof exempt from Federal income taxes, on the preferred stock of the corporation owned by the United States or such instrumentality."

MEMORIAL TO MAJ. GEN. GEORGE W. GOETHALS

Mr. SHEPPARD. I ask that the amendments of the House to the bill relating to the memorial to Maj. Gen. George W. Goethals may be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendments of the House to the bill (S. 2743) entitled "An act to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone", which were, on page 1, to strike out all of section 2; on page 2, line 1, to strike out "3" and insert "2"; page 2, line 1, to strike out "appropriate" and insert "authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated"; and on page 2, line 4, to strike out all after "work" down to and including "States" in line 5.

Mr. SHEPPARD. I move that the Senate concur in the House amendments.

The motion was agreed to.

MISSOURI RIVER BRIDGE AT RULO, NEBR.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1988) entitled "An act to extend the time for the construction of a bridge across the Missouri River at or near Rulo, Nebr.", which was to amend the title so as to read: "An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr."

Mr. BURKE. I move that the Senate concur in the House amendment.

The motion was agreed to.

PAY AND ALLOWANCES OF COAST AND GEODETIC SURVEY

The PRESIDING OFFICER. The clerk will state the next bill in order on the calendar.

The bill (S. 3281) to amend the act of February 16, 1929, entitled "An act to amend the act entitled 'An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service', approved June 10, 1922, as amended", was announced as next in order.

Mr. KING. I ask that the bill go over.

Mr. COPELAND. Mr. President, will the Senator withhold his objection for a moment?

Mr. KING. Yes.

Mr. COPELAND. It was represented to the Committee on Commerce that it was not quite fair to the officers of the Coast and Geodetic Survey not to accord them the same advantage for advancement which are extended officers in the other services. It takes a very highly specialized training for this work, and the type of man is certainly the same as that of officers in the Public Health Service and other services of a similar nature. We were strongly urged by the Commerce Department and by those who appeared before the committee that there ought to be the same opportunity for advancement afforded in the case of the Coast and Geodetic Survey as there is in the other services. Of course, it would not mean very much, because all the officers would not be promoted to be admirals or to other high rank, but I presume one or two officers would have the advantage of a thousand or twelve hundred dollars a year increase in salary from time to time.

Mr. KING. Mr. President, I persist in my objection.

The PRESIDING OFFICER. On objection, the bill will be passed over.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8974) to provide revenue, equalize taxation, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. SAMUEL B. HILL, Mr. CULLEN, Mr. TREADWAY, and Mr. BACHARACH were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1420. An act to provide for the Andrew Johnson Homestead National Monument;

H. R. 7592. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at Sistersville, W. Va.;

H. R. 7875. An act to provide for the transfer of certain land in the city of Charlotte, Mich., to such city;

H. R. 7924. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Port Allegany, in the county of McKean, State of Pennsylvania;

H. R. 7927. An act to authorize the Secretary of State to lease to citizens of the United States any land heretofore or hereafter acquired under any act, Executive order, or treaty in connection with projects, in whole or in part constructed or administered by the Secretary of State through the International Boundary Commission, United States and Mexico, American section;

H. R. 8131. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Owensboro, Ky.;

H. R. 8183. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Emlenton, in the county of Venango, Commonwealth of Pennsylvania;

H. R. 8289. An act to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, and 226), as amended;

H. R. 8668. An act providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Fort Pierce, Fla.; and

H. R. 8991. An act to authorize the Administrator of Veterans' Affairs to exchange certain property rights now vested in the United States at Veterans' Administration facility, Perry Point, Md., for certain property and rights of the Pennsylvania Railroad Co. in that vicinity.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 7592. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at Sistersville, W. Va.;

H. R. 7924. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River, at or near Port Allegany, in the county of McKean, State of Pennsylvania;

H. R. 8131. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Owensboro, Ky.; and

H. R. 8183. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny

River at or near Emlenton, in the county of Venango, Commonwealth of Pennsylvania; to the Committee on Commerce.

H. R. 7875. An act to provide for the transfer of certain land in the city of Charlotte, Mich., to such city; to the Committee on Public Buildings and Grounds.

H. R. 7927. An act to authorize the Secretary of State to lease to citizens of the United States any land heretofore or hereafter acquired under any act, Executive order, or treaty in connection with projects in whole or in part constructed or administered by the Secretary of State through the International Boundary Commission, United States and Mexico, American section; to the Committee on Foreign Relations.

PURCHASE OF AIRPLANE "WINNIE MAE"

The Senate proceeded to consider the bill (S. 3135) to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution.

DEATH OF WILL ROGERS AND WILEY POST

Mr. GORE. Mr. President, this bill authorizes the purchase of the *Winnie Mae* by the Smithsonian Institution as a national keepsake or memorial. The *Winnie Mae* is the plane in which Wiley Post made his famous flight around the world.

I now desire to join my voice to the voice of the Senator from Arkansas [Mr. ROBINSON], and the Senator from Oregon [Mr. MCNARY] in expressing a sorrow which is common to all Americans. America is in mourning. I express a sentiment shared alike by every Senator and by every citizen when I say that the untimely death of Will Rogers is a national tragedy.

I knew Will Rogers from his youth up. He was my friend. I watched him rise. I watched him rise by his own talents. I watched him rise from obscurity to the very summit of fame. He was a Cherokee Indian. He was more than a humorist; he was a philosopher. He was more than a philosopher; he was a humanitarian, and, like Ben Adhem, he loved his fellow men.

He perhaps knew more people, and was known by more people, than any other person on the globe. There was no land in which he was a stranger. There is no land in which his tragic fate will go unwept, no clime where he will unremembered be. My own State has suffered a double tragedy in the death of Will Rogers and Wiley Post. They were both natives of Oklahoma. They shed luster on the State of their nativity. Together these two Oklahomans embarked upon that final—on that fatal flight to the rim of the world. And together they have gone to the last round-up in that "undiscovered country from whose bourn no traveler returns." The world has less of sunshine in it since Will Rogers took his leave.

Mr. THOMAS of Oklahoma. Mr. President, it is a coincidence that this bill in regular order comes before the Senate today. The action of the United States Senate in passing Senate bill 3135 and thereby making certain that the plane *Winnie Mae*, first to circle the globe, shall be secured and preserved in the Smithsonian Institution, is a fitting tribute to the brave explorer and intrepid pilot Wiley Post—Wiley Post, who, as an explorer and pilot, bravely and gallantly went to his death this day.

In order to make the record complete it must be stated that on the first trip around the world the *Winnie Mae* was piloted by Wiley Post and was guided in its course by Harold Gatty as navigator.

From July 15 to July 22, 1933, Wiley Post, alone, as pilot and navigator in the *Winnie Mae* made the first solo flight around the world. The exact time of this trip was 7 days 18 hours and 49 minutes, and the distance traveled was 15,596 miles.

Insomuch as the names of Wiley Post and Will Rogers have this day been linked together inseparably, I take occasion to say that while Will Rogers has gone, he is one of the millions of Americans who will live on forever. Will Rogers is an American institution, one which the elements cannot destroy, one that depression cannot dwarf, and one that will glow and shine throughout the ages.

Mr. President, as a special mark of respect to Wiley Post I ask unanimous consent that the bill about to be passed and the committee report approving it may be printed in the RECORD at this point in connection with my remarks.

There being no objection, the bill and report (No. 1184) were ordered to be printed in the RECORD, as follows:

A bill (S. 3135) to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution

Be it enacted, etc., That the Smithsonian Institution is hereby authorized and directed to purchase on behalf of the United States the airplane *Winnie Mae*, from Wiley Post, at a price not in excess of $25,000, and cause such airplane to be placed in the Smithsonian Institution.

SEC. 2. There is hereby authorized to be appropriated the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

[S. Rept. No. 1184, 74th Cong., 1st sess.]

PURCHASE OF THE "WINNIE MAE" BY THE SMITHSONIAN INSTITUTION

Mr. CLARK, from the Committee on Commerce, submitted the following report (to accompany S. 3135):

The Committee on Commerce, to whom was referred the bill (S. 3135) to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution, having considered the same, report favorably thereon and recommend that the bill do pass without amendment.

The bill has the approval of the Smithsonian Institution, as will appear by the annexed communication.

SMITHSONIAN INSTITUTION,
Washington, July 8, 1935.

Hon. ROYAL S. COPELAND,
United States Senate, Washington, D. C.

DEAR MR. COPELAND: Reference is made to your communication of June 25 with regard to S. 3135, a bill to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution.

As you are aware the Smithsonian Institution has in the United States National Museum a large collection pertaining to aeronautics that includes a number of original aircraft which are on public exhibition. In view of our limited space and of the large size of airplanes new accessions are considered carefully in the light of their value both from the technical and historical standpoint.

After due consideration of these matters we feel that the *Winnie Mae* with complete equipment, particularly the special instruments used on its world flights, fulfills these requirements and we would welcome it as an addition to our collections.

The airplane in question is a Lockheed "Vega", designed by Allan Loughead and Jack Northrup at Burbank, Calif. This type first achieved prominence through the flight of Sir George Hubert Wilkins, April 1928, from Point Barrow, Alaska to Spitzbergen, about half way around the world at the 70th and 80th latitudes, in 20 hours 20 minutes. Wonderful flights in similar Lockheed types have been accomplished by Frank Hawks, Major Aldrin, Amelia Earhart Putnam, Laura Ingalls, Captain Eaker, Art Goebel, and others.

According to our information the first world flight of the *Winnie Mae* was made June 23 to July 1, 1931, in 8 days 15 hours 51 minutes, distance 15,470 miles, Wiley Post, pilot; Harold Gatty, navigator. Wiley Post's solo world flight was made July 15 to 22, 1933, in 7 days 18 hours 49 minutes, distance 15,596 miles.

We feel that the machine in question will be fittingly preserved for posterity in the National Museum.

I beg to add that should this bill become law it will be necessary to provide the funds for purchase for the *Winnie Mae*, in addition to our regular appropriation, since our available funds will not allow this.

Sincerely yours,

C. G. ABBOT, *Secretary.*

Mr. ASHURST. Mr. President, I rise under a stress of feeling which I am sure is shared by every other Senator.

The tragic death of Will Rogers and Wiley Post saddens all hearts. I never knew Mr. Post, but for more than a score of years I intimately knew Will Rogers. Mr. Rogers was as many-sided as clouds are many-formed. He was cowboy, humorist, actor, author, traveler, statesman, philosopher, and philanthropist. He had the ability, the heaven-born gift of assembling a nation's inarticulate thoughts and sending them around the world on the golden wings of epigram.

The Hindus have a saying, "Only fate can tell in whom slumbers the power of sublime speech, and not even the Fates themselves can remain unmoved when that power is aroused."

A close study of the character and achievements of Will Rogers discloses that he possessed this power of sublime speech. He was a cowboy. He was born into that vocation; and so a word about the cowboy may not be inappropriate at this time.

Among the cowboys of the West who drove the thundering herds, were varying degrees of sophistication, for they were drawn from the different walks of life. The majority of them were descended from pioneer stock of native Americans, as was Will Rogers. The character of the cowboy's occupation, although it was clothed with romance, afforded him

but scant opportunity for any extended or connected reading, for he needs must ride the range and attend the cattle constantly.

If his range be on the desert, he must grind the desert's bitter dust between his teeth, endure its merciless flail of sun, and ride on and on. If his range be on the mountain, he must in winter ride against the storm. The life of the cowboy was one of severe isolation, and his work was made not only endurable but was rendered even pleasurable when he took refuge, as most of them did in their lonely rides, by entering into the domain of imagination, and there employing that most subtle of all the powers of the mind—that faculty, imagination—whereby we have ideal experiences without objective restraint and enter into a realm where empires form and fall, where glittering towers upthrust themselves, and globes of gold expand and float; a realm peopled with a viewless host, invisible to all but the eye of the imaginer. In this way the cowboy saw with sublime authenticity events invisible to other eyes. Thus by the constant exercise of the faculty of imagination many cowboys became charged with intellect, grace, fascination, and tremendous personal charm.

Although the cowboys of 30 years ago displayed judgment, political strategy, and capacity for business, very few—if, indeed, any—persons could have divined that a world-famous writer was then among the ranks of the cowboys. It is quite certain that the literary world of 30 years ago could not have anticipated that among the men of letters of this day a star of first magnitude would be furnished from the ranks of the cowboys—Will Rogers.

The PRESIDING OFFICER. The question is on the engrossment and third reading of Senate bill 3135.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALBERT HENRY GEORGE

The bill (H. R. 5099) for the relief of Albert Henry George was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1102) conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claims of Alta Melvin and Tommy Melvin was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CONSTRUCTION OF VESSELS FOR COAST GUARD

The Senate proceeded to consider the bill (S. 2632) to provide for the construction of 10 vessels for the Coast Guard, designed for ice-breaking and assistance work, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to construct and equip 10 Coast Guard cutters to be of design and construction suitable for ice-breaking service and for rendering assistance to marine commerce.

Mr. LONERGAN. Mr. President, when the hearings were conducted before the Committee on Commerce, the necessity for the construction of 10 vessels for the Coast Guard, designed for ice-breaking and assistance work, was made clear. The representatives of 10 States in our section favored the bill. It is a mere authorization. The Treasury Department, at this time, feels that it cannot afford to set aside the necessary amount for the construction of the vessels, and we are not asking that that be done. However, we do want the authorization, and we will let the future take care of the appropriation.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. RUSSELL in the chair). Does the Senator from Connecticut yield to the Senator from Utah?

Mr. LONERGAN. I yield.

Mr. KING. If I may ask the Senator a question, is it not the fact that within the last 4 or 5 years we have made very large appropriations for the construction of Coast Guard vessels?

Mr. LONERGAN. Not of the type proposed by the bill.

Mr. KING. My recollection is that we have appropriated substantially $18,000,000 for Coast Guard vessels, including some to be used in Alaskan waters, and some, of course, to be used for guarding our coasts against bootleggers.

Mr. LONERGAN. The Coast Guard heartily approves of this measure and wants the ships.

Mr. McKELLAR. Mr. President, may I ask the Senator from Connecticut what the ships would cost?

Mr. LONERGAN. It may not be an exact statement, because I am depending on memory, but, as I recall the 10 ships, if authorized, would cost probably about $5,000,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. Mr. President, in view of the fact that apparently the vessels will not be constructed in the near future, it seems to me we might pretermit action upon the bill until the meeting of Congress next January. Then we may have a more balanced Budget and we may have a longer view with respect to the obligations, financial and otherwise, resting upon the Government.

Mr. LONERGAN. I hope the Senator will withdraw his objection. The appropriation is a matter for the future. We do not expect that action at this session. There are 10 States which want to have this bill passed.

Mr. KING. As the Senator knows, the Coast Guard now has a large number of vessels. It has an appropriation of approximately $10,000,000 for services; and with the large number of vessels which are now owned by the Government and utilized by the Coast Guard, it would seem that there is no necessity for a further large appropriation at the present time.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BARKLEY. Having for a number of years served in the other body on the committee which has charge of the Coast Guard Service, I have come to have a very high regard for that service; and I have found them so conservative that rarely did they ever make a recommendation or a request for authority to do anything which was not long delayed beyond what probably ought to have been true, and was more than amply justified. Under the circumstances, with the multiplied duties which have been placed on the Coast Guard during the past few years, and the further fact that out of their annual appropriation of $10,000,000 they could not hope to build ships of any sort, I think probably we should be justified in allowing this authorization to go through, subject, of course, to the appropriations by Congress from time to time which might be necessary to construct the vessels.

Mr. LONERGAN. I thank the Senator.

Mr. KING. Mr. President, let me ask the Senator one other question. Is the bill recommended by the Department?

Mr. LONERGAN. By the Coast Guard?

Mr. KING. No; is it recommended by the Treasury Department, under which the Coast Guard operates?

Mr. LONERGAN. No, sir. It was proven that because of ice it is impossible to carry on traffic in the waters of the northeastern Atlantic seaboard during many months of the winter; and these ice breakers are necessary.

Mr. KING. I will ask the Senator again whether he or the committee has obtained the views of the Treasury Department, under whose jurisdiction the Coast Guard operates?

Mr. LONERGAN. We have obtained their views; and the Treasury Department states that at this time the Government cannot afford the expenditure of the money. We are not looking for the money. We are looking merely for an authorization.

Mr. KING. Do they approve an authorization?

Mr. LONERGAN. Has the Senator a copy of the report? On page 2 of the report is a copy of the letter written by Mr. Coolidge, Acting Secretary of the Treasury, in which he says:

I have to acknowledge the receipt of your letter of April 23, 1935, transmitting bill (S. 2632, 74th Cong., 1st sess.) to provide for the construction of 10 vessels for the Coast Guard designed for

ice breaking and assistance work, and requesting such suggestions as I may deem proper touching the merits of the bill and the propriety of its passage.

The expenditures contemplated in this legislation would not be in accord with the financial program of the President at this time.

Mr. KING. Will the Senator please read the next sentence?

Mr. LONERGAN. The next sentence is:

I therefore recommend against the present enactment of the bill under notice.

The PRESIDING OFFICER. Objection having been heard——

Mr. LONERGAN. Mr. President, I still ask the Senator from Utah to permit the passage of the bill. I think it is a meritorious measure.

Mr. KING. Mr. President, I will permit the bill to pass with the understanding that I shall confer with the Treasury Department, and if tomorrow I desire to move to reconsider that may be done.

Mr. LONERGAN. I thank the Senator.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LT. ROBERT A. J. ENGLISH, UNITED STATES NAVY

The Senate proceeded to consider the bill (S. 2897) for the relief of Lt. Robert A. J. English, United States Navy, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 4, after the words "full pay", to insert "and allowances", so as to make the bill read:

Be it enacted, etc., That Lt. Robert A. J. English, United States Navy, be, and he is hereby, restored to full pay and allowances status during such time as he served with the Byrd Antarctic Expedition II, and his services with said expedition shall be counted on his record as "sea duty."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read a third time, and passed.

BILL PASSED OVER

The bill (S. 3260) to amend Public Law No. 438 (73d Cong.), entitled "An act to authorize the Secretary of the Treasury to purchase silver, issue silver certificates, and for other purposes", was announced as next in order.

Mr. KING. That measure has gone to conference, having been attached to the bill we passed yesterday, as I understand.

Mr. McKELLAR. So it will go over.

The PRESIDING OFFICER. The bill will be passed over.

DONATION OF CERTAIN ARMY EQUIPMENT TO VETERANS OF FOREIGN WARS

The Senate proceeded to consider the bill (H. R. 7199) to provide for the donation of certain Army equipment to posts of the Veterans of Foreign Wars.

Mr. GORE. Mr. President, I wish to offer as an amendment an additional section, in view of the fact that because of an amendment to the title the bill must go back to the House.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. It is proposed to add to the bill a new section, as follows:

SEC. —. Until otherwise provided by Congress, the Secretary of Agriculture is authorized and directed to take such steps as may be necessary and proper to secure for the use of the Agricultural and Mechanical College situated at Stillwater, Okla., including the so-called "4-H clubs" and the "Future Farmers of America", the buildings and equipment now used by the Civilian Conservation Camp at present located on land heretofore set aside and dedicated for said college, and further to secure for like uses the land, buildings, and equipment at present used in connection with the Civilian Conservation Camp located on the so-called "Lewis estate", and it shall be the duty of all other officers and employees of the Government to cooperate in carrying into effect the provisions of this section: *Provided*, That in the latter case reasonable rentals and other necessary expenses shall be paid out of moneys appropriated under Public Resolution No. 11, Seventy-fourth Congress.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Oklahoma whether this amendment has been submitted to the two departments involved?

Mr. GORE. I will say to the Senator that it has not. The president of the A. and M. College of Oklahoma called me up by long-distance telephone this morning. He advised me that two Civilian Conservation Corps camps, situated one on the college campus and another within three or four blocks, are now on the eve of being demolished. The equipment and houses are desirable, and in his judgment necessary, to accommodate the students at the A. and M. College, the 4-H clubs, and the Future Farmers of America.

My reason for pursuing this peculiar course is that there is no other recourse. Unless this be done now, the buildings will be removed and destroyed. One of them, as I suggest, is situated on the college campus. The building and equipment are there. They are necessary and desirable. It seems to me it would be unfortunate to incur this waste when, as situated, they would be of great service to the students and to the institution. The other building is not situated on the college grounds, but is within three or four blocks of the college campus.

Mr. LA FOLLETTE. Mr. President, I have no information concerning the situation other than the facts stated by the Senator from Oklahoma. My objection to his amendment is that he proposes to take the necessary appropriations out of the works' program.

Mr. GORE. I will say that one building is situated on the campus; the other is situated on property belonging to an estate, the Lewis estate. There probably would be a small rental charge for the land on which it is situated. It would be a mere trifle, but, if the Senator objects, I shall strike out that provision.

Mr. LA FOLLETTE. I shall feel constrained to object to the bill if the amendment shall be attached in the form in which the Senator has offered it, because it provides for taking money out of the works program for the acquisition of existing structures, unless the Senator is willing to modify his amendment.

Mr. GORE. It does not provide for that. The structures already belong to the Government. They were erected in connection with the C. C. C. camps.

Mr. LA FOLLETTE. I understand; but I supposed the Senator desired to acquire them for the benefit of this college.

Mr. GORE. But they are the property of the Government, and the college would be allowed to use them.

Mr. LA FOLLETTE. Then, why is the Senator providing for appropriating funds out of the works program?

Mr. GORE. There is only one point: One of the camps is situated on land belonging to the Lewis estate, and I assume that there would be a small rental charge for the land on which it is situated.

Mr. LA FOLLETTE. Unless the Senator is willing to provide the money from some other source, I shall have to object.

Mr. GORE. Then, Mr. President, I will strike out that provision.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma as modified.

Mr. GORE. I ask that the proviso be stricken out.

Mr. LA FOLLETTE. Now, may the amendment be stated as modified?

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The Chief Clerk read as follows:

SEC. —. Until otherwise provided by Congress, the Secretary of Agriculture is authorized and directed to take such steps as may be necessary and proper to secure for the use of the Agricultural and Mechanical College situated at Stillwater, Okla., including the so-called "4-H clubs" and the "Future Farmers of America", the buildings and equipment now used by the Civilian Conservation camp at present located on land heretofore set aside and dedicated for said college, and further to secure for like uses the land, buildings, and equipment at present used in connection with the Civilian Conservation Camp located on the so-called "Lewis estate", and it shall be the duty of all other officers and employees of the Government to cooperate in carrying into effect the provisions of this section.

Mr. GORE. Mr. President, I will ask, where the description of the land heretofore set aside and dedicated to said

college appears, that it be changed to read "situated on the campus of said college." I have, since drawing this amendment, received a telegram from the president of the college, and I will ask to have it printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

STILLWATER, OKLA., *August 16, 1935.*

Senator T. P. GORE,
United States Senate:

The 3 C. C. C. camps located in Stillwater, Okla., 1 on college campus, the other 2 within 4 blocks of college campus, are soon to be abandoned. They are designated as S. C. S. No. 1, S. C. S. No. 2, and S. C. S. No. 3. Would it be possible for these properties to be placed under the custody of Oklahoma A. and M. College for the use of 4-H club members of State while attending regular classes and short courses of college? Shall appreciate your cooperation.

HENRY G. BENNETT.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LOAN OF EQUIPMENT TO UNITED CONFEDERATE VETERANS

The Senate proceeded to consider the bill (S. 3176) to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans, to be delivered to a United States property and disbursing officer, 3,000 blankets, olive drab, no. 4, and 3,000 canvas cots, to be used at their annual encampment to be held at Amarillo, Tex., September 1935, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 5, after the word "Veterans", to strike out the words "to be delivered to a United States property and disbursing officer", and on page 2, line 10, after the word "further", to strike out the words "That said property shall be returned without any expense to the United States" and to insert in lieu thereof the words "That the Secretary of War, before delivery of such property, shall take from the reunion committee of the United Confederate Veterans, a good and sufficient bond for the safe return of said property in good order and condition and the whole without expense to the United States", so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lend at his discretion to the Reunion Committee of the United Confederate Veterans, for use at the United Confederate Veterans' encampment, to be held at Amarillo, Tex., September 3, 4, 5, and 6, 1935, ten 15-foot hospital-ward tents, with all pegs, poles, and equipment necessary for their erection; 3,000 olive-drab blankets, no. 4; 3,000 canvas cots; 900 mess kits, complete: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the Confederate Reunion Committee: *Provided further*, That the Secretary of War, before delivery of such property, shall take from the Reunion Committee of the United Confederate Veterans a good and sufficient bond for the safe return of said property in good order and condition and the whole without expense to the United States.

The amendment was agreed to.

Mr. CONNALLY. Mr. President, I ask the Chair to lay before the Senate House bill 8710, which has just been transmitted to the Senate.

The Chair laid before the Senate the bill (H. R. 8710) to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans 3,000 blankets, olive drab, no. 4, and 3,000 canvas cots, to be used at their annual encampment to be held at Amarillo, Tex., in September 1935, which was read twice by its title.

Mr. CONNALLY. Mr. President, this bill is practically identical with the Senate bill under consideration, and I ask unanimous consent that the House bill be substituted for the Senate bill and be considered at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lend, at his discretion, to the reunion committee of the United Confederate Veterans, for use at the United Confederate Veterans Encampment, to be held at Amarillo, Tex., September 3, 4, 5, and 6, 1935, ten 15-foot hospital ward tents, with all pegs, poles, and equipment necessary for their erection; 3,000 olive drab blankets, no. 4; 3,000 canvas cots, 900 mess kits, complete: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the Confederate reunion committee: *Provided further*, That the Secretary of War, before delivery of such property, shall take from said reunion committee of the United Confederate Veterans a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

The PRESIDING OFFICER. Without objection, Senate bill 3176 will be indefinitely postponed.

JOHN PATE, DECEASED

The Senate proceeded to consider the bill (S. 2962) to correct the military record of John Pate, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 6, after the name "Pate", to insert the word "deceased", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers John Pate, deceased, who was a member of Company I, Sixteenth Regiment Indiana Volunteer Infantry, Civil War, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. SHEPPARD. Mr. President, the purpose of the bill is to consider John Pate, deceased, to have been honorably discharged from the military service on November 25, 1862.

The records show that he was in the service some 4 months, that he had combat service, that he was captured at Richmond, Ky., on August 30, 1862, and although he was paroled he was not exchanged as a prisoner of war. Therefore it is contended that he was not a deserter, but rather that he was prevented from returning to his command by reason of being a paroled prisoner of war.

The pending bill is for the purpose of clearing the military record of this man in order that his aged widow may be entitled to those rights, benefits, and privileges accruing to the widow of an honorably discharged soldier.

Mr. McKELLAR. Mr. President, the War Department recommends against the bill on the ground that the man was a deserter.

Mr. SHEPPARD. The committee finds, on investigating the records, that in its opinion the War Department did not have complete information. He was a paroled prisoner of war. The records were very imperfect during the Civil War, and there is no definite proof that he deserted. Desertion was assumed in the absence of any showing to the contrary.

Mr. McKELLAR. I hope he did not.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of John Pate, deceased."

EXCHANGE OF PROPERTY AT PERRY POINT, MD.

The bill (S. 3345) to authorize the Administrator of Veterans' Affairs to exchange certain property rights now vested in the United States at Veterans' Administration facility, Perry Point, Md., for certain property and rights of the Pennsylvania R. R. Co. in that vicinity, was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to transfer and release certain property rights now vested in the United States to the Pennsylvania Railroad Co. as described in section 2 of this act in exchange for certain property and rights from the Pennsylvania Railroad Co. as described in section 3 of this act.

SEC. 2. (a) Title to all that certain triangular piece or parcel of land situate at Perryville, in election district no. 7, in the county

of Cecil and State of Maryland, shown as parcel no. 3 on Pennsylvania Railroad plan no. 8018, bounded and described as follows, namely:

Beginning at a point in the southerly line of land of the Philadelphia, Baltimore & Washington Railroad Co. at the distance of 205 feet measured southwardly and at right angles from a point in the line established as the center line of railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Maryland division"; said point in center line of railroad being at the distance of 486 feet, measured westwardly along said center line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station; said point of beginning also being in the northerly line of the Government reservation and south 76°19′ W., a distance of 647.6 feet from a United States monument at a corner common to the said land of the Philadelphia, Baltimore & Washington Railroad Co. and the land of the United States of America; thence south 39°11′ W. across the Government reservation a distance of 250.9 feet to a point in the easterly line of the land of the Philadelphia, Baltimore & Washington Railroad Co.; thence north 21°37′ W. along the boundary line between the Philadelphia, Baltimore & Washington Railroad Co. and the Government reservation a distance of 152.91 feet to a point; thence north 76°19′ E. along the northerly line of the Government reservation a distance of 221.13 feet to the point of beginning:

Containing, in all, three hundred and eighty-four one-thousands of an acre, more or less, and being shown in detail as parcel no. 3 on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935.

(b) Whatever easement rights the United States now has to all those two certain crossings of Stumps Road, also known as "Stumps Lane", described as follows, namely:

The southern crossing being at grade and crossing the railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Perryville branch, Maryland division"; the middle line of said Stumps Road grade crossing being at a distance of 2,015 feet, more or less, measured eastwardly along said Perryville branch line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station, and shown as grade crossing "C" on Pennsylvania Railroad plan no. 8018.

The northern crossing being under grade of the railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "main line Maryland division"; the middle line of said undergrade crossing being at the distance of 1,990 feet, more or less, measured eastwardly along said main line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station, and shown as undergrade crossing "D" on Pennsylvania Railroad plan no. 8018.

(c) Release of whatever right the United States now has to use the following-described overhead bridge for vehicular traffic:

Overhead bridge being the approach to the present main entrance to the reservation, the center line of which is located westwardly a distance of 291.5 feet, more or less, from United States stone monument in the boundary line between the properties of the United States Government and the Philadelphia, Baltimore & Washington Railroad Co., said center line of overhead bridge also being at a distance of 129.9 feet, more or less, measured westwardly along the main line of the railroad from another point therein opposite the center of said railroad's Perryville passenger station and shown as overhead bridge "A" on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935.

SEC. 3. (a) Fee-simple title, subject to the reserved right of the Pennsylvania Railroad Co., to all necessary rights of ingress, egress, and regress, on, over, and under, for the purpose of inspecting and maintaining any existing pipe or water lines, to all that certain piece or parcel of land situate at Perryville, in election district numbered 7, in the county of Cecil and State of Maryland, shown as parcel numbered 1 on Pennsylvania Railroad plan numbered 8018, bounded and described as follows, namely:

Beginning at a point in the southeasterly line of land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland by deed dated August 20, 1927, at a corner common to the land being described and common to the grant of easement parcel, shown as parcel numbered 2 on Pennsylvania Railroad plan numbered 8018, to be hereinafter described, at the distance of 114 feet measured southwardly and at right angles from a point in the line established as the center line of railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Maryland division"; said point in center line of railroad being at the distance of 1,559 feet, measured westwardly along said center line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station; thence south 57°48′ E. along the southwesterly line of grant of easement parcel numbered 2, crossing a proposed road, a distance of 405 feet to a point, said point being the southerly corner of said grant of easement parcel numbered 2; thence south 65°17′ E. along the land of the Philadelphia, Baltimore & Washington Railroad Co. a distance of 112 feet, more or less, to a point; thence north 76°19′ E. along the land of the Philadelphia, Baltimore & Washington Railroad Co. on a line parallel with and distant 100 feet measured southwardly and at right angles from the southerly line of the Perryville substation site a distance of 510 feet, more or less, to a point, said point being in the westerly line of the Government reservation; thence along the lands of the Government reservation the following two courses: South 21°37′ E. a distance of 147 feet, more or less, to a United States monument; south 65°53′ W. a distance of 537 feet, more or less, to a point, said point being in the shore line of the Susquehanna River; thence northwestwardly, up and along said shore line of the Susquehanna River, a distance of 920 feet, more or less, to a point, said point being in the southerly line of the land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland; thence along the southerly and southeasterly lines of said land granted to the State of Maryland, the following three courses: North 77°35′ E. a distance of 125 feet to a point; north 62°45′ E. a distance of 157.5 feet to a point; north 37°25′ E. a distance of 60 feet to the point of beginning:

Containing, in all, 5.387 acres, more or less, and being shown in detail as parcel no. 1 on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935.

(b) Easement for purpose of building, maintaining, and using a highway and such landscaping as may be considered necessary in the discretion of the Administrator of Veterans' Affairs to all that certain piece or parcel of land situate at Perryville, in election district no. 7, in the county of Cecil and State of Maryland, shown as parcel no. 2 on Pennsylvania Railroad plan no. 8018, bounded and described as follows, namely:

Beginning at a point in the southeasterly line of the Philadelphia and Baltimore Road (post road) at or near the northerly end of the easterly abutment of bridge no. 60.07 which carries the railroad of the Philadelphia, Baltimore & Washington Railroad Co. over the highway and over the Susquehanna River, at the distance of 43 feet measured northwardly and at right angles from a point in the line established as the center line of railroad of the Philadelphia, Baltimore & Washington Railroad Co., known as the "Maryland Division"; said point in center line of railroad being at the distance of 1,355 feet, measured westwardly along said center line of railroad, from another point therein opposite the center of said railroad company's Perryville passenger station; thence south 13°41′ E. along the land of the Philadelphia, Baltimore & Washington Railroad Co., passing along the face of said easterly abutment of the bridge no. 60.07, crossing said center line of railroad a distance of 83 feet to a point; thence south 14°42′ E. along the land of the Philadelphia, Baltimore & Washington Railroad Co. a distance of 377.43 feet to a point, said point being in the northeasterly line of parcel no. 1; thence north 57°48′ W. along said northeasterly line of parcel no. 1, crossing a proposed road a distance of 405 feet to a point, said point being in the southeasterly line of land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland by deed dated August 20, 1927, said point also being the point of beginning of parcel no. 1, and being 114 feet measured southwardly and at right angles from a point in said center line of railroad; thence along the southeasterly and easterly lines of said land granted by the Philadelphia, Baltimore & Washington Railroad Co. to the State of Maryland, the following three courses: North 37°25′ E. a distance of 90.4 feet to a point; north 30°20′ E. a distance of 50 feet to a point; north 20°15′ E., recrossing said center line of railroad a distance of 68 feet to a point, said point being at the most northeasterly corner of said land granted to the State of Maryland, within the lines of the highway leading to the highway bridge crossing the Susquehanna River; thence north 64°52′ E. crossing the southeasterly line of said highway, a distance of 59 feet to the point of beginning:

Containing, in all, 1.182 acres, more or less, and being shown in detail as parcel no. 2 on plan no. 8018 of the Pennsylvania Railroad, dated June 3, 1935: *Provided*, That the Pennsylvania Railroad Co. shall have the right to reserve all necessary rights of ingress, egress, and regress, on, over, and under, for the purpose of operating, inspecting, and maintaining the substation catenary wires and structures, transmission wires, pipe, water lines, pump, etc., and to maintain and operate its railroad as at present, or as it may be relocated or widened in the future.

SEC. 4. The Administrator of Veterans' Affairs is authorized and directed to raze the old fish wharf and fish house now located on the tract described in section 3 of this act containing 5.387 acres.

JOHN B. JONES

The Senate proceeded to consider the bill (S. 3057) for the relief of John B. Jones, which was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John B. Jones, who served as a first lieutenant, One Hundred and Forty-third Infantry, United States Army, shall hereafter be held and considered to have been discharged under honorable conditions from the military service of the United States on the 8th day of June 1918: *Provided*, That no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act.

Mr. McKELLAR. Mr. President, I call the attention of the Senator from Texas to the fact that the War Department is opposed to this bill.

Mr. SHEPPARD. Mr. President, I may say that the War Department, as a matter of policy, opposes all these bills, because they endeavor by legislation to change what is in the records of the Department. The Committee on Military Affairs goes behind the records, examines all facts, old and new, acts somewhat as a court of equity, and endeavors to do justice in view of developments at and since the time of the occurrences in question.

We have examined the record quite carefully in this case, and feel that an injustice was done this man by virtue of what was apparently a voluntary resignation for the good of the service.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. VANDENBERG. The President has been vetoing a series of measures of this character. May I ask the Senator, for my information, whether this is not the type of bill to which the President is consistently objecting?

Mr. SHEPPARD. I think this is a somewhat different type of bill, but the committee has been very much concerned about the course of the President in reference to some of these bills.

It seems that he follows mainly the recommendations of the executive agencies and that the War Department, having already reported to the committee against the bills on account of its precedents and policies, so advises the President after the bills have passed.

In a majority of instances the committee agrees with the War Department and tables the bills unfavorably reported by the Department.

When the committee, after investigating, reaches a different conclusion from that of the Department, or other executive agency concerned, the President's attention does not seem to have been called to what the committee has found, and we are contemplating an endeavor to reach some understanding with him as to procedure in the future.

Shall we have the executive departments and agencies legislate for Congress, or shall Congress exercise its own will in these matters?

We have examined the facts in this case, and we feel that the record does not reflect all the facts. I believe this particular bill is different, however, from the type of those the President has been vetoing, because this man's separation from the service was due to the tyrannous conduct of his commanding officer.

Mr. VANDENBERG. I agree that it is our responsibility to legislate for ourselves, but my question goes to this; would the Senator expect this to be a bill which the President would veto, in line with his policy?

Mr. SHEPPARD. It would not be. This man's separation from the service, as I have stated, was due to the fact that he served under an overbearing commanding officer, who virtually compelled him to submit what appeared in the record to be a voluntary resignation.

Mr. McKELLAR. Mr. President, at what time during the war did he desert?

Mr. SHEPPARD. The man in this case did not desert.

Mr. McKELLAR. At what time did he separate himself from the service, then, if the Senator objects to the word "desert"? This is my idea about the matter, if a soldier in 1862, when the war was about half over, separated himself from the service and never returned, the presumption is tremendously strong that he was not the proper kind of soldier, and that neither he nor his family should be rewarded this long afterward.

Mr. SHEPPARD. The man to whom the Senator now refers did not separate himself from the service. He was captured and became a paroled prisoner of war, and because the records did not show he had returned, he was recorded as a deserter. The Senator is referring to a prior bill, not the present one. However, the pending bill does not involve desertion. This is a question of resignation offered for the good of the service, which we found was offered practically through pressure from a domineering commanding officer who was subsequently cashiered in France and returned to this country on account of his conduct toward the men in his regiment.

Mr. McKELLAR. Mr. President, I have not examined the facts of the case, but the presumption to my mind is very strong, if he has waited all this time to get his record changed.

Mr. SMITH. Mr. President, I should like to inquire what good our committees are, if, after they use diligence in hunting the truth, digging up the facts for the good of the country and for the good of citizens, and come here and reaffirm what they declare was done under pressure from a tyrannical officer, and recommend relief, then what we do is upset? If the citizens have not Congress to which to appeal, where can they go? It seems to me it is time for us to listen to some of the Senate committees, rather than take the routine advice of officers.

Mr. SHEPPARD. Mr. President, the committee is seriously considering taking this matter up with the President in order to reach some kind of agreement by which we can discuss these bills with him and show him what we have found before he accepts what the executive agencies say.

Mr. BARKLEY. Mr. President, a moment ago the Senator suggested that the President vetoed these bills as a matter of routine, following the recommendation of the War Department. Does the War Department in its recommendations or reports to the President convey any information that has been dug out by the committee as a reason for any of these things?

Mr. SHEPPARD. Not at all. So far as we have been able to find, the War Department merely repeats the substance of its prior report. The Senator from Utah [Mr. THOMAS] had a bill in which he was especially interested, a bill which he regarded as doing justice, although the War Department records showed the opposite, and the President vetoed the bill. The Senator from Utah discussed the matter on the floor here sometime ago.

Mr. BARKLEY. It might be of help to the President, in passing on these matters, if the chairman of the committee would call the real facts in connection with the bills to the President's attention.

Mr. SHEPPARD. I thoroughly agree with the Senator.

Mr. KING. Mr. President, I think it ought to be said, not in defense of the President but as a matter of historical fact and of procedure, that in many of these cases—and I make no comment of criticism—the testimony submitted is in the form of an affidavit which is ex parte; that is, after the witnesses of whom the Government might avail itself to get the facts are dead, the applicant for the pension or his widow, submits an ex parte affidavit or affidavits, all ex parte. No one has an opportunity to cross-examine, in many cases which have come to my attention, and there being no countervailing evidence, the committee makes a favorable recommendation.

Mr. SHEPPARD. Mr. President, the Senator is in error. We table bills when no evidence is offered, or when what we consider insufficient evidence is offered.

Mr. McKELLAR. Mr. President, I shall not object to the bill, but it seems to me that it is a very doubtful practice to pass such bills, though I am willing to take the committee's views on them.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF FEDERAL BUILDINGS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2626) to authorize the sale of Federal buildings, which were, on page 1, line 5, to strike out "supplemented" and insert "supplanted", and on page 2, line 8, after "land", to insert ", the appraisal to be made by the Treasury Department."

Mr. BARBOUR. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LAKE CHAMPLAIN BRIDGE NEAR WEST SWANTON, VT.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2681) to extend the times for commencing and completing the construction of a bridge across Lake Champlain at or near West Swanton, Vt., and for other purposes.

Mr. GIBSON. I move that the Senate disagree to the amendments of the House, request a conference with the

House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SHEPPARD, Mr. BILBO, and Mr. GIBSON conferees on the part of the Senate.

JUDGE SAMUEL ALSCHULER

Mr. LEWIS. Mr. President, let me for a moment make a brief reference to the judiciary. In the Seventh United States Circuit Court of Appeals, covering the States of Illinois, Indiana, and Wisconsin, we have among other judges a distinguished judge of the circuit court, Samuel Alschuler by name. It fell to me, sir, to present the name of this distinguished judge to President Wilson while I was Senator in the era of that administration. This judge has been serving for many years. Unhappily a Member of the House, it befell, through misinformation, made charges against the judge, intimating some conduct on his part in a decision which, it was claimed, lacked fairness and justice, motivated by what was charged to be partiality, if not corruption. The House committee has given the subject a very full and thorough investigation, certifying not only the virtue and probity of the judge, but deploring that this charge was made, and calling attention to the fact that it was made through misinformation, which guided the gentleman who made the charge to make an error which he subsequently confessed. The honorable Judiciary Committee of this body have had occasion to receive information on this subject, and I must say—and I delight to say—that in considering the whole subject they found not the basis of any nature whatever to impute anything to this distinguished judge. In that anxiety we all have to keep the record clean of an unfair imputation or an unjust accusation, equally with the perfect quality of willingness to denounce wherever there has been corruption and to eradicate dishonor wherever there has been dishonor, it pleases me to say that the report of the House and the action of the honorable Judiciary Committee certify to the high character, the judicial fitness, and exemplary life of the distinguished judge who during these many years has given a high judicial service, the Honorable Samuel Alschuler, judge of the circuit court of appeals of the seventh circuit, residing in the seventh circuit.

DORIS ALLEN

The Senate proceeded to consider the bill (S. 3280) for the relief of Doris Allen, which had been reported from the Committee on Foreign Relations with an amendment, on page 1, line 4, after the word "pay", to insert a comma and the words "out of any money in the Treasury not otherwise appropriated", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Doris Allen, widow of Charles E. Allen, late American consul at Gibraltar, Spain, the sum of $6,600, being 1 year's salary of her deceased husband, who died while in the Foreign Service.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. ERNEST B. DUNLAP

The bill (H. R. 6602) for the relief of Dr. Ernest B. Dunlap was announced as next in order.

Mr. McKELLAR. Mr. President, I rise not for the purpose of objecting to this bill, but to say that if Dr. E. B. Dunlap, of Lawton, Okla., did the same splendid work for the Indians that he once did for me when I had my head scalped in an automobile accident, he is entitled to every dollar of this claim, and I shall be very happy to vote for the passage of the bill. It gives me great pleasure to testify to the fact that Dr. Dunlap is a remarkably able and skillful surgeon.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Ernest B. Dunlap, of Lawton, Okla., the sum of $2,806, in full settlement of his claim for professional services rendered by him to Indians between May 2, 1926, and June 30, 1930, inclusive, at the Kiowa Indian Hospital, Oklahoma, upon verbal authorization of the superintendent of the Kiowa Indian Agency.

LEASE FOR MISSION INDIANS OF CALIFORNIA

The Senate proceeded to consider the bill (S. 3268) to authorize and direct the Secretary of the Interior to make a lease for the Agua Caliente or Palm Springs Band of Mission Indians of California, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 10, after the word "annually", to strike out "equal to" and to insert in lieu thereof "of not less than", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to lease, upon terms and conditions to be prescribed by him, with the consent and approval of a majority of the adult members of the Agua Caliente or Palm Springs Band of Indians, for a period of years, not to exceed 99 years, the Agua Caliente or Palm Springs Indian Reservation, situated in the county of Riverside, State of California, in whole or in part, reserving, however, all mineral rights, and such lands and waters as the Agua Caliente or Palm Springs Band of Indians may choose or select for its own use.

The Secretary of the Interior is authorized to execute one or more leases to such persons, partnerships, associations, or corporations as will provide said Agua Caliente Band of Indians the best and most benefits by way of revenue and general constructive development of its reservation. The lease or leases shall contain provisions guaranteeing to the tribe a minimum cash payment annually of not less than the net revenue the Indians now derive from the use or rental of the property to be leased. The lessee shall furnish adequate surety bond or make a deposit of cash or securities satisfactory to the Secretary of the Interior to guarantee the payment of the minimum cash rental and the performance of the other provisions of any lease for the initial 5 years of its term. Leases shall also contain provisions granting the Agua Caliente or Palm Springs Band of Indians a participating interest of at least 20 percent of the gross revenues derived by the lessee or lessees from ground subleases and at least 10 percent of all other revenues derived by the lessee or lessees from the land leased.

The revenue derived from any leases executed under authority contained in this act shall be paid by the lessee or lessees to the superintendent or other official in charge of the Agua Caliente or Palm Springs Reservation and shall be deposited in the Treasury of the United States to the credit of the said Agua Caliente or Palm Springs Band of Indians, and shall draw interest at 4 percent per annum and shall be paid to or expended on behalf of the said Agua Caliente or Palm Springs Band of Indians at such times and in such manner as Congress shall direct.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES E. LA VATTA

The Senate proceeded to consider the bill (S. 3169) for the relief of Charles E. La Vatta, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 5, after the words "sum of", to strike out "$2,500" and insert in lieu thereof "$1,000", and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to Charles E. La Vatta, of Fort Hall, Idaho, the sum of $1,000 in full settlement of his claim against the United States for loss of property of said Charles E. La Vatta located on land to which he had not title: *Provided*, That the Secretary of the Interior may deposit the said sum to the credit of the said Charles E. La Vatta and handle it in the same manner as other individual money: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGREEMENT WITH MUSKOGEE OR CREEK TRIBE OF INDIANS

The Senate proceeded to consider the bill (S. 3182) authorizing an appropriation to carry out the provisions of section 26 of the agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901, which had been

reported from the Committee on Indian Affairs with an amendment, in section 3, on page 2, line 19, after the word "amount", to strike out "of each individual claim presented and settled" and to insert in lieu thereof "appropriated", so as to make the section read:

SEC. 3. That out of the appropriation hereby authorized the Secretary of the Interior shall pay to the attorneys for said loyal Creek Indians and freedmen who are now employed under contract with said Indians and freedmen, such compensation as he may determine to be fair and reasonable for services rendered and expenses incurred by such attorneys under said contract: *Provided*, That such payment shall not exceed 10 percent of the amount appropriated under the authority of this act; and, in addition thereto, the said Secretary shall correspondingly pay William Yarhola and Joseph Bruner for services heretofore rendered and expenses incurred in connection with these claims, such compensation as he may determine to be reasonable and just, not to exceed, however, 5 percent of each separate claim presented and settled under the terms of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated the sum of $600,000 to carry out the provisions of section 26 of the act to ratify and confirm an agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901 (31 Stat. 861), and said sum shall be in payment of the balance due on the award made by the Senate of the United States in accordance with said section 26 of said act of March 1, 1901.

SEC. 2. Upon appropriation being made and available, the Secretary of the Interior shall pay to the Loyal Creek Indians and freedmen, or their heirs, whose names appear in the list of awards made in their behalf by W. B. Hazen and F. A. Field, as commissioners on behalf of the United States to ascertain the losses of said Indians and freedmen as provided by articles 3 and 4 of the treaty with the Creek Nation of Indians of date June 14, 1866 (14 Stat. 785), and such payment shall be made in proportion to the awards set out in said list, and such payment shall be in full settlement and satisfaction of all claims under said articles 3 and 4.

SEC. 3. That out of the appropriation hereby authorized the Secretary of the Interior shall pay to the attorneys for said Loyal Creek Indians and freedmen who are now employed under contract with said Indians and freedmen, such compensation as he may determine to be fair and reasonable for services rendered and expenses incurred by such attorneys under said contract: *Provided*, That such payment shall not exceed 10 percent of the amount appropriated under the authority of this act; and, in addition thereto, the said Secretary shall correspondingly pay William Yarhola and Joseph Bruner for services heretofore rendered and expenses incurred in connection with these claims, such compensation as he may determine to be reasonable and just, not to exceed, however, 5 percent of each separate claim presented and settled under the terms of this act.

OATHS OF CUSTOMS AND INTERNAL-REVENUE EMPLOYEES

Mr. WALSH. Mr. President, when the bill (S. 3286) to abolish the oath required of customs and internal-revenue employees prior to the receipt of compensation, and for other purposes, was reached on the calendar objection was made in behalf of the Senator from Rhode Island [Mr. METCALF], and the bill was passed over. The Senator from Rhode Island has now looked into the matter and is content to withdraw his objection. Therefore I ask unanimous consent that the Senate recur to the bill and consider it at this time.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3286) to abolish the oath required of customs and internal-revenue employees prior to the receipt of compensation, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. WALSH. Mr. President, on behalf of the committee, I present an amendment which should be acted upon first, and which will make it unnecessary to act on the amendment printed in the bill.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out all after section 2 of the bill, commencing on page 2, after line 6, and insert the following:

SEC. 3. Subdivision (a) of section 641 of the Tariff Act of 1930 (46 Stat. 759; U. S. C., Supp. VII, title 19, sec. 1641) is hereby amended by striking out "(e)" in line 17 and inserting in lieu thereof "(c)."

SEC. 4. Subdivisions (b), (c), and (d) of section 641 of such act are hereby amended to read as follows:

"(b) Revocation or suspension: The collector or chief officer of the customs may at any time, for good and sufficient reasons, serve notice in writing upon any customhouse broker so licensed to show cause why said license shall not be revoked or suspended, which notice shall be in the form of a statement specifically setting forth the ground of complaint. The collector or chief officer of customs shall within 10 days thereafter notify the customhouse broker in writing of a hearing to be held before him within 5 days upon said charges. At such hearing the customhouse broker may be represented by counsel, and all proceedings, including the proof of the charges and the answer thereto, shall be presented, with the right of cross-examination to both parties, and a stenographic record of the same shall be made and a copy thereof shall be delivered to the customhouse broker. At the conclusion of such hearing the collector or chief officer of customs shall forthwith transmit all papers and the stenographic report of the hearing, which shall constitute the record of the case, to the Secretary of the Treasury for his action. Thereupon the said Secretary of the Treasury shall have the right to revoke or suspend the license of any customhouse broker shown to be incompetent, disreputable, or who has refused to comply with the rules and regulations issued under this section, or who has, with intent to defraud, in any manner willfully and knowingly deceived, misled, or threatened any importer, exporter, claimant, or client, or prospective importer, exporter, claimant, or client, by word, circular, letter, or by advertisement.

"An appeal may be taken by any licensed customhouse broker from any order of the Secretary of the Treasury suspending or revoking a license. Such appeal shall be taken by filing, in the circuit court of appeals of the United States within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Secretary of the Treasury be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon the Secretary of the Treasury, or upon any officer designated by him for that purpose, and thereupon the Secretary of the Treasury shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the Secretary of the Treasury shall be considered by the court unless such objection shall have been urged before the collector or chief officer of customs or unless there were reasonable grounds for failure so to do. The finding of the Secretary of the Treasury as to the facts, if supported by substantial evidence, shall be conclusive. If any party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the collector or chief officer of customs, the court may order such additional evidence to be taken before the collector or chief officer of customs and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary of the Treasury may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court affirming, modifying, or setting aside, in whole or in part, any such order of the Secretary of the Treasury shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347). The commencement of proceedings under this subsection shall, unless specifically ordered by the court, operate as a stay of the Secretary of the Treasury's order.

"(c) Prior licenses: Licenses issued under the act of June 10, 1910 (36 Stat. 454; U. S. C., title 19, sec. 415), or under the provisions of subdivision (a) of this section prior to the effective date of this amendment, shall continue in force and effect, subject to suspension and revocation as provided in subdivision (b) of this section.

"(d) Regulations by Secretary: The Secretary of the Treasury shall prescribe such rules and regulations as he may deem necessary to protect importers and the revenue of the United States, and to carry out the provisions of this section, including rules and regulations requiring the keeping of books, accounts, and records by customhouse brokers, and the inspection thereof, and of their papers, documents, and correspondence by, and the furnishing by them of information relating to their business to, any duly accredited agent of the United States."

SEC. 5. Subdivision (e) of section 641 of such act is hereby repealed.

Mr. WALSH. Mr. President, the amendment just read meets the objection previously made to the bill by striking out certain sections. It meets the objections of the Senator from Rhode Island.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts on behalf of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1790 of the Revised Statutes (U. S. C., title 19, sec. 49) is hereby repealed.

SEC. 2. Section 1 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1899, and for other purposes", approved March 15, 1898 (30 Stat. 277 at 286), as amended, is hereby amended by striking therefrom the following sentence: "Hereafter collectors of customs and their special deputies shall be competent to administer oaths to officers of the Revenue Marine Service and employees in the Customs Service required by sections 1790 and 2693 of the Revised Statutes."

SEC. 3. Subdivision (a) of section 641 of the Tariff Act of 1930 (46 Stat. 759; U. S. C., Supp. VII, title 19, sec. 1641) is hereby amended by striking out "(e)" in line 17 and inserting in lieu thereof "(c)."

SEC. 4. Subdivisions (b), (c), and (d) of section 641 of such act are hereby amended to read as follows:

"(b) Revocation or suspension: The collector or chief officer of the customs may at any time, for good and sufficient reasons, serve notice in writing upon any customhouse broker so licensed to show cause why said license shall not be revoked or suspended, which notice shall be in the form of a statement specifically setting forth the ground of complaint. The collector or chief officer of customs shall within 10 days thereafter notify the customhouse broker in writing of a hearing to be held before him within 5 days upon said charges. At such hearing the customhouse broker may be represented by counsel, and all proceedings including the proof of the charges and the answer thereto, shall be presented, with the right of cross-examination to both parties, and a stenographic record of the same shall be made and a copy thereof shall be delivered to the customhouse broker. At the conclusion of such hearing the collector or chief officer of customs shall forthwith transmit all papers and the stenographic report of the hearing, which shall constitute the record of the case, to the Secretary of the Treasury for his action. Thereupon the said Secretary of the Treasury shall have the right to revoke or suspend the license of any customhouse broker shown to be incompetent, disreputable, or who has refused to comply with the rules and regulations issued under this section, or who has, with intent to defraud, in any manner willfully and knowingly deceived, mislead, or threatened any importer, exporter, claimant, or client, or prospective importer, exporter, claimant, or client, by word, circular, letter, or by advertisement.

"An appeal may be taken by any licensed customhouse broker from any order of the Secretary of the Treasury suspending or revoking a license. Such appeal shall be taken by filing, in the circuit courts of appeals of the United States within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Secretary of the Treasury be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon the Secretary of the Treasury, or upon any officer designated by him for that purpose, and thereupon the Secretary of the Treasury shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the Secretary of the Treasury shall be considered by the court unless such objection shall have been urged before the collector or chief officer of customs or unless there were reasonable grounds for failure so to do. The finding of the Secretary of the Treasury as to the facts, if supported by substantial evidence, shall be conclusive. If any party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the collector or chief officer of customs, the court may order such additional evidence to be taken before the collector or chief officer of customs and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary of the Treasury may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court affirming, modifying, or setting aside, in whole or in part, any such order of the Secretary of the Treasury shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347). The commencement of proceedings under this subsection shall, unless specifically ordered by the court, operate as a stay of the Secretary of the Treasury's order.

"(c) Prior licenses: Licenses issued under the act of June 10, 1910 (36 Stat. 454; U. S. C., title 19, sec. 415), or under the provisions of subdivision (a) of this section prior to the effective date of this amendment, shall continue in force and effect, subject to suspension and revocation as provided in subdivision (b) of this section.

"(d) Regulations by Secretary: The Secretary of the Treasury shall prescribe such rules and regulations as he may deem necessary to protect importers and the revenue of the United States, and to carry out the provisions of this section, including rules and regulations requiring the keeping of books, accounts, and records by customhouse brokers, and the inspection thereof, and of their papers, documents, and correspondence by, and the furnishing by them of information relating to their business to, any duly accredited agent of the United States."

SEC. 5. Subdivision (e) of section 641 of such act is hereby repealed.

ANNIVERSARY OF EXPEDITION OF HERNANDO DE SOTO

The joint resolution (H. J. Res. 265) pertaining to an appropriate celebration of the four hundredth anniversary of the expedition of Hernando De Soto was announced as next in order.

Mr. NORBECK. Mr. President, there is no objection to this bill, but I should like to offer an amendment to it. The amendment is a copy of a bill which has previously passed the Senate and is recommended also by the House committee. I am presenting this amendment in order to get action by the House at an early date.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, at the end of the joint resolution, to add a new title, as follows:

TITLE II

SEC. 201. To provide additional funds for the completion of the Mount Rushmore National Memorial, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of $200,000, in addition to the amount previously authorized, for the purpose of defraying the cost of completing the Mount Rushmore National Memorial, in the State of South Dakota, including landscaping of the contiguous grounds thereof, constructing the entrances thereto, and constructing a suitable museum room in connection therewith.

SEC. 202. The Mount Rushmore National Memorial Commission, with the approval of the Secretary of the Interior, is hereby authorized to enter into contract for the execution and completion of the work and to fix the compensation to be paid to artists, sculptors, landscape architects, and others, who may be employed by the Mount Rushmore National Memorial Commission, in the completion of the said Mount Rushmore National Memorial pursuant to the provisions of section 3 of Public Law No. 805, Seventieth Congress, approved February 25, 1929, as amended by section 1 of Public Law No. 471, Seventy-third Congress, approved June 26, 1934.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The preamble was agreed to.

The title was amended so as to read: "Joint resolution pertaining to an appropriate celebration of the four hundredth anniversary of the expedition of Hernando De Soto, and for other purposes."

CONVEYANCE OF CERTAIN LANDS TO RENO, NEV.

The Senate proceeded to consider the bill (S. 414) to convey certain lands and buildings to the city of Reno, Nev., which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 3, after line 2, to insert:

The consideration for said conveyance is the sum of $7,500, lawful money of the United States, to be paid by the city of Reno, Nev., to the Secretary of the Treasury upon the execution and delivery of said conveyance.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to convey, by quitclaim deed, on behalf of the United States, to the city of Reno, Nev., the hereinafter-described parcels of land located in such city, together with such buildings as may be situated thereon: (1) Beginning at the intersection of the east side line of Virginia Street with the south side line of East Front Street, in the city of Reno, Nev., and running thence easterly and along the south side line of such East Front Street 160 feet, thence southerly and parallel with the east side line of such Virginia Street 115.87 feet, thence deflect right 81°46′ for a distance of 133.1 feet, thence deflect left 21°17′ for a distance of 32.33 feet to the intersection of the east side line of such Virginia Street, thence northerly and along the east side line of such Virginia Street 144.31 feet to the place of beginning; and (2) beginning at a point on the east side line of Virginia Street, in the city of Reno, Nev., 144.30 feet southerly from the intersection of the east side line of such Virginia Street with the south line of such East Front Street, and running thence easterly deflecting right 60°29′

for a distance of 32.33 feet, thence deflect right 21°17' for a distance of 133.1 feet, thence southerly and parallel with the east side line of such Virginia Street 65 feet, more or less, to the northerly boundary of the Truckee River, thence westerly along the northerly boundary of the Truckee River to its intersection with the east side line of such Virginia Street, thence northerly and along the east side line of such Virginia Street, 60.02 feet, more or less, to the point of beginning.

The consideration for said conveyance is the sum of $7,500, lawful money of the United States, to be paid by the city of Reno, Nev., to the Secretary of the Treasury upon the execution and delivery of said conveyance.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHIPPEWA INDIANS OF WISCONSIN

The bill (H. R. 6869) authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims was considered, ordered to a third reading, read the third time, and passed.

DAVID J. FITZGERALD

The bill (H. R. 5838) to place David J. Fitzgerald on the retired list of the United States Army as a first lieutenant was considered, ordered to a third reading, read the third time, and passed.

LT. D. A. NEUMAN

The Senate proceeded to consider the bill (S. 2219) for the relief of Lt. D. A. Neumann, Pay Corps, United States Naval Reserve Force.

Mr. COPELAND. In connection with the name, the Secretary of the Navy suggests that the correct spelling is with one "n" at the end of the name, so the name should be spelled "N-e-u-m-a-n." I offer an amendment to that effect.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 5, it is proposed to strike out the final "n" in "Neumann", and on the same page, in line 11, to strike out the final "n" in the name "Neumann", so as to make the bill read:

Be it enacted, etc., That the accounting officers of the Treasury Department be, and they are hereby, authorized and directed to allow Lt. D. A. Neuman credit for the sum of $894, the same being the sum of two pay receipts, one bearing the forged signature of "Ensign F. Fritz" for the sum of $487, and one bearing the forged signature of "Ensign A. V. Lynch" for the sum of $407, which payments were made without fault on the part of said Lt. D. A. Neuman, Pay Corps, United States Naval Reserve Force.

The PRESIDING OFFICER. Without objection the spelling of the name in the title will be corrected in accordance with the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOANS TO AGRICULTURAL IMPROVEMENT DISTRICTS

The bill (S. 630) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, to provide an interest rate of 3 percent per annum on loans to agricultural improvement districts was announced as next in order.

Mr. KING. Mr. President, I should like to ask the Senator from South Carolina [Mr. SMITH], Chairman of the Committee on Agriculture and Forestry, if it is expected to make the provisions of this bill retroactive?

Mr. SMITH. No; it does not propose to violate the contractual form of the bond. It only pertains to bonds and mortgages issued subsequent to the act.

Mr. KING. As I read section 2, the interest rate of 3 percent per annum provided in section 1 shall apply to all loans heretofore made or hereafter to be made under the provision of section 36 and amendments thereto. It seems to be retroactive.

Mr. SMITH. But section 36 explains the law that we passed heretofore in reference to the reduction in interest rates.

Mr. KING. I ask again for my own information and satisfaction if it does not apply to obligations which have been entered into which carry a higher rate of interest than that which is prescribed here.

Mr. SMITH. It does not. It could not do so. It could not violate the contractual form of the bond.

Mr. KING. That is what I feel, but I did not understand the language would mean otherwise than as I stated. I shall not object, but I desire to have that point made clear.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate considered the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 36 of the Emergency Farm Mortgage Act of 1933, as amended, is amended by inserting after "years" in clause (1) thereof a comma and the following: "and shall bear interest at the rate of 3 percent per annum."

SEC. 2. The interest rate of 3 percent per annum provided for in section 1 shall apply to all loans heretofore made or hereafter to be made under the provisions of said section 36 and amendments thereto.

ISSUANCE OF PATENT TO ALBERT M. JOHNSON AND WALTER SCOTT

The bill (H. R. 2476) to grant a patent to Albert M. Johnson and Walter Scott was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subject to prior valid existing rights the Secretary of the Interior is hereby authorized to issue a patent to Albert M. Johnson and/or Walter Scott (Death Valley Scotty) for the following-described land in the Death Valley National Monument upon payment therefor at the rate of $1.25 per acre or under any applicable public-land law subject, however, to the reservation of such rights-of-way as the said Secretary may determine to be necessary or advisable for use in connection with the administration of said monument, to wit:

Those parts of sections 1, 2, 3, 4, 10, 11, and 12, township 11 south, range 42 east; and those parts of sections 5, 6, and 7, township 11 south, range 43 east, Mount Diablo meridian, Calif., occupied by Albert M. Johnson and/or Walter Scott in the form of Upper and Lower Grapevine Ranches and marked on the ground by concrete fence posts according to the Roger Wilson survey of 1931 and on file in the General Land Office; also the remainder of the southwest quarter northwest quarter section 10, township 11 south, range 42 east, and south half northwest quarter (lots 11 and 12) section 6, township 11 south, range 43 east; containing, in all, approximately 1,500 acres: *Provided*, That such patent shall contain a reservation to the United States of all the minerals the land may contain, together with the right to prospect for, mine, and remove the same; such minerals to be subject to disposal by the United States only as may hereafter be expressly authorized by law: *And provided further*, That such land shall not be used for any purpose inconsistent with the rules and regulations governing national monuments: *And provided further*, That in the event of transfer of title to the whole of this property or any estate therein by either one or both patentees, by voluntary conveyance or by operation of law, the Secretary of the Interior shall be authorized to reacquire the land by purchase, condemnation, or otherwise out of such funds as may be made available by Congress for this purpose.

TOBACCO CLASSIFICATION STANDARDS

The bill (H. R. 8026) to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco inspection service, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That when used in this act—

(a) "Person" includes partnerships, associations, and corporations, as well as individuals.

(b) "Secretary" means the Secretary of Agriculture of the United States.

(c) "Inspector" means any person employed, licensed, or authorized by the Secretary to determine and certify the type, grade, condition, or other characteristics of tobacco.

(d) "Sampler" means any person employed, licensed, or authorized by the Secretary to select, tag, and seal official samples of tobacco.

(e) "Weigher" means any person employed, licensed, or authorized by the Secretary to weigh and certify the weight of tobacco.

(f) "Tobacco" means tobacco in its unmanufactured form.

(g) "Auction market" means a market or place to which tobacco is delivered by the producers thereof, or their agents, for sale at auction through a warehouseman or commission merchant.

(h) Words in the singular form shall be deemed to import the plural form when necessary.

(i) "Commerce" means commerce between any State, Territory, or possession, or the District of Columbia, and any place outside thereof; or between points within the same State, Territory, or possession, or the District of Columbia, but through any place outside thereof; or within any Territory or possession, or the District of Columbia. For the purposes of this act (but not in any wise limiting the foregoing definition), a transaction in respect to

tobacco shall be considered to be in commerce if such tobacco is part of that current of commerce usual in the tobacco industry whereby tobacco or products manufactured therefrom are sent from one State with the expectation that they will end their transit, after purchase, in another, including, in addition to cases within the above general description, all cases where purchase or sale is either for shipment to another State or for manufacture within the State and the shipment outside the State of the products resulting from such manufacture. Tobacco normally in such current of commerce shall not be considered out of such current through resort being had to any means or device intended to remove transactions in respect thereto from the provisions of this act. For the purpose of this paragraph, the word "State" includes Territory, the District of Columbia, possession of the United States, and foreign nations.

SEC. 2. That transactions in tobacco involving the sale thereof at auction as commonly conducted at auction markets are affected with a public interest; that such transactions are carried on by tobacco producers generally and by persons engaged in the business of buying and selling tobacco in commerce; that the classifications of tobacco according to type, grade, and other characteristics affects the prices received therefor by producers; that without uniform standards of classification and inspection the evaluation of tobacco is susceptible to speculation, manipulation, and control, and unreasonable fluctuations in prices and quality determinations occur which are detrimental to producers and persons handling tobacco in commerce; that such fluctuations constitute a burden upon commerce and make the use of uniform standards of classification and inspection imperative for the protection of producers and others engaged in commerce and the public interest therein.

SEC. 3. That the Secretary is authorized to investigate the sorting, handling, conditioning, inspection, and marketing of tobacco from time to time, and to establish standards for tobacco by which its type, grade, size, condition, or other characteristics may be determined, which standards shall be the official standards of the United States, and shall become effective immediately or upon a date specified by the Secretary: *Provided*, That the Secretary may issue tentative standards for tobacco prior to the establishment of official standards therefor, and he may modify any standards established under authority of this act whenever, in his judgment, such action is advisable.

SEC. 4. That the Secretary is authorized to demonstrate the official standards; to prepare and distribute, upon request, samples, illustrations, or sets thereof; and to make reasonable charges therefor: *Provided*, That in no event shall charges be in excess of the cost of said samples, illustrations, and services so rendered.

SEC. 5. That the Secretary is authorized to designate those auction markets where tobacco bought and sold thereon at auction, or the products customarily manufactured therefrom, moves in commerce. Before any market is designated by the Secretary under this section he shall determine by referendum the desire of tobacco growers who sold tobacco at auction on such market during the preceding marketing season. The Secretary may at his discretion hold one referendum for two or more markets or for all markets in a type area. No market or group of markets shall be designated by the Secretary unless two-thirds of the growers voting favor it. The Secretary shall have access to the tobacco records of the Collector of Internal Revenue and of the several collectors of internal revenue for the purpose of obtaining the names and addresses of growers who sold tobacco on any auction market, and the Secretary shall determine from said records the eligibility of such grower to vote in such referendum, and no grower shall be eligible to vote in more than one referendum. After public notice of not less than 30 days that any auction market has been so designated by the Secretary, no tobacco shall be offered for sale at auction on such market until it shall have been inspected and certified by an authorized representative of the Secretary according to the standards established under this act, except that the Secretary may temporarily suspend the requirement of inspection and certification at any designated market whenever he finds it impracticable to provide for such inspection and certification because competent inspectors are not obtainable or because the quantity of tobacco available for inspection is insufficient to justify the cost of such service: *Provided*, That, in the event competent inspectors are not available, or for other reasons, the Secretary is unable to provide for such inspection and certification at all auction markets within a type area, he shall first designate those auction markets where the greatest number of growers may be served with the facilities available to him. No fee or charge shall be imposed or collected for inspection or certification under this section at any designated auction market. Nothing contained in this act shall be construed to prevent transactions in tobacco at markets not designated by the Secretary or at designated markets where the Secretary has suspended the requirement of inspection or to authorize the Secretary to close any market.

SEC. 6. That the Secretary, independently or in cooperation with other branches of the Government, State agencies, or persons, whether operating in one or more jurisdictions, is authorized to employ and/or license competent persons as samplers to take official samples of tobacco, or as weighers to weigh and certify the weight of tobacco, or as inspectors of tobacco to determine and certify, upon the request of the owner or other financially interested person, the type, grade, weight, condition, and/or such other facts as the Secretary may deem necessary.

The Secretary is authorized to fix and collect such fees or charges in the administration of this section as he may deem reasonable, and the moneys collected, except as provided in this section, shall be deposited in the Treasury of the United States to the credit of miscellaneous receipts. Fees or charges collected under an agreement with a State, municipality, or person, or by an individual licensed to inspect or weigh or sample tobacco under this act, may be disposed of in accordance with the terms of such agreement or license. Charges for expenses for travel and subsistence incurred by inspectors or weighers or samplers employed by the Secretary, when required to be paid by the applicant for service, may be credited to the appropriation, or any other funds authorized in this act from which they were paid.

This section is intended merely to provide for the furnishing of services upon request of the owner or other person financially interested in tobacco to be sampled, inspected, or weighed and shall not be construed otherwise.

SEC. 7. That the Secretary shall provide for such reinspection or appeal inspection of tobacco as he may deem necessary for the confirmation or reversal of certificates issued under this act. Each inspection certificate issued under this act, unless invalidated or superseded in accordance with the regulations of the Secretary, shall be received in all courts and by all officers and employees of the United States as prima facie evidence of the truth of the statements therein contained.

SEC. 8. That warehousemen shall provide space on warehouse tickets or other tags or labels used by them for showing the grade of the lot covered thereby as determined by an authorized tobacco inspector under this act. The Secretary may prescribe, by regulation, the form in which such certification of grade shall be shown, and may require that a copy of such warehouse ticket, tag, or label shall be furnished to the Secretary.

SEC. 9. That the Secretary is authorized to collect, publish, and distribute, by telegraph, mail, or otherwise, without cost to the grower, timely information on the market supply and demand, location, disposition, quality, condition, and market prices for tobacco.

SEC. 10. It shall be unlawful—

(a) For any person to use the words "United States", "Government", or "Federal", or any abbreviation thereof, in, or in connection with, any statement relating to the grade of tobacco when such grade is not, in fact, one of the grades for tobacco according to the standards of the United States.

(b) For any person falsely to make, issue, alter, forge, or counterfeit, or aid, cause, procure, or assist in or be a party to the false making, issuing, altering, forging, or counterfeiting of any certificate, stamp, tag, seal, label, or other writing purporting to be issued or authorized under this act.

(c) For any person, not an authorized inspector under this act, to issue a certificate or report stating the type, grade, size, or condition of any lot of tobacco to be in accordance with the standards of the United States therefor which is of such color, size, arrangement, or wording as to be mistaken for a certificate issued under this act, unless such certificate states in prominent letters in its heading that it is not issued under authority of the United States.

(d) For any person employed, designated, or licensed by the Secretary as an inspector, sampler, or weigher of tobacco under this act knowingly to inspect, sample, or weigh improperly, or to issue any false certificate under this act, or to accept money or other consideration, directly or indirectly, for any neglect or improper performance of duty as an inspector, sampler, or weigher.

(e) For any person improperly to influence or to attempt improperly to influence or forcibly to assault, resist, impede, or interfere with any inspector, sampler, weigher, or other person employed, designated, or licensed by the Secretary in the execution of his duties under this act: *Provided, however*, That nothing herein shall operate to prevent the owner of tobacco from appealing or protesting, in accordance with regulations of the Secretary, the grade certified for his tobacco.

(f) For any person falsely to represent or otherwise indicate that he is authorized by the Secretary to inspect, sample, or weigh tobacco under this act.

(g) For any person to substitute, or attempt to substitute, following inspection or sampling or weighing under this act, other tobacco for tobacco actually inspected or sampled or weighed, or in the case of tobacco inspected in auction warehouses for any person not so authorized by the Secretary to remove any certificate of grade from any lot of tobacco prior to the sale of such lot.

(h) For any person falsely to represent that tobacco has been inspected, sampled, or weighed under this act; or knowingly to have made any false representation concerning tobacco inspected under this act; or knowing that tobacco is to be offered for inspection or sampling under this act to load, pack, or arrange such tobacco in such manner as knowingly to conceal foreign matter or tobacco of inferior grade, quality, or condition; or for any person knowing that tobacco has been so loaded, packed, or arranged, to offer it for inspection or sampling without disclosing such knowledge to the inspector or sampler before inspection or sampling.

(i) For any person willfully to alter an official sample of tobacco by removing or plucking leaves or otherwise, or for any person knowing that an official sample of tobacco has been so altered, thereafter to represent such sample as an official sample.

SEC. 11. The Secretary is authorized to publish the facts regarding any violation of this act.

SEC. 12. That any person violating any provision of sections 5 and 10 of this act shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.

SEC. 13. In construing and enforcing the provisions of this act; the act; omission, or failure of any agent, officer, or other person acting for or employed by an association, partnership, corporation, or firm, within the scope of his employment or office, shall be

deemed to be the act, omission, or failure of the association, partnership, corporation, or firm, as well as that of the person.

SEC. 14. That the Secretary is authorized to make such rules and regulations and hold such hearings as he may deem necessary to effectuate the purposes of this act and may cooperate with any other department or agency of the Government; any State, Territory, District, or possession, or department, agency, or political subdivision thereof; purchasing and consuming organizations, boards of trade, chambers of commerce, or other associations of business men or trade organizations; or any person, whether operating in one or more jurisdictions in carrying on the work herein authorized; and he shall have the power to appoint, suspend, remove, and fix the compensation of all officers, employees, and licensees not in conflict with existing law, except that inspectors and supervisors employed hereunder on a seasonal basis and working for periods of 6 months or less during any 12-month period may be appointed without reference to the provisions of the Classification Act of 1923, as amended. The Secretary is authorized to make such expenditures for rent outside of the District of Columbia, printing, binding, telegrams, telephones, books of reference, publications, furniture, stationery, office and laboratory equipment, travel, tobacco for use in preparing and demonstrating standards, and other supplies and expenses, including reporting services, as shall be necessary to the administration of this act in the District of Columbia and elsewhere, and as may be appropriated for by Congress; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for administering this act.

SEC. 15. That in carrying on the work here authorized, the Secretary, or any officer or employee designated by him for such purpose, shall have power to hold hearings, administer oaths, sign and issue subpenas, examine witnesses, and require the production of books, records, accounts, memoranda, and papers. Upon refusal by any person to appear, testify, or produce books, records, accounts, memoranda, and papers in response to a subpena, the proper United States district court shall have power to compel obedience thereto.

SEC. 16. That if any provision of this act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 17. That any duties devolving upon the Secretary of Agriculture by virtue of the provisions of this act may with like force and effect be executed by such officer or officers, agent or agents, of the Department of Agriculture as the Secretary may designate for the purpose.

SEC. 18. That this act may be cited as "The Tobacco Inspection Act."

JOHN M. M'NULTY

The bill (H. R. 2130) for the relief of John M. McNulty was considered, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT FOR COTTON DESTROYED AT OUACHITA WAREHOUSE, CAMDEN, ARK.

The Senate proceeded to consider the bill (S. 2673) for the relief of certain persons whose cotton was destroyed by fire in the Ouachita warehouse, Camden, Ark., which had been reported from the Committee on Claims with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named persons, the amounts specified, in full satisfaction of their claims against the United States for damages resulting from the loss by fire on September 29, 1934, of cotton belonging to them which was stored in the Ouachita warehouse, at Camden, Ark., upon the order of collector of internal revenue, Treasury Department, Little Rock, Ark., without insurance: George Wilson, $58.73; John Carter and Gordon Supply Co., $52.38; Cuba Hobson, $66.42; Grant Carter, $56.70; C. R. Bradshaw, $59.94; C. R. Bradshaw, $74.93; Posey Pratt and E. Linebarier, $81.95; Charles R. Bradshaw and Gordon Supply Co., $58.46; Charles R. Bradshaw and Gordon Supply Co., $58.59; Charles R. Bradshaw and Gordon Supply Co., $57.24; Charles R. Bradshaw and Gordon Supply Co., $71.82; Charles R. Bradshaw and Gordon Supply Co., $60.35; Andy Bragg, $59.27; M. J. Wreyford, $69.39; M. J. Wreyford, $70.74; Charlie Jones, $79.52; Charlie Jones, $68.99; W. A. Tate, $80.60; Wylie James, $78.30; G. W. Rhymes, $62.10; G. W. Rhymes, $66.83; W. F. Stone, $74.93; W. F. Stone, $73.31; W. F. Stone, $61.43; Benton Williams, $65.48; Martin and Messer, $68.99; Martin and Goshen, $73.44; Martin and Goshen, $67.23; James Adams, $64.80; John Molden, $78.44; Joe Highsmith, $70.88; Doss Avery and G. S. Rumph, $60.35; W. M. Edwards and G. S. Rumph, $48.47; W. M. Edwards and G. S. Rumph, $73.98; James Hempstead and D. L. Gauhan, $68.04; Isom Turner and J. W. Martin, $74.39; E. B. Tribble, $73.44; Henry King, $60.75; Mit Hunter, $67.10; Hobart Clary, $64.53; W. O. Beaver and Motor Finance, $59.67; W. O. Beaver and Motor Finance, $65.61; W. O. Beaver and Motor Finance, $60.83; W. O. Beaver and Motor Finance, $60.75; Farmers Gin Co., $70.20; Farmers Gin Co., $61.97; Farmers Gin Co., $55.89; Farmers Gin Co., $63.99; Farmers Gin Co., $53.73; B. T. Laney, Jr., $72.63; Sam Shakelford, $65.48; Ran Terry, $70.61; B. P. Sharpe, $56.84; Will Scott and E. Williams, $56.97; Tollie Horton and Graham, $82.35; S. M. Thomas, $68.18; John Parker, $71.82; J. W. Martin and Thrower, $71.96; W. F. Burk, $74.52; O. E. Cox, $76.68; Saint Mary's Church, $53.05; Fannie Montgomery, $68.18; Ed Owens, $63.45; Frank Parker, $61.43; J. W. Martin and Arnold, $75.60; J. W. Martin and Arnold, $70.88; John Lilly, $70.88; Dewey Wafford and Gordon Supply Co., $66.83; Newman Locke and Gordon Supply Co., $62.78; P. H. Highsmith and Gordon Supply Co., $71.42; Rollie Vaughn and Gordon Supply Co., $69.80; J. W. Martin, $70.20; Fannie Montgomery, $70.74; George Word and Gordon Supply Co., $62.10; Fred Curry and Gordon Supply Co., $66.15; Fred Curry and Gordon Supply Co., $69.53; Sam Bennett, $62.10; C. O. Adams, $70.61; Albert Carter, $65.61; Homer Crain, $65.48; James Curry, $66.56; Newman Locke and Gordon Supply Co., $81.68; Edwin Brodnax and Gordon Supply Co., $73.17; Joe Brodnax and Gordon Supply Co., $69.66; Hobart Clary, $63.45; W. W. Kennedy, $70.20; W. W. Kennedy and Gordon Supply Co., $68.99; Posey Pratt and Gordon Supply Co., $72.50; G. H. Silliman, $72.23; G. H. Silliman and Gordon Supply Co., $74.52; Seymore Pratt and Gordon Supply Co., $67.10; Frank Parker, $69.12; G. D. Wilcher, $70.20; Buck Lilly, $69.53; Fred Stone, $77.09; Fred Stone, $67.50; Fred Stone, $71.55; Fred Stone, $71.55; P. H. Highsmith, $66.15; G. S. Rumph and Ed McElroy, $66.83; George Berkheimer, $69.80; J. W. Martin and Arnold, $62.10; James Curry, $74.39; Jasper Newton, $50.22; L. P. Pratt, $62.64; Sawyer Robinson, $84.92; Sawyer Robinson, $81.27; Newman Locke and Gordon Supply Co., $71.55; Newman Locke and Gordon Supply Co., $68.04; Yarbrough and Pace, $61.83; Kid Leonard, $51.30; Smead Harris and Gordon Supply Co., $60.21; Lawrence Stone, $71.55; Lawrence Stone, $70.34; Lawrence Stone, $75.87; Lawrence Stone, $69.93; Phillip Webb, $71.96; Frank Goodwin, $70.74; Bose Harris, $45.50; Dan Davies, $49.14; Ira Strong, $65.34; S. P. Merritt and Gordon Supply Co., $48.87; S. P. Merritt and Gordon Supply Co., $66.96; Johnny Stough and Gordon Supply Co., $65.48; Murph Henry and Gordon Supply Co., $72.09; Murph Henry and Gordon Supply Co., $64.13; S. P. Merritt and Gordon Supply Co., $71.15; S. P. Merritt and Gordon Supply Co., $47.25; and C. R. Bradshaw and Gordon Supply Co., $74.79: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorneys or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBINSON. Mr. President, in connection with the bill which has just been passed by the Senate, I ask that the report accompanying the bill may be printed in the RECORD.

There being no objection, the report (No. 1216) submitted by Mr. BAILEY on the 9th instant was ordered to be printed in the RECORD, as follows:

[TO ACCOMPANY S. 2673]

The Committee on Claims, to whom was referred the bill (S. 2673) for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark., having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendment:

At the end of the bill add the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The facts are fully set forth in House Report No. 1589, Seventy-fourth Congress, first session, which is appended hereto and made a part of this report.

[H. Rept. No. 1589, 74th Cong., 1st sess.]

The Committee on Claims, to whom was referred the bill (H. R. 7668) for the relief of certain persons whose cotton was destroyed by fire in the Ouachita warehouse, Camden, Ark., having considered the same, report thereon with the recommendation that it do pass with the following amendment:

At the end of the bill, add:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account

of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

STATEMENT OF FACTS

This bill would authorize payment to certain persons named, the amounts specified for damages resulting from the loss by fire on September 29, 1934, of cotton belonging to them which was stored in the Ouachita warehouse, at Camden, Ark., upon the order of the collector of internal revenue, Treasury Department, Little Rock, Ark., without insurance.

The Treasury Department is opposed to the enactment of the bill, and in its report states that—

"The collector of internal revenue at Little Rock, Ark., has reported to the Commissioner of Internal Revenue that at the time of the fire there were stored in the Ouachita warehouse, Camden, Ark., 800 bales of cotton. It appears that none of this cotton was stored in the warehouse upon the orders of the collector. However, 69 bales were stored by the Farmers Gin Co. at the suggestion of the collector, etc. As to the remaining 731 bales, this Department has no information concerning the circumstances surrounding their storage in the warehouse except that they were not so stored at the order of the collector."

It appears that no certificates of exemption for this cotton were issued until a few days before the fire, to wit, September 18, 1934, when a very few were issued and the remainder were issued after the fire.

On March 5, 1935, the collector of internal revenue at Little Rock wrote as follows:

"My memorandum to ginners, instructing them to hold cotton in a warehouse and to hold the warehouse receipt and certificate of tagging until such time as the Agricultural Extension Department could issue exemption certificates, is self-explanatory. In many instances the exemption certificates were not available until 30, 60, or 90 days after the cotton had been ginned. I am not criticizing the Agricultural Department, but on account of the Bankhead Act being passed on April 20, 1934, and the radical changes in procedure, it necessarily caused delays in every branch of the service. The cotton was being held arbitrarily at my instructions as the ginners have charge of the collection of the tax and this was the only remedy we had to protect the ginner and the Government. This is a just claim and I trust these farmers may be reimbursed."

It appears to your committee that the Treasury Department was not familiar with the facts of the case. They state that this cotton was not stored at the direction of the collector of internal revenue, but the collector states that it was. However, in view of the letter of the collector stating that he did order the cotton stored, we conclude that these claims should be allowed.

There is hereto attached the report of the Treasury Department and other papers.

TREASURY DEPARTMENT,
Washington, May 11, 1935.

Hon. AMBROSE J. KENNEDY,
Chairman Committee on Claims,
House of Representatives.

MY DEAR MR. CHAIRMAN: I have your letter of April 29, 1935, in which you request an opinion as to the merits of H. R. 7668 (74th Cong., 1st sess.), entitled "A bill for the relief of certain persons whose cotton was destroyed by fire in the Ouachita warehouse, Camden, Ark.", a copy of which was enclosed.

The purpose of H. R. 7668 is to authorize the Secretary of the Treasury to pay, out of money in the Treasury not otherwise appropriated, to certain persons named, the amounts specified, in full satisfaction of their claims against the United States for damages resulting from the loss by fire on September 29, 1934, of cotton belonging to them which was stored in the Ouachita warehouse, Camden, Ark., upon the order of the collector of internal revenue, Treasury Department, Little Rock, Ark., without insurance.

The collector of internal revenue at Little Rock, Ark., has reported to the Commissioner of Internal Revenue that at the time of the fire on September 29, 1934, there were stored in the Ouachita warehouse, Camden, Ark., 800 bales of cotton. It appears that none of this cotton was stored in the warehouse upon the order of the collector. However, 69 bales of cotton were stored by the Farmers' Gin Co., Camden, Ark., at the suggestion of the collector, pending the issuance of cotton tax-exemption certificates to the producers thereof, the surrender of which to the ginner would be evidence of the exemption of the tax when filed with its return. The fact that the ginner stored the cotton in order to preserve his security for the tax until the tax-exemption certificates were surrendered to him, affords no basis for a claim against the United States because of the destruction of the cotton by fire. As to the remaining 731 bales, this Department has no information concerning the circumstances surrounding their storage in the warehouse except that they were not so stored at the order of the collector of internal revenue.

It thus appears that there is no foundation for any claim for damages against the United States with respect to any of the cotton destroyed in the fire. This Department is, therefore, unable to approve H. R. 7668.

In the event that further correspondence relative to this matter is necessary, please refer to IR-MT-PT:CG.

Very truly yours,

T. J. COOLIDGE, *Acting Secretary.*

TREASURY DEPARTMENT,
INTERNAL REVENUE SERVICE,
Little Rock, Ark., March 5, 1935.

Hon. TILMAN B. PARKS,
Member of the Congress, Washington, D. C.

MY DEAR MR. PARKS: This will acknowledge your letter of February 23 relative to a large quantity of cotton burned while in a warehouse at Camden, and which was not insured.

It is impossible for me to adjust this matter in my Department and it will necessarily take congressional action to reimburse these farmers. For your information and guidance I attach hereto a list of owners who lost their cotton by reason of this fire and whose cotton was not insured.

My memorandum to ginners, instructing them to hold cotton in a warehouse and to hold the warehouse receipt and certificate of tagging until such time as the Agricultural Extension Department could issue exemption certificates, is self-explanatory. In many instances the exemption certificates were not available until 30, 60, or 90 days after the cotton had been ginned. I am not criticizing the Agricultural Department, but on account of the Bankhead Act being passed on April 20, 1934, and the radical changes in procedure it necessarily caused delays in every branch of the service. The cotton was being held arbitrarily at my instructions as the ginners have charge of the collection of the tax and this was the only remedy we had to protect the ginner and the Government.

This is a just claim and I trust these farmers may be reimbursed. The market price of this cotton on September 29 was approximately 13½ cents.

With kind personal regards, I am,

Yours sincerely,

HOMER M. ADKINS, *Collector.*

MOTOR FINANCE ASSOCIATION,
Camden, Ark., March 1, 1935.

Mr. HOMER ADKINS,
State Revenue Collector, Little Rock, Ark.

DEAR MR. ATKINS: We herewith hand you the very best information possible to obtain from the records of the Ouachita Warehouse Corporation, our own knowledge, our own records, and persons with whom we could get in touch concerning the matter of burned cotton.

You will observe two lists; one list of 69 bales on which no tax had been collected, and one list on which exemption certificates were collected and sent to you. All of this cotton, totaling 129 bales, was destroyed in fire at Ouachita Warehouse Corporation, September 29, 1934.

We call your attention to the fact that exemption certificates were issued first in Ouachita County on or about the 18th day of September. This can be verified by the office of Mr. E. D. White, in charge of delivery of exemption certificates in Little Rock. Also by Paul Carruth, county agent of Ouachita County, in charge of delivery of exemption certificates to the producer. Note that the delivery of exemption certificates only began in this county about the 18th of September, and that many of these farmers who had received these certificates previous to the fire had received them an unreasonably short time preceding the fire. Others did not receive them at all until after the fire.

We feel that this situation justifies a careful consideration of these claims hereby filed and that you will do a great service to the cotton producers of this vicinity by using all your influence in an effort to present this matter to Senator ROBINSON and Congressman PARKS, in order that recovery may be made for these people who were endeavoring honestly to abide by the provisions of the Bankhead Act as prescribed by the United States Government. Further, we feel that if recovery can be made, it will stimulate in this vicinity a higher regard for the law in the future.

We thank you for your diligent efforts in the past concerning this matter and feel sure that you will continue to assist us in every way possible in the future.

If there is anything further that we may do to assist you in your efforts to get the money for these people who have suffered severe losses, please advise immediately.

Yours very truly,

B. T. LANEY, Jr.

TREASURY DEPARTMENT,
COLLECTOR OF INTERNAL REVENUE,
Little Rock, Ark.

BALE TAGS MAY BE ISSUED ON COTTON STORED WHERE GINNER RETAINS RECEIPT FROM WAREHOUSE OR COMPRESS

Due to most ginners not having sufficient space to hold cotton on their lots without Government tags, I am giving you authority to attach bale tags and issue certificates of tagging on cotton providing you comply with the following provisions:

When a producer brings a bale of cotton to be ginned, you are to keep an accurate record of the date ginned, his name and address, county in which the cotton was produced, serial number of the certificate of tagging, serial number of the bale tag, and the net weight of the lint cotton in the bale.

You may then have the cotton removed to a warehouse or compress to be stored in either your name or the name of the producer, but be sure to retain the warehouse or compress receipt and the certificate of tagging for your protection when accounting to our Department on your monthly report of cotton ginned.

When the producer has received his certificate of exemption he may bring it to you and you can detach the number of pounds

you have ginned for him, record the serial number of the certificate on your report, give him his certificate of tagging, and release the warehouse or compress receipt—which will entitle him then to sell or dispose of his cotton in any way he desires.

Should the producer object to storing his cotton under the provisions outlined above—and unless he had his interim certificate or exemption certificate—you must either collect the tax and attach bale tag or attach lien card on the bale.

HOMER M. ADKINS, *Collector.*

AUGUST 22, 1934.

R. C. M'COY, ET AL.

The bill (H. R. 5122) for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, J. L. Mitchell, and J. C. Russell was considered, ordered to a third reading, read the third time, and passed, as follows:

Whereas in October 1933 the Government announced it would make loans on the basis of 10 cents per pound to producers on cotton stored in warehouses approved by the Reconstruction Finance Corporation and the Commodity Credit Corporation; and

Whereas in pursuance of this policy and authority, the Commodity Credit Corporation contracted for a certain brick warehouse from J. E. McCoy & Son, located at Kingsland, Cleveland County, Ark., which warehouse was approved by the said Commodity Credit Corporation and the Reconstruction Finance Corporation, and notice of its approval as a Government warehouse for the storage of cotton for loans by producers in that section was duly given and farmers desiring loans were advised to store their cotton in said warehouse; and

Whereas on the 2d day of November 1933, being the first day said warehouse was open to receive cotton for storage, 137 bales were stored therein by farmers seeking loans from said Commodity Credit Corporation, 72 bales of which were weighed and receipted for and 65 bales of which were accepted but had not been weighed or receipted for when night came, but were to be weighed and receipted for the following day; and

Whereas in the early morning of November 3, 1933, said warehouse, and its contents, including the 65 bales of cotton stored therein and unreceipted for, were burned and totally destroyed; and

Whereas it has been determined that the names of the owners of said 65 bales of cotton, the amounts and weight thereof are as hereinafter set forth, and that the owners who sustained said loss should each be compensated by the Government of the United States on the basis of 10 cents per pound: Therefore

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following persons the amounts herein stipulated following their names and the loss each sustained, namely:

R. C. McCoy, 927 pounds (two bales), $92.70;
J. L. Garner, 530 pounds (one bale), $53;
C. G. Kauffman, 2,073 pounds (four bales), $207.30;
W. G. Smiley, 859 pounds (two bales), $85.90;
R. A. Burks, 444 pounds (one bale), $44.40;
C. W. Brazzelton, 2,602 pounds (five bales), $260.20;
R. F. Brazzelton, 1,011 pounds (two bales), $101.10;
Dave Cash, 4,159 pounds (nine bales), $415.90;
Mrs. A. W. Dykes, 592 pounds (one bale), $59.20;
Jim Thereldkeld, 1,003 pounds (two bales), $100.30;
R. R. Crain, 483 pounds (one bale), $48.30;
J. B. Tolson, 3,705 pounds (seven bales), $370.50;
J. C. Rogers, 1,113 pounds (two bales), $111.30;
S. K. Broach, 1,100 pounds (two bales), $110;
Albert Easterling, 1,466 pounds (three bales), $146.60;
J. L. Rivers, 561 pounds (one bale), $56.10;
F. C. Wilson, 597 pounds (one bale), $59.70;
E. C. Finley, 539 pounds (one bale), $53.90;
W. W. Mitchell, 2,597 pounds (five bales), $259.70;
J. G. Carey, 448 pounds (one bale), $44.80;
Carl Graves, 443 pounds (one bale), $44.30;
Jerome Dupree, 475 pounds (one bale), $47.50;
J. R. Mitchell, 487 pounds (one bale), $48.70;
J. L. Mitchell, 1,512 pounds (three bales), $151.20;
J. C. Russell, 1,058 pounds (two bales), $105.80;
Total, $3,078.40.

SEC. 2. That such payments shall be received in full settlement with each of said persons for the loss they sustained by reason of their cotton having been destroyed by fire while stored in said warehouse, and the sum of $3,078.40 is hereby appropriated for the purpose of carrying out the provisions of this act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The preamble was agreed to.

Mr. ROBINSON. In connection with House bill 5122, which has just been passed, I request that the report of the committee accompanying the bill may be printed in the RECORD.

There being no objection, the report (No. 1217) submitted by Mr. BAILEY on the 9th instant was ordered to be printed in the RECORD, as follows:

Mr. BAILEY, from the Committee on Claims, submitted the following report (to accompany H. R. 5122):

The Committee on Claims, to whom was referred the bill (H. R. 5122) for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, J. L. Mitchell, and J. C. Russell, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The facts are fully set forth in House Report No. 997, Seventy-fourth Congress, first session, which is appended hereto and made a part of this report.

[H. Rept. No. 997, 74th Cong., 1st sess.]

The Committee on Claims, to whom was referred the bill (H. R. 5122) for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, Jim Hamilton, Otis Hamilton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, J. E. Seymour, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, Roxie Anderson, J. L. Mitchell, and J. C. Russell, having considered the same, report thereon with the recommendation that it do pass with the following amendment:

Page 3, strike out lines 16, 17, 18, and 19.

Page 4, strike out lines 17 and 18.

Page 5, strike out lines 7 and 8.

Page 5, line 13, strike out the figures "$3,296.60" and insert in lieu thereof the figures "$3,078.40."

Page 5, line 18, strike out the figures "$3,296.60" and insert in lieu thereof the figures "$3,078.40."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per centum thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Amend the title by removing therefrom the names "Jim Hamilton, Otis Hamilton, J. E. Seymour, and Roxie Anderson."

STATEMENT OF FACTS

The bill, as amended, provides payment of $3,078.40 to 25 claimants for the loss they sustained by reason of their cotton having been destroyed by fire while stored in a brick warehouse, owned by J. E. McCoy & Son, at Kingsland, Ark., and approved by the Commodity Credit Corporation and Reconstruction Finance Corporation for such storage purposes, said fire occurring in the early morning of November 3, 1933, from undetermined origin.

Specifically the bill directs payment to the following-named persons for the loss and amount indicated.

	Pounds	Bales	Amount
R. C. McCoy	927	2	$92.70
J. L. Garner	530	1	53.00
C. G. Kauffman	2,073	4	207.30
W. G. Smiley	859	2	85.90
R. A. Burks	444	1	44.40
C. W. Brazzelton	2,602	5	260.20
R. F. Brazzelton	1,011	2	101.10
Dave Cash	4,159	9	415.90
Mrs. A. W. Dykes	592	1	59.20
Jim Thereldkeld	1,003	2	100.30
R. R. Crain	483	1	48.30
J. B. Tolson	3,705	7	370.50
J. C. Rogers	1,113	2	111.30
S. K. Broach	1,100	2	110.00
Albert Easterling	1,466	3	146.60
J. L. Rivers	561	1	56.10
F. C. Wilson	597	1	59.70
E. C. Finley	539	1	53.90
W. W. Mitchell	2,597	5	259.70
J. G. Carey	448	1	44.80
Carl Graves	443	1	44.30
Jerome Dupree	475	1	47.50
J. R. Mitchell	487	1	48.70
J. L. Mitchell	1,512	3	151.20
J. C. Russell	1,058	2	105.80
Total	30,784	61	3,078.40

Early in October 1933 the Government announced that it would make loans, on the basis of 10 cents per pound on cotton, to farmers who would agree to reduce their acreage in cotton to conform to the plan of the Agricultural Adjustment Administration. Under the plan, the cotton was to be placed in warehouses approved by the Reconstruction Finance Corporation and the Commodity Credit Corporation.

The warehouse of J. E. McCoy & Son, at Kingsland, Ark., was approved, on application and solicitation of the owner at the instance of neighboring farmers. The warehouse was approved on November 2, 1933, and on that day was open to receive cotton for storage. However, business was too great to be handled before the close of the day, and of the 137 bales stored therein by the farmers, 61 had not been weighed or receipted for, the required procedure, when night came.

Early the next morning, the warehouse and its contents, including the 61 bales of cotton unreceipted for, was burned and totally destroyed. As heretofore stated, the fire was of unknown origin.

It appears that the purpose of the Commodity Credit Corporation was to buy warehouse receipts pledged as collateral to the notes issued by any licensed warehouse, or other approved by the Reconstruction Finance Corporation, which had been given farmers seeking loans on their cotton, and who had stored cotton in said approved warehouses. It is true that the farmers were instructed to properly protect their interests in stored cotton by insurance. The warehouse was not required to carry any insurance. The Commodity Credit Corporation carries a blanket insurance policy which protects it in case of loss for the full amount of its loan plus accrued interest and necessary charges, or the market value, whichever is greater at the time of loss. The policy, however, is not effective until the purchase of the notes by the Corporation.

From the foregoing it will be seen that the loss of the cotton in question happened at a time when it was not covered by any protective insurance, and that it has been a complete loss to these claimants. Your committee is of the opinion that claimants were acting in furtherance of the agricultural program of this administration, namely, reduction in the production and supply of cotton. They made every effort to have their cotton weighed and receipted for on the first day the warehouse was open for business, and while there is no liability for the loss of the cotton on the part of the United States, still we think that they might properly be reimbursed for their loss as a result of this unfortunate occurrence.

The names of the owners of the cotton and the weights were secured from the gin records, and affidavits have been submitted to the effect that each is correct. There is attached hereto the report of the Commodity Credit Corporation and letter from the president of the Corporation to Hon. D. D. Glover.

COMMODITY CREDIT CORPORATION,
Washington, March 1, 1935.

Hon. AMBROSE J. KENNEDY,
Chairman Committee on Claims,
House of Representatives, Washington, D. C.

DEAR MR. KENNEDY: A copy of your letter, addressed to Hon. Henry A. Wallace, Secretary of Agriculture, requesting information in connection with the bill (H. R. 5122) for the relief of R. C. McCoy et al., has been referred to this Corporation with the request that information in our files be furnished to you.

There is also enclosed herewith a copy of the Corporation's note and loan agreement, C. C. C. Form A, and a copy of the printed instructions, C. C. C. Form 1, giving full information with reference to loans of the Corporation on 1933 crop cotton.

You will note from the correspondence enclosed herewith and from the printed instructions that, while Commodity Credit Corporation approved the warehouses acceptable to it for storage of cotton pledged to secure loans made by the Corporation, it did not control the warehouse in any way, nor was the warehouse required to insure the cotton.

All lending agencies and producers were informed, in the printed instructions, that they would be required to carry any insurance that they desired with respect to their equity or interest in the cotton.

The Corporation's loans originated with the presentation of a properly executed note and warehouse receipts representing cotton undamaged and in existence at the time of tender of the note to the Corporation for purchase.

In the case of the cotton burned in the warehouse of J. E. McCoy & Son, it is our understanding, from the information given to us, that all of this cotton burned before the notes were completed and tendered to this Corporation for purchase. The Corporation, therefore, under its regulations governing these loans, could not make any payment to the producers.

Very truly yours,

G. E. RATHELL, *Treasurer.*

COMMODITY CREDIT CORPORATION,
Washington, May 18, 1934.

Hon. D. D. GLOVER,
House of Representatives, Washington, D. C.

DEAR MR. GLOVER: The Honorable W. R. Gregg, Acting Secretary, Department of Agriculture, has referred copies of correspondence exchanged between yourself and the Department of Agriculture concerning cotton destroyed by fire in the warehouse of J. E. McCoy & Sons, Kingsland, Ark., to us.

Under the cotton-loan plan of the Corporation the first essential of each loan is the presentation of a warehouse receipt, and apparently in this case the cotton was burned before the warehouse receipts were issued.

Commodity Credit Corporation has no control over the operations of the warehouses, and the approval of warehouses was only to designate the warehouses whose receipts it would accept when tendered as collateral for loans.

Provisions were made by Commodity Credit Corporation providing insurance to protect its interest and the interest of the producer on all cotton pledged as security to the notes held by the Corporation, but this insurance does not attach until the loan is actually made.

We regret this loss to the owners of the cotton, but there is no provision whereby Commodity Credit Corporation can make payment to the producers.

Very truly yours,

LYNN P. TALLEY, *President.*

IVAN H. M'CORMACK

The bill (H. R. 1880) for the relief of Ivan H. McCormack, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1826) for the retirement of employees in the classified civil service to include employees in the legislative branch was announced as next in order.

Mr. McNARY. Mr. President, I am requested by the author of the bill to ask that it go over, because, I understand, the Committee on Rules desires to consider the measure.

The PRESIDING OFFICER. The bill will be passed over.

BUREAU OF ENGRAVING AND PRINTING

The bill (S. 2712) to promote the efficiency of the Bureau of Engraving and Printing was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the adjustment of regular hours of duty of employees deemed necessary by the Secretary of the Treasury for the efficient administration of the Bureau of Engraving and Printing, the aggregate weekly earnings of employees of such Bureau whose compensation is fixed under the Classification Act of 1923, as amended, for full-time service, shall not be less by reason of such adjustment than the aggregate weekly earnings at basic salary rates for full-time service prior to March 28, 1934.

SEC. 2. For the purposes of this act, authority is hereby granted to the Secretary of the Treasury to adjust the hourly rates of compensation of employees of the Bureau of Engraving and Printing whose compensation is fixed under the Classification Act of 1923, as amended, to such extent as may be necessary to make the aggregate weekly compensation after such adjustment equal to the aggregate weekly compensation at basic salary rates for such employees for full-time service prior to March 28, 1934.

SEC. 3. This act shall take effect as of the 1st day of the first calendar month following the date of its enactment.

IRA L. REEVES

The bill (H. R. 5325) for the relief of Ira L. Reeves was considered, ordered to a third reading, read the third time, and passed.

ACADIA NATIONAL PARK, MAINE

The bill (S. 3119) to authorize the transfer of the Otter Cliffs Radio Station, on Mount Desert Island in the State of Maine, as an addition to the Acadia National Park and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That upon the removal of the Otter Cliffs Radio Station and its relocation on lands within the Acadia National Park as authorized by the act of April 22, 1932 (47 Stat. 91), the Secretary of the Navy be, and he is hereby, authorized and directed to transfer to the control and jurisdiction of the Secretary of the Interior as an addition to the Acadia National Park all that tract of land containing approximately 12 acres on Mount Desert Island in the State of Maine now occupied by and used by the Navy Department for the purposes of the said Otter Cliffs Radio Station, and the Secretary of the Interior shall be, and he is hereby, authorized and directed to transfer to the control and jurisdiction of the Secretary of the Navy for naval radio purposes the site of the relocated radio station, with the buildings and improvements thereon, and such surrounding area as may be agreed upon by the Secretary of the Interior and the Secretary of the Navy: *Provided*, That the Secretary of the Interior shall retain the right to approve the design of the buildings and structures to be placed thereon, including any additions or alterations to the present radio station.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to construct or cause to be constructed, in connection with and as a part of the road system of the Acadia National Park, a bridge or causeway and approaches thereto across the inlet or

bay lying between the Otter Cliffs and the Black Woods, in the State of Maine, at a point which he may designate as most suitable to the interests of the Federal Government.

Mr. WAGNER subsequently said: Mr. President, a moment or so ago the Senate passed a bill introduced by me, being Senate bill 3119, to authorize the transfer of the Otter Cliffs Radio Station, on Mount Desert Island, in the State of Maine, as an addition to the Acadia National Park, and for other purposes. An identical bill has been passed by the House, sent to the Senate, and referred to the Committee on Public Lands and Surveys. I ask unanimous consent that the Committee on Public Lands and Surveys be discharged from the further consideration of the House bill, being House bill 7938, and that the House bill be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York that the Committee on Public Lands and Surveys be discharged from the further consideration of the bill, for the purpose of having it considered at this time? The Chair hears none, and the committee is discharged from the further consideration of the bill.

Mr. WAGNER. I now ask unanimous consent that the House bill be considered and passed.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7938) to authorize the transfer of the Otter Cliffs Radio Station, on Mount Desert Island in the State of Maine, as an addition to the Acadia National Park, and for other purposes.

The bill was ordered to a third reading, read the third time, and passed.

Mr. WAGNER. I now ask unanimous consent that the vote by which Senate bill 3119 was passed be reconsidered and that the bill be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF FLORIDA

The bill (S. 3149), providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Fort Pierce, Fla., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a term of the District Court of the United States for the Southern District of Florida shall be held annually at Fort Pierce, Fla., on the first Monday in February: *Provided*, That suitable rooms and accommodations for holding court at Fort Pierce are furnished without expense to the United States.

COMPENSATION OF CHARWOMEN

The bill (H. R. 5375) relating to the compensation of certain charwomen was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the fifth paragraph under the heading "Custodial Service" in section 13 of the Classification Act of 1923, as amended (U. S. C., title 5, sec. 673), is amended by inserting at the end thereof the following new sentence: "Charwomen and head charwomen shall receive for each holiday (except Sunday) upon which under existing law no work is performed by them an amount equal to the amount they would receive had they performed the same number of hours of work on such holiday as the average number of hours of work performed by them during the days in the week in which such holiday occurs."

BILL PASSED OVER

The bill (S. 3160) to amend the law relating to residence requirements of applicants for examination before the Civil Service Commission was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

WEISER NATIONAL FOREST

The Senate proceeded to consider the bill (S. 2910) to add certain lands to the Weiser National Forest, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 9, after the numerals "21", to strike out the numerals "26"; and on the same page, line 12, after the word "miles", to strike out "thence south 4 miles, thence west one-half mile; thence south 4 miles; thence west 1½ miles; thence south 6 miles; thence west 4 miles; thence south 2 miles; thence west 2 miles; thence south 4 miles; thence east approximately 10½ miles to the county line between Washington and Gem Counties" and insert "thence south 15 miles to the southeast corner of section 1, township 12 north, range 1 west, Boise meridian; thence west 2 miles to the southwest corner of section 2, said township; thence south 2 miles to the southeast corner of section 15, said township; thence west 4 miles to the southwest corner of section 18, said township; thence south 3 miles to the southwest corner of section 31, said township; thence east approximately 8½ miles to the county line between Washington and Gem Counties", so as to make the bill read:

Be it enacted, etc., That the following-described areas be, and the same are hereby, included in and made a part of the Weiser National Forest, subject to all prior adverse rights, and that said lands shall hereafter be subject to all laws affecting national forests:

Beginning at the section corner common to sections 20, 21, 28, and 29, township 15 north, range 1 east, on the present forest boundary of the Weiser National Forest between Fall Creek and the north fork of Grays Creek; thence west 2 miles; thence south 15 miles to the southeast corner of section 1, township 12 north, range 1 west, Boise meridian; thence west 2 miles to the southwest corner of section 2, said township; thence south 2 miles to the southeast corner of section 15, said township; thence west 4 miles to the southwest corner of section 18, said township; thence south 3 miles to the southwest corner of section 31, said township; thence east approximately 8½ miles to the county line between Washington and Gem Counties; thence in a northeasterly direction along said county line to the point of intersection of said county line with the present boundary of the Weiser National Forest at approximately the quarter corner common to sections 34 and 35, township 13 north, range 1 east, thence north and west along the present boundary of the Weiser National Forest to the place of beginning.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PURCHASE OF SHIP ISLAND RESERVATION

The Senate proceeded to consider the bill (S. 3184) to provide for the immediate settlement of the obligation of the Joe Graham Post of the American Legion arising out of the purchase of the Ship Island Military Reservation.

Mr. KING. Mr. President, I find that the War Department has recommended against the passage of the bill. I should like to have an explanation of it.

Mr. THOMAS of Utah. Mr. President, I am glad to make a statement concerning the measure.

The purpose of this bill is to authorize and direct the Secretary of War to cause a reappraisal to be made of certain lands lying within the Ship Island Military Reservation, Miss., sold to the Joe Graham Post, No. 119, American Legion, under authority of the act of Congress approved June 15, 1933. The measure provides further that after the reappraisal shall have been made, the Secretary of War shall accept, in full settlement of the obligation of the Joe Graham Post under the terms of contract it entered into with the War Department on September 15, 1933, for the purchase of the land in question, such sum, not less than $1,658.22, as the Secretary of War deems fair and equitable in the light of such reappraisal. Due to changes and adverse economic and financial conditions, it has not been possible for the Joe Graham Post to comply with the agreement under which it purchased the land in 1933. The land involved is not needed for military purposes, and this bill will permit a reappraisal of the land to be made and authorize the Secretary of War to negotiate further under prescribed conditions for the disposal of this land to the Joe Graham Post.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes, was announced as next in order.

Mr. McKELLAR. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL DISTRICT JUDGE FOR KENTUCKY

The bill (S. 3344) to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky was announced as next in order.

Mr. McKELLAR. Mr. President, I would have no objection to the consideration and passage of this bill, but the Senator from Utah [Mr. KING] asked that it be considered at the same time with the other bills of like character at the conclusion of the calendar. So I ask that it go over temporarily, to be considered at the conclusion of the regular call of the calendar.

Mr. BARKLEY. I hope there will be no objection to the bill at that time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the next bill on the calendar.

WILLIAM MITCHELL

The bill (S. 2804) to authorize the payment of retired pay to William Mitchell was announced as next in order.

Mr. HASTINGS. Mr. President, I ask that the bill go over.

Mr. ROBINSON. Mr. President, will not the Senator from Delaware withdraw his objection?

Mr. HASTINGS. I withhold the objection.

Mr. ROBINSON. Mr. President, this bill proposes to give the benefit of retirement to former Gen. William Mitchell. It is doubtful if any officer in the United States Army has made a more brilliant record than that which has marked the career of General Mitchell.

The report of the committee sets forth many pertinent facts. It appears that he enlisted as a private in the First Wisconsin Volunteer Infantry at the age of 18 years, in May 1898; that he was commissioned as second lieutenant in the Signal Corps; served as aide to Maj. Gen. Fitzhugh Lee in the Signal Corps in Cuba during the Spanish-American War; that in 1899 he served in the Philippines, in the Second Division, Eighth Army Corps, throughout the insurrection. On his return to the United States, in 1901, he went to Alaska, where he finished the Alaskan telegraph system, which opened up a vast territory. Coming back again to the United States, he organized the first field Signal Company in the United States service. Later he served at San Francisco during the period when the fire and earthquake occurred there. He was then made Chief Signal Officer of the Army of Cuban Pacification.

He was commended by Gen. A. W. Greely very highly, and, upon leaving Cuba in 1907, attended the Infantry and Cavalry School, and later graduated from the Army Staff College. At the conclusion of service in the Philippines he went to China and Manchuria. He studied the Russian and Japanese War and the Japanese and Russian strategy, returning by way of Korea and Japan. In 1915 he was placed in charge of aviation in the Signal Corps, learned to fly, and in 1917, before our entry into the World War, asked to be sent to Europe as a military observer. He laid out the bases there for our air service in Europe, and his career in command of that service was brilliant, he engaging in many of the most important battles of the World War in which our troops participated.

He has received almost every medal of honor and other decoration which may be bestowed for gallantry in service. He initiated the first around-the-world airplane flight, and has, for a long time, been regarded as the champion of aviation in the United States.

I doubt if there is another man living who has had a broader practical experience or who has more information concerning aviation than has General Mitchell. He incurred antagonisms incident to carrying on a struggle to build up aviation in the United States Army. Some of us who were serving in Congress during that period know what a difficult contest it was and how slow the high command of the Army was to recognize the value and the importance of aviation. In that connection General Mitchell was charged with insubordination and was dismissed, or rather resigned, from the service.

On the whole I respectfully submit to the Senate and to the country that his renown cannot be detracted from in view of the facts I have stated. He is a gallant officer.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. BARKLEY. As I recall the circumstances, General Mitchell was the victim of his own earnestness in advocating a policy as a matter of principle in the Department with which he was connected at the time?

Mr. ROBINSON. The Senator from Kentucky has stated my view of the matter in a very happy manner.

Quite naturally, antagonisms resulted from that struggle and from that contest. I hope the Senator from Delaware will find it consistent to withdraw his objection.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Delaware?

Mr. ROBINSON. I do.

Mr. HASTINGS. May I inquire of the Senator from Arkansas whether this matter was submitted to the War Department?

Mr. ROBINSON. Yes; it was.

Mr. HASTINGS. Did the War Department make any recommendations with respect to it?

Mr. ROBINSON. The War Department recommendation was adverse. That is quite naturally the general practice of the War Department in such instances. In a case where an officer is charged with insubordination and is disciplined, either by dismissal or by other penalty, the War Department usually does not make a favorable recommendation where consideration is sought to be extended him. However, I rest this case on the character of the man and on the value of his service extending over a long period of years.

Mr. THOMAS of Utah. Mr. President, I may say that the bill comes to the Senate with the approval and favorable recommendation of the Committee on Military Affairs of the Senate. The bill was reviewed, referred to a subcommittee, and considered in exactly the same way every other bill is viewed and considered in that committee.

It is true that the War Department made an adverse report. The War Department reported in line with its usual procedure in regard to all members of the Army when special privileges are sought. In reviewing the report and taking all things into consideration, in spite of the fact that there was a difference of opinion as to the merits and demerits of General Mitchell in the work he had done, it was unanimously agreed that he had earned certain retirement privileges and that the Government should not in any way deprive him of those privileges.

Mr. ROBINSON. Mr. President, I think I stated a few moments ago that General Mitchell was dismissed from the service. That was incorrect. He resigned, but it was while efforts were being made to discipline him. The whole issue arose out of the fact that he was trying to develop and build up an efficient aviation service in the Army of the United States. He was encountering great opposition from those who should have been supporting the movement instead of opposing it in every possible way.

Mr. THOMAS of Utah. Mr. President, by his resignation General Mitchell lost certain retirement rights. The bill would merely restore those rights to him.

Mr. HASTINGS. Mr. President, I do not desire to deprive General Mitchell of any of the glory which is his due because of his patriotic service, but it seems to me it is unreasonable for the Senator to expect us to pass this bill when we are on the Consent Calendar and have such a brief time to consider it. It seems to me we might have had attached to the report a copy of the statement of the War Department about it. I should like to see what the Department said about it before I agree to the consideration of the bill.

Mr. THOMAS of Utah. Mr. President, I might submit the comment that practically all such bills which the Committee on Military Affairs reports have been disapproved by the War Department or have been disapproved by the Veterans' Administration. The fact that it is not the practice

of the War Department or the Veterans' Administration to approve of certain things makes it necessary that bills be introduced for special legislation of this character.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HASTINGS. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

VIRDEN THOMPSON

The bill (H. R. 1368) for the relief of Virden Thompson was considered, ordered to a third reading, read the third time, and passed.

CARE OF MEMBERS OF NATIONAL GUARD

The bill (S. 3334) to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That officers, warrant officers, and enlisted men of the National Guard who suffer personal injury or contract disease in line of duty while en route to or from or during their attendance at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the National Defense Act of June 3, 1916, as amended; members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army and members of the National Guard of the United States who suffer injury or contract disease in line of duty while on active duty under proper orders; and persons hereinbefore described who may now be undergoing hospital treatment at Government expense for injuries so sustained; shall, under such regulations as the President may prescribe, be entitled, at Government expense, to such hospitalization, rehospitalization, medical and surgical care, in hospital and at their homes, as is necessary for the appropriate treatment of such injury or disease, until the disability resulting from such injury or disease cannot be materially improved by further hospitalization or treatment, and during the period of such hospitalization or rehospitalization, but not for more than an aggregate of 6 months after the termination of the prescribed tour of active duty or training in any case to the pay and allowances, whether in money or in kind, that they were entitled to receive at the time such injury was suffered or disease contracted, and to the necessary transporation incident to such hospitalization and rehospitalization and return to their homes when discharged from hospital; and for any period of hospitalization or rehospitalization when they are not entitled to pay and allowances under the preceding provision, they shall be entitled to subsistence at Government expense. Officers, warrant officers, and enlisted men of the National Guard who suffer personal injury (as distinguished from disease) in line of duty when participating in aerial flights prescribed under the provisions of section 92 of said National Defense Act, as amended, shall, under regulations prescribed as aforesaid, be entitled to the same hospitalization, rehospitalization, medical and surgical care, pay and allowances, and transporation, as if such injury had been suffered while in line of duty during their attendance at encampments, maneuvers, or other exercises, or service schools, under the aforementioned sections 94, 97, or 99 of the National Defense Act of June 3, 1916, as amended; and members of the Officers' Reserve Corps and Enlisted Reserve Corps of the Army who suffer personal injury (as distinguished from disease) in line of duty while voluntarily participating, when not on active duty, in aerial flights in Government-owned aircraft by proper authority as an incident to their military training, shall, under regulations prescribed as aforesaid, be entitled to the same hospitalization, rehospitalization, medical and surgical care, pay and allowances, and transporation as if such injury had been suffered while on active duty under proper orders. Members of the Reserve Officers' Training Corps and members of the citizens' military training camps who suffer personal injury or contract disease in line of duty while en route to or from and during their attendance at camps of instruction under the provisions of section 47a or 47d of said National Defense Act, as amended, shall, under regulations prescribed as aforesaid, be entitled to hospitalization, rehospitalization, medical and surgical care, in hospital and at their homes, pay and allowances, transporation, and subsistence as in the case of persons hereinbefore described. If the death of any person mentioned herein occurs while he is on active duty, or undergoing training or hospital treatment contemplated by this section, the United States shall, under regulations prescribed as aforesaid, pay the necessary expenses for recovery of the body, its preparation for burial, including the use of such of the uniform and articles of clothing issued to him as may be required, interment (or cremation if requested by his relatives), and transporation of his remains, including round-trip transporation and subsistence of an escort, to his home or the place where he received orders for the period of training upon which engaged at the time of his death, or to such other place as his relatives may designate provided the distance to such other place be not greater than the distance to his home: *Provided*, That when the expenses of the recovery, preparation, and disposition of remains herein authorized, or any part thereof, are paid by individuals, such individuals may be reimbursed therefor at an amount not exceeding that allowed by the Government for such services. The determination of the fact whether an injury was suffered or disease contracted by the person concerned in line of duty, and of all other facts and conditions necessary to entitle a person to the benefits of this act, shall be made by the Secretary of War, or by such agencies as shall be designated, under such regulations as the President may prescribe, and such determination shall be final and conclusive for all purposes of this act. Section 6 of the act of March 4, 1923, as amended by the act of April 26, 1928 (45 Stat. 461), is hereby repealed: *Provided further*, That any person who, on the date of the approval of this act, is receiving or entitled to receive the benefits provided by said section 6 of the act of March 4, 1923, as amended, shall be entitled to the benefits of this act in lieu thereof, and existing appropriations for carrying out the provisions of section 6 of said act of March 4, 1923, as amended, shall be available for expenditures authorized by this act.

INDIANS OF OKLAHOMA

The Senate proceeded to consider the bill (S. 2047) to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and insert the following:

That the United States, acting through the Congress, hereby readmits, reacknowledges, and assumes continued responsibility for the guardianship of our Indian citizens and, in exercising such guardianship, does hereby pledge such Indian citizens of all tribes that it is and will be the continuing policy of the Government to establish justice for and to promote the general welfare of the Indians of the United States.

SEC. 2. Pursuant to the general policy set forth in section 1 hereof, the Government, acting through the Congress, hereby declares it to be for the best interest and general welfare of the Indians of Oklahoma to provide a plan whereunder all Indians may be accorded all rights, opportunities, and privileges and may eventually assume full responsibility as citizens in the said State and Nation. Pursuant to such policy the following specific things to be done are hereby set forth:

(a) The restricted lands, funds, or other property of the Indians of the State of Oklahoma, as herein provided, are to be retained in the custody of the Secretary of the Interior in trust, save as provided in this act, but nothing herein contained shall be construed as reimposing restrictions on any such property from which the restrictions have previously been removed.

(b) The restricted lands, funds, or other property belonging to competent adult Indians, as herein provided for, shall be relieved by the Secretary of the Interior of all restrictions as rapidly as the best interests of such Indians will permit and justify.

(c) The Government hereby declares its policy to be that the aged, infirm, and incompetent Indians shall have every possible care, assistance, and protection, and that the Indian youth shall have educational facilities and advantages to the end that they may assume their place among the citizenship of the State and Nation.

(d) All claims held by any Indian tribe, group, or band against the Government shall be considered and adjudged, and such amounts as may be found to be due any such tribe, group, or band shall be paid and expended as may be provided by law.

(e) Pursuant to the provisions of paragraph (b) of section 2, the Secretary of the Interior at least once during each 4-year period shall cause to be created a competency commission, and such commission shall make a survey and examination of each adult Indian of the State of Oklahoma in order to ascertain whether such Indian is qualified and should have his or her restrictions removed on all or any part of any property, real or personal, of such Indian, and in the event the recommendations of such commission are favorable to the removal of the restrictions in whole or in part, the Secretary of the Interior is authorized to issue patent in fee to such Indians for or otherwise remove the restrictions from such lands, property, and funds, as may be recommended by such commission and which property and funds are in the possession or under the jurisdiction of the Secretary of the Interior: *Provided, however*, That such competency commissions shall consist of at least one qualified Indian representative of the respective tribe or tribes to be so visited and examined, together with the superintendent or other officer in charge of the respective agency or school having jurisdiction over such tribe or tribes, and one other member to be designated by the Secretary of the Interior for such purpose: *Provided further*, That the Secretary of the Interior at any time may exercise the authorities specified in section 7 of this act.

SEC. 3. It is hereby declared to be the policy of Congress to provide adequate educational facilities for the Indian population of the State of Oklahoma, with preference to those of one-quarter or more of Indian blood, as follows:

(a) The present policy of providing funds for the payment of tuition to public State schools for Indian children shall be continued and maintained.

(b) All existing Indian boarding schools shall be continued as now operating until otherwise provided by law.

(c) Funds may be made available for the purpose of constructing, equipping, and maintaining school buildings in such sections

as may be deemed necessary for carrying out the policy stated and the intent of this section.

(d) The Secretary of the Interior is hereby authorized and directed to make diligent effort to provide adequate educational facilities for all Indian children of school age: *Provided*, That preference in the boarding schools shall be given to Indian children without means of support, Indian children retarded because of lack of educational facilities, and orphaned Indian children.

SEC. 4. From time to time, as conditions require, funds shall be provided for maintenance of existing boarding and day schools, hospitals, and sanatoria, and for the construction of such additional day schools, hospitals, and sanatoria to provide adequate school and hospitalization facilities for the Indians of Oklahoma, with preference to those of one-quarter or more of Indian blood.

SEC. 5. That when used in this act the term "tribe" shall be construed to mean any Indian tribe, organized band, or group of Indians composed of persons on the classified rolls of the Indian Office or persons containing one-half or more of Indian blood and residing in the State of Oklahoma.

SEC. 6. For the purpose of providing lands for Indians in the State of Oklahoma, the Secretary of the Interior is hereby authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted lands now in Indian ownership, allotted or inherited, whenever said Secretary deems it advisable to permit the present Indian owner or owners to part with the same or their interests therein. In the sale of any restricted Indian land, pursuant to the terms of this or any other act of Congress, the Secretary of the Interior shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians of the same or any other tribe, at a fair valuation to be fixed by appraisement satisfactory to the Indian owner or owners of such restricted land, or if offered for sale at auction said Secretary shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians by meeting the highest bid otherwise offered therefor. Title to all land so acquired or set aside shall be taken in the name of the United States, in trust for the tribe, band, group, or individual for whose benefit such land is so acquired, and the Secretary of the Interior is hereby authorized to designate or proclaim the tribe, band, community, or group of Indians for whose benefit such land is so acquired, and said Secretary is further authorized to prescribe such rules and regulations as he may deem necessary to control the use, management, and operation of such lands for the benefit of the Indians, including the assignment of the right to use part or parts of such land by individual Indians, the ownership of any improvements placed thereon by or at the expense of the occupant to remain in such occupant and to be devisable and inheritable under such rules and regulations as the Secretary of the Interior may prescribe, and not otherwise: *Provided*, That in accepting title to any individually owned restricted Indian land for the benefit of any tribe or group of Indians, the Secretary of the Interior, in consideration for such conveyance, may assign the same land to or for the benefit of the former Indian owner or owners, for such period or periods as the said Secretary may deem proper, including a further right or power in such former owner or owners to lease such land to third parties, upon such terms and conditions as the Secretary of the Interior may prescribe: *Provided, however*, That nothing herein contained shall be construed as granting or recognizing in any such individual occupant or his or her heirs, any title to any tribal or communally owned lands so occupied, or as giving to the courts of the State of Oklahoma any jurisdiction over any matter affecting the title to, right to use or occupy, or the ownership of any improvements located on any such tribal or communally owned lands; all of which questions are hereby committed to the exclusive jurisdiction of the Secretary of the Interior. Any restricted land, funds, or other securities belonging to Indians of the State of Oklahoma shall, while held by the Secretary of the Interior, be free from any and all taxes save those provided by existing law.

SEC. 7. That at any time prior to the expiration of the existing period of trust or other restrictions against alienation of any lands, funds, or other property belonging to any Indians of the State of Oklahoma, whether held under a trust, tribal, or other form of patent, deed, or any other instrument containing restrictions against alienation, the President of the United States be, and he is hereby, authorized in his discretion, to extend such trust or other restricted period for such further period or periods as he may deem best; *Provided, however*, That during such trust or restricted period, or any extension or extensions thereof, the Secretary of the Interior, in his discretion, whenever satisfied that the best interest of the Indian owner or owners of such restricted property, and that of his immediate family, would best be served thereby, may, with or without application from the Indian owner or owners, remove the restrictions in whole or in part, in such manner and under such rules and regulations as the said Secretary may prescribe: *Provided further*, That before removing the restrictions from any land, funds, or other property, belonging to any adult restricted Indian, without the consent of such Indian, the Secretary of the Interior shall give at least 30 days' notice in writing to such Indian owner to show cause why such action should not be had: *Provided further*, That in any case wherein a restricted Indian has applied to the Secretary of the Interior for the removal of his or her restrictions on land, property, securities, or funds and such application has been rejected, and in any case wherein the Secretary has acted to remove restriction or issue a patent in fee without the consent of the Indian owner of the restricted property, an appeal will lie to the Federal court under whose jurisdiction the land is located and if the application is for the removal of restrictions on property, securities, or funds only, then the appeal will lie to the Federal court having jurisdiction of the legal residence of the applicant and if the Federal court shall find that the action of the Secretary of the Interior in denying such application was arbitrary, or without due regard to the best interests of the Indian applicant and that of his immediate family such court may, in its discretion, overrule the action of the Secretary of the Interior and the decision of the Federal court shall be final and binding upon the Secretary of the Interior. In all cases where appeals are authorized as provided herein, the applicant is entitled to have a certified copy of all papers, including the application and order of rejection, and such applicant shall pay all necessary expenses in connection with the preparation and certification of such transcript: *Provided further*, That, in the event an appeal is taken as authorized herein and such appeal is denied by any Federal court, then the costs of such appeal shall be assessed and taxed against the applicant: *And provided further*, That nothing contained in this act shall be construed as authorizing the removal of restrictions on Osage headrights owned or possessed by persons of Indian blood, which shall remain inalienable, except by will, as now provided by law.

SEC. 8. That the provisions of sections 2, 3, 4, 5, 6, and 7 of the act of January 27, 1933 (47 Stat. 777), entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma", be, and the same hereby are, made applicable to all Indians of said State, regardless of tribe or degree of Indian blood, and all such Indians having any restricted lands, funds, or other property shall have the right, at their election, either to create private trusts out of such restricted property, pursuant to the terms of said act, or allow the same to remain subject to supervision of the Secretary of the Interior: *Provided*, That it was not intended by the enactment of section 1 of said act to make it retroactive, to extend restrictions on lands other than homesteads of the Indians therein described, or to restrict funds which otherwise were unrestricted after April 26, 1931.

SEC. 9. Any group of Indians residing on any area of tribal land or on land acquired by the United States for the use of Indians shall have the right to organize for its common welfare and to adopt a constitution and bylaws, under such rules and regulations as the Secretary of the Interior may prescribe. The Secretary of the Interior may issue to any such organized group a charter of incorporation, which shall become operative when ratified by a majority vote of the adult members of the organization voting: *Provided, however*, That the total vote cast shall not be less than 40 percent of those entitled to vote. Such charter may convey to the incorporated group, in addition to any powers which may properly be vested in a body corporate under the laws of the State of Oklahoma, the right to participate in the revolving credit fund and to enjoy any other rights or privileges secured to an organized Indian tribe under the act of June 18, 1934 (48 Stat. 984).

The Secretary of the Interior may from time to time delegate and convey to a corporation so chartered, subject to any qualifications that may appear necessary or desirable, any or all powers now vested in the Secretary of the Interior or in the Commissioner of Indian Affairs with respect to the management or control of lands, funds, or other property held or enjoyed by the corporation or its members, the administration of services performed by the Interior Department for such corporation or its members, or the regulation of the conduct or affairs of such corporation and its members. Such action shall become effective when ratified by a majority vote of the adult members of the corporation voting: *Provided, however*, That the total vote cast shall not be less than 40 percent of those entitled to vote. Wherever the management and control of its funds shall be vested in an Indian corporation, such funds may be deposited in any national bank within the State of Oklahoma or otherwise invested, utilized, or disbursed in accordance with the terms of the corporate charter.

SEC. 10. The Secretary is authorized and directed to establish an Oklahoma Indian Credit Corporation, hereinafter referred to as the "Corporation", to issue a charter to such Corporation, defining its powers, and providing for a board of directors to serve without pay and to consist of seven members, one of whom shall be the director of credit of the Indian Credit Administration, and four of whom shall be representative Indians of the State of Oklahoma, and to appoint, at a salary determined by him, a manager for such Corporation. In addition to any powers which the Secretary may delegate to such Corporation necessary for the proper performance of its functions, such Corporation shall be authorized in its charter to purchase stock in and to make loans to Indian cooperative credit, producers, consumers, marketing, and land-management associations and to individual Indians as defined in the act of June 18, 1934 (48 Stat. 984), under rules and regulations prescribed by the Secretary of the Interior: *Provided*, That no loan shall be made to any individual unless the establishment of a cooperative credit association in an area reasonably convenient to such individual has been proved to the satisfaction of the Corporation not to be feasible: *Provided further*, That no loan to any individual or association nor purchase of stock shall be made without the approval of the manager of the Corporation. For the purposes and expenses of the Corporation and cooperative associations organized pursuant to this act, there shall be appropriated, out of the Treasury of the United States, the sum of $2,000,000.

SEC. 11. Any 10 or more Indians, as defined in the act of June 18, 1934 (48 Stat. 984), who reside in convenient proximity to each

other may petition the Corporation for a charter for a local cooperative association for any one or more of the following purposes: Credit administration, production, marketing, consumers' protection, or land management. Upon approval of the petition by the Corporation and by the Secretary, the Secretary shall issue to such persons a charter defining the powers of such cooperative association, the district within which it shall operate, and the conditions of membership, and prescribing the manner of conducting its business. The provisions of this act, the regulations of the Secretary of the Interior, and the charters of the cooperative associations issued pursuant thereto shall govern such cooperative associations, but in those matters not covered by said act, regulations, or charters the laws of the State of Oklahoma, if applicable, shall govern. All credit associations shall, and any other cooperative association may, possess voting and nonvoting stock with a par value as fixed in the charter. The nonvoting stock shall be purchased by the Corporation or otherwise taken by it in exchange for loans made to the cooperative associations in such proportion to the loans made as may be prescribed in the regulations of the Secretary. The voting stock shall be issued only to members of the cooperative association, and must be purchased by every member thereof to the amount required in the charter of the association; except that every credit association shall require its members to possess stock to the amount of 5 percent of the face value of any loan. Any member may pay for such stock either by cash supplied by him or through assignment to the association of a part of his patronage dividend. In any stock or nonstock cooperative association no one member shall have more than 1 vote, and membership therein shall be open to all individuals of one-half or more Indian blood residing within the prescribed district. Any Indian, regardless of his degree of blood, who has relinquished to the Secretary title to land and who has been assigned land by said Secretary pursuant to section 6 of this act is entitled to become a member of a land-management association. The officers of all cooperative associations must be approved by the Corporation, and all books and accounts of such association shall at all times be open to inspection by the Corporation or the Secretary.

SEC. 12. The Corporation shall continue until otherwise directed by act of Congress; and the charters of all cooperative associations organized pursuant to this act shall not be amended or revoked by the Secretary except after a majority vote of the membership. The charters of the said corporation and cooperative associations may convey the right to make contracts, to acquire, hold, and dispose of real and personal property necessary and incident to the conduct of their business, to prescribe fees and charges, subject to the regulations of the Secretary, for loans and other services, to buy and sell stocks in their own or other associations or corporations; and such other powers as may in the judgment of the Secretary, be necessary and incident to carrying out the powers and duties described in this act. Said Corporation and cooperative associations may sue and be sued in any court of the State of Oklahoma or of the United States having jurisdiction of the cause of action, but a certified copy of all papers filed in any action against a cooperative association in a court of Oklahoma shall be served upon the Corporation. Within 20 days after such service or within such extended time as the trial court may permit, the Corporation may intervene in such action or the Secretary, upon the request of the Corporation, may remove such action to the United States district court to be held in the district where such petition is pending by filing in such action in the State court a petition for such removal together with the certified copy of the papers served upon the Corporation. It shall then be the duty of the State court to accept such petition and proceed no further in such action. The said copy shall be entered in the said district court within 20 days after the filing of the petition for removal, and the said district court is hereby given jurisdiction to hear and determine said action.

In addition to the foregoing powers the cooperative associations may, by delegation from the Secretary of the Interior, receive the power to manage, operate, and assign lands purchased or acquired by the Secretary pursuant to section 6 of this act and to regulate the leasing thereof and the disposition, use, inheritance, and devise of the improvements placed thereon.

SEC. 13. The provisions of this act are to be considered, held, and construed as supplemental to the rights, privileges, and benefits set forth and provided in the act of June 18, 1934 (48 Stat. 994): *Provided*, That the Indian tribes and Indian citizens of Oklahoma shall have equal rights, opportunities, and privileges under the provisions of the last-mentioned act when applicable: *Provided further*, That all funds appropriated under the several grants of authority contained in said act for the purchase of land as provided in section 5 thereof; for the purpose of establishing a revolving fund as provided in section 10 thereof; for the making of loans to Indians for the payment of tuition and other expenses in recognized vocational and trade schools as provided in section 11 thereof; are hereby made available for use under the provisions of this act, and Oklahoma Indians shall be accorded and allocated a fair and just share of any and all funds hereafter appropriated under the authorization herein set forth.

SEC. 14. For the purpose of carrying out the several provisions of this act and supplemental to the authorizations contained in the act of June 18, 1934 (48 Stat. 984), funds are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, and all sums appropriated pursuant to this authority shall be expended under the direction and supervision of the Secretary of the Interior: *Provided*, That specific authority is hereby granted to appropriate funds for—

(a) General support and civilization, including education;
(b) For relief of distress and conservation of health;
(c) For industrial assistance and advancement and general administration of Indian property;
(d) For the enlargement, extension, improvement, and repair of the buildings and grounds of existing plants and projects;
(e) For the employment of inspectors, supervisors, superintendents, clerks, field matrons, farmers, physicians, Indian police, and other employees;
(f) For the suppression of traffic in intoxicating liquor and deleterious drugs; and
(g) For the purchase of horse-drawn and motor-propelled passenger-carrying vehicles for official use.

SEC. 15. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 16. All acts or parts of acts inconsistent herewith are hereby repealed.

SEC. 17. This act may be cited as the "Oklahoma Indian General Welfare Act of 1935."

Mr. KING. Mr. President, will the Senator from Oklahoma make a brief explanation of the purposes of the bill?

Mr. THOMAS of Oklahoma. Mr. President, the last Congress passed a general welfare Indian bill known as the "Wheeler-Howard Act." It was intended to cover all the Indian tribes and Indians in the entire United States. The Indians of Oklahoma are somewhat different from the general mass of Indians in that the Oklahoma Indians have had their reservations cut up and allotted in severalty and the surplus land sold to white settlers.

The Indians of my State live among the white settlers. All laws applicable to reservation Indians are not applicable to Indians living on farms, as the Indians live in Oklahoma. Because of this distinction the Committee on Indian Affairs at the last session undertook to segregate the Oklahoma Indians from the other Indians of the United States. This bill is intended to make the provisions of the Wheeler-Howard Act applicable to Indian conditions in Oklahoma. It extends certain provisions to our Indians and makes certain other provisions of law applicable to them. It has to do with their school facilities, hospitalization, the purchase of land for those who have no land. In general, it is intended to encourage and assist the Indians of the State of Oklahoma.

Mr. KING. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. Certainly.

Mr. KING. Are those who would be beneficiaries under the bill Indians whose lands have been sold by them and the proceeds probably improvidently employed so they are now without means of support?

Mr. THOMAS of Oklahoma. I think that is correct in the main. In the early days when lands were allotted some Indians were not favorable to the allotment and were not inclined to work the lands. The allotting agents placed them upon lands which were worthless, upon rocks and hills upon which nothing could be grown. It is the purpose now to take those Indians from those lands and to purchase lands in some other place for them so they may have a chance at least of being self-supporting.

Mr. KING. Are they American citizens and allowed all the privileges of citizens?

Mr. THOMAS of Oklahoma. In my State under the constitution every Indian is a full citizen the same as is a white man. They are citizens and enjoy all the rights and privileges of white people in the State of Oklahoma.

Mr. KING. They are not tribal Indians?

Mr. THOMAS of Oklahoma. A good many of them are still under the supervision of the Government. They are partly supervised and controlled and managed by the Government.

Mr. KING. What would be the cost to the Government of the operation of the bill?

Mr. THOMAS of Oklahoma. Under the Wheeler-Howard Act an authorization was made for $10,000,000, $2,000,000 per year to be appropriated by the Congress for the purpose of buying land for landless Indians. The Indians of Oklahoma will get their proportional share, I take it; at least, I hope so.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Committee on Indian Affairs.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BELL OIL & GAS CO.

The bill (H. R. 7140) for the relief of the Bell Oil & Gas Co. was announced as next in order.

Mr. BURKE. Mr. President, on May 25 the Senate passed a bill for the relief of this company and that bill is now before the House. Accordingly, I ask that the bill be passed over.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS of Oklahoma. In a case such as is presented by this incident, wherein the Senate has passed a bill and transmitted it to the House of Representatives and thereafter the House of Representatives passes a similar bill, with slight modifications, so far as the amount is concerned, and transmits the House bill to the Senate, is it not possible for the Senate to ask for a conference upon the two bills to the end that the matter may be adjusted?

The PRESIDING OFFICER. That would not be possible under the practice between the two Houses.

Mr. ROBINSON. Mr. President, the Senator from Oklahoma might propose an amendment to the House bill in the nature of a substitute to strike out all after the enacting clause and insert in lieu thereof the language of the Senate bill. Occasionally the Senate will pass a bill, and some weeks or months later the House will pass the identical bill under the House number and title and send it to the Senate.

Mr. BURKE. If we were to pass the House bill now with an amendment substituting the language of the Senate bill for that of the House bill and send it back to the House, we would be in the same position we are now in, as the Senate bill is already before the House.

The PRESIDING OFFICER. That would depend upon whether or not the Senate should ask for a conference on the Senate amendments to the House bill.

Answering the parliamentary inquiry of the Senator from Oklahoma, the way in which a conference could be brought about would be for the Senate to pass the House bill with an amendment substituting the text of the Senate bill for the text of the House bill, and insist upon its amendment and ask for a conference.

Mr. BURKE. Since the Senate has already passed one bill for the relief of this company, I am opposed to the consideration and passage of another bill for the same purpose.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield for a question?

Mr. BURKE. Certainly.

Mr. THOMAS of Oklahoma. Would it be agreeable to the Senator from Nebraska to strike out all after the enacting clause of the House bill and insert in lieu thereof the language of the Senate bill and send it back to the House as an amendment to the House bill?

Mr. BURKE. It does not seem to me that would be the proper course to pursue, because there would then be two separate bills which had passed the Senate and both would be before the House, covering the same item of relief.

Mr. THOMAS of Oklahoma. Apparently there is no way to have the matter adjusted save for the House to do what I have suggested or for the Senate to do it. It is entirely agreeable to me to strike out the entire text of the House bill and substitute therefor the language contained in the Senate bill as reported by the distinguished Senator from Nebraska.

Mr. BURKE. It would have to go back to the House and be acted on. The House may just as well act on the Senate bill which we have already passed.

Mr. THOMAS of Oklahoma. I will say that the Members of the House find themselves now in the same condition in which we find ourselves. I am trying to get results. I was asking the question to see whether I could not adopt a plan of procedure which would enable us to get results. If we send this bill back with an amendment, as the Senate has heretofore passed it, the House may concur in the amendment, in which event the action of the Senate would be sustained. If not, it would come back to conference, and I am sure the Senator from Nebraska would be an acceptable member of the conference committee.

Mr. BURKE. I have no objection to substituting the Senate bill and passing it, providing we avoid any danger of having two bills covering the same subject matter.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 7140) for the relief of the Bell Oil & Gas Co.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma [Mr. THOMAS] will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause, and to insert the words included in Senate bill 2464, as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,616.69 to the Bell Oil & Gas Co. of Tulsa, Okla., for the purpose of reimbursing said Bell Oil & Gas Co. for Federal tax on gasoline delivered under contract with the War Department, dated June 29, 1932, said Department having contracted to pay said tax and said payment having been refused by the Comptroller General of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

Mr. KING. Mr. President, does that make the reduction that is called for in the Senate bill?

Mr. BURKE. Yes.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

UNAUTHORIZED EMERGENCY TREATMENT OF WORLD WAR VETERANS

The bill (H. R. 4513) to authorize payment of claims for unauthorized emergency treatment of World War veterans was announced as next in order.

Mr. KING. I should like an explanation of that bill.

The PRESIDING OFFICER. Does any Senator care to make an explanation of House bill 4513?

Mr. KING. Let it be temporarily laid aside until the return of the Senator from Massachusetts [Mr. WALSH].

Mr. WALSH subsequently said: Mr. President, during my temporary absence from the Chamber, House bill 4513 was passed over until my return. There was no one here to explain the bill. I ask unanimous consent to recur to it at this time.

The PRESIDING OFFICER. The Senator from Massachusetts asks unanimous consent to recur to House bill 4513. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 17, title I, Public Law No. 2, Seventy-third Congress, any claim for unauthorized medical expenses under the provisions of section 202 (9) of the World War Veterans' Act, as amended (U. S. C., title 38, sec. 483), wherein claim was duly filed prior to March 20, 1933, may be adjudicated by the Veterans' Administration, and any person found entitled to reimbursement shall be paid the reasonable value of services as prescribed by the said section 202 (9).

Mr. WALSH. Mr. President, prior to March 20, 1933, there was a provision of law permitting a veteran to receive medical treatment in emergency cases and providing for the payment of such a claim. When the emergency law was passed on March 20, 1933, all provisions of law for pensions, compensation, hospitalization, and medical care were repealed.

Last year we passed a law providing that if there were on file in the Veterans' Administration on March 20, 1933, claims for compensation, pension, medical care, or hospitalization, they should be permitted to be adjudicated; namely, all claims that were pending up to that time. That law failed to include a provision covering claims for medical care given to veterans under emergency circumstances, and the pending bill is for the purpose of giving those claims the same status all other claims were given. That is to say, whatever claims were existing under law on March 20, 1933, were entitled to be considered on their merits, and acted upon.

I will say, in addition, that the Director of the Budget approves of this proposed legislation, as does the Veterans' Administration.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF APPOINTMENT OF ACTING TREASURER OF UNITED STATES

The bill (S. 3258) to amend section 304 of the Revised Statutes, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 304 of the Revised Statutes, as amended (31 U. S. C., sec. 144), is further amended to read as follows:

"SEC. 304. The Treasurer may, in his discretion, and with the consent of the Secretary of the Treasury, authorize the Assistant Treasurer to act in the place and discharge any or all of the duties of the Treasurer of the United States; and the Secretary of the Treasury may appoint from among the personnel of the Treasurer's Office any person to be Acting Treasurer during the absence or illness of both the Treasurer and Assistant Treasurer; and the Secretary of the Treasury may at any time, on the recommendation of the Treasurer, appoint from among the clerks in the Treasurer's Office any one or more of said clerks to be a Special Assistant Treasurer, with authority to sign certificates of deposit, checks, letters, telegrams, and other official documents in connection with the business of the Treasurer's Office, and who shall serve in this capacity without additional salary: *Provided, however*, That no appointments shall be made under the provisions of this section until the official bond given by the Treasurer shall be made in terms to cover and apply to the acts and defaults of every person appointed hereunder. Each person so appointed shall, moreover, for the time being, be subject to all the liabilities and penalties prescribed by law for the official misconduct in like cases of the Treasurer."

LAW CLERKS FOR UNITED STATES DISTRICT COURT JUDGES

The Senate proceeded to consider the bill (S. 2643) to amend section 118 of the Judicial Code to provide for the appointment of law clerks to United States District Court judges, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 6, after the words "excess of", to strike out "$2,400" and insert "$2,750", so as to make the bill read:

Be it enacted, etc., That the Judicial Code be, and it is hereby, amended by the addition of the following section:

"SEC. 118b. Each United States District Court judge is hereby authorized to appoint a law clerk when he deems the same to be necessary, and the senior judge of the circuit court of appeals having jurisdiction over the district where the clerk is needed shall certify to the necessity of the appointment, but there shall not be appointed more than 35 of such law clerks during the first fiscal year of the enactment of this amendment. Thereafter such number in excess of 35 per year shall be limited by the necessity of each case as hereinbefore provided. The salary of such appointed law clerk shall be at a rate not in excess of $2,750 per annum; and the appropriation of such amount as is or may be necessary to pay the salaries and travel expenses of such law clerks is hereby authorized."

Mr. KING. Mr. President, I am inclined to object to the consideration of this bill. I should like an explanation of it.

Mr. BARKLEY. I hope the Senator will not object.

Mr. WAGNER. Mr. President, there was a hearing before the Judiciary Committee upon this bill. The Federal judges are exceedingly busy with the congested calendars which confront them, and they are absolutely without clerical aid. This bill is simply to authorize them, in the event the senior judge of the particular circuit approves, where necessity requires, to appoint a clerk to assist them. The bill provides that his salary shall not be more than $2,750 per year, which is very low pay for law clerks.

Mr. BARKLEY. Mr. President, I happen to know of my own knowledge of the great injustice which is suffered by a number of Federal judges because they have no law clerks. In most cases the judge has to go into his library and dig out numerous decisions in order that he may justify his opinions and his judgments. Certainly the Government of the United States ought to be willing to furnish to every district judge who needs it a law clerk who may stay in the library of the court and ferret out decisions which are necessary in the trial of cases and the administration of justice.

I hope the Senator will not object to the consideration of the bill.

Mr. McKELLAR. Mr. President, after a rather long experience in practicing in the Federal courts, I desire to say that the Federal judges have a very difficult time as a result of having themselves to look up the cases they use in the decision of causes coming before them. It does seem to me that a bill providing a law clerk at a moderate compensation, such as this bill provides, ought to be enacted; and I hope the bill will pass.

Mr. WAGNER. Mr. President, if I may give a little personal testimony, I was a member of the Supreme Court of New York. Each of the judges had a law clerk who was paid $6,000 a year, more than twice what is permitted to be paid under this bill. I do not know how we could ever have done our work without the assistance of our law clerks; and I do not know how the Federal Judges in my district, the Southern District of New York, with the tremendously important litigation they have before them, are able to do their work. They tell me they are working day and night, and their work is retarded somewhat because of the research that is required to enable them to prepare proper opinions.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. McGILL. The committee has added to the bill an amendment making the salary $2,750 annually, which is the salary being paid under existing law to law clerks for circuit court judges.

Mr. WAGNER. Yes.

Mr. McGILL. We also have a letter from the Attorney General in which he seems to concur in the view that in the congested districts, law clerks are necessary for the district judges. This bill permits the appointment of not to exceed 35 law clerks during the first year, and then only when the senior circuit judge of the circuit certifies to the necessity for appointment.

Mr. WAGNER. Yes; the measure is thoroughly safeguarded.

Mr. BARKLEY. Mr. President, I was wondering, and I was about to ask the Senator from New York before the Senator from Kansas interjected, whether he really thinks $2,750 is sufficient compensation to employ a competent law clerk, but inasmuch as that is the sum paid to the clerks of the circuit judges, I of course would not suggest any higher pay for these clerks.

Mr. WAGNER. I will not suggest any higher pay, but I will say that in the New York State courts much higher salaries are paid for the same type of service.

Mr. COSTIGAN. Mr. President, may I ask the Senator what is the maximum number of law clerks who may be employed?

Mr. WAGNER. Not more than 35 during the first year.

Mr. COSTIGAN. Is the Senator from New York informed as to the total number of Federal judges who might require the services of such clerks?

Mr. McGILL. I think there are 152 United States district judges in the country. The maximum this bill would cost in any 1 year, if all had law clerks, would be less than $500,000.

Mr. WAGNER. I may say to the Senator that the bar associations also are strongly advocating this proposed legislation, because they recognize the terrific handicap under which the judges are laboring, and how it imposes unnecessary detail work, which is contributing toward the congestion of the calendar.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FILLED MILK ACT

The bill (S. 3222) to amend the Filled Milk Act was announced as next in order.

Mr. BURKE. Mr. President, at the request of the junior Senator from Washington [Mr. SCHWELLENBACH], who introduced the bill, I ask to substitute for this bill House bill 6361, covering the same matter in a little different way. That is a bill which has already passed the House.

Mr. KING. Mr. President, will the Senator from Nebraska make a brief explanation of the purpose of the bill?

Mr. BURKE. I am unable to do that. I am merely making this request on behalf of the Senator from Washington, who was called out to a committee meeting. He says the Departments have all agreed to it, and the bill has passed the House. I know nothing about it.

Mr. McKELLAR. Is the Senator from Washington present?

Mr. BURKE. He is at a committee meeting.

The PRESIDING OFFICER. May the Chair inquire of the Senator from Nebraska whether his request is to amend Senate bill 3222 by striking out all after the enacting clause and inserting, or whether his request is to take up, in lieu of Senate bill 3222, House bill 6361?

Mr. BURKE. To consider in lieu of the Senate bill the House bill.

The PRESIDING OFFICER. It will be necessary first to discharge the committee before which the bill is pending.

Mr. BURKE. I ask unanimous consent that that may be done.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of House bill 6361. Is there objection? The Chair hears none, and the committee is discharged from the further consideration of the bill.

Is there objection to the present consideration of the House bill?

Mr. KING. I have no objection to the substitution of the House bill, but I do object to its consideration at this time.

The PRESIDING OFFICER. The Senator from Utah objects, and the bill will be placed on the calendar.

INFLUENCING OF VOTES IN NATIONAL ELECTIONS

The bill (S. 2134) to prohibit employers from influencing the vote of their employees in national elections was announced as next in order.

Mr. VANDENBERG. Mr. President, the junior Senator from Oregon [Mr. STEIWER] wants this bill withheld until Senate bill 508 can be considered in the same connection, and, in his necessary absence from the floor, I object.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF THE STATE OF INDIANA

The bill (S. 3374) for the relief of the State of Indiana was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 3646, as amended, of the Revised Statutes of the United States, the Chief Disbursing Officer of the Treasury Department is authorized and directed to issue, without the requirement of an indemnity bond, duplicates of original checks nos. 66942 and 67000, drawn February 19 and February 20, 1935, in favor of "State Treasurer of Indiana, trust fund", for $2,743.34 and $5,241.35, respectively, and lost between the office of the State treasurer of Indiana and the designated depository.

NEW DIVISION OF NORTHERN JUDICIAL DISTRICT OF GEORGIA

Mr. ASHURST. From the Committee on the Judiciary I report back favorably without amendment the bill (H. R. 7955) to establish a new division of the northern district of Georgia with terms of court to be held at Newnan, Ga.

Mr. GEORGE. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BONDS IN CONNECTION WITH CONSTRUCTION CONTRACTS

The Senate proceeded to consider the bill (H. R. 8519) requiring contracts for the construction, alteration, and repair of any public building or public work of the United States to be accompanied by a performance bond protecting the United States and by an additional bond for the protection of persons furnishing material and labor for the construction, alteration, or repair of said public buildings or public work.

Mr. McKELLAR. Mr. President, may we have a statement as to this bill?

Mr. METCALF. Mr. President, I have just received a communication from certain builders who asked if they could not have a hearing on an amendment they would like to have attached to this bill. I know nothing about the bill, not having read it, but I understand there will be no objection to taking this course.

Mr. McKELLAR. Let it go over.

Mr. BURKE. Mr. President, I should like to make a statement regarding the bill.

The PRESIDING OFFICER. Does the Senator from Tennessee withhold his objection?

Mr. McKELLAR. I withhold the objection.

Mr. BURKE. Mr. President, this bill proposes to amend what is known as the "Heard Law." It provides, in the case of contracts with the Government in an amount more than $2,000 that the contractor shall be required to give two bonds instead of one, as at the present time. Under the present law a performance bond is given for the protection of the Government. This bill would amend that law by requiring an additional bond, a payment bond, for the protection of material men and laborers, subcontractors, and all who put forth their labor or furnish materials or incur expenditures in connection with the work.

The House Judiciary Committee held hearings on the bill, all the different groups were represented, and this bill was finally passed by the House. The Senate committee did not hold any hearings.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. WALSH. Is this an amendment to the Bacon-Davis law?

Mr. BURKE. This is an amendment to what is known as the "Heard Act."

Mr. WALSH. As I understand, the bill will require a contractor, in furnishing a bond, not only to be liable for default by reason of his inability to complete the contract or by reason of failing to meet the requirements and specifications as to material, but will require him to meet the claims of workers and employees who do not receive their compensation.

Mr. BURKE. That is the point exactly.

Mr. WALSH. Of course, it is a most meritorious bill, and should be enacted.

Mr. McCARRAN. Mr. President, will the Senator from Nebraska yield to me?

Mr. BURKE. I yield.

Mr. McCARRAN. It will do just a little more than what the Senator from Massachusetts has in mind. In other words, under the existing law one who has furnished material or labor in the construction of a Federal building must wait for 6 months after the acceptance of the building before he may institute suit to recover on the obligation to him. This bill, as I now recall, changes that situation so that he may sue within 90 days.

Mr. ASHURST. That is correct.

Mr. McCARRAN. To that extent it works to the benefit of the materialman and the laboring man as well.

There are two points involved, one relating to the performance of the contract. The other is that the materialman

and the laborer may sue and be heard within a shorter time than under the existing law.

Mr. WALSH. Mr. President, I will say to the Senator from Nevada and to the Senator from Nebraska that the investigation conducted by the subcommittee of the Committee on Education and Labor showed a deplorable condition with reference to the way employees on public buildings were defrauded and cheated of their wages, and any measure that will tend to strengthen their rights and help them to secure their compensation is justified.

Mr. McCARRAN. That is the object of the pending bill, and I might augment what the Senator from Massachusetts has said as to what has been shown by the hearings to which he has referred.

Mr. WALSH. I did not believe it was possible for men repeatedly to get contracts from the Federal Government and chisel, the way some of them do, against the wages of the employees.

Mr. ROBINSON. Mr. President, may I ask what objection is urged to the bill?

Mr. ASHURST. There is no objection.

Mr. ROBINSON. It is apparent that if the bill is to be considered, no opportunity can be afforded now to hold hearings on it. That would carry it over for the session.

Mr. METCALF. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

AIR CORPS TECHNICAL SCHOOL, DENVER, COLO.

The bill (S. 3398) to establish the Air Corps Technical School and to acquire certain land in the State of Colorado for use as a site for said Air Corps Technical School and as an aerial gunnery and bombing range for the Army Air Corps was announced as next in order.

Mr. DIETERICH. I object.

Mr. COSTIGAN. Mr. President, will the Senator from Illinois withhold his objection so that I may make a brief statement?

Mr. DIETERICH. I withhold the objection.

Mr. COSTIGAN. Mr. President, this bill is designed to establish the Air Corps technical school at Denver, to acquire certain land as a site for that school, for an aerial gunnery, and for a bombing range.

More than a year ago a committee of qualified and impartial experts representing the Army made an extended trip and conducted a thorough investigation of suitable sites for such a school in many parts of the United States, and thereafter unanimously reported in favor of the selection of the city of Denver.

Following the filing of that report at Denver's last municipal election bonds in the amount of $750,000 were voted by our taxpayers in that community to provide an approved site for such a school without cost to the Federal Government. Hearings were later had before a subcommittee of the Senate Committee on Military Affairs on the Army recommendations and a favorable report has been returned, both by the subcommittee and the full committee, on the pending bill.

Incidental to the hearing was the question of the effect of the Army recommendations on the present Air Corps technical school at Rantoul, Ill. It suffices to say now that those officials who have carefully investigated the subject and who have examined the bill, submitted to the Senate with the approval of the War Department, hope for authority at the earliest practicable moment to proceed to establish the technical training school at Denver, Colo. The pending bill carries no appropriation.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. DIETERICH. I object.

The PRESIDING OFFICER. The bill will be passed over.

PUBLIC WORKS IN CORDOVA, ALASKA

The bill (H. R. 8845) to authorize the incorporated town of Cordova, Alaska, to construct, reconstruct, enlarge, extend, improve, renew, and repair certain municipal public structures, utilities, works, and improvements, and for such purposes to issue bonds in any amount not exceeding $50,000, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 189) relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners, was announced as next in order.

Mr. KING. I should like to have an explanation of the joint resolution.

The PRESIDING OFFICER. Does any Senator desire to make an explanation?

Mr. KING. Let it go over.

The PRESIDING OFFICER. Objection is heard, and the joint resolution will be passed over.

Mr. LOGAN. Mr. President, although I have not read this joint resolution, my understanding is that in case of the death of a Representative or Delegate in the House of Representatives the employees of the office are allowed to go ahead and wind up his affairs for six months. The measure applies only to the other House, and it seems that some such employees have been working since the death of their late employers, and have been working without pay. It seems to me there should be no objection.

Mr. KING. Mr. President, there was no report on the joint resolution in the file, so it was impossible to understand the purpose of the measure.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL DEFENSE ACT

The bill (H. R. 6250) to amend the National Defense Act was announced as next in order.

Mr. LA FOLLETTE. Mr. President, I ask for an explanation of this bill.

Mr. THOMAS of Utah. Mr. President, House bill 6250, as amended by the Military Affairs Committee, would authorize the President to call annually to active duty a thousand Reserve officers for not to exceed more than 1 year on the part of any one officer.

The bill also authorizes the Secretary of War to select annually 50 such officers for commissions in the Regular Army.

The bill as amended would accomplish a constructive and vital development of the national defense at a minimum of cost. The committee considers that the authorization contained in the bill is a constructive step in their scheme of national defense.

Were we to face today an emergency calling for national mobilization, the services of some 70,000 Reserve officers would be instantly required. There are now eligible for active duty only 91,000 such officers. Of these a large percentage are older men, not physically fitted for the duties of lieutenants and captains.

Furthermore, the separation of these older men from availability for active duty is constantly increasing.

The pending bill offers the opportunity for young men to acquire, at the most favorable age and period of life, an intensive training, fitting them to take the places of the outgoing veterans of the Reserve Corps. Only officers in the grade of second lieutenant may be called to active duty with the Regular Army under the changes proposed by your committee. The reason for calling 1,000 officers instead of 2,000 officers, as provided in House bill 6250, passed by the House, is that it is believed that by so doing there will be in the course of years a sufficient number of officers in the grade of lieutenant to meet the immediate requirements of mobilizations.

The costs involved in House bill 6250, as amended, are for the 1,000 Reserve second lieutenants, for one year active duty, for pay, subsistence, and travel allowances, $1,759,000;

for the 50 second lieutenants to be commissioned in the Regular Army each year, for pay, subsistence, and so forth, $87,950; or a total cost of $1,846,950. As passed by the House, this bill would have entailed a cost of $6,977,800.

This bill does not affect the number of Reserve officers who may be called to active duty under existing law, under which most Reserve officers obtaining active duty get 14 days' training.

The bill is designed to take advantage of the great number of Reserve officers who are graduating from our colleges and universities, and call them to the service for a year immediately after graduation, and then, from this group, select 50 officers for the Regular Army.

It will be readily understood that if this shall be done much valuable time which is now spent in training Reserve officers will be saved, and the officers will be trained definitely for the duties to which Reserve officers would be called in time of emergency.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. McKELLAR. How much would this cost?

Mr. THOMAS of Utah. This bill, as passed by the House, would cost $6,977,000; but, as amended by the Senate, it would cost only $1,846,000.

Mr. McKELLAR. Mr. President, there is a report from the War Department, is there not, that the bill is contrary to the President's policy, and the Budget Director declined to approve it? Even if we should pass it, I doubt whether an appropriation could be obtained for it. I know it could not be obtained at this session; and I hope the Senator will let the bill go over. I think it ought to go over for the session, at any rate, until it can be given more consideration.

The PRESIDING OFFICER. The time of the Senator from Utah has expired. Is there objection to the present consideration of the bill?

Mr. McKELLAR. Mr. President, I feel constrained to object.

Mr. THOMAS of Utah. Mr. President, did the Senator from Tennessee object to the present consideration of the bill?

Mr. McKELLAR. Yes, Mr. President. I have been instructed by the Appropriations Committee to examine all these authorization bills; and this is an authorization for $2,000,000, or nearly that amount. If the House should have its way in the conference, it would be more than $6,000,000. Under those circumstances, I think the bill ought to go over to the next session of Congress.

The bill may be all right. I am inclined to think that to have civilian officers go into the Army at stated times is a very excellent plan, and I am not opposed to the principle of the bill; but I think it is a matter of great importance, and ought to be worked out very carefully, and the House and the Senate are very far apart.

Mr. THOMAS of Utah. Mr. President, I suppose I am out of order——

Mr. McKELLAR. Mr. President, I will yield to the Senator from Utah, and let him make a statement in my time.

Mr. THOMAS of Utah. The purpose of the bill, of course, is to coordinate the Army enlargement. The Senator from Tennessee realizes that with the passage of the promotion act, and with the passage of other bills enlarging the Army, the Army has to be expanded. There is no better way and no cheaper way to bring about the expansion of the Army than to bring it from the lower grades, starting with second lieutenants.

If we attempt to build our Army again with senior officers we shall find that the "hump" will come as it has always come, and we shall have to begin all over again. The time to do this is right now; and I do not think the Senator will find that it will result in an increase in cost to the Government, but that it is entirely in harmony with the other bills already passed.

The PRESIDING OFFICER. Objection has been heard, and the bill will be passed over.

CLAIMS OF PRINCE ROYAL AND OTHERS

The bill (H. R. 3965) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey was announced as next in order.

Mr. KING. Mr. President, the Secretary of War has recommended against this bill.

Mr. RUSSELL. Mr. President, if the Senator from Utah will read the report, I think he will find that the Secretary of War did not recommend against the bill as it stands at present.

As the bill was first introduced in the House, it provided for an authorization of $50,000. Upon receiving the report of the Secretary of War objecting to the bill in that form, the House committee struck out all after the enacting clause, and merely conferred jurisdiction on the Court of Claims to hear the case. It is a case in which a woman was burned to death in an automobile which was struck by a truck belonging to the Civilian Conservation Corps.

This bill merely confers jurisdiction on the Court of Claims to hear the case. From time to time we have had bills before the Senate making direct apropriations to pay the claim. This is a meritorious matter. The man who was driving the truck has since that time been convicted of involuntary manslaughter in the State courts of Georgia, and these persons should at least be permitted to come into the Court of Claims to submit their case to see whether there is any merit to it.

If the Senator from Utah will examine the report he will see that the letter of the Secretary of War was predicated on the original bill, which provided for an authorization of $50,000. This bill contains no such provision whatever.

Mr. KING. Mr. President, I find that in one letter from the Secretary of War, dated March 14 of this year, there is a recommendation against the enactment of the bill, and then, on March 16, another recommendation against the bill.

Mr. RUSSELL. If the Senator from Utah will look at the two statements, he will see that both of them refer to this bill, but to two different individuals who were riding in the car. If he will read the second paragraph of the letter, he will see that it does not relate to the bill in the form in which it stands at the present time, but relates to the original bill as it was in the House, providing for a direct authorization. This bill merely provides for reference of the case to the Court of Claims for hearing.

Mr. KING. I have no objection.

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

PENSIONS AND INCREASE OF PENSIONS

The bill (H. R. 8421) granting pensions to certain widows of soldiers and sailors of the Civil War was announced as next in order.

Mr. McKELLAR. Mr. President, what will this bill cost?

Mr. McGILL. It will cost $130,250 annually for the entire group named in the House bill and the Senate committee amendment.

Mr. McKELLAR. I thought we already had laws conferring pensions upon widows of soldiers and sailors of the Civil War.

Mr. McGILL. These are cases similar to others which have heretofore been recognized by the Pensions Committee of the House and also by the Senate committee. They are cases where the widow was not married to the veteran of the Civil War on or prior to June 27, 1905, but was married soon thereafter. In some cases they were married in 1906, in 1907, or in 1908. They are persons who are of an average age of 70 years and 6 months at this time, have scarcely any property, and have no one who is legally bound to provide for their support.

Mr. McKELLAR. If the bill is confined to widows, I withdraw my objection.

Mr. McGILL. It is confined to widows.

Mr. WALSH. Mr. President, can the Senator from Kansas furnish the Senate with information as to whether more widows and children of veterans of the Civil War are elimi-

nated from the rolls by death than are placed upon the rolls by these special bills?

Mr. McGILL. I do not have any figures, but the number of such pensioners is materially decreasing from day to day.

Mr. WALSH. Are there more names eliminated from the rolls by death than are placed upon the rolls by these special bills?

Mr. McGILL. I cannot say as to that; but I will say that a number of the persons included in the House bill have been stricken from this bill by the Senate committee by reason of the fact that they have passed on since the bill was passed by the House.

Mr. WALSH. Mr. President, I have no objection to the bill; but I should like to suggest to the Senator from Kansas that he furnish to the people of the country and to the Senate the information as to how the pension rolls are standing up, whether they are diminishing or increasing.

The PRESIDING OFFICER. The amendment of the committee will be stated.

The amendment was, on page 72, after line 18, to insert:

The name of Sarah A. Martin, widow of Edgar C. Martin, late of Company K, Sixth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Belle Shanholtzen McGary, widow of Wilson McGary, late of Battery F, First Regiment Ohio Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Ella A. Barker, widow of James H. Barker, late of Company D, Eighth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 month and $30 per month when she attains the age of 60 years.

The name of Lucy W. Farwell, widow of Selah B. Farwell, late of Company A, Thirty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lottie Flint, widow of Samuel H. Flint, late of Company D, Twelfth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Bordwell, widow of Rufus Bordwell, late of Company A, One Hundred and Seventeenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lydia C. Wark, widow of George D. Wark, late of Company D, One Hundred and Forty-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Helen R. Benson, widow of Emry J. Benson, late of Company C, One Hundred and Sixty-fifth Regiment Ohio National Guard Infantry, and pay her a pension at the rate of $30 per month.

The name of Celia K. Crow, widow of Benjamin F. Crow, late of Company C, One Hundred and Thirty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret Ledgerwood, widow of Samuel Ledgerwood, late of Company E, Fifty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna M. Shumaker, widow of John H. Shumaker, late of Company B, Twenty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jermima E. Trowbridge, widow of Lorenzo Trowbridge, late of the Battery, Thirteenth Wisconsin Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Pearl F. Warren, widow of Valentine F. Warren, late of Company A, Thirty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The name of Belle Harmon, widow of James A. Harmon, late of Company A, Thirty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elnora Shirk, widow of William A. Shirk, late of Company E, Thirteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emeline Valentine, widow of Jefferson Valentine, late of Company K, Thirty-sixth Regiment United States Colored Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Ida Cox, widow of Andrew Cox, late of Company F, Twelfth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary C. Smith, widow of John H. Smith, late of Company D, Fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha A. Childs, widow of Addison Childs, late of Company A, Thirtieth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Ann Fox, widow of Clarence K. Fox, late of Troop M, Third Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Florence L. Collins, widow of Austin F. Collins, late of Company C, Ninety-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie L. Warner, widow of Peter Warner, late of Company D, Thirty-sixth Regiment Iowa Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Nightingale, widow of William H. Nightingale, alias William H. Raymond, late of Company C, Seventieth Regiment New York Infantry, and pay her a pension at the rate of $30 per month.

The name of Christiana L. Todd, widow of Silas Newton Todd, late of Company D, One Hundred and Fifty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alice H. Palmer, widow of George R. Palmer, late of Company I, Nineteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Angie L. Moulton, widow of Charles E. Moulton, late of Troop G, First Regiment District of Columbia Cavalry, and pay her a pension at the rate of $30 per month.

The name of Nellie Fredericks, widow of Louis N. Fredericks, late of Company A, Twelfth Regiment Michigan Infantry, and pay her a pension at the rate of $30 per month.

The name of Elsie Blanchard, widow of David B. Blanchard, late of Troop E, First Regiment Maine Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary L. Bryant, widow of William H. Bryant, late of the Nineteenth unassigned company, Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida Miller, widow of Alfred F. Miller, late of Company F, One Hundred and Thirty-first Regiment Pennsylvania Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie Phelps, widow of Charles E. Phelps, late of Company K, Fifteenth Regiment Michigan Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie L. Stewart, widow of Jeremiah P. Stewart, late of Company B, Forty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie J. Maddox, widow of John H. Maddox, late of Company F, Eleventh Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Abbie V. Hull, widow of Americus K. V. Hull, late of Telegrapher's Corps, Civil War, and pay her a pension at the rate of $30 per month.

The name of Mary A. Phillips, widow of William T. Phillips, late of Company H, Fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Beesie Kirkman, widow of Lorenzo D. Kirkman, late of Company C, Eighty-first Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Josephine Morton, widow of Edward R. Morton, late of Troop I, Ninth Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth J. C. Young, widow of James S. Young, late of Company C, Nineteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Lee Pryor, widow of James M. Pryor, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Ann E. Rickards, widow of T. M. Rickards, late of Company D, Sixty-ninth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Theresa Elizabeth Mapes, widow of Rufus Mapes, late of Company I, Second Regiment Illinois Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Angeline M. Rolfe, widow of Lemuel Rolfe, late of Company C, Twenty-fifth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Addie M. Mandeville, widow of Charles R. Mandeville, late of Company G, One Hundred and Fifty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Perry, widow of William Perry, late of Company —, One Hundred and Ninety-third Regiment New York Infantry, and pay her a pension at the rate of $30 per month.

The name of Juriah Hyden, widow of Allen C. Hyden, late of Company C, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Mattie Sebastian, widow of Charles Sebastian, late of unassigned company, One Hundred and Twentieth Regiment United States Colored Infantry, and pay her a pension at the rate of $20 per month.

The name of Maggie Wilson, widow of John W. Wilson, late of Company C, South Cumberland Battalion Kentucky State Troops, and pay her a pension at the rate of $20 per month.

The name of Elianor Green, widow of William F. Green, late of Company D, Seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella Noe, widow of George Noe, late of Company F, Twenty-eighth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The name of Lydia Ann Hollingsworth, widow of Henry C. A. Hollingsworth, late of Company F, One Hundred and First Regiment United States Colored Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie Harrison, widow of John P. Harrison, late of Company K, Ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy C. Buck, widow of Bethewel A. Buck, late of Troop D, Fifth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The name of Elizabeth M. Runnels, widow of Elisha Runnels, late of Troop I, Twelfth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Jennie Alexander, widow of William J. Alexander, late of Troop A, Second Wisconsin Cavalry, and pay her a pension at the rate of $30 per month.

The name of Matilda Davison, widow of Burnett Davison, late of Company B, One Hundred and Twelfth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lottie A. Torrance, widow of Stiles C. Torrance, late of Company E, One Hundred and Third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clara V. Crossland, widow of George T. Crossland, late of Battery L, First Illinois Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary P. Champion, widow of Orison B. Champion, alias George McDonald, late of Company G, First Regiment Delaware Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida Lott, widow of Gamaliel Lott, late of Troop D, Third Missouri Cavalry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The name of Sarah J. Lake, widow of ———, late of Company I, Sixteenth Michigan Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha C. Smith, widow of Justin M. Smith, late of Troop L, Fifth Regiment ——— Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Annie W. Austin, widow of Lloyd W. Austin, late of Company G, Fourth Regiment Massachusetts Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Elsie M. Cotton, widow of Dennet Cotton, late of Company K, Twenty-eighth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $20 per month and upon reaching the age of 60 years, $30 per month.

The name of Lina Buckley, widow of George W. Buckley, late of the Eleventh Independent Battery, Ohio Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Harriet V. Carson, widow of Harlan P. Carson, late of Company F, One Hundred and Thirty-third Regiment Illinois Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret E. Lackey, widow of John H. Lackey, late of Company C, South Cumberland Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Emily S. Marlett, widow of Charles T. D. Marlett, late of Company H, First Regiment Minnesota Mounted Rangers, and pay her a pension at the rate of $30 per month.

The name of Mariah A. House, widow of William House, late of Company A, Thirtieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida R. Haynes, widow of Asbury F. Haynes, late of Company C, Seventh Regiment Maine Infantry, and pay her a pension at the rate of $30 per month.

The name of Kitty A. Miller, widow of James Miller, late of Company F, Eighty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Laura A. Spanswick, widow of Frank Spanswick, late of Company H, Fourth Kentucky Infantry, and pay her a pension at the rate of $30 per month.

The name of Charlotte C. Oliver, widow of William Oliver, late of Company H, Twentieth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Troutman, widow of William D. Troutman, late of Company G, One Hundred and Twenty-eighth Indiana Infantry, and pay her a pension at the rate of $30 per month.

The name of Amanda Bastian, widow of Huston N. Bastian, late of Company H, One Hundred and Thirty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Dora J. Mayberry, widow of William H. Mayberry, late of Company G, Twenty-fourth Regiment Missouri Infantry, and pay her a pension at the rate of $30 per month.

The name of Mattie M. Jarrett, widow of Philip Jarrett, late of Company I, One Hundred and Eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month, and $30 per month when she attains the age of 60 years.

The name of Mary Pratt, widow of Alfred Pratt, late of Company D, Seventh Regiment Wisconsin Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Ward, widow of Iverson M. Ward, late of Company D, Sixty-eighth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Jessamine L. Benson, widow of Thomas S. Benson, late of Company A, Twentieth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $20 per month, and when she attains the age of 60 years, $30 per month.

The name of Alice E. Pillsbury, widow of George E. Pillsbury, late of Company D, First Regiment West Virginia Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Emma Williams, widow of Marian Williams, late of Company K, Eighteenth Regiment Illinois Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Hart, widow of John Hart, late of Company H, Seventy-second Enrolled Militia of Missouri, and pay her a pension at the rate of $30 per month.

The name of Martha E. Cox, widow of Warren Cox, late of Company I, Ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Dixie Louise Shane, widow of John Wesley Shane, late of Company K, Forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ila May Grindell, widow of Pearl L. Grindell, late of Company I, Twenty-eighth Regiment Maine Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Fahrenwald, widow of Charles Fahrenwald, late of Company F, Fifteenth Regiment New York Cavalry, and pay her a pension at the rate of $30 per month.

The name of Carrie Taylor Shockley, widow of Jasper Taylor, late of Company E, Eighteenth Regiment Wisconsin Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret E. Srout, widow of George Srout, late of Company C, One Hundred and Ninety-third Regiment Ohio Infantry, and pay her a pension at the rate of $30 per month.

The name of Lenora B. Easterday, widow of Simon P. Easterday, late of Company D, Ninety-sixth Regiment Ohio Infantry, and pay her a pension at the rate of $30 per month.

The amendment was agreed to.

Mr. McGILL. Mr. President, I submit an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 23, after line 20, it is proposed to strike out:

The name of Ariotha M. Perkins, widow of Albert W. Perkins, late of Company C, Eighteenth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The amendment was agreed to.

Mr. McGILL. I submit another amendment.

The CHIEF CLERK. On page 86, after line 19, after the committee amendment heretofore agreed to, it is proposed to insert:

The name of Mary L. Robinson, widow of Joseph E. Robinson, late of Company A, Twenty-fifth Indiana Infantry, and pay her a pension at the rate of $30 per month.

The amendment was agreed to.

Mr. McGILL. Mr. President, before the bill is passed, I desire to offer another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 23, it is proposed to strike out lines 21 through 24, inclusive, the proposed beneficiary having died June 2, 1935.

The amendment was agreed to.

Mr. KING. Mr. President, before the bill is passed I wish to call the attention of the chairman of the committee to three other bills which I find on the calendar, containing hundreds of names. I do not know whether or not they are all widows, nor do I know why they were not included in one bill.

Mr. McGILL. They are of a different class. The House and Senate committees have both approved of the items included in these various bills. The reason why they are different bills is because they came from the House in that way. There were added on in the Senate committee items of a similar character which have been introduced by Senators.

Mr. KING. Mr. President, I may say to the Senator that I find in many of these bills that males as well as widows are included.

Mr. McGILL. There is one bill, which I shall be glad to explain when we reach it, which is inclusive of males or men who have served enlistments created wholly by States, and where the Federal Government has compensated the State for the service. They are cases similar to others which have heretofore been recognized by Congress.

Mr. McKELLAR. Mr. President, just a few moments ago I withdrew my objection to a bill the title of which reads as follows: "An act granting pensions to certain widows of soldiers and sailors of the Civil War."

Mr. McGILL. What calendar number is that?

Mr. McKELLAR. Calendar No. 1296, House bill 8421, at the bottom of page 18 of the calendar. I now find at the top of page 19 of the calendar, Order of Business No. 1300, House bill 8424, apparently an identical bill, "An act granting increase of pensions to certain widows of soldiers and

sailors of the Civil War." Then just above that I find Order of Business No. 1298, House bill 8422, "An act granting pensions to certain former widows of soldiers and sailors of the Civil War." How do they become "former widows"? I am wondering what class of women they are.

Mr. TYDINGS. There are two bills granting pensions to "former widows."

Mr. McGILL. Some have been granted pensions at some time or other and by reason of acts of Congress or other causes have been stricken from the rolls.

Mr. COSTIGAN. Under such a bill as Calendar No. 1298, House bill 8422, one of the measures to be considered, is a widow classified as a "former widow" when she has remarried someone other than her first war husband?

Mr. McGILL. I do not have the records here and cannot tell the Senator.

Mr. TYDINGS. Mr. President, I do not want to object to any of these bills, but I wish the Senator would bear with me while I read the title of 6 bills, two or three of which have the same title. The first, for instance, is "An act granting pensions to certain widows of soldiers and sailors of the Civil War."

Next is "An act granting pensions to certain helpless and dependent children of soldiers and sailors of the Civil War." Those two are different.

Then comes "An act granting pensions to certain former widows of soldiers and sailors of the Civil War", followed by "An act granting increase of pensions to certain former widows of soldiers and sailors of the Civil War", and right beneath that is another one, "An act granting increase of pensions to certain widows of soldiers and sailors of the Civil War."

Then follows one reading "An act granting pensions to certain soldiers of the Civil War."

Mr. McGILL. They are different bills.

Mr. LOGAN. Mr. President, may I ask the Senator from Kansas a question?

Mr. McGILL. Certainly.

Mr. LOGAN. I cannot see the point in the question propounded by the Senator from Maryland [Mr. TYDINGS]. These bills come to us from the House in this form or in the form of an omnibus bill, and the titles to them are not the same.

Mr. McGILL. The Senator from Kentucky is quite correct. The House passes the bills and they come to the Senate and are being offered to the Senate with Senate committee amendments. If the Senator from Maryland would examine the bills, he would find they are not identical. Some relate to women who are very much older than others. Each and every one of the items contained in each and every one of the bills has been approved by the House Committee on Pensions and the Senate Committee on Pensions.

Mr. TYDINGS. I am trying only to elicit some information. House bill 8422 and House bill 8423 cover very much the same territory.

Mr. McGILL. They do.

Mr. TYDINGS. One of them is "An act granting pensions to certain former widows of soldiers and sailors of the Civil War", and the other is "An act granting an increase of pensions to certain former widows of soldiers and sailors of the Civil War."

Mr. McGILL. The increases in pensions are cases where they are already on the roll and have reached an advanced age, and the committee saw fit to recommend an increase in their pensions. These persons are wholly dependent upon their pensions for their livelihood and require constant care and attention.

Mr. TYDINGS. Calendar No. 1297, House bill 8425, at the top of page 19 of the calendar, is "An act granting pensions to certain helpless and dependent children of soldiers and sailors of the Civil War." That only applies to children.

Mr. McGILL. Those are the children of deceased veterans of the Civil War who have been wholly helpless since prior to the time of arriving at the age of 16 years and who were not put on the pension roll prior to reaching the age of 16 years. Under the law certain of those who were helpless, and had become helpless prior to becoming 16 years of age might, prior to reaching that age, become pensioners.

Mr. TYDINGS. They are for the most part over 16 years of age?

Mr. McGILL. Yes; but the point I am making is they have been in that condition since prior to the time they arrived at the age of 16 years.

Mr. TYDINGS. But most of them are getting pretty well along in years, are they not?

Mr. McGILL. I think the average age is something like 54 or 55 years.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McGILL. Certainly.

Mr. McKELLAR. The Senator stated a while ago that the former limitation in the case of widows was as to those who had married since 1905.

Mr. McGILL. All the widows' cases, except those who are on the pension rolls, are those who have married since June 27, 1905.

Mr. McKELLAR. With that limitation taken off, if a soldier 90 years of age today—and most of them are in that neighborhood—should get married today and die tomorrow, would his widow be entitled to a pension?

Mr. McGILL. Oh, no; these are specific cases.

Mr. McKELLAR. Individual pension cases?

Mr. McGILL. Certainly.

Mr. McKELLAR. The limitation is not removed?

Mr. McGILL. No. In answer to the question raised by the Senator from Utah [Mr. KING] I gave the amount the first pension bill on the calendar would cost the Government. I might say, in order that I shall not be misunderstood, that all these bills taken as a whole, if enacted, would require payment by the Government of $265,430 annually.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. McGILL. Certainly.

Mr. CLARK. I should like to ask the Senator from Kansas, who is more familiar with existing pension laws than I am, on what theory the Government should pay a pension to a man 55 or 60 or 65 years of age merely because his father was in the Army during the Civil War? That seems to me to be carrying the pension theory to the point of reductio ad absurdum.

Mr. McGILL. I might say it has been the practice of the Congress over a period of years to do this identical thing. As I stated in response to the Senator from Maryland [Mr. TYDINGS], under the general law where a child of a deceased Civil War veteran who has no means of support and in cases where there is no legal obligation on anyone to support such a child and who had become totally disabled prior to reaching the age of 16 years would, prior to becoming 16 years of age, be entitled to be put on the pension roll.

These are cases—and they have been recognized by Congress at different times—of persons who have now no one who is legally bound to support them, who have been totally disabled by reason of imbecility or some affliction of that character since prior to the time of arriving at 16 years of age. Why the Congress has heretofore and should now recognize that situation as entitling them to a pension the Senator can reason out as well as I can, but it has been the policy of the Government since we had pension laws first enacted following the Civil War.

I notice the Senator from Utah [Mr. KING] shakes his head. Does he doubt that statement?

Mr. KING. Oh, no. I am not sure that I wholly agree with the Senator, but I did not understand that the Federal Government was to go on indefinitely paying the children and grandchildren of men who were in the Civil War.

Mr. McGILL. That is a question, of course, for the Congress to determine. The Government has followed this policy. The bills with reference to children are identical with innumerable bills which have been passed by Congress in the form of omnibus pension bills over a long period of years. Since that question has been raised, if the Senator will bear with me just a moment——

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. McGILL. I yield.

Mr. FRAZIER. I am a member of the Pensions Committee, and have been ever since I have been a Member of the Senate. As I understand, children under 16 years of age are termed "dependent children", and until they reach the age of 16 they are entitled to a pension to take care of them. If the children are hopelessly crippled or incapable of taking care of themselves for some reason or other before they are 16, they are taken care of by pension until that time. If they continue to be wholly helpless or imbecile or something of that kind, under our regulations they have been taken care of as dependent children.

Mr. CLARK. But the situation presented by the bill is this:

The theory of the general law—which seems to me to be extending the whole theory of pensions to a remarkable degree in the first place—evidently was that where a soldier has died and left a minor child under the age of 16, who has become incapacitated, the Government should take the child out of the ordinary class of incapables whom the State is under an obligation to support, if he has no relatives who are under an obligation to support him, and put him in a special class.

The situation presented by this bill, as I understand, is that some 40 or 50 years ago the persons covered by the bill were incapacitated before the age of 16, although they are now of an average age of close to 60, and have been taken care of, either by the State or by somebody else, from that time on for 45 or 50 years; and now it is proposed to bring them in and put them on the pension roll.

Mr. McGILL. Where they have no means of support and no one legally bound to support them.

Mr. CLARK. Of course, the State is bound to support a helpless or incompetent person, as the State supports other incapables who have no means of supporting themselves. The proposal of this bill, as I understand, is to go back 40, 45, or 50 years, to find that the Government ought to have put these persons on the pension roll at that time, and, although it is 40 or 50 years later, to put them on the roll now.

Mr. McGILL. These are persons who are in identically the same class as persons who have been on the pension roll since they were 16 years of age, and are now the same age that these persons are. There is no distinction at all between them, except that in one case prior to this time they have been supported by somebody other than the Government. In the other case the Government has been supporting them since prior to reaching the age of 16 years. There are not many of this class of cases. The total cost of this bill to the Government will amount to something like forty-four or forty-five thousand dollars a year.

The PRESIDING OFFICER (Mr. MOORE in the chair). Is there objection to the further consideration of the bill?

Mr. CLARK. I am not going to object; but I do say that any general law which makes any such provision as that ought to be changed. There is no reason why an incompetent or incapable person should not be taken care of by the State, as other people in the same class are taken care of, merely because some 65 or 70 years ago his father happened to be in the Civil War.

Mr. KING. Mr. President, I should like to ask the Senator from Kansas another question. Are not a large number of those included in these bills women who since 1905 have married old soldiers who were almost on their deathbeds?

Mr. McGILL. I think not. I should think it would almost be a reflection on both the House committee and the Senate committee to say they would report to these bodies pension bills for persons who had no right to any consideration at the hands of either committee or either House.

Mr. KING. Mr. President——

Mr. McGILL. Permit me to say in response to the question of the Senator from Utah that I observe in going through the records that a large number of these persons, practically all of them, married the veteran along about 1906, 1907, 1908, 1909, or 1910. If the Senator will investigate the reports of the House committee and the Senate committee, I think he will find that statement is practically correct.

Mr. KING. Mr. President, will the Senator yield?

Mr. McGILL. Yes; I yield.

Mr. KING. I was a member of the Pensions Committee for some time when I first came to the Senate. I found that the current was too strong to be resisted to grant pensions where I believed they were not warranted, and I resigned from the committee. The Senator knows there was so much criticism of the pensions which were granted because of the marriages of women to old soldiers that we had to pass a law fixing a date beyond which they should not receive relief, and my recollection is that it was 1905. I have been told—that is merely hearsay, and I do not affirm it as a fact—that there are a number of cases in which, since that date, women have married old soldiers who were 80 or 85 or more years of age, and by reason of that marriage ceremony they would be entitled to a pension.

I have not any doubt that some of the evils which existed many years ago escaped the vigilant eyes of the very able committee of the Senate, as well as the very able committee at the other end of the Capitol; but I do agree with the Senator from Missouri that the pension system has not been wisely or justly administered, and that many have obtained pensions who were not entitled to them. A number of years ago, in the days of President Garfield, it was stated that when the pension rolls got up to $30,000,000 per year, there would be a gradual diminution. The total annual cost went on and on and on until it reached $120,000,000, and I do not know what was the maximum. It would seem that there will be no end to these private pensions, to say nothing of the general pension laws.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 8425) granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War, which had been reported from the Committee on Pensions with amendments.

The first amendment of the Committee on Pensions was, on page 26, after line 16, to strike out:

The name of Mary Love, helpless and dependent daughter of John Love, late of Company A, One Hundred and Forty-seventh Regiment New York Volunteer Infantry, and Company E, Twelfth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The amendment was agreed to.

The next amendment was, on page 29, after line 5, to insert:

The name of John C. Denbo, helpless child of Marcus L. Denbo, late of Company D, One Hundred and Forty-fourth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Hulda Dodds, dependent child of James Dodds, late of Company H, Tenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of William Edward Fugatt, dependent child of Edward Fugatt, late of Company A, Fourth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Alma Blance Shipman, dependent child of Wesly C. Shipman, late of Company F, Nineteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Clarence Edward Shipman, dependent child of Wesley C. Shipman, late of Company F, Nineteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Minnie O. Draper, dependent child of Alvin L. Draper, late of Troop B, First Regiment Rhode Island Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Frank C. Comstock, dependent child of Daniel E. Comstock, late of Company K, Twenty-seventh Regiment Massachusetts Infantry, and pay him a pension at the rate of $20 per month.

The name of Alzurah Long, dependent child of Samuel Long, late of Troop E, Thirteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Floreilla Roe, dependent child of Eli Roe, late of Company D, One Hundred and Fifty-second Regiment Ohio National Guard Infantry, and pay her a pension at the rate of $20 per month.

The name of Catherine Ott, dependent child of Jacob Ott, late of Company C, One Hundred and Sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Viola May Snow, dependent child of George Snow, late of Troop D, First Regiment Rhode Island Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Earnest G. Harvey, dependent child of Thomas D. Harvey, late of Company B, Sixty-fourth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Warren A. Small, dependent child of Nathaniel P. Small, late of Company E, Thirteenth Regiment Maine Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Roland Burkhart, dependent child of Napoleon B. Burkhart, late of Battery —, Thirteenth Regiment Ohio Light Artillery, and pay him a pension at the rate of $20 per month.

The name of John Doane Gardiner, dependent child of Asa B. Gardiner, late of Ninth and Twenty-second United States Infantry, and First United States Artillery, and pay him a pension at the rate of $20 per month.

The name of Lottie Rumrill, dependent child of Moses C. Rumrill, late of Company G, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Jacob R. Stiltner, dependent child of Frederick Stiltner, late of Company I, Thirty-ninth Regiment Kentucky Infantry, and pay him a pension at the rate of $20 per month.

The name of Fieldon Adkins, dependent child of James P. Adkins, late of Company G, Forty-seventh Regiment Kentucky Infantry, and pay him a pension at the rate of $20 per month.

The name of Sam H. Hadley, helpless child of Edwin Hadley, late of Company C, South Cumberland Battalion Kentucky State Troops, and pay him a pension at the rate of $20 per month.

The name of Joseph F. Haynes, helpless child of John R. Haynes, late of Company B, Third Regiment United States Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Mable Forrer, helpless and dependent child of John Forrer, late of Company I, Twenty-second Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Willard Hyser, helpless child of Judson Hyser, late of Company D, One Hundred and Thirty-seventh Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Blanche Walker, helpless child of William C. Walker, late of Company A, Eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Edward Morgan, helpless child of Sylvester Robinson, known as Charles Morgan, late of Company H, Fourteenth Regiment United States Infantry, and pay him a pension at the rate of $20 per month.

The name of Lizzie Sarver, helpless child of Henry H. Sarver, late of Company I, One Hundred and Forty-sixth Regiment Indiana Infantry, and pay her a pension at the rate of $20 per month.

The name of Nellie Minerva Woodward, helpless child of James T. Woodward, late of Company G, Thirty-first Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Frederick L. Long, helpless child of Edward F. Long, late of the United States Navy, and pay him a pension at the rate of $20 per month.

The name of Ada Hooker, helpless child of Enoch Hooker, late of Company K, Forty-fourth Regiment Missouri Infantry, and pay her a pension at the rate of $20 per month.

The name of William Henry Kelly, helpless child of William Kelly, late of Company I, Ninety-first Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Charles Rufus Koon, helpless child of Isaac Koon, late of Company D, Sixth Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Hattie Jane Koon, helpless child of Isaac Koon, late of Company D, Sixth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Fannie R. Sperzel, helpless child of Lewis Sperzel, late of Company K, Ninety-third Regiment Indiana Infantry, and pay her a pension at the rate of $20 per month.

The name of John Wesley Heal, helpless child of Henry A. Heal, late of Company H, Sixteenth Regiment Maine Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Roy Joyce, helpless and dependent child of Minos Joyce, late of Company H, Fourteenth Regiment United States Colored Infantry, and pay him a pension at the rate of $20 per month.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 8422) granting pensions to certain former widows of soldiers and sailors of the Civil War, which had been reported from the Committee on Pensions with amendments.

The first amendment of the Committee on Pensions was, on page 1, after line 6, to strike out:

The name of Agnes B. Currey, former widow of Elias Baker, late of Company K, One Hundred and Eighty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The amendment was agreed to.

The next amendment was, on page 6, after line 4, to insert:

The name of Nancy Jane Ruffin, former widow of Samuel Spires, late of Company E, Eleventh Regiment Pennsylvania Reserve Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hannah A. Smith, former widow of George H. Hermeling, late of Company G, Fifty-nine Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Langdon, former widow of Hiram Lewis, late of Company D, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Iva B. Erickson, former widow of Jonathan F. Whitson, late of Troop K, Eighth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The name of Effie Howard, former widow of Ednoch J. Hewitt, late of Company C, Seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The name of Sarah J. Parker, former widow of Berry Parker, late of Troop D, Eighth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lucy A. Rose, former widow of Ross Reed, late of Company D, Sixty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month and $30 per month when she attains the age of 60 years.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 8423), granting increase of pensions to certain former widows of soldiers and sailors of the Civil War, which had been reported from the Committee on Pensions with an amendment, on page 6, after line 22, to insert:

The name of Sarah J. Pitts, former widow of Christian Ellendorf, late of Battery F, First Regiment United States Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lovina Kenyon, former widow of Andrew F. Kenyon, late of Company K, Eighty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen Mullis Baker, former widow of Robert Mullis, late of Company E, Ninety-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Carnelia A. Damrell, former widow of Adonis Anderson, late of Company E, One Hundred and Forty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 8424) granting increase of pensions to certain widows of soldiers and sailors of the Civil War, which had been reported from the Committee on Pensions with amendments.

The first amendment of the Committee on Pensions was, on page 15, after line 5, to strike out:

The name of Eulise M. Hubbard, widow of Buford Hubbard, late of Company A, Fifth Regiment United States Colored Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 20, after line 17, to strike out:

The name of Catharine H. Oxley, widow of Alfred S. Oxley, late of Company F, Twelfth Regiment, and Company K, Twenty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 22, after line 14, to strike out:

The name of Margaret Marshall, widow of James S. Marshall, late of Company B, Fifth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 33, after line 6, to strike out:

The name of Eva J. Tucker, widow of William B. Tucker, late of Company H, Sixty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 54, after line 8, to strike out:

The name of Susan A. Miller, widow of Wilson H. Miller, late of Company E, Seventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 66, after line 10, to strike out:

The name of Mary J. Hobgood, widow of Francis M. Hobgood, late of Company B, Sixth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 75, after line 9, to strike out:

The name of Susan Rehard, widow of Joel Rehard, late of Company E, One Hundred and Forty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 76, after line 2, to strike out:

The name of Phoebe S. Decker, widow of Nathan B. Decker, late of Company K, Sixteenth Regiment New York Volunteer Infantry and Company B, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 86, after line 8, to insert:

The name of Lena Bradshaw, widow of John W. Bradshaw, late of Company B, Second West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Minnie Mahler, widow of Paul R. Mahler, late of Company C, One Hundred and Twenty-eighth Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jane A. McNelly, widow of Matthew McNelly, late of Company B, Fourth Battalion District of Columbia Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Morgan, widow of Elijah Morgan, late of Company H, First West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hannah Morrison, widow of Perry A. Morrison, late of Company F, Twenty-sixth Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary L. Parker, widow of Robert S. Parker, late of Company H, Forty-fourth Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Phillippi, widow of William Phillippi, late of Company H, First Provisional Battalion Pennsylvania Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen M. Thomas, widow of John H. Thomas, late of Troop C, Eleventh Kansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy J. Walker, widow of Adam R. Walker, late of Company A, Sixty-sixth Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Terressa Willoughby, widow of Francis Willoughby, late of Company A, Twenty-ninth Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Drusilla Wright, widow of James F. Wright, late of Company F, One Hundred and Thirty-seventh Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza A. Perry, widow of Henry A. Perry, late of Troop E, Eleventh Kansas Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia J. Barton, widow of Thomas J. Barton, late of Company I, Fourteenth Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Fred E. Barton, helpless and dependent son of said Lydia J. Barton, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Lydia J. Barton, the name of said Fred E. Barton shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $30 per month from and after the date of death of said Lydia J. Barton.

The name of Lizzie Wilford, widow of Louis Wilford, late of Company K, Forty-seventh Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Fowler, widow of John Fowler, late of Troop I, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Letha C. Durflinger, widow of Virgil M. Durflinger, late of Company K, Twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Polly Fuller, widow of Harry Fuller, late of Company I, Eighty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel Heizman, widow of Christopher Heizman, late of Company I, One Hundred and Fifty-fifth Regiment National Guard Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice V. Keeler, widow of David A. Keeler, late of Company F, Eleventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret Jane Loar, widow of Thomas M. Loar, late of Company C, Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy Montgomery, widow of Russell E. Montgomery, late of Troop D, First Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Robinson, widow of John Robinson, late of Company D, Fifth Regiment United States Colored Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Amelia Shultz, widow of John L. Shultz, late of Company A, Twenty-second Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Tennessee F. Maynard, widow of John H. Maynard, late of Troop F, Fifth Regiment Tennessee Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Blanche C. Hurd, widow of Charles E. Hurd, late of Company K, First Regiment Minnesota Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha L. Trefethen, widow of Epps A. Trefethen, late of the Sixth Battery, First Battalion Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Charlotte W. Stevens, widow of Alfred A. Stevens, late of Company F, Seventh Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances V. Morrill, widow of Warren J. Morrill, late of Company B, Sixth Regiment New Hampshire Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Susie D. Hanscome, widow of John W. Hanscome, late of Troop D, Second Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Coles, widow of Samuel Coles, late of Troop I, Thirteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Burrell, widow of Albert M. Burrell, late of Company H, First Battalion, Seventeenth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Dunn, widow of Peter Dunn, late of Company E, Seventeenth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of

The name of Catherine Merritt, widow of William Merritt, late of Company A, Second Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate O'Donnell Wood, widow of Frederick B. Wood, late of Company A, Twenty-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine A. Riley, widow of William Riley, late of Company F, Ninety-second Regiment New York Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Dora White, widow of Frank G. White, late of Company K, Eighty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie S. Wynne, widow of John Wynne, late of Company F, Seventy-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Achsah E. Purinton, widow of Granville Purinton, late of Company C, First Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary C. Boothe, widow of John A. Boothe, late of Company G, Twenty-seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louisa J. Rubbendall, widow of Jeremiah Rubbendall, late of Battalion I, First Illinois Volunteer Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Olson, widow of Halver H. Olson, late of Company I, Eighty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma J. Bratton, widow of Joseph M. Bratton, late of Company E, Twelfth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laurence C. Southwick, widow of George Southwick, late of the First Battery, Vermont Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Jasper, widow of Robert D. Jasper, late of Troop C, Ninth Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alzina M. Wilson, widow of Robert B. Wilson, late of Company G, Seventy-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Watkins, widow of Charles M. Watkins, late of Company H, Seventy-first Regiment New York State Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy S. Kemp, widow of Charles B. Kemp, late of Company F, Fifty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Missouri E. Griffith, widow of William L. Griffith, late of Company A, Fourth Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Dora Bridges, widow of Owen W. Bridges, late of Company I, Twenty-second Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Mary E. Wooten, widow of John Wooten, late of Troop C, Ninth Regiment Kansas Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Fanny Cunningham, widow of Josephus Cunningham, late of Company H, Seventy-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amelia Mathias, widow of Hans Mathias, late of Company I, Fifty-third Regiment Illinois Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lillie Dowdney, widow of Abraham Dowdney, late of Company C, One Hundred and Thirty-second Regiment New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of May S. King, widow of David W. King, late of Company E, Fifteenth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Stevenson, widow of Melvin S. Stevenson, late of Battery F, First Maine Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ruth A. Dana, widow of Loren C. Dana, late of Company H, One Hundred and Forty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 8426) granting pensions to certain soldiers of the Civil War, which had been reported from the Committee on Pensions with amendments.

The first amendment of the Committee on Pensions was, on page 4, after line 23, to strike out:

The name of Taylor Pinkston, late of Capt. Ezra King's company of Cape Girardeau County, Enrolled Missouri Militia, and pay him a pension at the rate of $50 per month.

The amendment was agreed to.

The next amendment was, on page 5, after line 2, to insert:

The name of Taylor C. Lyon, late of Company K, Seventy-seventh Regiment Enrolled Missouri Militia and pay him a pension at the rate of $50 per month.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADMINISTRATION AND EFFECT OF SILVER PURCHASE ACT OF 1934

Mr. PITTMAN. Mr. President, there is on the desk a favorable report on Senate Resolution 187, providing for the appointment of a special committee to investigate the administration and effect of the so-called "Silver Act." The resolution is unanimously reported by the Committee to Audit and Control the Contingent Expenses of the Senate. I ask unanimous consent for the present consideration of the resolution.

There being no objection, the resolution (S. Res. 187) submitted by Mr. PITTMAN on August 15, 1935, was considered and agreed to, as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to confer with the Secretary of the Treasury relative to the administration, and the economic and commercial effect in the United States and abroad, of the Silver Purchase Act of 1934, Public Law No. 438, Seventy-third Congress, approved June 19, 1934 (48 Stat. 1178).

The said special committee, or any subcommittee thereof duly authorized by the special committee, is further authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses, to employ and to call upon the executive departments for clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

The said special committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations.

The VICE PRESIDENT subsequently, under the terms of Senate Resolution 187, agreed to today, appointed Mr. PITTMAN, Mr. KING, Mr. THOMAS of Oklahoma, Mr. BORAH, and Mr. MCNARY as the special committee to confer with the Secretary of the Treasury, etc., regarding the Silver Purchase Act of 1934.

MINING OF COAL, OIL, AND OTHER MINERALS

Mr. O'MAHONEY. Mr. President, the House has passed and transmitted to the Senate the bill (H. R. 8289) to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, and 226), as amended.

This bill is a companion measure to Senate bill 3311, the conference report on which was adopted yesterday by both the House and the Senate. I therefore move that House bill 8289 be indefinitely postponed.

The motion was agreed to.

CREDITS FOR SUBSTITUTE LABORERS IN THE POST OFFICE

The Senate proceeded to consider the bill (H. R. 7709) to provide time credits for substitute laborers in the Post Office when appointed as regular laborers.

Mr. O'MAHONEY. Mr. President, this is a companion bill to Senate bill 2363, which was pending before the Committee on Post Offices and Post Roads. I move that the bill be amended by striking out all after the enacting clause and inserting the Senate bill.

Mr. MCKELLAR. Mr. President, by reason of inadvertence the Senate bill was not substituted for the House bill, and the Senate bill is the bill which should be passed. I hope the amendment of the Senator from Wyoming will be agreed to.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and to insert the following:

That section 5 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes", approved February 28, 1925 (43 Stat. 1053; U. S. C., title 39, sec. 101), is amended by adding thereto a new paragraph to read as follows:

"Whenever any substitute laborer, watchman, or messenger is appointed to a permanent position as laborer, watchman, or messenger, the substitute service performed by such laborer, watchman, or messenger shall be computed in determining the eligibility of such person for promotion to grade 2 on the basis of 306 days of 8 hours constituting a year's service. Effective at the beginning of the first quarter following approval of this act, all laborers, watchmen, and messengers who have not progressed to grade 2 shall be promoted to that grade, provided they have the necessary credit of 306 days of 8 hours each constituting a year's service."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide time credits for substitute laborers in the Post Office when appointed as regular laborers."

REFUNDS OF TAXES ILLEGALLY COLLECTED

The Senate proceeded to consider the bill (H. R. 4324) to carry out certain obligations under certain tribal agreements, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 7, after the word "taxation", to insert the words "or which by the terms of any act of Congress was continued under the supervision of the United States during the minority of any such allottee"; on line 11, after the word "required", to strike out the words "contrary to the law"; on line 12, after the word "any", to strike out the words "illegal or unauthorized"; on page 2, line 2, after the word "any", to strike out the word "allotted" and to insert the words "such tax exempt"; on line 3, to insert the words "during the period of such exemption or from any allotment during the minority of the allottee, or any such person who has been erroneously or illegally taxed by reason of not having claimed or received the benefit of any deduction or exemption permitted by law"; on page 2, line 12, to strike out the words "one year" and insert the words "two years"; on line 19, after the word "wards", to insert the words "or to exact for its own use and benefit an income or inheritance tax from them while they or their property continued under the supervision of the United States, and/or during the minority of such Indian allottee"; on page 3, line 3, after the word "allowed", to strike out the words "one year" and to insert in lieu thereof the words "two years", so as to make the bill read:

Be it enacted, etc., That any person duly enrolled as a member of an Indian tribe, who received, in pursuance of a tribal treaty, agreement with the United States, or act of Congress, an allotment of land, which by the terms of said treaty or agreement was exempt from taxation, or which by the terms of any act of Congress was continued under the supervision of the United States during the minority of any such allottee and from which land the restrictions have been or have not been removed, and who was permitted or required to pay any Federal inheritance tax or Federal income tax on the rents, royalties, or other gains arising from any such tax-exempt lands during the period of such exemption or from any allotment during the minority of the allottee, or any such person who has been erroneously or illegally taxed by reason of not having claimed or received the benefit of any deduction or exemption permitted by law and who would be entitled, under the law and rulings of the Treasury Department in similar Indian cases, to a refund of taxes so illegally or erroneously collected, but for the fact that he failed to file a claim for refund within the time prescribed by law, shall be allowed 2 years after the approval of this act within which to file such claim, and if otherwise entitled thereto, may recover such illegal taxes in the same manner and to the same extent as if such claim for refund had been theretofore duly filed, as required by law, it not being the policy of the Government to invoke or plead a statute of limitations to escape the obligation or agreements solemnly entered into with its Indian wards or to exact for its own use and benefit an income or inheritance tax from them while they or their property continued under the supervision of the United States, and/or during the minority of such Indian allottee: *Provided*, That in the event a refund has been paid to any person duly enrolled as a member of an Indian tribe, but who did not receive interest on such refunds in accordance with the laws and regulations in force at the time the refund was secured and who has failed to file a claim for the allowance of such interest, he shall be allowed 2 years after the approval of this act within which to file such claim, and, if otherwise entitled thereto, may recover such interest on such illegally collected taxes in the same manner and to the same extent as if such claim for interest had been theretofore duly filed as required by law: *Provided, however*, That in the case of the death of a member of an Indian tribe that his heirs who succeeded to his allotment of land be permitted to file claims and recover refunds or interest on refunds in the same manner as a duly enrolled member of an Indian tribe: *Provided further*, That in the case of the death of any enrolled member of an Indian tribe, any such illegal taxes paid by him or on his account, or interest claims due him, may, in like manner, be claimed and recovered by the person or persons who would have received such money, had it constituted a part of his estate at the time of his death.

SEC. 2. That all acts and parts of acts in conflict herewith are modified for the purpose, and only for the purpose, of carrying into effect the provisions hereof.

The amendments were agreed to.

Mr. LA FOLLETTE. Mr. President, this bill comes from the Committee on Indian Affairs, of which I am a member, but I was not able to be present at the time when it was reported. I think the Senate should know that it is the policy of the Finance Committee to look with disfavor upon measures proposing to extend the statute of limitations concerning tax matters. I do not know whether there are any special equities in this situation which would be compelling, but I do believe that the Senate should be aware of the fact that this bill proposes to extend the statute of limitations so far as income and inheritance taxes are concerned with relation to certain Indians, and it is contrary to the policy of the Finance Committee, so far as I know, in connection with bills of this character.

If there are any special, extenuating circumstances, I should be glad to hear from some member of the committee concerning it, because unfortunately I was unable to be present at the time when the bill was under consideration.

Mr. THOMAS of Oklahoma. Mr. President, in my State, especially in past times, lands have been allotted to Indians in severalty. These lands were allotted either under treaty stipulations or congressional enactments, and the Indians were assured that their lands would be kept free from taxation. At later dates laws were passed attempting to tax the lands of the Indians, and to tax the income from the lands, and the Treasury Department insisted that the Indians pay the taxes as ordered.

In many cases the Indians did pay the taxes. Some refused to pay the taxes; the matter reached the courts and the act was held to be unconstitutional, so these taxes were collected illegally.

On a former occasion the Indians were given the right to go to the Treasury and make claims for refunds. Some did and some did not. The pending bill is for the purpose of giving such Indians who paid taxes illegally, by force, although they made no particular protest, 2 years' time within which to file claims for refunds. That is the whole intent of the bill.

I think it is only fair and just that these Indian wards of the Government, where they have been forced to pay taxes without warrant of law, as it turned out, should have the right to file claims and have the Treasury Department pass upon them, and if the Treasury Department is of the opinion that the claims are just, let the Treasury Department have the right to make refunds according to the justice and equity of each particular case.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TERM OF UNITED STATES DISTRICT COURT, FLORIDA

Mr. TRAMMELL. Mr. President, there is on the desk House bill 8668, which I ask the Chair to lay before the Senate.

The Chair laid before the Senate the bill (H. R. 8668) providing for the establishment of a term of the District

Court of the United States for the Southern District of Florida at Fort Pierce, Fla., which was read twice by its title.

Mr. TRAMMELL. Mr. President, this bill is identical with Senate bill 3149, which passed the Senate an hour or two ago. I ask unanimous consent that the vote by which Senate bill 3149 was passed be reconsidered and that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which Senate bill 3149 was passed is reconsidered. The Senator from Florida asks that the Senate proceed to the consideration of House bill 8668. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a term of the District Court of the United States for the Southern District of Florida shall be held annually at Fort Pierce, Fla., on the first Monday in February: *Provided*, That suitable rooms and accommodations for holding court at Fort Pierce are furnished without expense to the United States. No deputy clerk or deputy marshal of the court shall be appointed for Fort Pierce.

The PRESIDING OFFICER. Without objection, Senate bill 3149 will be indefinitely postponed.

VACATIONS FOR GOVERNMENT EMPLOYEES

The bill (H. R. 8458) to provide for vacations to Government employees, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, in view of certain amendments which are to be offered, I suggest that this go over, and we may take it up a little later.

The PRESIDING OFFICER. The bill will be passed over.

SICK LEAVE OF CIVILIAN EMPLOYEES

The bill (H. R. 8459) to standardize sick leave and extend it to all civilian employees was announced as next in order.

Mr. KING. Mr. President, I make the same request as to this bill that I made in reference to the one just passed over.

The PRESIDING OFFICER. On objection, the bill will be passed over.

Mr. O'MAHONEY. Mr. President, what did the Senator from Utah say with reference to these two bills?

Mr. KING. There is an amendment or two to be suggested which will be taken up later.

Mr. O'MAHONEY. These amendments are simple amendments. I trust the Senator will not insist upon his objection.

Mr. KING. I have made my objection.

Mr. COSTIGAN. Mr. President, the Senator from Utah does not, I assume, intend to ask that the bills providing for vacations and sick leave shall go over beyond the present session of Congress?

Mr. KING. No, Mr. President. I ask for the regular order.

The PRESIDING OFFICER. The next bill on the Calendar will be stated.

DISTRICT OF COLUMBIA ALCOHOL BEVERAGE CONTROL ACT

The Senate proceeded to consider the bill (H. R. 6510) to amend the District of Columbia Alcoholic Beverage Control Act, which had been reported from the Committee on the District of Columbia with amendments.

Mr. KING. Mr. President, a full statement concerning this bill will be found on pages 2 and 3 of the report. The bill contains some needed amendments, and the Commissioners and the Alcohol Control Board have urged the adoption of the amendments as embodied in the bill.

Mr. ROBINSON. Is the committee report unanimous?

Mr. KING. Yes; the committee report is unanimous.

The PRESIDING OFFICER. The amendments reported by the Committee on the District of Columbia will be stated.

The amendments were, on page 1, line 3, after the word "subsection", it is proposed to strike out "(c)" and insert "(q)"; in line 6, after the numerals "1934", to strike out "be amended by adding at the end thereof the following sentence: 'The word "champagne" means any effervescent wine.'"; at the beginning of line 9, to strike out "SEC. 2. That subsection (q) of section 3 of said act"; on page 2, line 11, after the word "SEC.", to change the section number from 3 to 2; on page 3, line 14, to change the section number from 4 to 3; on page 4, after "SEC.", to change the section number from 5 to 4; on page 5, line 11, after "SEC.", to change the section number from 6 to 5; on page 6, line 8, to change the section number from 7 to 6; in line 21, to change the section number from 8 to 7; on page 8, line 6, to change the section number from 9 to 8; on page 9, line 5, to change the section number from 10 to 9; on page 10, line 20, to change the section number from 11 to 10; on page 11, to change the section number from 12 to 11; on page 12, line 15, to change the section number from 13 to 12; in line 18, after the word "has" and the comma, to strike out "within 5 years prior thereto, been convicted of a misdemeanor under the National Prohibition Act, as amended and supplemented, or,"; on page 13, line 3 to change the section number from 14 to 13; in line 7, before the word "or" where it occurs the first time, to strike out "parking," and insert "parking;"; in the same line, after the word "the", to strike out "same," and insert "same;"; in line 11, before the word "or", to strike out "premises," and insert "premises;"; in line 21, to change the section number from 15 to 14; on page 14, line 10, to change the section number from 16 to 15; on page 16, line 4, to change the section number from 17 to 16; on page 17, line 21, to change the section number from 18 to 17; and on page 18, after line 3, to strike out:

SEC. 19. That section 25 of the said act is amended to read as follows:

"SEC. 25. No licensee under this act shall allow any person who has, within 10 years prior thereto, been convicted of any felony, to sell, give, furnish, or distribute any beverage, nor allow any minor under the age of 21 years of age to sell, give, furnish, or distribute any beverage, except beer, or any minor under the age of 18 years of age to sell, give, furnish, or distribute beer."

SEC. 20. No licensee holding a retailer's license, class A, B, C, D, or E as provided for in the act entitled "An act to control the manufacture, transportation, possession, and sale of alcoholic beverages in the District of Columbia", approved January 24, 1934, shall transport in any manner whatsoever into the District of Columbia, or cause to be transported in any manner whatsoever into the District of Columbia, any alcoholic beverages except beer.

And on page 18, after line 20, to insert:

SEC. 18. The Commissioners of the District of Columbia are hereby authorized in their discretion to require by regulation that no licensee holding a retailer's license, class A, B, C, D, or E, as provided in the said act, shall transport, or cause to be transported, in any manner whatsoever into the District of Columbia any alcoholic beverage (except the regular stock on hand in a licensed railroad club or dining car or passenger-carrying marine vessel); and said Commissioners are also authorized to permit such importation under a special permit or permits, to be issued by the Alcoholic Beverage Control Board, upon application by a licensee and upon such terms and conditions and in such manner as may be prescribed by the said Commissioners. Any such regulation, permit, or system of permits may be suspended, amended, revoked, or abolished at any time by the said Commissioners.

So as to make the bill read:

Be it enacted, etc., That subsection (q) of section 3 of the act of Congress entitled "An act to control the manufacture, transportation, possession, and sale of alcoholic beverages in the District of Columbia", approved January 24, 1934, be amended so as to read as follows:

"(q) The word 'tavern' means a suitable space in a suitable building approved by the Board, including such suitable space outside of the building and adjoining it, as may be approved by the Board, kept, used, maintained, advertised, or held out to the public to be a place where sandwiches or light lunches are prepared and served for consumption on the premises in such quantities as to satisfy the Board that the sale of beer and light wines intended is no more than an incident to and not the prime source of revenue of such 'tavern.'"

SEC. 2. That section 6 of said act be amended so as to read as follows:

"SEC. 6. The right, power, and jurisdiction to issue, transfer, revoke, and suspend all licenses under this act shall be vested solely in the Board, and the action of the Board on any question of fact shall be final and conclusive; except that, in case a license is revoked or is suspended for a period of more than 30 days by the Board, the licensee may, within 10 days after the order of revocation, or the order of suspension for a period of more than 30 days is entered, appeal in writing to the Commissioners to review said action of the Board, the hearings on said appeal to be submitted either orally or in writing at the discretion of the Commissioners, and the Commissioners shall not be required to take evidence, either oral, written, or documentary. The decision

of the Commissioners on any question of fact involved in such appeal shall be final and conclusive. Pending such appeal the license shall stand suspended unless the Commissioners shall otherwise order.

"That the right and power be vested in the Board, for good cause shown, to issue permits for the sales of stocks of beverages located in the District of Columbia by individuals, corporations or associations, partnerships, executors, administrators, being owners thereof, receivers or other representatives of a court, to persons licensed under this act.

"Said Board shall have such other authority and perform such other duties as the Commissioners may, by regulation, prescribe."

SEC. 3. That subsection (a) of section 11 of the said act be amended so as to read as follows:

"(a) Manufacturers' license, class A: To operate a rectifying plant, a distillery, or a winery. Such a license shall authorize the holder thereof to operate a rectifying plant for the manufacture of the products of rectification by purifying or combining alcohol, spirits, wine, or beer; a distillery for the manufacture of alcohol or spirits by distillation or redistillation; or a winery for the manufacture of wine; at the place therein described, but such license shall not authorize more than one of said activities, namely, that of a rectifying plant, a distillery, or a winery, and a separate license shall be required for each such plant. Such license shall also authorize the sale from the licensed place of the products manufactured under such license by the licensee to another license holder under this act for resale or to a dealer licensed under the laws of any State or Territory of the United States for resale. It shall not authorize the sale of beverages to any other person except as may be provided by regulations promulgated by the Commissioners under this act. The annual fee for such license for a rectifying plant shall be $3,500; for a distillery shall be $3,500; and for a winery shall be $500: *Provided, however,* That if a manufacturer shall operate a distillery only for the manufacture of alcohol and more than 50 percent of such alcohol is sold for nonbeverage purposes, the annual fee shall be $1,000. If said manufacturer holding a license issued at the rate last mentioned shall sell during any license period 50 percent or more of said alcohol for beverage purposes, he shall pay to the collecter of taxes the difference between the license fee paid and the license fee for a distiller of spirits."

SEC. 4. That subsection (b) of section 11 of said act be amended so as to read as follows:

"(b) Manufacturers' license, class B: To operate a brewery. Such a license shall authorize the holder thereof to operate a brewery for the manufacture of beer at the place therein described. It shall also authorize the sale from the licensed place of the beer manufactured under such license to another license holder under this act for resale or to a dealer licensed under the laws of any State or Territory of the United States for resale, or to a consumer. Said manufacturer may sell beer to the consumer only in barrels, kegs, and sealed bottles and said barrels, kegs, and bottles shall not be opened after sale, nor the contents consumed, on the premises where sold. The annual fee for such license shall be $2,500."

SEC. 5. That subsection (c) of section 11 of the said act be amended so as to read as follows:

"(c) Wholesalers' license, class A: Such a license shall authorize the holder thereof to sell beverages from the place therein described to another license holder under this act for resale or to a dealer licensed under the laws of any State or Territory of the United States for resale, and, in addition, in the case of beer or light wines, to a consumer, said beverages to be sold only in barrels, kegs, sealed bottles, and other closed containers, which said barrels, kegs, sealed bottles, and other closed containers shall not be opened after sale, nor the contents consumed, on the premises where sold. It shall not authorize the sale of beverages to any other person except as may be provided by regulations promulgated by the Commissioners under this act.

"No holder of such a license except a wholesale druggist or a wholesale grocer shall be engaged in any business on the premises for which the license is issued other than the sale of alcoholic and nonalcoholic beverages.

"The annual fee for such license shall be $1,500."

SEC. 6. That subsection (d) of section 11 of the said act be amended so as to read as follows:

"(d) Wholesalers' license, class B: Such a license shall authorize the holder thereof to sell beer and light wines from the place therein described to another license holder under this act for resale or to a dealer licensed under the laws of any State or Territory of the United States for resale, or to a consumer in barrels, kegs, sealed bottles, and other closed containers, which said barrels, kegs, sealed bottles, and other closed containers shall not be opened after sale nor the contents consumed on the premises where sold.

"The annual fee for such license shall be $750."

SEC. 7. That subsection (h) of section 11 of the said act be amended so as to read as follows:

"(h) Retailers' license, class D: Such a license shall be issued only for a bona fide restaurant, tavern, hotel, or club, or a passenger-carrying marine vessel serving meals, light lunches, or sandwiches of a club car or a dining car on a railroad. Such a license shall authorize the holder thereof to sell beer and light wines at the place therein described for consumption only in said place. Except in the case of clubs and hotels, no beer or light wines shall be sold or served to a customer in any closed container. In the case of restaurants, taverns, and passenger-carrying marine vessels and club cars or dining cars on a railroad, said beer and light wines shall be sold or served only to persons seated at public tables or at bona fide lunch counters, except that beer and light wines may be sold or served to assemblages of more than six individuals in a private room when such room has been previously approved by the Board. In the case of hotels, beer and light wines may be sold and served only in the private room of a registered guest or to persons seated at public tables or at bona fide lunch counters or to assemblages of more than six individuals in a private room when such room has been previously approved by the Board. And in the case of clubs, beer and light wines may be sold and served in the private room of a member, or guest of a member, or to persons seated at tables. No license shall be issued to a club which has not been established for at least 3 months immediately prior to the making of the application for such license.

"The annual fee for such a license shall be $200; except that in the case of a marine vessel the fee shall be $20 per month or $200 per annum, and in the case of each railroad dining car or club car $1 per month or $10 per annum."

SEC. 8. That section 13 of the act be amended so as to read as follows:

"SEC. 13. Every license shall particularly describe the place where the rights thereunder are to be exercised, and beverages shall not be manufactured or kept for sale or sold by any licensee except at the place so described in his license: *Provided, however,* That the holder of a manufacturer's or wholesaler's license or the holder of a retailer's license, class C, and class D, issued for a passenger-carrying marine vessel or club car or a dining car on a railroad may store beverages, with the consent of the Board, upon premises other than the premises designated in the license. Every annual license shall date from the 1st day of February in each year and expire on the 31st day of January next after its issuance, except as hereinafter provided. Licenses issued at any time after the beginning of the license year shall date from the first day of the month in which the license was issued and end on the last day of the license year above described, and payments shall be made of the proportionate amount of the annual license fee. Every monthly license shall date from the first day of the month in which it is issued and expire on the last day of the month named in the license. Monthly licenses shall not be issued for periods exceeding 6 months."

SEC. 9. That section 17 of the act be amended so as to read as follows:

"SEC. 17. If any licensee violates any of the provisions of this act or any of the rules or regulations promulgated pursuant thereto or fails to superintend in person, or through a manager approved by the Board, the business for which the license was issued, or allows the premises with respect to which the license of such licensee was issued, to be used for any unlawful, disorderly, or immoral purpose, or knowingly employs in the sale or distribution of beverages any person who has, within 5 years prior thereto, been convicted of a misdemeanor under the National Prohibition Act, as amended and supplemented, or, within 10 years prior thereto, been convicted of any felony, or such licensee otherwise fails to carry out in good faith the provisions of this act, the license of said licensee may be revoked or suspended by the Board after the licensee has been given an opportunity to be heard in his defense, subject to review by the Commissioners in case of revocation or in case of suspension for a period of more than 30 days, as herein provided. In case a license issued hereunder shall be revoked or suspended, no part of the license fee shall be returned, and the Board may, in its discretion, subject to review by the Commissioners, as a part of the order of revocation provide that no license shall be granted for the same place for the period of 1 year next after such revocation, and in case such order shall be made no license shall, during said year, be issued for said place or to a person or persons whose license is so revoked for any other location.

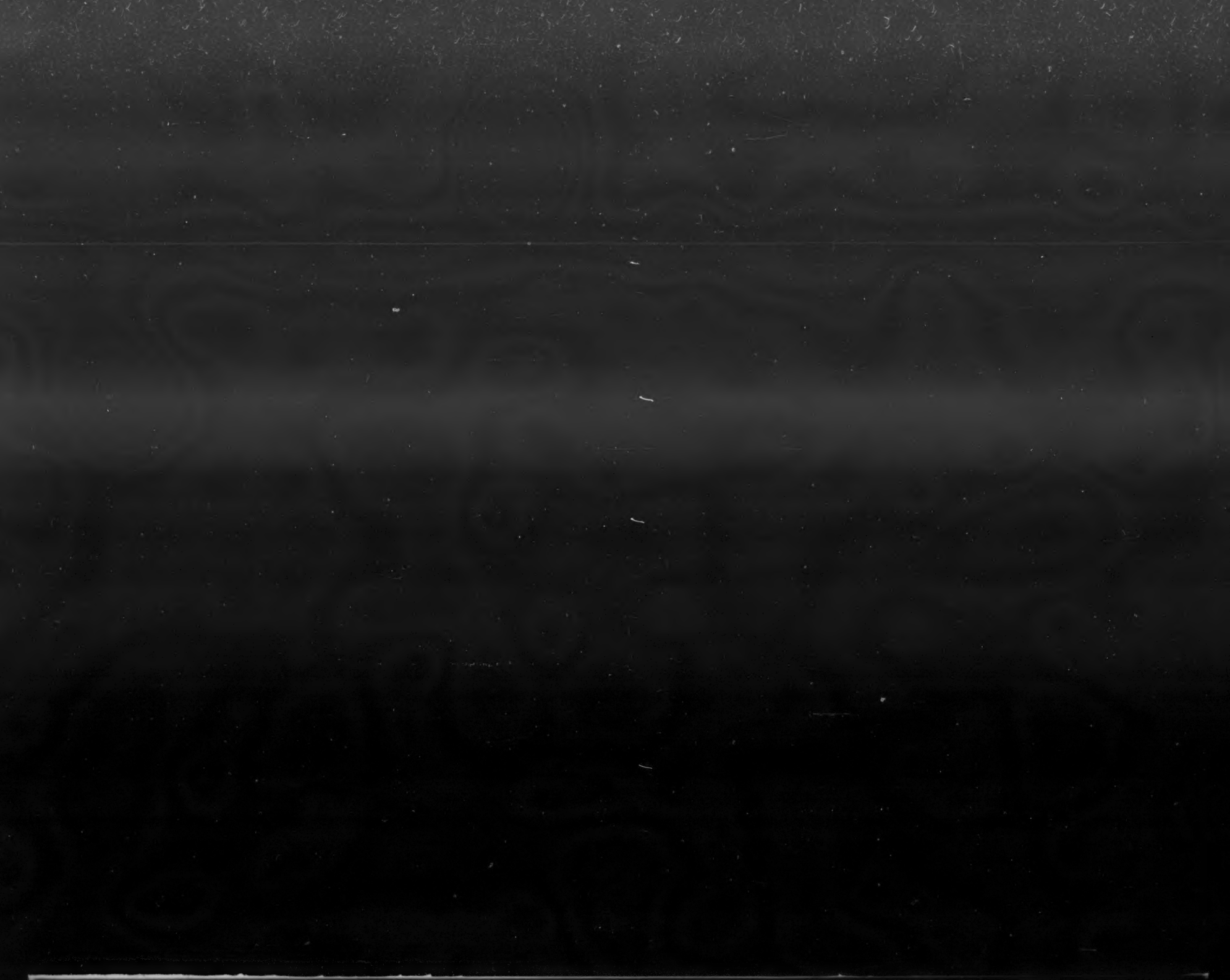
"That in the event the Board at any time shall order the suspension of any license a notice shall be posted by the Board, in a conspicuous place, on the outside of the licensed premises, at or near the main street entrance thereto; which notice shall state that the license theretofore issued to the licensee has been suspended and shall state the time for which said license is suspended, and state that the suspension is ordered because of a violation of the District of Columbia Alcoholic Beverage Control Act, or of the Commissioners' Regulations adopted under authority of said District of Columbia Alcoholic Beverage Control Act."

SEC. 10. That section 20 of the act be amended so as to read as follows:

"SEC. 20. Licenses issued hereunder shall not authorize the sale or delivery of beverages, with the exception of beer and light wines, to any person under the age of 21 years, or beer or light wines to any person under the age of 18 years, either for his own use or for the use of any other person; or the sale, service, or delivery of beverages to any intoxicated person, or to any person of notoriously intemperate habits, or to any person who appears to be intoxicated; and ignorance of the age of any such minor shall not be a defense to any action instituted under this section. No licensee shall be liable to any person for damages claimed to arise from refusal to sell such alcoholic beverages."

SEC. 11. That section 23 of the said act be amended by the addition of a new subsection to be designated (k), and to read as follows:

"(k) No taxing provision of subsection (a), (c), (e), and (i) of this section shall apply in the case of a passenger-carrying marine vessel operating in and beyond the District of Columbia, or a club car or a dining car on a railroad operating in and beyond the District of Columbia, for which a retailer's license,



class C or class D, has been issued under this act, except as set forth in this subsection.

"The tax as specified in subsection (a) of this section shall be paid on all such beverages as are sold and served by said licensee while passing through or when at rest in the District of Columbia, in the following manner: A record shall be made and kept by the licensee for each passenger-carrying marine vessel operating in and beyond the District of Columbia, and for each club car or dining car on a railroad operating in and beyond the District of Columbia, for which a retailer's license, class C or class D, has been issued under this act, of all alcoholic beverages sold and served in the District of Columbia, which record shall be subject to inspection by the Board. Each holder of such a license shall, on or before the 10th day of each month, forward to the Board on a form to be prescribed by the Commissioners, a statement under oath, showing the quantity of each kind of beverage, except beer and nontaxable light wines, sold under such license in the District of Columbia during the preceding calendar month, to which said statement shall be attached stamps denoting the payment of the tax imposed under this act upon the beverages set forth in said report."

SEC. 12. That section 25 of the act be amended so as to read as follows:

"SEC. 25. No licensee under this act shall allow any person who has, within 10 years prior thereto, been convicted of any felony, to sell, give, furnish, or distribute any beverage, nor allow any minor under the age of 21 years of age to sell, give, furnish, or distribute any beverage, except beer and light wines, or any minor under the age of 18 years to sell, give, furnish, or distribute beer and light wines."

SEC. 13. That subsection (a) of section 26 of the said act be amended so as to read as follows:

"(a) No person shall in the District of Columbia drink any alcoholic beverage in any street, alley, park, or parking; or in any vehicle in or upon the same; or in any place to which the public is invited for which a license has not been issued hereunder permitting the sale and consumption of such alcoholic beverage upon such premises; or in any place to which the public is invited (for which a license under this act has been issued) at a time when the sale of such alcoholic beverage on the premises is prohibited by this act or by the regulations promulgated thereunder. No person shall be drunk or intoxicated in any street, alley, park, or parking, or in any vehicle in or upon the same or in any place to which the public is invited or at any public gathering, and no person anywhere shall be drunk or intoxicated and disturb the peace of any person."

SEC. 14. That subsection (b) of section 26 of the said act be amended so as to read as follows:

"(b) Any person violating the provisions of this section shall be punished by a fine of not more than $100 or by imprisonment for not more than 30 days or by both such fine and imprisonment in the discretion of the court for the first offense; by a fine of not more than $200 or by imprisonment for not more than 60 days or by both such fine and imprisonment in the discretion of the court for the second offense; or by a fine of not more than $500 or by imprisonment for not more than 6 months or by both such fine and imprisonment in the discretion of the court for each subsequent offense."

SEC. 15. That section 18 of the said act is amended to read as follows:

"SEC. 18. If any manufacturer of beverages, whether licensed hereunder or not, by direct ownership, stock ownership, interlocking directors, mortgage, or lien, or by any other means shall have such a substantial interest, whether direct or indirect, in the business of any wholesale or retail licensee or in the premises on which said business is conducted as in the judgment of the Board may tend to influence such licensee to purchase beverages from such manufacturer, the Board may, in its discretion, revoke the license issued in respect of the business in which such manufacturer is interested, subject to review by the Commissioners as herein provided. No such manufacturer of beverages shall loan or give any money to any wholesale or retail licensee, or sell, rent, loan, or give to such licensee any equipment, furniture, fixtures, or property, or give or sell any service to such licensee: *Provided, however,* That with the prior approval of the Board, a manufacturer may sell, give, rent, or loan to a wholesale or retail licensee any service or article of property costing such manufacturer not more than $10. No wholesale or retail licensee shall receive or accept any loan or gift of money from any such manufacturer or purchase from, rent from, borrow, or receive by gift from such manufacturer any equipment, furniture, fixtures, or property, or accept or receive any service from such manufacturer: *Provided, however,* That, with the prior approval of the Board, a wholesale or retail licensee may purchase from, rent from, borrow, or receive by gift from such manufacturer any service or article of property costing such manufacturer not more than $10. Nothing herein contained, however, shall prohibit the sale of alcoholic and nonalcoholic beverages and the reasonable extension of credit therefor by a manufacturer to a wholesale or retail licensee. When used in this section the word 'manufacturer' shall include any stockholder holding directly or indirectly 25 percent or more of the common stock or any officer of a manufacturer of beverages, if a corporation, whether licensed hereunder or not. This section shall not apply to retail licenses, class E, or to the wholesale license held by a person not licensed as a manufacturer hereunder owning an establishment for the manufacture of beverages outside of the District of Columbia."

SEC. 16. That section 19 of the said act is amended to read as follows:

"SEC. 19. If any wholesaler of beverages, whether licensed hereunder or not, by direct ownership, stock ownership, interlocking directors, mortgage or lien or by any other means shall have such a substantial interest either direct or indirect in the business of any retail licensee or in the premises on which said business is conducted as in the judgment of the Board may tend to influence such licensee to purchase beverages from such wholesaler, the Board may in its discretion revoke the license issued in respect of the business in which such wholesaler is interested, subject to review by the Commissioners as herein provided. No such wholesaler of beverages shall lend or give any money to any retail licensee or sell to such licensee, any equipment, furniture, fixtures, or property, except merchandise sold at the fair market value for resale by such licensee, or rent, loan, or give to such licensee any equipment, furniture, fixtures, or property, or give or sell any service to such licensee: *Provided, however,* That, with the prior approval of the Board, a wholesaler may sell, give, rent, or loan to such licensee any service or article of property costing such wholesaler not more than $10. No retail licensee shall receive or accept any loan or gift of money from any such wholesaler or purchase from any such wholesaler any equipment, furniture, fixtures, or property, except merchandise purchased at the fair market value for resale, or rent from, borrow, or receive by gift from such wholesaler any equipment, furniture, fixtures, or property, or receive any service from such wholesaler: *Provided, however,* That with the prior approval of the Board, a retail licensee may purchase from, rent from, borrow, or receive by gift from such wholesaler any service or article of property costing such wholesaler not more than $10. Nothing herein contained, however, shall prohibit the reasonable extension of credit by a wholesaler for merchandise sold to a retail licensee for resale as herein permitted. When used in this section the word 'wholesaler' shall include any stockholder holding directly or indirectly 25 percent or more of the common stock or any officer of a wholesaler of beverages, if a corporation, whether licensed hereunder or not. This section shall not apply to retail licenses, class E."

SEC. 17. That section 23 of the said act is amended by striking therefrom the words "35 cents" immediately preceding the words "for every wine-gallon of wine" and inserting in lieu thereof the words "10 cents", and by striking therefrom the words "50 cents" immediately preceding the words "for every wine-gallon of champagne or any wine artificially carbonated" and inserting in lieu thereof the words "15 cents."

SEC. 18. The Commissioners of the District of Columbia are hereby authorized in their discretion to require by regulation that no licensee holding a retailer's license, class A, B, C, D, or E, as provided in the said act, shall transport, or cause to be transported, in any manner whatsoever into the District of Columbia any alcoholic beverage (except the regular stock on hand in a licensed railroad club or dining car or passenger-carrying marine vessel); and said Commissioners are also authorized to permit such importation under a special permit or permits, to be issued by the Alcoholic Beverage Control Board, upon application by a licensee and upon such terms and conditions and in such manner as may be prescribed by the said Commissioners. Any such regulation, permit, or system of permits may be suspended, amended, revoked, or abolished at any time by the said Commissioners.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FLORENCE OVERLY

The bill (H. R. 607) for the relief of Florence Overly was considered, ordered to a third reading, read the third time, and passed.

MAJ. E. LESLIE MEDFORD

The bill (H. R. 4923) for the relief of Maj. E. Leslie Medford, United States property and disbursing officer for Maryland, was considered, ordered to a third reading, read the third time, and passed.

MARY BROWN RALEY

The Senate proceeded to consider the bill (H. R. 5750) for the relief of Mary Brown Raley, which had been reported from the Committee on Claims with an amendment, on page 1, line 9, after the numerals "1932", to insert "and for expenses and losses resulting therefrom", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Brown Raley the sum of $750.50 in full settlement of all claims against the United States for injuries sustained in an automobile accident, in collision with an Army truck in Baltimore, Md., October 10, 1932, and for expenses and losses resulting therefrom: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services

rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

UNEMPLOYMENT COMPENSATION IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 7167) to provide for unemployment compensation in the District of Columbia, authorize appropriations, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and to insert the following:

DEFINITIONS

SECTION 1. As used in this act, unless the context indicates otherwise—

(a) The term "employer" means the District, and every individual and type of organization for whom services are performed under a contract of employment.

(b) The term "employment" means any service, of whatever nature, including employment in interstate commerce, performed after December 31, 1935, within the United States, by any individual under any contract of hire, oral or written, express or implied, so long as the greater part, as determined by the Board under regulations prescribed by it, of the service performed under such contract is performed within the District, except—

(1) domestic service in a private home;

(2) casual labor not in the course of the employer's trade or business;

(3) service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 21 in the employ of his father or mother;

(4) service performed in the employ of the United States Government or of an instrumentality of the United States.

(5) service performed in the employ of a Senator, Representative, Delegate, or Resident Commissioner, insofar as such service directly assists him in carrying out his legislative duties; and

(6) service performed in the employ of the District as a school officer or teacher, or as a member of the police or fire department, or by an individual who is subject to the act entitled "An act for the retirement of employees in the classified Civil Service, and for other purposes", approved May 22, 1920, as amended.

(c) The term "wages" means all remuneration for employment, including the cash value, as determined by the Board under regulations prescribed by it, of all remuneration paid in any medium other than cash. Whenever gratuities are received by an individual in the course of his employment from persons other than his employer, the Board, under regulations prescribed by it, shall determine the average amount of such gratuities generally received by individuals performing services of that nature, and the amount so determined shall, for the purpose of the contributions required and the benefits provided under this act, be included as a part of the wages of such individual.

(d) The phrase "weekly wage" as applied to any individual who has been engaged in employment for at least 30 hours in each of 26 or more weeks within the period of 104 weeks ending with the week in which such individual was last engaged in employment, means the sum obtained by dividing the total of the wages earned in all the weeks within such period in which he was engaged in employment at least 30 hours by the number of such weeks; and, as applied to any individual who has not been engaged in employment for at least 30 hours in each of 26 or more weeks within such period of 104 weeks, means the sum obtained by dividing the total of the wages earned in such period by the total number of weeks within such period in which he was engaged in employment.

(e) The phrase "totally unemployed" means that the individual concerned has performed in the particular week no services whatsoever for which remuneration (of any nature whatsoever) is payable, has not engaged in any self-employment, and is found by the Board to have been unable to engage in any self-employment in which he was formerly engaged.

(f) The phrase "partially unemployed" means that the individual concerned has failed to earn in the particular week remuneration (of any nature whatsoever) of at least $2 more than the benefit he would be entitled to receive under this act with respect to such week if totally unemployed and otherwise eligible.

(g) The phrase "dependent relative" means a mother, father, stepmother, stepfather, brother, or sister, who, because of age or physical disability, is unable to work, or a child under 16 years of age, who is wholly or mainly supported by the individual receiving the benefit.

(h) The term "Board" means the District Unemployment Compensation Board established by section 15 of this act.

(i) The term "District" means the District of Columbia.

(j) The term "benefits" means the payments to unemployed individuals provided for in section 7.

(k) The term "week" means the period commencing at 12:01 o'clock antemeridian Sunday and ending at 12 o'clock midnight the following Saturday.

(l) The term "month" means calendar month; except that, for the purpose of computing the contributions payable with respect to any calendar month, and for that purpose only, such calendar month shall be deemed, if, and to the extent that individuals are paid on a weekly basis, to be the period covered by all the weeks which commence within such calendar month.

(m) The phrase "Unemployment Trust Fund" means the Unemployment Trust Fund established by section 904 of the Social Security Act.

(n) The phrase "employment office" means a free public employment office or branch thereof in the District, operated by the United States Employment Service or by the District.

DISTRICT UNEMPLOYMENT FUND

SEC. 2. There is hereby established the District Unemployment Fund, into which shall be paid all contributions received or collected pursuant to this act and from which shall be paid all benefits provided for under this act. The fund shall be managed and controlled by the Board in the manner provided in this act; and the Board shall keep complete and accurate accounts of the status of the fund, and shall include a statement of such status in its yearly report to Congress.

EMPLOYER CONTRIBUTIONS

SEC. 3. (a) Every employer who employs one or more individuals in any employment shall, for each month, beginning with the month of January 1936, pay contributions equal to the following percentages of the total wages payable (regardless of the time of payment) with respect to such employment by him during such month:

(1) With respect to employment during the calendar year 1936 the rate shall be 1 percent;

(2) With respect to employment during the calendar year 1937 the rate shall be 2 percent;

(3) With respect to employment during the calendar years 1938, 1939, and 1940, the rate shall be 3 percent;

(4) With respect to employment during the calendar year 1941 and during each succeeding calendar year, the rate applicable to any employer shall be the rate determined pursuant to subsection (b) of this section.

(b) The Board shall, for each calendar year, commencing with the calendar year 1941, on the basis of the unemployment hazard attached to employment by the respective employers, (1) segregate the employers into classes, and (2) determine the rate of contribution, which shall not be less than 1½ percent nor more than 4 percent, to be paid by the employers of each such class: *Provided*, That in any such year the rate of contribution applicable to any employer shall be 3 percent unless there shall have been at least 3 calendar years throughout which benefits were payable with respect to any individual in his employ who became unemployed and was eligible for compensation, and the estimated total contributions payable by all employers in any such calendar year shall not be less than 3 percent of the estimated wages with respect to which such contributions are payable. In making such classifications the Board shall take into account all relevant and measurable factors which it deems to have a bearing on the unemployment hazard attached to employment by any employer, and shall apply such form of classification or such rating system as in its judgment is best calculated to rate individually the unemployment hazard most equitably for each employer or group of employers, and to encourage the stabilization of employment. The standards to be used as a basis of such classification for each calendar year shall be adopted by the Board at least 60 days prior to January 1 of such year, and shall be published in at least two newspapers of general circulation in the District once each week for 3 successive weeks during the month of November of the year preceding such January 1.

METHOD OF PAYING EMPLOYER CONTRIBUTIONS

SEC. 4. (a) The contributions required by section 3 shall be paid to and collected by the Board, and shall, immediately upon collection, be paid into the District Unemployment Fund.

(b) Not later than the fifteenth day after the close of each month, every employer shall make a return of and shall pay the contributions which shall have accrued with respect to wages payable with respect to employment by him within such month. Each such return shall be made under oath (except where the amount of the contribution payable is less than $10), shall be filed with the Board, and shall contain such information and be made in such manner as the Board may by regulations prescribe. No extension of the time for filing the return or for payment of the contributions shall be allowed to any employer.

(c) If the contributions are not paid when due, there shall be added, as part of the contributions, interest at the rate of 1 percent per month from the date the contributions became due until paid.

(d) In the event of the dissolution, insolvency, bankruptcy, composition, or assignment for benefit of creditors, of any employer, contributions then or thereafter due from such employer under this section shall have priority over all other claims, except taxes due the United States or the District, and wages (not exceeding $250 with respect to any individual) due for employment performed within the 6 months preceding such event.

(e) In payment of any contribution, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

APPROPRIATIONS

SEC. 5. There is hereby authorized to be appropriated to the District for each fiscal year, commencing with the fiscal year ending June 30, 1936, such sum as may be necessary to permit the District to pay the contributions required of it under this act.

DEPOSIT IN UNEMPLOYMENT TRUST FUND

SEC. 6. All money received in the District Unemployment Fund from sources other than the Unemployment Trust Fund shall be immediately paid over to the Secretary of the Treasury to the credit of the Unemployment Trust Fund to be held in trust for the District upon the terms and conditions provided in section 904 of the Social Security Act.

AMOUNT AND DURATION OF BENEFITS

SEC. 7. (a) Subject to the provisions of subsections (b) and (c) of this section, the Board shall pay, from the District Unemployment Fund, to every eligible individual (1) with respect to each week, commencing with the week beginning January 2, 1938, in which such individual was totally unemployed, a week's benefit, which shall be an amount, computed to the nearest half-dollar, equal to 40 percent of his weekly wage, plus 10 percent of such weekly wage if he has a dependent spouse, plus an additional 5 percent of such weekly wage for each dependent relative: *Provided*, That in no case shall the amount paid to any such individual for any week exceed $15, or 65 percent of his weekly wage, whichever is the lesser; and (2) with respect to each week commencing with the week beginning January 2, 1938, in which such individual was partially unemployed, an amount which when added to the total amount of remuneration (of any nature whatsoever) payable for services performed by such individual during such week, will total $2 more than the week's benefit to which he would be entitled if totally unemployed during such week.

(b) With respect to unemployment occurring within any period of 52 weeks, benefits shall be payable to every eligible unemployed individual (1) in the ratio of one-third of a week's benefit to each credit week which occurred within the period of 104 weeks, ending with the week in which he was last engaged in employment, until a total amount equivalent to 16 times a week's benefit has been paid to him; and (2) after such total has been paid, in the ratio of one-twentieth of a week's benefit to each credit week which occurred within the period of 260 weeks, ending with the week in which he was last engaged in employment.

(c) All payments of benefits under this section shall be charged, in accordance with the applicable ratio, against the earliest credit week or part thereof available for such purpose.

(d) As used in this section, the term "credit week" means a week in which the individual concerned performed some employment, against which no benefits have been charged, and with respect to which no benefits were paid to the individual: *Provided*, That any week occurring within the customary school-vacation period shall not be counted as a credit week in the case of any individual who attended a school, college, or university in the last-preceding school term, and returns to a school, college, or university at the end of such vacation period.

METHOD OF PAYING BENEFITS

SEC. 8. Each week the Board shall requisition, from the moneys to the credit of the District in the Unemployment Trust Fund, the amount required to pay the benefits accruing with respect to such week. Upon receipt of the amount requisitioned, the Board shall deposit it as part of the District Unemployment Fund in the Treasury of the United States as a special deposit to be used solely to pay the benefits provided in this act. All payments of benefits shall be made by checks drawn by the Board, shall be made at the employment offices designated by the Board, and shall be subject to a post, but not a prior, audit by the District auditor.

ELIGIBILITY FOR BENEFITS

SEC. 9. (a) An unemployed individual shall be eligible to receive benefits with respect to any week only if it has been found by the Board—

(1) that he has filed a claim for benefits in the form and at the time prescribed, and at the employment office designated, by the Board;

(2) that he has performed employment in at least 13 weeks within the period of 52 weeks ending with the week in which he was last engaged in employment;

(3) that he is physically able to work;

(4) that he is available for work and has registered and inquired for work at the employment office designated by the Board, with such frequency and in such manner as the Board may by regulations prescribe: *Provided*, That failure to comply with this condition may be excused by the Board upon a showing of good cause for such failure;

(5) that he has been totally unemployed and otherwise eligible for benefits under this act for a waiting period of at least 3 weeks with respect to which he received no benefits, prior to the week for which he claims benefits; and for the purpose of computing such waiting period, 2 weeks of partial unemployment shall be counted as 1 week of total unemployment. Such weeks of unemployment need not be consecutive but may be accumulated over the period of 52 weeks prior to the week for which he claims benefits; and

(6) that the total or partial unemployment in such week is not directly due to a strike or jurisdictional labor dispute still in active progress in the establishment where he is partially employed or was last employed.

(b) Copies of the regulations prescribed by the Board pursuant to paragraph (4) shall be furnished by the Board to such employer; and each employer shall post one of such copies on each of his premises in a conspicuous and easily accessible place and shall furnish a copy to each individual who leaves his employ.

DISQUALIFICATION FOR BENEFITS

SEC. 10. (a) An individual who has left his work voluntarily without good cause, as determined by the Board under regulations prescribed by it, shall not be eligible for benefits with respect to the week in which he so left nor with respect to the 3 weeks immediately following.

(b) An individual who has been discharged for misconduct occurring in the course of his work, proved to the satisfaction of the Board, shall not be eligible for benefits with respect to the week in which such discharge occurred nor with respect to such additional number of weeks immediately following (not less than 3 nor more than 6) as the Board may determine, under regulations prescribed by it, in proportion to the degree of such misconduct.

(c) If an individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, either to apply for new work found by the Board to be suitable when notified by any employment office, or to accept any such work when offered to him, he shall not be eligible for benefits with respect to the week in which such failure occurred nor with respect to the 3 weeks immediately following. In determining whether or not work is suitable within the meaning of this subsection the Board shall consider (1) the physical fitness and prior training and experience of the individual, (2) the distance of the place of work from the individual's place of residence, and (3) the risk involved as to health, safety, or morals. Benefits shall not be denied to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (1) If the position offered is vacant due directly to a strike, lockout, or other labor dispute; (2) if the wages, hours, or other conditions of the work offered are less favorable to the individual than those prevailing for similar work in the locality; (3) if as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(d) If an individual under 21 years of age otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, to attend courses at a vocational or other school when recommended by the manager of the employment office or by the Board and such courses are available at public expense, he shall not be eligible for benefits with respect to any week in which such failure occurred.

DETERMINATION OF CLAIMS

SEC. 11. (a) As soon as possible after an individual has filed a claim for benefits, an agent of the Board designated by it for such purpose shall determine whether or not such individual is entitled thereto and, if such individual is found to be so entitled, shall determine the week with respect to which payments will commence and the amount of the payments per week. Upon such determination, the agent shall give notice thereof to such individual and to his most recent employer, and benefits shall be paid or denied accordingly; but either party may file an appeal to the Board from such determination within 10 days after such notification was delivered to him or mailed to him at his last-known address, and in the event that any such appeal is filed, no benefits shall be paid to the individual until the appeal shall have been finally decided by the Board.

(b) Upon the filing of any such appeal, the Board shall appoint, in its discretion, either an examiner regularly employed by it on a salary basis or an appeal tribunal, to hold hearings at which both parties shall be given opportunity to present evidence and to be heard. In the conduct of such hearings, the parties shall not be bound by rules of evidence or other technical rules of procedure, but the examiner or appeal tribunal, as the case may be, shall use due diligence to ascertain the true facts of the case.

(c) On the basis of the evidence presented at such hearings, the examiner or appeal tribunal, as the case may be, shall make a finding of the facts of the case and shall render a decision in accordance therewith. Each such decision shall automatically become the decision of the Board and effective as such as of the tenth day following the date such decision was rendered, unless, before such tenth day, upon petition of either party under regulations prescribed by the Board or upon its own motion, the Board has affirmed, reversed, or modified such decision, or has set it aside and ordered a rehearing or the taking of additional evidence before the same or a different examiner or appeal tribunal, or the Board. All decisions rendered by the Board affirming, reversing, or modifying any decision of an examiner or appeal tribunal, shall become effective immediately.

(d) Each appeal tribunal shall consist of an examiner regularly employed by the Board on a salary basis and a representative of employees and a representative of employers designated by the Board. No such representative shall be regularly employed by the Board or have any financial interest, direct or indirect, in the case. In no case shall the hearings proceed unless the examiner designated as a member of the appeal tribunal is present; and, if either or both of such representatives fail to appear for any such hearing, the examiner shall proceed to hear the case. Each such representative shall be paid such sum, not in excess of $10, as the Board shall by regulations prescribe, for each day on which he actively engaged, or was present and prepared to engage, in the conduct of any such hearings.

(e) In the discharge of the duties imposed by this section, any member of the Board and any duly authorized examiner shall have power to administer oaths, take depositions, certify to official acts, and issue subpenas to compel attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with the disputed claim.

(f) A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at every hearing on any such claim shall be taken down by a stenographer, but shall not be transcribed except upon order of the Board or in the event of an appeal pursuant to section 12. Upon any such appeal, a copy of all the testimony and of the finding of facts upon which the Board's decision was based shall be filed with the court, and the facts so found shall, if supported by the evidence, be binding on the court.

(g) In the case of contumacy by, or refusal to obey a subpena issued to, any person, the Board may invoke the aid of the Supreme Court of the District of Columbia in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. Such court may issue an order requiring such person to appear before the Board or officer designated by the Board, there to produce records, if so ordered, or to give testimony touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if in his power so to do, in obedience to the subpena of the Board, shall be guilty of a misdemeanor, and, upon conviction shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than 1 year, or both.

(h) No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the Board or in obedience to the subpena of the Board or any member thereof or any officer designated by it, or in any cause or proceeding instituted by the Board, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(i) Witnesses subpenaed pursuant to this section shall be allowed fees at a rate fixed by the Board. Such fees and all other expenses of proceedings involving disputed claims shall be deemed part of the expense of administering this act.

COURT REVIEW

SEC. 12. (a) Within 30 days after the decision of the Board has become final, either party may appeal to the Supreme Court of the District of Columbia from such decision. Upon the filing of any such appeal notice thereof shall be served upon the Board by the appellant. Such appeals shall be heard by the court at the earliest possible date and shall be given precedence over all other civil cases. It shall not be necessary on any such appeal to enter exceptions to the rulings of the Board and no bond shall be required for entering such appeal. In no event shall an appeal act as a supersedeas.

(b) An appeal may be taken from a decision of such court to the United States Court of Appeals for the District.

ADMINISTRATION

SEC. 13. (a) The Board is hereby authorized and directed to administer the provisions of this act. The Board is further authorized to employ such officers, examiners, accountants, attorneys, experts, agents, and other persons, and to make such expenditures as may be necessary to administer this act, and to authorize any such person to do any act or acts which could lawfully be done by the Board. The Board may, in its discretion, require bond from any of its employees engaged in carrying out the provisions of this act.

(b) The Board is further authorized to prescribe all regulations which may be necessary to carry out the provisions of this act. Such regulations shall become effective 5 days after they have been published in a newspaper of general circulation in the District.

(c) The Board shall each year, not later than February 1, submit to Congress a report covering the administration and operation of this act during the preceding calendar year and containing such recommendations as the Board wishes to make.

(d) The Board shall, whenever it believes that a change in the contribution or benefit rates is necessary to protect the solvency of the fund, at once recommend such change to Congress if in session.

METHOD OF PAYING ADMINISTRATIVE EXPENSES

SEC. 14. All moneys received by the Board from the United States under title II of the Social Security Act or from other sources for administering this act shall, immediately upon such receipt, be deposited in the Treasury of the United States as a special deposit to be used solely to pay such administrative expenses. All such payments of expenses shall be made by checks drawn by the Board and shall be subject to audit by the District auditor in the same manner as are payments of other expenses of the District.

DISTRICT UNEMPLOYMENT COMPENSATION BOARD

SEC. 15. (a) There is hereby established the District Unemployment Compensation Board, to be composed of the Commissioners of the District as members ex officio, and one representative of employees and one representative of employers to be appointed by the Commissioners. Each such representative shall be a resident of the District and shall hold office for a term of 3 years from the date of his appointment; except that (1) any representative appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed only for the remainder of such term, and (2) the term of office of the first representative of employees shall be 2 years. The chairman of the Commissioners of the District shall be chairman of the Board.

(b) The Board shall administer this act through an executive officer to be appointed and employed by the Board. Such executive officer shall act as secretary of the Board and is hereby authorized to act in the name of the Board in all matters specifically delegated to him by the Board.

(c) The Commissioners of the District shall serve on the Board without additional compensation, but the representatives of employees and employers, respectively, shall be paid $10 for each day of active service.

RECIPROCAL AGREEMENTS WITH STATES

SEC. 16. The Board is hereby authorized, upon such terms as in its judgment will not result in any loss to the District Unemployment Fund, to enter into agreements with the proper authorities under State unemployment-compensation laws whereby there shall be effected with respect to individuals who have removed from employment in the District to employment in the State covered by the agreement, or who have removed from employment in such State to employment in the District, an exchange of the rights acquired by such individuals with respect to unemployment benefits in the place of their former employment. The terms of all such agreements entered into by the Board shall be published at least once in a newspaper of general circulation in the District.

RECORDS AND REPORTS

SEC. 17. (a) Every employer shall keep true and accurate employment records of all individuals employed by him in employment, including the hours of employment and the wages payable therefor. Such records shall be open to inspection by the Board every day except Saturdays, Sundays, and legal holidays, between the hours of 9 o'clock a. m. and 4 o'clock p. m.

(b) The Board may require from any such employer such reports in connection with his business, covering employment, employees, wages, hours, unemployment, and related matters, as the Board deems necessary to the effective administration of this act. Information thus obtained shall not be published or be open to the public in any manner which will reveal the employer's identity; and any person who violates any provision of this section shall be fined not less than $20 nor more than $200 or imprisoned not longer than 90 days, or both.

(c) Upon request therefor, the Board shall furnish to any agency of the United States or of the district charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation, and employment status of each recipient of benefits and a statement of such recipient's rights to further benefits under this act.

PROTECTION OF RIGHTS AND BENEFITS

SEC. 18. (a) No agreement by any individual to waive any of his rights under this act, or to pay any part of the contribution payable by his employer with respect to his or any other individual's employment shall be valid; nor shall any employer make, require, or permit any deduction from the wages payable to his employees for the purpose of paying any part of the contributions required of the employer under this act, or require or attempt to induce any individual to waive any right he may acquire under this act. Any employer who violates any provision of this subsection shall, for each such offense, be fined not less than $100 nor more than $1,000 or be imprisoned not more than 6 months, or both.

(b) No assignment of any right to benefits which are or may become due or payable under this act shall be valid or enforceable; and the right to any such benefits shall be exempt from levy, execution, attachment, and any other remedy whatsoever provided for the collection of debt; and the benefits received by any individual shall be exempt from the payment of all debts except debts accrued for necessaries furnished to such individual or his spouse at a time when such individual was unemployed. Exemptions provided for in this subsection may not be waived.

(c) No individual seeking to establish a claim for benefits shall be charged any fee whatsoever by the Board; and no person who represents any such individual in any proceeding shall charge or receive for his services a sum in excess of 10 percent of the aggregate amount of benefits received by such individual pursuant to the decision in such proceedings. Any person who violates any provision of this subsection shall, for each such offense, be fined not more than $500 or imprisoned not more than 1 year, or both.

PENALTIES

SEC. 19. (a) Whoever makes a false statement or representation, knowing it to be false, to obtain or increase any payment provided for in this act, for himself or any other individual, shall, for each such offense, be fined not less than $20 nor more than $100 or imprisoned not more than 60 days, or both.

(b) Any employer, and any officer or agent of an employer, who furnishes a false record or makes a false statement or representation, knowing it to be false, to avoid the payment of any or all of the contributions required of such employer under this act, or to prevent or reduce the payment of benefits to any individual entitled thereto, and any employer who willfully refuses to pay the contributions or to furnish any report required of him under this act, shall, for each such offense, be fined not less than $100 nor more than $1,000 or imprisoned not more than 6 months, or both.

DISPOSITION OF FINES

SEC. 20. The amount of all fines collected pursuant to the provisions of this act shall be turned over to the Board and by it paid into the District unemployment fund.

REPRESENTATION IN COURT

SEC. 21. (a) On the request of the Board, the United States district attorney for the District shall represent the Board in any action in court arising under this act or in connection with the administration and enforcement of its provisions, including actions for the collection of contributions due hereunder; but in any civil action the Board may be represented by its own counsel.

(b) Violations of any provision of this act shall be prosecuted by the United States district attorney for the District.

RIGHT TO AMEND OR REPEAL

SEC. 22. All the rights, privileges, or immunities conferred by this act or by acts done pursuant thereto shall exist subject to the power of Congress to amend or repeal this act at any time.

SEPARABILITY OF PROVISIONS

SEC. 23. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to other persons and circumstances, shall not be affected thereby.

SHORT TITLE

SEC. 24. This act may be cited as the "District of Columbia Unemployment Compensation Act."

Mr. KING. Mr. President, this bill was unanimously reported from the committee after hearings and investigation. Dr. Witte, before leaving for Europe, examined the bill very carefully; and the secretary for the Economic Securities Commission, Mr. Murray, has given valuable time in preparing the bill for consideration. The Senate legislative draftsman, Mr. Boots, and representatives of the two legislative drafting committees who drafted all the security bills have gone over the bill very carefully, and it is the result of the combined labor of the experts who have been advising in the social-security legislation and the legal experts who guide legislation in the Senate and the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. KING. Mr. President, inadvertently in the preparation of the bill an amendment adopted by the committee was omitted. I now offer on behalf of the committee the amendment which was omitted.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 54, after line 14, to insert a new subsection to read as follows:

(e) The Board is hereby authorized and directed, in the administration of this act, to cooperate to the fullest practicable extent with the Social Security Board created by the Social Security Act; to make such reports in such form and containing such information as the Social Security Board may from time to time require, and to comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports; and to comply with the regulations prescribed by the Social Security Board governing the expenditure of such sums as may be allotted and paid to the district under title III of the Social Security Act for the purpose of assisting in administering this act.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GUIRY BROS. WALL PAPER & PAINT CO.

The Senate considered the bill (S. 3195) for the relief of Guiry Bros. Wall Paper & Paint Co., which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Guiry Brothers Wall Paper & Paint Co., of Denver, Colo., out of any money in the Treasury not otherwise appropriated, the sum of $2,717.90, in full settlement for additional cleaning, repairing, and painting plaster in the Federal and Territorial Building at Juneau, Alaska, for which the Government received the benefit but for which no payment whatever has been made to said company, under contract no. T-1-sa-1773, dated July 2, 1931, with the United States Supervising Architect's Office, Treasury Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, or other party or parties, on account of services rendered in connection with said claim. It shall be unlawful for any such agent or agents, attorney or attorneys to collect, receive, exact, or withhold any portion of the amount appropriated in the act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

OFFICERS AND SOLDIERS IN PHILIPPINE ISLANDS AFTER APRIL 11, 1899

The bill (H. R. 2024) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, was considered, ordered to a third reading, read the third time, and passed.

MILTON HATCH

The bill (H. R. 2443) for the relief of Milton Hatch was considered, ordered to a third reading, read the third time, and passed.

JOHN B. GRAYSON

The bill (H. R. 2690) for the relief of John B. Grayson was considered, ordered to a third reading, read the third time, and passed.

WINT ROWLAND

The bill (H. R. 6267) for the relief of Wint Rowland was considered, ordered to a third reading, read the third time, and passed.

W. C. WRIGHT

The bill (H. R. 6268) for the relief of W. C. Wright was considered, ordered to a third reading, read the third time, and passed.

W. H. KEYES

The bill (H. R. 6269) for the relief of W. H. Keyes was considered, ordered to a third reading, read the third time, and passed.

HOMER J. WILLIAMSON

The bill (H. R. 616) for the relief of Homer J. Williamson was considered, ordered to a third reading, read the third time, and passed.

SANFORD MADISON STRANGE

The bill (H. R. 830) for the relief of Sanford Madison Strange was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 921) for the relief of Edgar Sampson was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? If not, let it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

HUGH G. LISK

The bill (H. R. 2126) for the relief of Hugh G. Lisk was considered, ordered to a third reading, read the third time, and passed.

L. E. GEARY

The bill (H. R. 4831) for the relief of L. E. Geary was considered, ordered to a third reading, read the third time, and passed.

SAMUEL W. CARTER

The bill (H. R. 5654) to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2996) for the relief of the Eberhart Steel Products Co., Inc., was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JESSE ASHBY

The bill (S. 2175) for the relief of Jesse Ashby was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the claim of Jesse Ashby, growing out of losses suffered under contract dated April 28, 1931, for painting plaster walls, Department of Commerce Building, Washington, D. C., is hereby referred to the United States Court of Claims with jurisdiction to hear the same to judgment and with instructions to adjudicate the same upon the basis of losses and/or damages suffered due to delays caused by the Government and/or to change made by substitution of Wall Hide sealer and first coater for the size coat as specified in the contract and/or to repainting surfaces where cracks in plaster were replastered and/or to the porous and chalky condition of the plaster making it necessary to apply more than three coats of paint as specified, for all of which labor and material the Government received the benefit and for which no compensation has been made.

BILL PASSED OVER

The bill (S. 3409) for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually, was announced as next in order.

Mr. ROBINSON. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

E. H. JENNINGS

The bill (H. R. 3759) for the relief of E. H. Jennings was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4852) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to training, practice, operation, or maintenance of the Army was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

MRS. WILLIAM E. SMITH AND CLARA SMITH

The bill (H. R. 7577) for the relief of Mrs. William E. Smith and Clara Smith was considered, ordered to a third reading, read the third time, and passed.

WILL A. HELMER

The bill (H. R. 3147) for the relief of Will A. Helmer was considered, ordered to a third reading, read the third time, and passed.

RAYMOND PARRAMORE

The bill (H. R. 3967) for the relief of Raymond Parramore was considered, ordered to a third reading, read the third time, and passed.

PAMLICO TIMBER CORPORATION

The bill (H. R. 5415) to confer jurisdiction on the District Court of the United States for the Eastern District of North Carolina, to hear, determine, and render judgment upon the claims of the Pamlico Timber Corporation against the United States was considered, ordered to a third reading, read the third time, and passed.

JOHN LIVINGSTON AND MRS. JOHN LIVINGSTON

The bill (H. R. 6275) for the relief of John Livingston and Mrs. John Livingston was considered, ordered to a third reading, read the third time, and passed.

ROCCO D'AMATO

The bill (H. R. 7099) for the relief of Rocco D'Amato was considered, ordered to a third reading, read the third time, and passed.

DAVID A. TROUSDALE

The bill (H. R. 7520) for the relief of David A. Trousdale was considered, ordered to a third reading, read the third time, and passed.

MARY E. LORD

The Senate proceeded to consider the bill (H. R. 5097) for the relief of Mary E. Lord, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert in lieu thereof "$2,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary E. Lord, Malden, Mass., the sum of $2,500. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Mary E. Lord as the result of being struck and seriously injured by a United States mail truck in Everett, Mass., on March 31, 1932: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JUDSON STOKES

The bill (H. R. 4860) for the relief of Judson Stokes was considered, ordered to a third reading, read the third time, and passed.

BROOKER T. WILKINS

The bill (H. R. 6177) for the relief of Brooker T. Wilkins was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1763) to amend the act entitled "An act to adjust the compensation of certain employees in Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930, was announced as next in order.

Mr. ROBINSON. Mr. President, I should like to have a statement about the bill, because it appears to be a measure of considerable importance. I do not wish to object to its consideration.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

ROBERT H. MUIRHEAD

The bill (S. 2072) for the relief of Robert H. Muirhead was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Robert H. Muirhead, who was a member of the Quartermaster Corps, Camp McClellan, Ala. (Army serial no. 1298485), shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 18th day of December 1918: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

FRANK P. HOYT

The Senate proceeded to consider the bill (S. 1464) for the relief of Frank P. Hoyt, which had been reported from the Committee on Military Affairs, with an amendment to add at the end of the bill a proviso:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers Frank P. Hoyt, who was a member of Troop D, Eighth Regiment United States Cavalry, shall hereafter be held and considered to have served for more than 90 days during the Philippine Insurrection and to have been honorably discharged on the 1st day of June 1900: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act: *And provided further*, That the rights, privileges, and benefits conferred upon Frank P. Hoyt by reason of the enactment of this act shall be limited to admission to a soldiers' home under the regulations governing such admissions.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RIO GRANDE CANALIZATION PROJECT

The bill (S. 3085) authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose was announced as next in order.

Mr. ROBINSON. Mr. President, I see that the Senator from New Mexico [Mr. CHAVEZ] is present. I wish to say that this proposed legislation is made necessary by reason

of the existence of a treaty between the United States and Mexico apportioning the water in the Rio Grande. The bill was very carefully considered by the Committee on Foreign Relations. It was introduced by both Senators from New Mexico.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments.

The first amendment was, in section 1, page 2, line 7, after the word "United", to strike out "States and works for the canalization of the Rio Grande from the Caballo Reservoir site in New Mexico to the international dam near El Paso, Tex." and to insert in lieu thereof "States, with appurtenant connections to existing irrigation systems", so as to make the section read:

That upon the completion of the engineering investigation, study, and report to the Secretary of State, as heretofore authorized by Public Resolution No. 4, Seventy-fourth Congress, approved February 13, 1935, the Secretary of State, acting through the American Section, International Boundary Commission, United States and Mexico, in order to facilitate compliance with the convention between the United States and Mexico concluded May 21, 1906, providing for the equitable division of the waters of the Rio Grande, and to properly regulate and control, to the fullest extent possible, the water supply for use in the two countries as provided by treaty, is authorized to construct, operate, and maintain, in substantial accordance with the engineering plan contained in said report, a diversion dam in the Rio Grande wholly in the United States, with appurtenant connections to existing irrigation systems, and to acquire by donation, condemnation, or purchase such real and personal property as may be necessary therefor.

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 15, after the words "sum of", to strike out "$4,000,000" and insert in lieu thereof "$1,000,000", and to add at the end of the section the following: "or as directed by the President of the United States", so as to make the section read:

SEC. 2. There is authorized to be appropriated the sum of $1,000,000 for the purposes of carrying out the provisions of section 1 hereof, other than for operation and maintenance, including salaries and wages, fees for professional services; rents; travel expenses; per diem in lieu of actual subsistence; printing and binding, law books and books of reference: *Provided*, That the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) shall not apply to any purchase made or service procured when the aggregate amount involved is $100 or less; purchase, exchange, maintenance, repair, and operation of motor-propelled passenger- and freight-carrying vehicles; hire with or without personal services, of work animals and animal-drawn and motor-propelled vehicles and equipment; acquisition by donation, condemnation, or purchase of real and personal property; transportation (including drayage) of personal effects of employees upon change of station; telephone, telegraphic, and air mail communications; rubber boots for official use by employees; ice; equipment, services, supplies, and materials and other such miscellaneous expenses as the Secretary of State may deem necessary properly to carry out the provisions of the act: *Provided*, That any part of any appropriation made hereunder may be transferred to, for direct expenditure by, the Department of the Interior pursuant to such arrangements therefor as may be from time to time effected between the Secretary of State and the Secretary of the Interior, or as directed by the President of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HELEN GALLAGHER DOMINIAN

The bill (S. 3386) for the relief of Helen Gallagher Dominian was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen Gallagher Dominian, widow of Leon Dominian, late Foreign Service officer, class 3, Montevideo, Uruguay, the sum of $7,800, being 1 year's salary of her deceased husband who died while in the Foreign Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

JURY SERVICE IN POLICE COURTS OF DISTRICT

The bill (H. R. 8580) to amend the law with respect to the time for jury service in the police court of the District of Columbia was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 166 of title 18 of the Code of the District of Columbia of 1929, otherwise known as section 45, as amended, of the Code of Law for the District of Columbia, approved March 3, 1901, be, and the same is hereby, amended to read as follows:

"The jury for service in said court shall consist of 12 persons, who shall have the legal qualifications necessary for jurors in the Supreme Court of the District of Columbia, and shall receive a like compensation for their services, and such jurors shall be drawn and selected under and in pursuance of the laws concerning the drawing and selection of jurors for service in said court, and shall serve for a like term as the petit jury in the Supreme Court of the District of Columbia. When at any term of said court it shall happen that in a pending trial no verdict shall be found, nor the jury otherwise discharged before the next succeeding term of the court, the court shall proceed with the trial by the same jury, as if said term had not commenced: *Provided*, That this act shall not be effective as to any panel or panels of jurors drawn under the existing law."

EXEMPTION FROM JURY SERVICE IN DISTRICT

The Senate proceeded to consider the bill (H. R. 8581) to amend the law providing for exemptions from jury service in the District of Columbia, which was read, as follows:

Be it enacted, etc., That section 360 of title 18 of the Code of the District of Columbia of 1929, otherwise known as "section 217 of the Code of Law for the District of Columbia", approved March 3, 1901, be, and the same is hereby, amended to read as follows:

"All executive and judicial officers of the Government of the United States and of the District of Columbia, all officers and enlisted men of the Army, Navy, Marine Corps, and Coast Guard of the United States in active service, those connected with the police and fire departments of the United States and of the District of Columbia, counselors and attorneys at law in actual practice, ministers of the gospel and clergymen of every denomination, practicing physicians and surgeons, keepers of hospitals, asylums, almshouses, or other charitable institutions created by or under the laws relating to the District of Columbia, captains and masters and other persons employed on vessels navigating the waters of the District of Columbia shall be exempt from jury duty, and their names shall not be placed on the jury lists.

"All other persons, otherwise qualified according to law whether employed in the service of the Government of the United States or of the District of Columbia, all officers and enlisted men of the National Guard of the District of Columbia, both active and retired, all officers and enlisted men of the Military, Naval, Marine, and Coast Guard Reserve Corps of the United States, all notaries public, all postmasters and those who are the recipients or beneficiaries of a pension or other gratuity from the Federal or District Government or who have contracts with the United States or the District of Columbia, shall be qualified to serve as jurors in the District of Columbia and shall not be exempt from such service: *Provided*, That employees of the Government of the United States or of the District of Columbia in active service who are called upon to sit on juries shall not be paid for such jury service but their salary shall not be diminished during their term of service by virtue of such service, nor shall such period of service be deducted from any leave of absence authorized by law."

Mr. LA FOLLETTE. Mr. President, will the Senator from Utah [Mr. KING] give a brief explanation of the purpose of the bill?

Mr. KING. Mr. President, the bill is recommended by the bar association, by the District Commissioners, and by the corporation counsel. Under existing law there are so many exemptions that it is sometimes difficult to obtain a jury. It is the desire to limit the number of exemptions so it may be possible to draw jurors from a broader citizenship and to have an improved service in the District.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ENFORCEMENT OF TAX LIENS ON DISTRICT REAL ESTATE

The Senate proceeded to consider the bill (S. 3035) to provide for enforcing the lien of the District of Columbia upon real estate bid off in its name when offered for sale for arrears of taxes and assessments, and for other purposes, which was read, as follows:

Be it enacted, etc., That whenever any real estate in the District of Columbia has been, or shall hereafter be, offered for sale for nonpayment of taxes or assessments of any kind whatsoever, and shall have been bid off in the name of the District of Columbia, and more than 2 years shall have elapsed since such property was bid off as aforesaid and the same has not been redeemed as provided by law, the Commissioners of said District may, in the name of the District aforesaid, petition the Supreme Court of the

District of Columbia, sitting in equity, to enforce the lien of said District for taxes or other assessments on the aforesaid property by decreeing a sale thereof; and up to the time of the sale hereinafter provided for such property may be redeemed by the owner or other person having an interest therein by the payment of all taxes or assessments due the District of Columbia upon said property and all legal penalties and costs thereon, together with such other expenses as may have been incurred by said District prior to and as a result of the filing of the action herein provided for.

SEC. 2. That before any such action shall be instituted the aforesaid Commissioners shall cause notice to be given in the name appearing upon the records of the assessor as the owner of such property, by registered mail directed to the last-known address of such person, and by publication once a week for 3 successive weeks in some daily newspaper published and circulated generally in the District of Columbia, against said person and "all other persons having or claiming to have any right, title, or interest in or to the real estate proposed to be proceeded against, their heirs, devisees, executors, administrators, and assigns", by such designation, to appear before them on a day certain, which day shall be at least 10 days after the last publication of said notice, and show cause, if any they have, why the said real estate should not be proceeded against. For the purpose of the proceedings herein provided for, the person appearing by the assessor's records, at the time of the first publication of notice, as the owner of such property, and any other persons who may appear in response to the publication aforesaid and claim to have an interest in such property, shall be deemed proper parties defendant in any such proceedings. Upon the filing of the petition aforesaid, the court shall pass an order directed to the person or persons named as defendants therein and "to all other persons having or claiming to have any right, title, or interest in the real estate proposed to be sold, their heirs, devisees, executors, administrators, and assigns", by such designation, directing them to appear on a day certain, which day shall be not less than 30 days after the date of the last publication of said order, and show cause, if any they have, why said real estate should not be proceeded against and sold. The said order shall be published once a week for 3 successive weeks in some daily newspaper published and circulated generally in the District of Columbia, and such publication shall be considered as sufficient service upon such person or persons as cannot be found by the marshal within the District of Columbia or who are nonresident or unknown, their heirs, devisees, executors, administrators, and assigns; and the proceedings or sale of such real estate shall not be rendered invalid if the true owner or owners or any other person or persons having any right, title, or interest in said real estate shall not be included as a party to the suit, if it shall appear that the publication herein provided for shall have been duly made.

SEC. 3. Upon proof in said suit of the failure of the owner of any such property to redeem the same as provided by law, the court shall, without unreasonable delay, decree a sale of the property to satisfy the lien of the District of Columbia for taxes, assessments, penalties, interest, and costs, and any other costs or expenses that have been incurred by said District prior to or after the institution of suit and in connection therewith, which said costs shall include court costs, but in no such case shall there be any allowance by court of a docket fee, attorney's fee, or trustee's commission. All such sales shall be conducted by the collector of taxes or his deputy, by public auction either in the office of said collector or in front of the premises to be sold, as the court may determine, after advertisement for 10 consecutive days in some daily newspaper published and circulated generally in the District of Columbia: *Provided*, That if it shall appear that there were any substantial defects in any tax sale no part of the penalties and charges incidental to such sales shall be collectible; but nothing herein contained shall in any wise affect any costs incurred by the District of Columbia in the institution and prosecution of the suit.

SEC. 4. Every such sale shall be reported to and confirmed by said equity court, and no sale shall be made for an amount less than such aggregate taxes, interest, and costs incurred in the institution of suit, including advertising and sale, unless by express order of the court. Any surplus remaining from sales made under this act shall be paid by the collector of taxes into the registry of the court, to abide its further order for payment to the person or persons entitled thereto; and any such moneys remaining unclaimed for a period of 5 years after confirmation of any such sale shall be paid into the Treasury of the United States and credited to the revenues of the District of Columbia. Upon confirmation of such sale by order of court and payment of the purchase price, and upon full compliance with all of the terms of sale, the clerk of the court shall execute and deliver to the purchaser a deed to the property so sold, which deed shall convey to said purchaser all of the right, title, and estate of all persons whether named in such suit or not.

SEC. 5. That all acts or parts of acts inconsistent herewith are hereby repealed.

Mr. LA FOLLETTE. Mr. President, there are several District bills on the calendar at this point. I wish the Senator from Utah [Mr. KING] would give us a brief explanation of each as it is called.

Mr. KING. Mr. President, under the present law there are a large number of delinquent taxpayers. The District of Columbia is compelled to bid in the property when it is advertised for sale to meet the delinquent taxes. Years have gone by with respect to a considerable number of these parcels of land which have been bid in. Under the law, in order to sell such property, it must be advertised, the title must be traced, and the District government must ascertain whether any lien holders exist, whether of record or otherwise. The result is that a large number of parcels of land have accumulated and the Government is getting no revenue from them and cannot sell them until court proceedings are had. The bill enables the District to bring suit with less difficulty than at the present time.

Mr. TYDINGS. Mr. President, I should like to point out in connection with the remarks of the Senator from Utah that the law grants a period of redemption of 4 years. After the 4-year period has ended all prospective heirs have to be notified, and the District cannot notify them all, as may be readily understood. Under the provisions of the bill, after the 4-year period shall have expired the District would have the right to serve notice by publication.

Mr. LA FOLLETTE. Mr. President, if I understand the Senator correctly, there is no reduction of the period in which property may be redeemed?

Mr. TYDINGS. None whatever.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF PIPE LINES IN DISTRICT

The Senate proceeded to consider the bill (S. 3270) to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia, which was read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and are hereby, authorized and empowered to grant permission to the Decatur Corporation, a corporation organized in the State of Delaware, owner of that part of square 1067, bounded by L Street SE. on the north, Fourteenth Street SE. on the west, Fifteenth Street SE. on the east, and to the right-of-way of the Philadelphia, Baltimore & Washington Railroad on the south, in the city of Washington in the District of Columbia, its successors and assigns, to lay down, construct, maintain, and use not more than five pipe lines for the carriage of petroleum and petroleum products from a point or points north of said railroad right-of-way within square 1067, in and through Fifteenth Street SE., due south to the pierhead line of the Anacostia River.

SEC. 2. That all the construction and use provided for herein shall be under such regulations and rentals as the Commissioners of the District of Columbia may make and establish in connection therewith and all plans and specifications for such construction shall be subject to their approval. The Commissioners of the District of Columbia shall have full authority to designate the location and to cause such repairs or relocation of said pipe lines as the public necessity may require, any such repairs or relocation to be at the expense of the Decatur Corporation, its successors or assigns.

SEC. 3. That no permission granted or enjoyed hereunder shall vest any title or interest in or to the land within Fifteenth Street SE.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. KING. Mr. President, this bill is an illustration of the compelling necessity for giving to the Commissioners additional authority to deal with these unimportant questions. They cannot now grant authority for a pipe line to be constructed across the street or an alley without coming to Congress. In this instance the Commissioners have recommended the passage of the bill to give them the right to authorize the construction of pipe lines under one of the streets.

Mr. LA FOLLETTE. The bill relates to a particular case?

Mr. KING. Yes.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PETTY LARCENY IN DISTRICT DEFINED

The Senate proceeded to consider the bill (S. 3162) to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia, relating to offenses against property, which was read, as follows:

Be it enacted, etc., That subchapter 2 of chapter 19 of the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory

thereof (the same being title 6 of D. C. Code), be, and the same are hereby, amended as follows:

By striking out section 826 (title 6, sec. 60, D. C. Code) and inserting in lieu thereof the following:

"SEC. 826 (title 6, sec. 60, D. C. Code). Grand larceny: Whoever shall feloniously take and carry away anything of value of the amount or value of $75 or upward, including things savoring of the realty, shall suffer imprisonment for not less than 1 nor more than 15 years."

By striking out section 827 (title 6, sec. 61, D. C. Code) and inserting in lieu thereof the following:

"SEC. 827 (title 6, sec. 61, D. C. Code). Petit larceny; Order of restitutions: Whoever shall feloniously take and carry away any property of value of less than $75, including things savoring of the realty, shall be fined not more than $500 or be imprisoned for not more than 1 year, or both. And in all convictions for larceny, either grand or petit, the trial justice may, in his sound discretion, order restitution to be made of the value of the money or property shown to have been stolen by the defendant and made way with or otherwise disposed of and not recovered."

By striking out section 842 (title 6, sec. 85, D. C. Code) and inserting in lieu thereof the following:

"SEC. 842 (title 6, sec. 85, D. C. Code). False pretenses: Whoever, by any false pretense, with intent to defraud, obtains from any person anything of value or procures the execution and delivery of any instrument of writing or conveyance of real or personal property, or the signature of any person, as maker, endorser, or guarantor, to or upon any bond, bill, receipt, promissory note, draft, or check, or any other evidence of indebtedness and whoever fraudulently sells, barters, or disposes of any bond, bill, receipt, promissory note, draft, or check, or other evidence of indebtedness, for value, knowing the same to be worthless, or knowing the signature of the maker, endorser, or guarantor thereof to have been obtained by any false pretense, shall, if the value of the property or the sum of value of the money or property so obtained, procured, sold, bartered, or disposed of is $75 or upward, be imprisoned not less than 1 year nor more than 5 years; or, if less than that sum, shall be fined not more than $500 or imprisoned for not more than 1 year, or both. Any person who obtains any lodging, food, or accommodation at an inn, boarding house, or lodging house, without paying therefor, with intent to defraud the proprietor or manager thereof, or who obtains credit at such inn, boarding house, or lodging house by use of any false pretense, or who, after obtaining credit or accommodation at such an inn, boarding house, or lodging house, absconds or surreptitiously removes his baggage therefrom without paying for his food, accommodation, or lodging, shall be deemed guilty of a misdemeanor, and upon conviction thereof in the police court of the District of Columbia be fined not more than $100 or imprisoned not more than 6 months, or both, in the discretion of said court."

By striking out section 847 (title 6, sec. 91, D. C. Code) and inserting in lieu thereof the following:

"SEC. 847 (title 6, sec. 91, D. C. Code). Whoever maliciously cuts down or destroys, by girdling or otherwise, any standing or growing vine, bush, shrub, sapling, or tree on the land of another, or severs from the land of another any product standing or growing thereon, or any other thing attached thereto, shall, if the value of the thing destroyed or the amount of damage done to any such thing or to the land is $75 or more, be imprisoned for not less than 1 year nor more than 5 years, or, if such value or amount is less than that sum, shall be fined not more than $500 or imprisoned not more than 1 year, or both."

By striking out section 848 (title 6, sec. 53, D. C. Code) and inserting in lieu thereof the following:

"SEC. 848 (title 6, sec. 53, D. C. Code). Whoever maliciously injures or destroys, or attempts to injure or destroy, by fire or otherwise, any movable property, not his own, of the value of $75 or more, shall be imprisoned for not less than 1 year and not more than 15 years, and if the value of the property be less than $75, by a fine not exceeding $500 or by imprisonment not exceeding 1 year, or both."

By striking out section 851 and inserting in lieu thereof the following:

"SEC. 851a. Whoever shall be guilty of any offense defined in sections 834 (title 6, sec. 76, D. C. Code), 835 (title 6, sec. 77, D. C. Code), 836 title 6, sec. 78, D. C. Code), 837 (title 6, sec. 79, D. C. Code), and 838 (title 6, sec. 80, D. C. Code) of the Code of Law for the District of Columbia shall, where the thing, evidence of debt, property, proceeds, or profits be of the value of less than $75, be punished by imprisonment for not more than 1 year or by a fine of not more than $500, or both."

By striking out section 851b (title 6, sec. 98, D. C. Code) and inserting in lieu thereof the following:

"SEC. 851b (title 6, sec. 98, D. C. Code). That if any person intrusted with the possession of anything of value, including things savoring of the realty, for the purpose of applying the same for the use and benefit of the owner or person so delivering it shall fraudulently convert the same to his own use he shall, where the value of the thing so converted is $75 or more, be punished by imprisonment for not less than 1 nor more than 15 years, or by a fine of not more than $1,000, or both; and where the value of the thing so converted is less than $75 he shall be punished by imprisonment for not more than 1 year or by a fine of not more than $500 or both: *Provided*, That nothing contained in this section shall be construed to alter or repeal any section contained in subchapter 2 of chapter 19 of this Code (title 6, chapter 3, D. C. Code)."

Mr. ROBINSON. Mr. President, the title does not disclose the purpose of the bill. May we have an explanation?

Mr. TYDINGS. Mr. President, this is a bill dealing with larceny in the District of Columbia. Formerly petty larceny involved any value under $35. The bill would raise it to $75 which would enable many of the cases which have accumulated in the courts to be expedited. As the penalty for petty larceny in the District runs to 2 years and $1,000 fine, the committee was of the opinion that $75 would be fair as the line of demarcation between petty larceny and grand larceny.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEVELOPMENT OF ROCK CREEK PARK, DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3353) providing for the exchange of certain park lands at and near Western Avenue and West Beach Drive for other lands more suitable to the development of Rock Creek Park and the street system of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendment, on page 2, line 6, after the word "Drive", to insert the words "as provided in accordance with the plan of the permanent system of highways in the District of Columbia"; on page 2, line 13, after the word "Drive", to insert the words "as proposed in accordance with the plan of the permanent system of highways in the District of Columbia"; in line 21, after the word "half", to insert the words "45 feet in width"; in line 22, after the word "Drive", to strike out the words "45 feet in width" and insert the words "as proposed in accordance with the plan of the permanent system of highways in the District of Columbia", so as to make the bill read:

Be it enacted, etc., That in order to extend Beach Parkway northward to Western Avenue as provided for by the plans of the National Capital Park and Planning Commission for the park system of the District of Columbia and to preserve the flow of water in Rock Creek Park and to extend West Beach Drive to connect Beach Drive and Rock Creek Park with Western Avenue, the Secretary of the Interior is authorized to convey by and on behalf of the United States of America to the owners of parcel 78/5, or to such party or parties as said owner or owners shall designate, the title of the United States in and to a piece of land containing approximately 55,000 square feet at and near the intersection of Western Avenue and West Beach Drive as proposed in accordance with the plan of the permanent system of highways of the District of Columbia, being a part of reservation 339: *Provided*, That the owners of said parcel 78/5 shall furnish the United States of America with a good and sufficient title in fee simple, free of all encumbrances, to that piece of land lying along and east of the center line of West Beach Drive as proposed in accordance with the plan of the permanent system of highways of the District of Columbia, and extending east to the creek immediately north of the present north line of United States reservation 432, and extending north to United States reservation 339, and containing approximately 58,500 square feet: *Provided further*, That the owners of parcel 78/5 dedicate to the District of Columbia for street purposes the west half, 45 feet in width, of West Beach Drive as proposed in accordance with the plan of the permanent system of highways of the District of Columbia, along their property immediately north of the north line of reservation 432.

SEC. 2. The dedication and transfers provided for in section 1 are designated approximately upon plat file no. 3.9–97 in the files of the National Capital Park and Planning Commission. The dedication and conveyances shall be by proper deed and other instruments containing full legal description by exact survey of the land exchanged and dedicated as provided for by law.

SEC. 3. Nothing in this act shall be construed as curtailing the power of the Secretary of the Interior to sell the remainder of parcel 4 as provided for in Public Law No. 299, Seventy-second Congress, and should the exchange and dedication as provided for in section 1 fail to become effective the Secretary of the Interior is still authorized to sell the entire area of parcel 4 as provided for in that act.

Mr. KING. Mr. President, the Park and Planning Commission created by Congress to aid in the development of the District of Columbia, in cooperation with the District Commissioners, are obtaining lands for the enlargement of the parks. In this particular instance they desire to exchange some lands which are now owned by the Government for lands which are very much needed to round out some of the

parks in the District. The bill is unanimously approved by the Park and Planning Commission, and by the District Commissioners, and by the Committee on the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WHITE BIRD SCHOOL DISTRICT, NORTH DAKOTA

The Senate proceeded to consider the bill (S. 3092) to provide funds for cooperation with White Bird School District, Sioux County, N. Dak., for extension of public-school buildings to be available for Indian children, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 3, after the word "be", to strike out the words "expended, from any moneys now available and applicable, or that may become applicable hereafter available, for construction under provisions of the National Industrial Recovery Act, approved June 16, 1933, the sum of $4,000" and insert in lieu thereof the words "appropriated, from any moneys in the Treasury not otherwise appropriated, the sum of $7,000"; and, on page 2, line 6, after the word "school", to strike out the words "district, subject to such further conditions as may be prescribed by the Secretary of the Interior" and insert in lieu thereof the word "district" and a proviso so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated, from any moneys in the Treasury not otherwise appropriated, the sum of $7,000 for the purpose of cooperating with White Bird School District, Sioux County, N. D., for extension and improvements of school buildings: *Provided*, That the expenditure of any moneys so appropriated shall be subject to the condition that the schools maintained by said district shall be available to all the Indian children of the district on the same terms, except as to payment of tuitions, as other children of said school district: *Provided further*, That this appropriation shall be reimbursed in not more than 30 years, without interest, either through reducing the annual Federal tuition payments for education of Indian pupils attending such school, by the acceptance of Indian pupils in such school without cost to the United States, or in such other manner as the Secretary of the Interior may direct: *Provided further*, That plans and specifications shall be furnished by local or State authorities without cost to the United States and, upon approval thereof by the Commissioner of Indian Affairs, work shall proceed under the direction of local or State officials, payment therefor to be made monthly on the basis of work in place and upon vouchers approved by a responsible official of the Indian Service.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMMA B. HINE

The bill (H. R. 258) for the relief of Emma B. Hine, was considered, ordered to a third reading, read the third time, and passed.

THELBERT DAVIS

The bill (H. R. 704) for the relief of Thelbert Davis, was considered, ordered to a third reading, read the third time, and passed.

AUGUST A. CARMINATI

The bill (H. R. 1437) for the relief of August A. Carminati was considered, ordered to a third reading, read the third time, and passed.

OSWALD ORLANDO

The bill (H. R. 2319) for the relief of Oswald Orlando was considered, ordered to a third reading, read the third time, and passed.

E. F. PURVIS

The bill (H. R. 2411) for the relief of E. F. Purvis was considered, ordered to a third reading, read the third time, and passed.

WEIS-PATTERSON LUMBER CO., INC.

The bill (H. R. 2432) for the relief of the Weis-Patterson Lumber Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

THOMAS HARRIS M'LAUGHLIN

The bill (H. R. 2730) for the relief of Thomas Harris McLaughlin was considered, ordered to a third reading, read the third time, and passed.

JOSE MUNDEN

The bill (H. R. 2970) for the relief of Jose Munden was considered, ordered to a third reading, read the third time, and passed.

W. H. GREENE

The bill (H. R. 3202) for the relief of W. H. Greene was considered, ordered to a third reading, read the third time, and passed.

NINA DRIPS

The bill (H. R. 3282) for the relief of Nina Drips was considered, ordered to a third reading, read the third time, and passed.

NICK VASILZEVIC

The bill (H. R. 3509) for the relief of the legal guardian of Nick Vasilzevic was considered, ordered to a third reading, read the third time, and passed.

SARAH ELIZABETH BALLENTYNE

The bill (H. R. 3546) for the relief of Sarah Elizabeth Ballentyne was considered, ordered to a third reading, read the third time, and passed.

FORREST D. STOUT

The bill (H. R. 4568) for the relief of Forrest D. Stout was considered, ordered to a third reading, read the third time, and passed.

BERTHA MOSELY BOTTOMS

The bill (H. R. 5347) for the relief of Bertha Mosley Bottoms was considered, ordered to a third reading, read the third time, and passed.

HENRY SCIPPER

The bill (H. R. 5492) for the relief of Henry Scipper was considered, ordered to a third reading, read the third time, and passed.

MALACHY RYAN

The bill (H. R. 5550) for the relief of Malachy Ryan was considered, ordered to a third reading, read the third time, and passed.

CHARLES PINE

The bill (H. R. 5971) for the relief of Charles Pine was considered, ordered to a third reading, read the third time, and passed.

MAY C. GUSTIN

The bill (H. R. 5816) for the relief of May C. Gustin was considered, ordered to a third reading, read the third time, and passed.

COMPENSATION OF EMPLOYEES OF THE UNITED STATES

The Senate proceeded to consider the bill (S. 2040) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof, which had been reported from the Committee on Claims with an amendment.

Mr. KING. Mr. President, I should like to have an explanation of the bill.

Mr. GERRY. Mr. President, this is a bill for the relief of employees who are either totally blind or who have lost their hands or their legs or are otherwise totally disabled and require the services of attendants. It allows such sum, not to exceed $50 a month additional, as the Commission may deem necessary.

It is recommended by the Employees' Compensation Committee, who state:

In view of the additional expenditure involved in the event of the enactment of the proposed amendment, the Commission has submitted this letter to the Director of the Bureau of the Budget and is advised by that officer that the foregoing recommendation is not in conflict with the financial program of the President.

The bill merely affords relief to employees who are injured in the Government service and who have a permanent disability, as described, and require someone to care for them.

The PRESIDING OFFICER. The amendment of the committee will be stated.

The amendment was, on page 2, line 2, after the word "pay", to strike out "the injured employee suffering" and insert "an injured employee awarded compensation for permanent", so as to make the bill read:

Be it enacted, etc., That section 6 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof (U. S. C., title 5, sec. 756), is amended by the addition of the following paragraph:

"In addition to the monthly compensation the Employees' Compensation Commission may pay an injured employee awarded compensation for permanent total disability from injury an additional sum of not more than $50 a month, as the Commission may deem necessary, when the Commission shall find that the service of an attendant is necessary constantly to be used by reason of the employee being totally blind, or having lost both hands or both feet or the use thereof, or is paralyzed and unable to walk, or by reason of other total disability actually rendering him so helpless as to require constant attendance."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

W. W. COOK

The bill (S. 1837) for the relief of W. W. Cook was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund, out of any money in the Treasury not otherwise appropriated, to W. W. Cook, of Pella, Iowa, the sum of $30, under existing rules and regulations, said amount having been illegally collected from said W. W. Cook.

J. R. OSGOOD

The Senate proceeded to consider the bill (S. 657) for the relief of J. R. Osgood, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of" to strike out "$300" and insert "$169.00", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. R. Osgood, of South Jacksonville, Florida, the sum of $169.00, in full satisfaction of his claim against the United States on account of services rendered in raising and repairing the boat *Rainbow* while such boat was in the custody of the United States Prohibition Bureau in 1927: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

E. L. HICE AND LUCY HICE

The Senate proceeded to consider the bill (S. 2469) for the relief of E. L. Hice and Lucy Hice, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. L. Hice and Lucy Hice, the sum of $5,000 in full settlement of all claims against the Government on account of the death of their son, William G. Hice, who was killed while working in the United States Industrial Reformatory at Chillicothe, Ohio: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, I wonder whether the committee took into account the pecuniary loss which the parents sustained by reason of the death of the son. Some of these bills carry very large sums for the death of a person where it would seem to me that there was no pecuniary loss. I do not know why the Government should adopt a policy different from that prevailing in the States; namely, that the mere death of a person does not necessarily, *ipso facto*, justify granting relief to the parents, unless there is some evidence showing pecuniary loss sustained by the parents.

Mr. McKELLAR. Mr. President I call the Senator's attention to the report, which Mr. Stanley Reed, Acting Attorney General, states that the bill might pass for the $10,000 originally carried by it; and the committee, in reporting the bill, cut the amount in two. It seems to me they must have given the matter very careful consideration.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IRENE MAGNUSON

The Senate proceeded to consider the bill (S. 1358) for the relief of Irene Magnuson and Oscar L. Magnuson, her husband, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Magnuson", to strike out "and Oscar L. Magnuson, her husband, the sum of $7,621.50" and insert "the sum of $1,000," so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Irene Magnuson the sum of $1,000 in full settlement of all claims against the Government of the United States for injuries sustained by Irene Magnuson arising from an automobile collision in which United States Army Ambulance no. W731 collided and ran into the automobile owned and driven by Oscar L. Magnuson on April 24, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Irene Magnuson."

LUCILLE M'CLURE

The Senate proceeded to consider the bill (S. 1827) for the relief of Lucille McClure, which had been reported from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay to Lucille McClure, out of any money in the Treasury not otherwise appropriated, the sum of $3,600, compensation as the widow of former Deputy Administrator of Prohibition H. S. McClure, of Spokane, Wash., whose death on January 15, 1929, was caused by injuries sustained while in the Government service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MEARON PERKINS

The Senate proceeded to consider the bill (S. 3088) for the relief of Mearon Perkins, which had been reported from the Committee on Claims, with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,800 to Mearon Perkins, formerly a janitor in the El Centro Post Office, El Centro, Calif., in full satisfaction of all his claims against the United States for a reward for protecting the property of the United States on February 4, 1932, at great risk to his life, when he was compelled to shoot and kill one Alvin Self, an escaped convict, who was ransacking the package room of such post office: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RUBY RARDON

The Senate proceeded to consider the bill (S. 2980) for the relief of Ruby Rardon, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$5,000", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ruby Rardon the sum of $5,000 in full settlement of all claims against the Government of the United States for damages sustained by her by reason of the death of her husband, John Edward Rardon, which occurred on May 3, 1934, in the United States Industrial Reformatory at Chillicothe, Ohio, which death of the said John Edward Rardon occurred while he was engaged in the performance of duties assigned to him and was caused by the explosion of an acetylene or other gas torch with which he was working, in line of duty: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

F. MANSFIELD & SONS CO.

The Senate proceeded to consider the bill (S. 2519) directing the Court of Claims to adjudicate the claims of the F. Mansfield & Sons Co. and others for compensation for injuries to oyster beds, which had been reported from the Committee on Claims with amendments, on page 1, line 2, after the enacting clause, to strike out "That the United States Court of Claims be, and it is hereby, authorized and directed to hear and determine" and to insert "That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the F. Mansfield & Sons Co., N. P. Starbranch, Charles K. Wedmore, Charles E. Hamilton, Ernest E. Ball, the McNeil Oyster Co., the Thomas Oyster Co., the Connecticut Oyster Farms Co., and Fred C. Kral and George A. Rohr, partners trading under the name of Kral & Rohr, for a compensation for damages sustained by said claimants by reason of the injury to oysters on beds operated under perpetual franchises or leases from the State of Connecticut and injury to such oyster beds, caused by officers, employees, and/or agents of the United States in performing dredging work in the harbor of New Haven, Conn., in 1933, 1934, and 1935: *Provided*, That suit hereunder shall be instituted within 4 months from the date of the approval of this act, and proceedings therein shall be had in the same manner as in the case of claims over which the Court of Claims has jurisdiction, by virtue of section 145 of the Judicial Code, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of F. Mansfield & Sons Co., and others."

BILLS PASSED OVER

The bill (S. 2983) to amend the Plant Quarantine Act of August 20, 1912, was announced as next in order.

Mr. ROBINSON. Mr. President, that bill changes the Plant Quarantine Act. I should like to have an explanation of it. I do not see the author of the bill present. Indeed, I believe he is engaged in the work of a special committee. I suggest that the bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that go over.

Mr. BARKLEY. Mr. President, will the Senator withhold his objection for a moment?

Mr. KING. Yes.

Mr. BARKLEY. This bill simply adds another title to the Interstate Commerce Act, putting aircraft under the same sort of regulation we have recently instituted for busses and trucks, so as to provide for regulation by the Interstate Commerce Commission of all transportation by water, rail, bus, truck, and air.

Mr. McKELLAR. The Senator knows that we passed one air mail bill last year, and another one, more recently, this year.

Mr. BARKLEY. They are of a temporary nature.

Mr. McKELLAR. I have not had an opportunity to look into this bill at all. I should like to do so, and the other members of the Post Office Committee would like to do so, before the bill is passed. I hope the Senator will let the bill go over today, so that we may look at it, which I shall be glad to do.

The PRESIDING OFFICER. The bill will be passed over.

CODIFICATION OF LIQUOR LAWS

The Senate proceeded to consider the bill (S. 3336) to repeal titles I and II of the National Prohibition Act, to reenact certain provisions of title II thereof, to amend or repeal various liquor laws, and for other purposes, which was read, as follows:

Be it enacted, etc., That this act may be cited as the "Liquor Law Repeal and Enforcement Act."

TITLE I

SECTION 1. Titles I and II of the National Prohibition Act, approved October 28, 1919 (41 Stat. 305), and all laws amendatory of, or supplementary to, the National Prohibition Act, are hereby repealed.

SEC. 2. When used in this title or in title III of the National Prohibition Act—

(1) The word "person" shall mean and include natural persons, firms, partnerships, corporations, and associations;

(2) The word "Commissioner" shall mean Commissioner of Internal Revenue;

(3) The term "application" shall mean a formal written request supported by a verified statement of facts showing that the Commissioner may grant the request;

(4) The term "permit" shall mean a formal written authorization by the Commissioner setting forth specifically therein the things that are authorized;

(5) The term "bond" shall mean an obligation authorized or required by or under this title or title III of the National Prohibition Act, or any regulation thereunder, executed in such form and for such penal sum as may be required by the Commissioner or prescribed by regulation;

(6) The term "regulation" shall mean any regulation prescribed by the Commissioner, with the approval of the Secretary of the Treasury, for carrying out the provisions of this title or of title III of the National Prohibition Act, and the Commissioner is authorized to make such regulations.

(7) The term "articles" shall mean any substance or preparation in the manufacture of which denatured alcohol or denatured rum is used.

Any act authorized by this title or by title III of the National Prohibition Act to be done by the Commissioner may be performed by any assistant or agent designated by him for that purpose. Records, reports, or returns required to be filed with the Commissioner may be filed with an Assistant Commissioner or other person designated by the Commissioner to receive such records, reports, or returns.

SEC. 3. The Commissioner, his assistants, agents, and inspectors, shall investigate and report violations of this title and of title III of the National Prohibition Act to the United States attorney for the district in which committed, who is hereby charged with the duty of prosecuting the offenders, subject to the direction of the Attorney General, as in the case of other offenses against the laws of the United States; and the Commissioner, his assistants, agents, and inspectors, may swear out warrants before United States commissioners or other officers or courts authorized to issue the same for the apprehension of such offenders, and may, subject to the control of the said United States attorney, conduct the prosecution at the committing trial for the purpose of having the offenders held for the action of a grand jury. Section 1014 of the Revised Statutes is hereby made applicable in the enforcement of this title and of title III of the National Prohibition Act. Officers mentioned in said section 1014 are authorized to issue search warrants under the limitations provided in title XI of the act approved June 15, 1917 (40 Stat. 228; 18 U. S. C., secs. 611–633).

SEC. 4. Any person who shall produce, withdraw, sell, transport, or use denatured alcohol, denatured rum, or articles in violation of laws or regulations now or hereafter in force pertaining thereto, and all such denatured alcohol, denatured rum, or articles shall be subject to all provisions of law pertaining to alcohol that is not denatured, including those requiring the payment of tax thereon; and the person so producing, withdrawing, selling, transporting, or using the denatured alcohol, denatured rum, or articles shall be required to pay such tax.

SEC. 5. Whenever the Commissioner has reason to believe that denatured alcohol, denatured rum, or articles do not correspond with the descriptions and limitations as to such alcohol, rum, or articles provided by law and regulations, he shall cause an analysis of said alcohol, rum, or articles to be made, and if upon such analysis the Commissioner shall find that said alcohol rum, or articles do not so correspond, he shall give not less than 15 days' notice in writing to the person who is the manufacturer thereof to show cause why said alcohol, rum, or articles should not be dealt with as other distilled spirits, such notice to be served personally or by registered mail, as the Commissioner may determine, and shall specify the time when, the place where, and the name of the agent or official before whom such person is required to appear.

If the manufacturer of said alcohol, rum, or articles fails to show to the satisfaction of the Commissioner that the alcohol, rum, or articles manufactured by him correspond to the descriptions and limitations as to such alcohol, rum, or articles provided by law and regulations, his permit to manufacture and sell the same shall be revoked. The manufacturer may by appropriate proceeding in a court of equity have the action of the Commissioner reviewed, and the court may affirm, modify, or reverse the finding of the Commissioner as the facts and law of the case may warrant, and during the pendency of such proceedings may restrain the manufacture, sale, or other disposition of such alcohol, rum, or articles.

SEC. 6. No one shall manufacture alcohol, procure it tax free, denature it, deal in or use specially denatured alcohol, recover completely or specially denatured alcohol, or transport specially denatured or tax-free alcohol, without first obtaining a permit from the Commissioner so to do. All such permits may be issued for 1 year, and shall expire on the 31st day of December next succeeding the issuance thereof: *Provided*, That the Commissioner may without formal application or new bond extend any permit granted under this title or title III of the National Prohibition Act after August 31 in any year to December 31 of the succeeding year.

Permits to purchase or procure specially denatured alcohol and tax-free alcohol shall be issued in such terms and under such conditions as the Commissioner shall by regulation prescribe.

No permit shall be issued to any person who, within 1 year prior to the application therefor or issuance thereof, shall not in good faith have conformed to the provisions of this title or title III of the National Prohibition Act, or shall have violated the terms of any permit issued under this title or title III of the National Prohibition Act, or made any false statement in the application therefor, or willfully failed to disclose any information required by regulation to be furnished, or violated any law of the United States relating to intoxicating liquor, or willfully violated any law of any State, Territory, or possession of the United States or of the District of Columbia relating to intoxicating liquor.

Every permit shall be in writing, dated when issued, and signed by the Commissioner or his authorized agent. It shall give the name and address of the person to whom it is issued and shall designate and limit the acts that are permitted and the time when and place where such acts may be performed. No permit shall be issued until a verified, written application shall have been made therefor, setting forth the qualification of the applicant and the purpose for which the alcohol or denatured alcohol is to be used.

The Commissioner may prescribe the form of all permits and applications and the facts to be set forth therein. Before any permit is granted the Commissioner may require a bond in such form and amount as he may prescribe to insure compliance with the terms of the permit and the provisions of this title and of title III of the National Prohibition Act. In the event of the refusal by the Commissioner of any application for a permit, the applicant may have a review of his decision before a court of equity in the manner provided in section 5 of this title.

SEC. 7. If at any time there shall be filed with the Commissioner a complaint under oath setting forth facts showing, or if the Commissioner has reason to believe, that any person who has a permit is not in good faith conforming to the provisions of this title, or of title III of the National Prohibition Act, or has violated the terms of such permit, or has made any false statement in the application therefor, or has willfully failed to disclose any information required by regulation to be furnished, or has violated any law of the United States or of any State, Territory, or possession of the United States or of the District of Columbia relating to intoxicating liquor, the Commissioner or his agent shall immediately issue an order citing such person to appear before him on a day named not more than 30 and not less than 15 days from the date of service upon such permittee of a copy of the citation, which citation shall be accompanied by a copy of such complaint, or in the event that the proceedings be initiated by the Commissioner, with a statement of the facts constituting the violation charged, at which time a hearing shall be had unless continued for cause. Such hearings shall be held within the judicial district and within 50 miles of the place where the offense is alleged to have occurred, unless the parties agree on another place. If it be found that such person is not in good faith conforming to the provisions of this title, or of title III of the National Prohibition Act, or has violated the terms of his permit, or made any false statement in the application therefor, or willfully failed to disclose any information required by regulation to be furnished, or violated any law of the United States relating to intoxicating liquor, or willfully violated any law of any State, Territory, or possession of the United States or of the District of Columbia relating to intoxicating liquor, such permit shall be revoked, and no permit shall be granted to such person within 1 year thereafter. Should the permit be revoked by the Commissioner, the permittee may have a review of his decision before a court of equity in the manner provided in section 5 of this title. During the pendency of such action such permit shall be temporarily revoked.

SEC. 8. It shall be unlawful to have or possess any liquor or property intended for use in violating the provisions of this title, or of title III of the National Prohibition Act, or the internal-revenue laws, or regulations prescribed under such title or laws, or which has been so used, and no property rights shall exist in any such liquor or property. A search warrant may issue as provided in title XI of the act approved June 15, 1917 (40 Stat. 228; 18 U. S. C., secs. 611–633), for the seizure of such liquor or property. Nothing in this section shall in any manner limit or affect any criminal or forfeiture provision of the internal-revenue laws, or of any other law. The seizure and forfeiture of any liquor or property under the provisions of this title, or under the provisions of title III of the National Prohibition Act, and the disposition of such liquor or property subsequent to seizure and forfeiture, or the disposition of the proceeds from the sale of such liquor or property, shall be in accordance with existing laws or those hereafter in existence relating to seizures, forfeitures, and disposition of property or proceeds, for violation of the internal-revenue laws.

SEC. 9. The Commissioner, his assistants, agents, and inspectors, and all other officers, employees, or agents of the United States, whose duty it is to enforce criminal laws, shall have all the rights, privileges, powers, and protection in the enforcement of the provisions of this title and of title III of the National Prohibition Act, which are conferred by law for the enforcement of any laws in respect of the taxation, importation, exportation, transportation, manufacture, possession, or use of, or traffic in, intoxicating liquors.

SEC. 10. Any person violating the provisions of this title or of any regulations issued thereunder, for which offense a special penalty is not prescribed, shall be liable to the penalty or penalties prescribed in section 15 of title III of the National Prohibition Act. It shall be the duty of the prosecuting officer to ascertain, in the case of every violation of this title or the regulations made thereunder, for which offense a special penalty is not prescribed, or of title III of the National Prohibition Act, or the regulations made thereunder, whether the defendant has been previously convicted and to plead the prior conviction in the affidavit, information, or indictment.

SEC. 11. No person shall be excused, on the ground that it may tend to incriminate him or subject him to a penalty or forfeiture, from attending and testifying, or producing books, papers, documents, and other evidence in obedience to a subpena of any court in any suit or proceeding based upon or growing out of any alleged violation of this title or of title III of the National Prohibition Act; but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing as to which, in obedience to a subpena and under oath, he may so testify or produce evidence, but no person shall be exempt from prosecution and punishment for perjury committee in so testifying.

SEC. 12. In case of a sale of liquor or denatured alcohol or denatured rum where the delivery thereof was made by a common or other carrier the sale and delivery for purposes of prosecution or revocation of any permit shall be deemed to be made in the

county or district wherein the delivery was made by such carrier to the consignee, his agent or employee, or in the county or district wherein the sale was made, or from which the shipment was made, and prosecution for such sale or delivery may be had in any such county or district.

SEC. 13. In any affidavit, information, or indictment for the violation of this title or of title III of the National Prohibition Act, or of both, separate offenses may be united in separate counts and the defendant may be tried on all at one trial and the penalty for all offenses may be imposed. It shall not be necessary in any affidavit, information, or indictment to give the name of the purchaser or to include any defensive negative averments, but it shall be sufficient to state that the act complained of was then and there prohibited and unlawful, but this provision shall not be construed to preclude the trial court from directing the furnishing the defendant a bill of particulars when it deems it proper to do so.

SEC. 14. All records and reports kept or filed under the provisions of this title or of Title III of the National Prohibition Act, and all liquor or property to which such records or reports relate, shall be subject to inspection at any reasonable hour by the Commissioner or any of his agents or by any public prosecutor or by any person designated by him, or by any peace officer in the State where the records or reports are kept, and copies of such records and reports duly certified by the person with whom kept or filed may be introduced in evidence with like effect as the originals thereof, and verified copies of such records shall be furnished to the Commissioner when called for.

SEC. 15. If any act or offense is a violation of this title or of Title III of the National Prohibition Act, and also of any other law in regard to the manufacture or taxation of, or traffic in, intoxicating liquor, a conviction for such act or offense under the one shall be a bar to prosecution therefor under the other.

SEC. 16. If distilled spirits upon which the internal-revenue tax has not been paid are lost by theft, accidental fire, or other casualty while in possession of a common carrier subject to the Transportation Act of 1920 or the Merchant Marine Act, 1920, or if lost by theft from a distillery or other bonded warehouse, and it shall be made to appear to the Commissioner that such losses did not occur as the result of negligence, connivance, collusion, or fraud on the part of the owner or person legally accountable for such distilled spirits, no tax shall be assessed or collected upon the distilled spirits so lost, nor shall any tax penalty be imposed or collected by reason of such loss, but the exemption from the tax and penalty shall only be allowed to the extent that the claimant is not indemnified against or recompensed for such loss. This provision shall apply to any claim for taxes or tax penalties that may have accrued since the passage of the National Prohibition Act or that may accrue hereafter. Nothing in this section shall be construed as in any manner limiting or restricting the provisions of Title III of the National Prohibition Act.

SEC. 17. Section 3 of title III of the National Prohibition Act (41 Stat. 319; 27 U. S. C., sec. 73) is amended to read as follows:

"Warehouses for the storage and distribution of alcohol may be established upon filing of application and bond, and issuance of permit at such places, either in connection with the manufacturing plant or elsewhere, as the Commissioner may determine; and the entry and storage of alcohol therein, and the withdrawals of alcohol therefrom shall be made in such containers and by such means as the Commissioner by regulation may prescribe."

SEC. 18. Section 11 of title III of the National Prohibition Act (41 Stat. 321; 27 U. S. C., sec. 81) is amended to read as follows:

"Alcohol produced at any industrial alcohol plant or stored in any bonded warehouse may, under regulations, be withdrawn tax free as provided by existing law from such plant or warehouse for transfer to any denaturing plant for denaturation, or may, under regulations, before or after denaturation, be removed from any such plant or warehouse for any lawful tax-free purpose.

"Spirits of less proof than 160° may, under regulations, be deemed to be alcohol for the purpose of denaturation, under the provisions of this title.

"Alcohol may be withdrawn, under regulations, from any industrial plant or bonded warehouse tax free by the United States or any governmental agency thereof, or by the several States and Territories or any municipal subdivision thereof or by the District of Columbia, or for the use of any scientific university or college of learning, any laboratory for use exclusively in scientific research, or for use in any hospital or sanitarium.

"But any person permitted to obtain alcohol tax free, except the United States and the several States and Territories and subdivisions thereof and the District of Columbia, shall first apply for and secure a permit to purchase the same and give the bonds prescribed under section 6 of the Liquor Law Repeal and Enforcement Act, but alcohol withdrawn for nonbeverage purposes for use of the United States and the several States, Territories, and subdivisions thereof, and the District of Columbia may be purchased and withdrawn subject only to such regulations as may be prescribed."

TITLE II

SECTION 201. Any officer, agent, or employee of the United States engaged in the enforcement of any law of the United States who shall search any private dwelling used and occupied as such dwelling without a warrant directing such search, or who, while engaged in such enforcement, shall without a search warrant maliciously and without reasonable cause search any other building or property, shall be guilty of a misdemeanor and upon conviction thereof shall be fined for a first offense not more than $1,000, and for a subsequent offense not more than $1,000, or imprisoned not more than 1 year, or both such fine and imprisonment: *Provided*, That nothing herein contained shall apply to any officer, agent, or employee of the United States serving a warrant of arrest, or arresting or attempting to arrest any person committing or attempting to commit an offense in the presence of such officer, agent, or employee, or who has committed, or who is suspected on reasonable grounds of having committed, a felony.

Whoever not being an officer, agent, or employee of the United States shall falsely represent himself to be such officer, agent, or employee, and in such assumed character shall arrest or detain any person or shall in any manner search the person, buildings, or other property of any person, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $1,000 or imprisoned for not more than 1 year, or by both such fine and imprisonment.

SEC. 202. (a) The act of March 22, 1933 (48 Stat. 16), entitled "An act to provide revenue by the taxation of certain nonintoxicating liquors, and for other purposes", is hereby repealed.

(b) The shipment or transportation, in any manner or by any means whatsoever, of any spirituous, vinous, malted, fermented, or other intoxicating liquor of any kind, from one State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, into any other State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, or from any foreign country into any State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, which said spirituous, vinous, malted, fermented, or other intoxicating liquor is intended, by any person interested therein, to be received, possessed, sold, or in any manner used, either in the original package or otherwise, in violation of any law of such State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, is hereby prohibited.

SEC. 203. Section 12 of the act of May 18, 1917 (40 Stat. 76), entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States", as amended, is hereby repealed.

SEC. 204. (a) Whenever, in any proceeding in court for the forfeiture, under the internal-revenue laws, of any vehicle or aircraft seized for a violation of the internal-revenue laws relating to liquors, such forfeiture is decreed, the court shall have exclusive jurisdiction to remit or mitigate the forfeiture.

(b) In any such proceeding the court shall not allow the claim of any claimant for remission or mitigation unless and until he proves (1) that he has an interest in such vehicle or aircraft, as owner or otherwise, which he acquired in good faith, (2) that he had at no time any knowledge or reason to believe that it was being or would be used in the violation of laws of the United States or of any State relating to liquor, and (3) if it appears that the interest asserted by the claimant arises out of or is in any way subject to any contract or agreement under which any person having a record or reputation for violating laws of the United States or of any State relating to liquor has a right with respect to such vehicle or aircraft, that, before such claimant acquired his interest, or such other person acquired his right under such contract or agreement, whichever occurred later, the claimant, his officer or agent, was informed in answer to his inquiry, at the headquarters of the sheriff, chief of police, principal Federal internal-revenue officer engaged in the enforcement of the liquor laws, or other principal local or Federal law-enforcement officer of the locality in which such other person acquired his right under such contract or agreement, of the locality in which such other person then resided, and of each locality in which the claimant has made any other inquiry as to the character or financial standing of such other person, that such other person had no such record or reputation.

(c) Upon the request of any claimant whose claim for remission or mitigation is allowed and whose interest is first in the order of priority among such claims allowed in such proceeding and is of an amount in excess of, or equal to, the appraised value of such vehicle or aircraft, the court shall order its return to him; and, upon the joint request of any two or more claimants whose claims are allowed and whose interests are not subject to any prior or intervening interests claimed and allowed in such proceedings, and are of a total amount in excess of, or equal to, the appraised value of such vehicle or aircraft, the court shall order its return to such of the joint requesting claimants as is designated in such request. Such return shall be made only upon payment of all expenses incident to the seizure and forfeiture incurred by the United States. In all other cases the court shall order disposition of such vehicle or aircraft as provided in title 3 of this act, and if such disposition be by public sale, payment from the proceeds thereof, after satisfaction of all such expenses, of any such claim in its order of priority among the claims allowed in such proceedings.

(d) In any proceeding in court for the forfeiture under the internal-revenue laws of any vehicle or aircraft seized for a violation of the internal-revenue laws relating to liquor, the court shall order delivery thereof to any claimant who shall establish his right to the immediate possesion thereof, and shall execute, with one or more sureties approved by the court, and deliver to the court, a bond to the United States for the payment of a sum equal to the appraised value of such vehicle or aircraft. Such bond shall be conditioned to return such vehicle or aircraft at the time of the trial and to pay the difference between the appraised value of such vehicle or aircraft as of the time it shall have been so released on bond and the appraised value thereof as of the

time of trial; and conditioned further that, if the vehicle or aircraft be not returned at the time of trial, the bond shall stand in lieu of, and be forfeited in the same manner as, such vehicle or aircraft. Notwithstanding the provisions of this subsection or any other provisions of law relating to the delivery of possession on bond of vehicles or aircraft sought to be forfeited under the internal-revenue laws, the court may, in its discretion and upon good cause shown by the United States, refuse to order such delivery of possession.

TITLE III

SECTION 301. As used in this title—

(1) "Property" means all personal property, including but not limited to vessels, vehicles, and aircraft;

(2) "Agency" includes any executive department, independent establishment, board, commission, bureau, service, or division of the United States, and any corporation in which the United States owns all or a majority of the stock.

(3) "Director" means the Director of the Procurement Division of the Treasury Department of the United States.

SEC. 302. In the event that any property is or has been voluntarily abandoned to any agency in such manner as to vest title thereto in the United States, it may be retained by such agency and devoted to official use only. If such agency shall not desire so to retain such property, the head thereof shall forthwith notify the Director to that effect, and the Director shall, within a reasonable time—

(a) order such agency to deliver the property to any other agency which requests and in his judgment should be given the property, or

(b) order disposal of the property as otherwise provided by law.

SEC. 303. In the event that any property seized by any agency is or has been forfeited to the United States otherwise than by court decree, it may, in the event that the property is not ordered by competent authority to be returned to any claimant, and in lieu of being disposed of as otherwise provided by law (including advertisement for sale, and sale), be retained by such agency and devoted to official use only. If such agency shall not desire so to retain such property, the head thereof shall forthwith notify the Director to that effect, and such property shall—

(a) in the event that it is not ordered by competent authority to be returned to any claimant, and in lieu of being disposed of as otherwise provided by law (including advertisement for sale, and sale), be delivered by such agency, upon order of the Director given within a reasonable time, to any other agency which requests and in the judgment of the Director should be given the property, or

(b) upon order of the Director given within a reasonable time, be disposed of as otherwise provided by law.

SEC. 304. In the event that proceedings are or have been commenced for the forfeiture of any property by court decree, the agency which seized such property shall forthwith notify the Director and may at the same time file with him a request for such property for its official use. The Director shall, before entry of a decree, apply to the court to order delivery of such property—

(a) to the agency filing such request; or

(b) if no such request has been filed, to any other agency which requests and in the judgment of the Director should be given such property; or

(c) if the agency which seized such property has not requested it, and no other agency has requested and in the judgment of the Director should be given such property, and if in the judgment of the Director the property may later become necessary to any agency for official use, to the seizing agency to be retained in its custody. Thereafter, the Director shall, within a reasonable time, order such agency to deliver the property to any other agency which requests and in his judgment should be given such property, or to dispose of it as otherwise provided by law,

and if forfeiture thereof is decreed, the court shall, in the event that the property is not ordered by competent authority to be returned to any claimant, order delivery accordingly. All the property for which no such application is made shall be disposed of by the court in accordance with law.

SEC. 305. The appropriation available to any agency for the purchase, hire, operation, maintenance, and repair of property of any kind shall be available for the payment of expenses of operation, maintenance, and repair of property of the same kind received by it under any provision of this title for official use; for the payment of any lien recognized and allowed pursuant to law, and for the payment of all moneys found to be due any person upon the duly authorized remission or mitigation of any forfeiture; and for reimbursement of other agencies as hereafter provided. The costs of hauling, transporting, towing, and storage of such property shall be paid by the agency which has seized such property or to which it has been abandoned; and, if such property is later delivered to another agency for official use under sections 302, 303, or 304 of this title, the latter shall make reimbursement for all such costs incurred prior to the date of delivery to it of such property.

SEC. 306. Retention or delivery of forfeited or abandoned property under this title shall be regarded as the sale thereof for the purpose of laws providing for informer's fees or remission or mitigation of any forfeiture. Any property so acquired when no longer needed for official use shall be disposed of in the same manner as other surplus property.

SEC. 307. The Director is authorized, with the approval of the Secretary of the Treasury, (1) to require any agency, from time to time, to make a report of all property abandoned to it or seized and the disposal thereof, and (2) to make such rules and regulations as may be necessary to carry out the provisions of this title.

SEC. 308. (a) The act entitled "An act relating to the use or disposal of vessels or vehicles forfeited to the United States for violation of the customs laws or the National Prohibition Act, and for other purposes" (43 Stat. 1116), approved March 3, 1925, as amended, is hereby repealed.

(b) Nothing contained in this title shall be construed as repealing any other laws relating to the disposition of forfeited or abandoned property, except such provisions of such laws as are directly in conflict with any provisions of this title.

(c) The following classes of property shall not be subject to allocation under sections 302, 303, or 304 of this title, but shall be disposed of in the manner otherwise provided by law:

(1) arms or munitions of war included in section 4 of title VI of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes" (40 Stat. 223), approved June 15, 1917, as amended;

(2) narcotic drugs, as defined in the Narcotic Drug Import and Export Act;

(3) firearms, as defined in the National Firearms Act; and

(4) such other classes or kinds of property as the Director, with the approval of the Secretary of the Treasury, may deem in the public interest, and may by rules and regulations provide.

Mr. KING. Mr. President, I should like an explanation of this bill.

Mr. ASHURST. Mr. President, let me say, first, that the bill was drawn by the Treasury Department. If Senators will examine the printed report in their files, they will see an elaborate report giving in detail the meaning of the bill.

A special meeting of the Judiciary Committee was called to consider the bill; and while not all the members of the committee were present at all times, a quorum was present, and the committee was unanimous.

I am not prepared this afternoon to give the Senate as close and as definite an explanation of the bill as I should like to give; but I shall try with frankness and candor to explain the bill.

This is a bill codifying the present liquor laws. It repeals certain laws which are obsolete—for example, war prohibition. It also repeals what we call the Cullen Beer Act, providing for the sale of beer containing 3.2 percent of alcohol by weight. It preserves what is denominated as the Webb-Kenyon law, which protects the dry States. I need not explain what that means. Senators know what the Webb-Kenyon law is. It preserves certain features of the Willis-Campbell Act, which, it will be remembered, penalizes any officer, agent, or employee of the United States who, while engaged in the enforcement of any law of the United States, searches a private dwelling without a search warrant.

There are some new features. One of the new features of the bill is that it penalizes the possession of illegal liquor or illegal apparatus which is intended to be used in violating any liquor law. The bill has other new features; and to be candid and frank with the Senate, let me read a part of the hearings which were had before the Committee on the Judiciary of the Senate.

The Treasury Department was represented at the hearings by Mr. C. M. Hester, Mr. V. Simonton, and Mr. Brodsky. I read from the hearings:

The CHAIRMAN. Mr. Simonton, my ignorance on this subject is colossal. I know that when this bill is reported to the Senate, quite naturally the committee will be asked by many Senators, "What does this bill do? What does it mean?" Am I correct in understanding that this bill is a wiping of the old slate clean, and a repeal of obsolete laws, and that there is very little new legislation in it?

Mr. SIMONTON. That is correct.

The CHAIRMAN. Perhaps it would be well for you to give us, letter by letter, word by word, later on, a statement as to what new legislation is in this bill; what new penalties, if any.

Whereupon the representatives of the Treasury at some length gave a full and fair explanation of all the features of the bill.

Let me say that the bill now before the Senate for consideration is an exact copy, indeed, a rescript, of House bill 8771 as that bill was reported favorably by the House Committee on the Judiciary to the House.

The features mentioned are the main ones, but I would not wish to have it understood that I have stated all of the

provisions of the bill. I see before me the able Senator from Vermont [Mr. AUSTIN], who I believe was present during the entire hearing, and if he would be so courteous and kind as to help me at this time by making a further explanation, I should be obliged to him. I am aware of the fact that there are some features of the bill which I have omitted to explain, but unintentionally.

Mr. AUSTIN. Mr. President, I do not profess to any greater information on the subject generally than that admitted by the chairman of the committee, but I did take notes of the provisions of the bill which are said to be new and different from the law as it is today, and if it is desired, I can point out these provisions.

On page 4, in section 4, there is contained some new matter, but much old matter. This section reads:

SEC. 4. Any person who shall produce, withdraw, sell, transport, or use denatured alcohol, denatured rum, or articles in violation of laws or regulations now or hereafter in force pertaining thereto, and all such denatured alcohol, denatured rum, or articles shall be subject to all provisions of law pertaining to alcohol that is not denatured, including those requiring the payment of tax thereon; and the person so producing, withdrawing, selling, transporting, or using the danatured alcohol, denatured rum, or articles shall be required to pay such tax.

The object of the changes made there is to increase the power of the Government to reach denatured alcohol in all its stages, and in the hands of all parties who have to deal with it. It will prevent the blocking of the administration of the law which now occurs by means of sales to a definite corporation which is set up solely for the purpose of being a "fence", and thereupon the Government cannot pursue the administration of the law further.

Mr. President, is my time limited in making this explanation?

The PRESIDING OFFICER. The Senator is limited to 5 minutes.

Mr. AUSTIN. The words at the bottom of page 5, lines 21 and 22, namely, "denature it, deal in, or use" are additional words, and the words "recover completely or specially denatured alcohol", are new words dealing with this transaction which has been heretofore outside of the reach of the Government.

By the provision on page 6 the scope of the law will be increased by the addition of the words "Territory, or possession" and the words "District of Columbia."

On page 9, in section 8, there is an additional feature of administration, namely, the condemnation of an attempt. One could not heretofore be prosecuted for an attempt, but he could be if this measure should be enacted.

On page 14, line 4, there are eliminated the words "for other than beverage purposes", which increases the scope of the law.

On page 16, the proviso preserves the common-law rule.

Mr. ASHURST. That is very important. I hope the Senator will be so kind as to explain that.

Mr. AUSTIN. The proviso reads:

Provided, That nothing herein contained shall apply to any officer, agent, or employee of the United States serving a warrant of arrest, or arresting or attempting to arrest any person committing or attempting to commit an offense in the presence of such officer, agent, or employee, or who has committed, or who is suspected on reasonable grounds of having committed, a felony.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROBINSON. Mr. President, may I ask the Senator whether the report of the committee was unanimous?

Mr. AUSTIN. It was.

Mr. ROBINSON. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SGT. MAJ. EDMUND S. SAYER

Mr. JOHNSON. Mr. President, during the day I have been constantly in the conference on the river and harbor bill. When reached on the calendar, House bill 2555, extending relief to Sgt. Maj. Edmund S. Sayer, of the United States Marine Corps, was passed over temporarily. I ask unanimous consent that it may be considered now.

There being no objection, the Senate proceeded to consider the bill (H. R. 2555) to extend to Sgt. Maj. Edmund S. Sayer, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men.

Mr. JOHNSON. Mr. President, this bill has the approval of the Department, it is in the usual form, and unless some Senator wishes a detailed explanation, I ask that it be passed.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CLASSIFICATION OF EMPLOYEES IN THE MOTOR VEHICLE SERVICE

The bill (H. R. 8790) to amend section 6 of the act of February 28, 1925, was announced as next in order.

Mr. KING. Mr. President, what is this bill?

Mr. McKELLAR. I may say to the Senator, Mr. President, that the bill would save the Government the sum of $400. It merely provides for a readjustment of salaries.

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

LIENS OF THE UNITED STATES FOR LOANS IN PUERTO RICO

The joint resolution (H. J. Res. 129) to amend the joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution was considered, ordered to a third reading, read the third time, and passed.

ADJUSTMENTS OF LOANS IN PUERTO RICO

The joint resolution (H. J. Res. 257) to amend a joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, as amended by the Second Deficiency Act, fiscal year 1929, approved March 4, 1929, was considered, ordered to a third reading, read the third time, and passed.

SAFETY DEVICES ON SHIPS

The Senate proceeded to consider the bill (S. 2127) to amend section 4471 of the Revised Statutes of the United States, as amended, which was read, as follows:

Be it enacted, etc., That section 4471 of the Revised Statutes of the United States, as amended (U. S. C., title 46, sec. 464), be, and the same is hereby, amended by adding thereto the following new paragraph:

"On and after July 1, 1936, every steamer permitted by her certificate of inspection to carry as many as 50 passengers or upward shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection. Such automatic sprinkler system shall consist of an arrangement of piping connecting one or more adequate supplies of water (which supplies shall be in addition to any other water supply of the vessel) with a distributing device which is so assembled and located as to discharge and diffuse automatically over all portions of the vessel accessible to passengers and/or crew (except cargo holds, machinery spaces, and when of fire-proof construction, toilets and bathrooms) a spray of water which will be effective to extinguish fire. Such system shall be kept at all times in good working condition and ready for immediate use. The Bureau of Navigation and Steamboat Inspection shall cause to be made at least once in every 90 days such tests and inspections as insure the proper working of such automatic sprinkler systems. In carrying out the provisions of this paragraph the Bureau of Navigation and Steamboat Inspection is hereby authorized and directed to prescribe rules and regulations to govern the work of installing automatic sprinkler systems in steam vessels."

Mr. ROBINSON rose.

Mr. COPELAND. Mr. President, this bill has to do with safety devices on ships.

Mr. ROBINSON. I have no objection.

Mr. LA FOLLETTE. Mr. President, will not the Senator please explain the bill?

Mr. COPELAND. The bill relates to the United States certificate of inspection regarding sprinkler systems.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FARM-MORTGAGE RELIEF

Mr. BORAH. Mr. President, I ask unanimous consent to recur to Calendar No. 1031, being the bill (S. 3002) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto. I move that the Senate proceed to the consideration of the bill.

Mr. McKELLAR. A point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. Has the consideration of the calendar been completed?

The PRESIDING OFFICER. It has been.

Mr. McKELLAR. We had an agreement that four bills should be passed to the end of the calendar and called when the consideration of the calendar had been concluded.

Mr. McNARY. Mr. President, the Senator from Idaho is asking that Senate bill 3002 be made the unfinished business.

Mr. BORAH. Yes.

Mr. McNARY. If that is done it will not interfere with the consideration of other bills.

Mr. McKELLAR. Under the agreement made earlier today it was provided that the bills providing for four additional district judges should be taken up when the calendar had been completed.

Mr. BORAH. If Senate bill 3002 may be made the unfinished business I have no desire to interfere with the consideration of other bills on the calendar. But I wish to secure for it a place of preference. This is the farm moratorium, bankruptcy bill. It is vital that action be secured at once so the House may act. The bill is here by reason of the Supreme Court decision.

Mr. McKELLAR. Mr. President, I have no objection to the motion being voted on.

The PRESIDING OFFICER. The question is on the motion of the Senator from Idaho [Mr. BORAH].

The motion was agreed to; and the Senate proceeded to the consideration of the bill (S. 3002) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which had been reported by the Committee on the Judiciary with amendments.

Mr. BORAH. Mr. President, I ask permission temporarily to lay aside the unfinished business.

Mr. McNARY. If there is no objection, the bill can go to final passage at this time.

Mr. ROBINSON. Mr. President, in all fairness, the bill should be explained. This proposed legislation is made necessary by reason of the fact that the Supreme Court of the United States held a statute known as the "Frazier-Lemke Farm Bankruptcy Act", which was passed by the Congress some 2 years ago, to be unconstitutional. The pending bill is intended to correct the features of that act which were held to be unconstitutional. I do not wish to delay a vote on the bill.

Mr. BORAH. I ask to have inserted in the RECORD at this point a report drawn by the able Senator from Nevada [Mr. McCARRAN], which states in detail and with great clarity the exact provisions of the bill and what it seeks to accomplish. The bill is here by reason of the fact that the Supreme Court held the so-called "Frazier-Lemke law" to be unconstitutional. The pending bill is designed to, and it is believed it does, avoid the unconstitutional features which were in that law. I ask that the report on the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report (no. 985), submitted by Mr. McCARRAN July 1, 1935, is as follows:

[Senate Rept. No. 985, 74th Cong., 1st sess.]

TO AMEND THE BANKRUPTCY ACT

Mr. McCARRAN, from the Committee on the Judiciary, submitted the following report (to accompany S. 3002):

The Committee on the Judiciary, to whom was referred the bill (S. 3002) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, after consideration thereof, report the bill favorably with amendments, with the recommendation that it be passed.

Before we discuss S. 3002, as amended by the committee, we wish to bring to the attention of the Senate the fact that section 75 of the Bankruptcy Act has not been held unconstitutional by the Supreme Court, save and except subsection (s).

This bill has for its object the clarification of section 75, and the rewriting of subsection (s), which has been held unconstitutional, so as to conform to the decision of the Supreme Court. We shall first discuss the amendments to section 75, other than subsection (s).

These amendments have become necessary because of the great confusion caused by the diverse rulings of the various United States district courts, in the construction of section 75. Some courts have held that the farmer debtor could not take advantage of the act after foreclosure sale and during the period of redemption. Some of these courts have refused to permit the farmer in that position to file his petition, although under the law of the State he was in possession and full control of the property, and could redeem it within the period allowed. Other courts have held that the farmer could not take advantage of the act during the period of a moratorium established by a State; while others have held that the debtor could not take advantage of the act after sale, but prior to confirmation of sale, although in all of these cases, if the debtor had the money, and were in a position to pay, he could redeem and save his property.

Obviously, these courts are reasoning too technically, and have failed to carry out the intention of Congress, which was to protect the farmer's property and home. Other courts have just held the opposite, and have given full protection, and carried out the intent of Congress. There should be uniformity. The amendment to subsection (n) remedies this situation. In addition, subsection (n) brings all of the bankrupt's property, wherever located, under the absolute jurisdiction of the bankruptcy court, where it ought to be. Any farmer who takes advantage of this act ought to be willing to surrender all his property to the jurisdiction of the court, for the purpose of paying his debts, and for the sake of uniformity.

The amended subsection (n) in fact construes, interprets, and clarifies both subsections (n) and (o) of section 75. By reading subsections (n) and (o) as now enacted, it becomes clear that it was the intention of Congress, when it passed section 75, that the debtor farmer and all of his property should come under the jurisdiction of the court of bankruptcy, and that the benefits of the act should extend to the farmer prior to confirmation of sale, and during the period of redemption; and that no proceedings after the filing of the petition should be instituted, or, if instituted prior to the filing of the petition, should not be maintained in any court, or otherwise. Yet there have been a multiplicity of different holdings and conclusions reached by different courts on this subject. The amended subsection (n) clarifies, construes, and interprets the intent of Congress, so as to bring about uniform decisions and rulings by the courts in the future.

The amendment of the second sentence of subsection (b) simply eliminates the requirement that the conciliation commissioner pay the expenses out of his compensation fee of $25. In some cases the expenses equaled or exceeded $25, and, of course, the conciliation commissioner cannot be expected to pay these expenses. They should be charged against the bankrupt's estate.

The amendment to subsection (g) simply eliminates that part of the section which requires the farmer debtor to deposit in court the money or security necessary to pay all debts which have priority, unless waived, in case of a composition or extension of time. Some courts have held that it was necessary for a farmer, before he could get a composition or extension of time, to pay all claims in cash into court, unless they were waived. Obviously, there should be no such limitation. The bankrupt farmer has no cash. The object of section 75 is to give him time within which to get cash. And, obviously, he has no security that is not already encumbered. A conciliation and getting together should not be blocked by such a requirement.

The amendment to subsection (k) relates to the confirmation of a composition or extension proposal. It provides that a majority of the secured creditors may agree to accept such a proposal, provided it does not reduce the amount of or impair the lien of any secured creditor below the fair market value of the property. A majority of the secured creditors may agree to accept a lower rate of future interest than the contract interest. It does not affect the accumulated or earned interest, nor reduce the lien below the value of the property. Section 77 of the Bankruptcy Act, in its requirements, is far more drastic than this, and section 77 has been held constitutional by the Supreme Court. See *Rock Island & Pacific Ry. Co. Case* (294 U. S. —).

The amendment to subsection (p) further carries out the amendment to subsection (n), and places the sole jurisdiction of the bankrupt's estate and of his obligations all in the bankruptcy court, without exception.

This brings us now to subsection (s), rewritten to conform with the Supreme Court's decision. We feel that all the provisions in the rewritten subsection (s) have been approved in principle in numerous decisions by the Supreme Court. We shall, therefore, set forth the various provisions of subsection (s), and follow them with citations and decisions of the Supreme Court.

The opening paragraph of subsection (s) provides that if a farmer fails to obtain a composition or extension, or if he feels aggrieved by the composition or extension proposal, he may amend

his petition or answer, asking to be adjudged a bankrupt. He may also ask the court that all his property, wherever located, be appraised, and that his exemptions as prescribed by State law be set aside to him, and that he be allowed to retain possession, under the supervision and control of the court, of all of the remainder of his property, including his encumbered exemptions, under the terms and conditions of section 75.

It provides that the referee, under the jurisdiction of the court, shall designate and appoint appraisers to appraise all of the property of the debtor at its then fair and reasonable market value. The appraisal is made in all other respects, with rights of objections, exceptions, and appeals in accordance with the Bankruptcy Act; and either party may file objections, exceptions, or take such appeals within 4 months. Surely there is no question of constitutionality up to this point.

Paragraph numbered (1) in the bill provides that after the property has been appraised, the referee shall set aside to the debtor his unencumbered exemptions, as prescribed by State law, and shall order that the possession, under the supervision and control of the court, of such part of the remainder of the debtor's property as he may select shall remain in the debtor, subject to all existing mortgages, liens, pledges, or encumbrances.

Paragraph numbered (2) provides that when the above conditions have been complied with, the court shall stay all judicial or official proceedings against the debtor, or that part of his property which he selects, for a period of 3 years, during which 3 years the debtor is permitted to retain possession of the property, under the supervision and control of the court, provided he pays a reasonable rental semiannually, fixed by the court. The rental is to be paid into court to be used, first, for the payment of taxes and upkeep, and the remainder to be distributed among secured and unsecured creditors, as their interests may appear. It provides further that if the annual net rental exceeds 5 percent of the value of the property, that then the excess shall be applied in the reduction of the bankrupt's indebtedness. The court, in its discretion, may order sold any unexempt perishable property, or any unexempt personal property not reasonably necessary for the farming operations of the debtor, and such sale may be at public or private sale, in the discretion of the court. In addition to the rental, the court may require the debtor to make quarterly, semiannual, or annual payments on the principal, not inconsistent with the protection of the rights of the creditors and the debtor's ability to pay.

Paragraph no. (3) of subsection (s) provides that at the end of 3 years, or any time before, the debtor may pay into court the full amount of the appraisal of the property of which he retains possession, including the encumbrances on his exemptions, less the amount paid on principal, if any. Upon request of any secured or unsecured creditor, or the debtor, the court shall order a reappraisal or, in its discretion, set a date for hearing, and after such hearing fix the value of the property. Then the debtor must pay the value so arrived at into court, less payments made, for distribution by the court to the secured and unsecured creditors. Or, upon request of any secured creditor, the court, in its discretion, may order the property sold at public auction, at which the secured creditors are allowed to bid, up to the appraised value or the principal that the property secures, whichever is the higher. The debtor has 90 days to redeem from such sale, and thereupon may apply for his discharge, as provided for by the Bankruptcy Act.

This section provides further that if the debtor fails to comply with any or all of the provisions set forth herein, at the end of 3 years, or if he is unable to refinance himself, the court may order the appointment of a trustee and the property sold or otherwise disposed of.

Paragraph no. (4) simply provides that the conciliation commissioner shall continue to act as referee. This is to correct the confusion that existed among the courts. When he acts as such referee, he shall be paid such additional compensation as the court may allow, not to exceed $35 in any case; and all such additional fees or costs of administration shall be charged against the bankrupt's estate. The conciliation commissioner may transmit mail free of postage, under cover of a penalty envelop. It provides that if a receiver is in possession of the property, he shall be divested of possession, and the property returned to the farmer. The act shall apply to partnership, common, joint, and entirety ownerships, and to farming corporations, where at least 75 percent of the stock is owned by actual farmers. Practically all of the provisions in this paragraph simply clarify different provisions of section 75 of the Bankruptcy Act, on which there was a great difference of opinion among the district courts.

Paragraph no. (5) provides that this amendment shall apply to all cases now pending in the Federal court, as well as to future cases, and that cases that have been dismissed by the conciliation commissioner or referee, because of the Supreme Court's decision, shall be reinstated without additional filing fees.

Paragraph numbered (6) simply declares that an emergency exists, and gives the court the right to shorten the stay of proceedings if the situation has changed, or the emergency has ended.

It will thus be seen at a glance that the important parts of subsection (s) are numbered paragraphs (1), (2), and (3). It will also be seen that the resale provision of the original subsection (s), where a debtor was permitted to buy back his property at the appraised value, with 1 percent interest and on the installment plan of payment for 6 years, has been entirely omitted from the amended subsection (s).

It will further be noted that the amended subsection (s) shortens the time of the stay of proceedings from 5 to 3 years, and that it gives the court power to shorten that stay. It gives the court complete jurisdiction and custody of the property, with authority to fix the rental annually, and to sell perishable property and personal property that is not necessary for the debtor's farming operations. It will also be noticed that the court can require payments over and above the rental value.

In other words, in the amended subsection (s), the property is virtually in the complete custody and control of the court, for all purposes of liquidation. We feel confident that this meets all the requirements of the Supreme Court's decision. In fact, there is nothing new in this amendment that the Supreme Court has not already approved, not only in one decision but in many decisions in bankruptcy cases.

The Supreme Court admits, in its decisions in the Radford case, holding subsection (s) unconstitutional, that it is a law on the subject of bankruptcy, but also holds that it contravenes the fifth amendment. Under the grant of power given by the Federal Constitution, "Congress shall have power * * * to establish * * * uniform laws on the subject of bankruptcies throughout the United States", the legislation here in question is legislation on the subject of bankruptcy. The only farmer who can take advantage of this act must be a bankrupt. A bankrupt is a financial wreck. The question of interest and profits in bankruptcy proceedings is never considered. The question is one of salvaging, and saving what can be saved out of the wreck. In legislating on this subject it is just as much the duty of Congress to consider the unfortunate debtor as to consider the unfortunate creditors.

"Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution are constitutional (*McCulloch* v. *Maryland*, 4 Wheat. 316, 421, Marshall, C. J.).

"As to the constitutionality of section 77 of the Bankruptcy Act, little need be said in addition to what has already been stated to show this objection is untenable. If the order assailed deals merely with the remedy, as we hold it does, then the amendments violate no provision of the Constitution. That such restraining orders affect the remedy only, see *Allebach* v. *Thomas* (16 F. (2d) 853). Likewise, legislation which deals with the subject of bankruptcy—that is, legislation for the benefit and relief of creditors and debtors—is not subject to the same constitutional limitations as legislation which deals with other subjects and which affects contractual rights and obligations of debtors and creditors. The grant of power 'to establish * * * uniform laws on the subject of bankruptcy' was necessarily a grant of power, the exercise of which would impair the obligation of contracts. For legislation on the subject of bankruptcy contemplates a discharge of the debtor's debts—which is an impairment of contractual obligations." (*Hanover National Bank* v. *Moyses*, 186 U. S. 181; *In re Chicago, Rock Island & Pacific Ry. Co.*, 7 C. C. A., 72 Fed. (2d) 443.)

This decision of the Circuit Court of Appeals was just recently confirmed by the Supreme Court, in re Chicago, Rock Island & Pacific Ry. Co. (295 U. S. —).

It is not unconstitutional for a court of bankruptcy to take jurisdiction of encumbered, as well as unencumbered property, and sell same free and clear of any lien. In fact, a provision to that effect appeared in the Bankruptcy Act of 1867, and has been practiced in many cases under the present bankruptcy act.

"A secured debt or lien is, so far as the Constitution of the United States is concerned, a no more sacred kind of property than an unsecured debt, * * * and the Constitution expressly permits and grants to Congress the power to affect such property, whether it be an unsecured debt or whether it be a lien, by laws relating to the subject of bankruptcies (*In re Burgh* (7 Fed. Supp. 184, 185); *Campbell* v. *Alleghany Corporation* (C. C. A. 4th) — Fed. (2d) —)).

"Sales free of encumbrances were authorized by the statute of 1867. The present law has no such provision. This has cast doubt on the power of the court to authorize such a sale. The cases are quite uniform, however, in declaring that such sales can be authorized, and by the referee as well as by the judge (Collier on Bankruptcy (thirteenth edition, vol. 2, p. 1758)).

"The jursdiction of a bankruptcy court to order the sale of property, free of encumbrances, has its origin in the power to conserve the property of the bankrupt and the value of an equity of redemption must always be a matter of more or less, as more or less is obtained for the property. * * * (*Matter of Theiberg*, C. C., N. J., 47 Am. B. R. 257, 280 Fed. 408).

"A clause in a mortgage giving the right to bid on bonds does not in any way limit the power of the court to order a sale free and clear from the mortgage lien, however much it may influence its discretion (*Matter of Franklin Brewing Co.*, C. C. R., 2d Cir., 41 Am. B. R. 51, 249 Fed. 333).

Neither is it unconstitutional to sell the property, and transfer the lien to the funds. That, again, has been done repeatedly by courts of bankruptcy.

"To transfer the lien from the property to the proceeds of the sale is the exercise of a lesser power; and legislation conferring it is obviously constitutional. Realization upon the lien created by the State law must yield to the requirements of bankruptcy administration (*Van Huffel* v. *Harkelrode*, 284 U. S. 225, 78 A. L. R. 453). See also (*First National Bank* v. *Sheed*, 121 U. S. 74, 87), and (*Mellen* v. *Moline Malleable Iron Works*, 131 U. S. 352, 367)."

Nor is it unconstitutional to limit or prohibit the mortgagee from bidding at an auction sale. In fact, the mortagee is generally prohibited from bidding at his own sale, unless that right is given to him by statute or by contract.

"It has frequently been held that a mortagee or trustee in a deed of trust cannot purchase without leave at the foreclosure sale, and that where he does so the sale is voidable. If the mortgagee without leave purchases at such sale he will be considered merely a mortgagee in possession of a redeemable estate, and the mortgagor will have the right to disaffirm (*Cunningham* v. *Macon, etc., R. Co.* 156 U. S. 400, 39 L. ed. 471); Jones on Mortgages, 8th ed., 540, sec. 2078).

"Ordinarily a mortgagee or pledgee may not purchase at his own sale unless expressly authorized by statute or contract or unless the sale is sanctioned by the debtor (16 R. C. L. 107, sec. 77).

"The decree of a chancellor is always a matter of grace and never an absolute right of a litigant. The propriety of affording equitable relief rests in the sound discretion of the court, to be exercised according to the circumstances and exigencies of each particular case (21 C. J. 34, sec. 12)."

All that the mortgagee or lienholder ever was, or is, entitled to in this country is the value of the property, as judicially determined, and there are many methods by which this may be determined. Subsection (s) employs them all, and leaves it in the discretion of the court.

The time allowed in which to close up the bankrupt's estate in the amended subsection (s) is not unreasonable, and compares very favorably with the time required in bankruptcy and receivership cases generally. The average of all cases heretofore has been approximately 2 years, and some cases have run as long as 12 years.

"While the lienholder is delayed in getting his money, the delay is probably not for so long a time, or the loss so great, as would result to him if the act were not passed and wholesale foreclosures of real-estate mortgages should result. While generally regarded as a measure for the relief of farmer debtors, it is clear that the act is at the same time one in the interest of their creditors also; for creditors of farmers would have nothing to gain, even with respect to the collection of their debts, from the financial debacle which would result from the wholesale foreclosure of farm mortgages, in which their collateral would be rendered practically worthless (*Bradford* v. *Fahey*, C. C. A. 4th, no. 3797).

"We know that in equity receiverships in the Federal courts more than 5 years often elapse before a final sale, during which time the creditors are restrained from enforcing liens." (*In re Cope*, 8 Fed. Supp. 778).

Nor does this act establish a new principle by permitting the bankrupt to remain in possession of his own property, and pay the value as judicially determined for it. That has been determined by the Supreme Court in a number of cases. See the following cases: *Sparhawk* v. *Yerkes* (142 U. S. 1, 14); *In re Swofford Bros. Dry Goods Co.* (180 Fed. 549); *Burlingham* v. *Crouse* (228 U. S. 459); *In re Reiman* (7 Ben. 455, 11 N. B. R. 21, 20 Fed. Cas. 11673, and 12 Blatch. 562, 13 N. B. R. 128, 20 Fed. Cas. 11675).

It is not necessary for this committee to point out the necessity for this legislation. There are few Members in this Congress that have not already received numerous letters, many of them from conciliation commissioners and referees, pointing out that before the Supreme Court held subsection (s) of section 75 unconstitutional, they were able to settle 9 out of every 10 cases out of court because of the Frazier-Lemke amendment, but that since the decision wholesale foreclosures have been started. The fact that there is now a higher price for agricultural products has made the property more attractive, and many mortgagees have taken advantage of this fact, and are now foreclosing, whereas before the increase in price, they were quite willing to permit the farmer to continue, and do the best he could.

Many State moratoriums, and there were 26, are about to expire, and when they expire, there undoubtedly will be an avalanche of foreclosures; whereas, if this bill is passed, these foreclosures will be held in abeyance. Nine out of ten of the distressed farmers will be able to get adjustments outside of court, because of the moral effect of the act, and in the rest of the cases there will be orderly liquidation, with a view of the rehabilitation of the farm debtor, as well as full protection to the creditors. This the public conscience, as well as public interest and welfare, demands.

Mr. ROBINSON. Mr. President, the Senate committee reported an amendment, which I do not have before me, to the effect that the mortgagee might bid under certain circumstances, but the amendment limits the amount which he may bid on the property to the original amount of his claim. I cannot understand how the Congress can limit the amount when a sale is made to the highest and best bidder. I do not understand the purpose of that provision. It looks to me as if we are restoring one of the features of the old act which was criticized by the Supreme Court in its opinion.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. FRAZIER. The House Judiciary Committee made that same objection, and I have an amendment which I shall offer to make the bill conform to the amendment of the House committee. I shall offer three amendments to make the bill conform to the similar measure reported by the House committee, and one of them is to strike out the provision to which the Senator from Arkansas objects.

Mr. TYDINGS. Mr. President, will the Senator from Idaho yield to me for a question?

Mr. BORAH. I yield.

Mr. TYDINGS. Is it the purpose of the Senator to push this bill through to passage now?

Mr. BORAH. I have no desire to do so if any Senator desires to have it go over, in order to examine it. But I am anxious to secure as speedy action as possible.

Mr. TYDINGS. I should like to have some time to examine the bill.

Mr. BORAH. I should certainly not wish to crowd the matter if the Senator desires time to study the measure. We can take it up at our next session.

Mr. McCARRAN. Mr. President, with the permission of the Senator from Idaho may I respectfully request that the Senators who may be interested in this subject kindly give consideration to the report which has been filed by the Committee on the Judiciary, so that the bill may be considered promptly. We spent days in the consideration and preparation of the report.

Mr. ROBINSON. The bill is now the unfinished business, and it will come before the Senate on Monday when we meet, assuming that we take a recess until that time.

Mr. McCARRAN. Mr. President, I ask Senators to consider the report which had been ordered printed in the RECORD.

Mr. FRAZIER. I offer to the bill the three amendments to which I referred, and ask to have them printed and lie on the table.

The PRESIDING OFFICER. Without objection, the amendments will be received, printed, and lie on the table.

Mr. FRAZIER. I will say further that these amendments are necessary to make the bill conform to the amendments which have been placed in the bill by the House Judiciary Committee.

ADDITIONAL DISTRICT JUDGE, WESTERN DISTRICT OF OKLAHOMA

Mr. McKELLAR. Mr. President, in accordance with the agreement made earlier in the day, I ask unanimous consent to return to Senate bill 2137, to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma. It will take only a few moments to consider this measure.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2137) to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma, which was read, as follows:

Be it enacted, etc., That the President is authorized to appoint, by and with the advice and consent of the Senate, one additional United States district judge, who shall be an additional district judge for the eastern, northern, and western districts of Oklahoma. The judge so appointed shall at the time of his appointment be a resident and citizen of the State of Oklahoma.

Mr. COPELAND. Mr. President, to one of the bills I wish to offer an amendment providing for three additional judges for the southern district of New York. Such a bill was favorably reported to the Senate. However, so many additions were made to the bill—I suppose in the same manner that I am thinking about doing now—that the bill went back to the committee.

If there is one place in the United States where additional judges are needed, it is in the southern district of New York. I had the figures here a moment ago—I cannot place my hands on them now—showing that for several years past more cases have been added to the docket than have been disposed of. It now takes from 20 to 22 months to reach a case for trial in New York. At the proper time I wish to ask for three additional judges for the southern district of New York.

Mr. McKELLAR. Mr. President, I may say to the Senator that unless the bill providing for the judgeships he has in mind has been reported out by the committee, I hope he

will not offer his amendment to the bills which have been reported and which are now being considered.

Mr. McCARRAN. Mr. President, as a member of the Judiciary Committee having this matter to some extent in charge, I make the same suggestion as that made by the Senator from Tennessee with reference to the pending matter. I draw the attention of the able Senator from New York to the fact that at the time the pending bill was brought up before an amendment was attached to it through the efforts of the Senator from Oklahoma, and I said then that I thought each one of these cases should be considered on its individual merits. The southern district of New York has not presented its case; but, notwithstanding that fact—and I speak individually—I have some information as to that condition; and all the Senator from New York has said as to the southern district of New York is true. That district should have additional judges.

Mr. COPELAND. Mr. President, I am very much obliged to the Senator, but he is mistaken in one respect. It was passed on by the Judiciary Committee of the House; passed by the House and came to the Senate. Then there was a considerable addition made to the bill here and it became such an omnibus bill that it was recommitted to the committee.

Mr. McCARRAN. The reason it became an omnibus bill was that we did not hold individual hearings. I think each case should stand on its own footing. I think the southern district of New York should present its case just as Virginia presented its case, just as Oklahoma presented its case, and just as southern California presented its case. I think we should pass upon it and have the advice of the Department of Justice.

Mr. COPELAND. Mr. President, in view of the attitude of the Senator from Nevada, I shall not attempt to interfere with the passage of these bills, but shall attempt to place New York on its own foundation of merit. I have very wise counsel that we have merit in our claim. I withdraw any objection.

Mr. KING. Mr. President, I stated several hours ago, when one of the bills providing for an additional Federal judge was reached on the calendar, that I was opposed to it and to the other bills calling for additional judges. I base my opposition upon the report to me of the Attorney General of the United States and to my belief that the situation in the States where it is proposed to appoint additional judges does not warrant further appointments. I do not have with me the report from the Attorney General concerning Oklahoma, but I have his report concerning the other three judgeships. I remember very distinctly that the report from the Department of Justice shows that there is no necessity for an additional judge in Oklahoma; that the dockets in the judicial districts are current. And I may add that the same conditions exist in the States of Tennessee, West Virginia, and Kentucky.

I have objected to these judgeship bills and shall vote against them. However, I stated, though I am opposed to their passage, I would not prevent the Senate from expressing its views on this measure, but I shall vote against all of them and desire the Senate to know that, in my opinion, their passage cannot be justified.

Mr. McCARRAN. Mr. President, the Senator is not objecting to the present consideration of the bill?

Mr. KING. I should like to see them defeated, but realize that with the pressure upon them, a vote can be forced either today or before adjournment.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL DISTRICT JUDGE FOR TENNESSEE

Mr. McKELLAR. Mr. President, the next of the judgeship bills passed over by agreement is Calendar No. 1177, Senate bill 3179. I ask for its present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3179) to appoint one additional judge of the District Court of the United States for the Eastern, Middle, and Western Districts of Tennessee, which was read, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, one additional judge of the District Court of the United States for the Eastern, Middle, and Western Districts of Tennessee. The judge shall be a resident of the State of Tennessee and shall possess the same powers, perform the same duties, and receive the same compensation as the present judges of the respective districts.

Mr. KING. Mr. President, I remember how vigorously Democrats in the Senate protested against the appointment of judges under the administrations of Presidents Harding and Coolidge. I was among those who protested. I did not believe the situation called for the creation of additional judicial districts, or the appointment of more judges. Notwithstanding the opposition, more than 24 judges were appointed to fill new districts.

I believed then that politics played too large a part in the judicial legislation enacted. I realize that my opposition to the pending bills for additional judges will not avail in defeating them, but I feel sure that Senators sympathize with my views and recognize that my motives are grounded upon sincere convictions of public duty.

We criticized the Republican President, and the Republican Membership in the Senate when they were in control, because of their unjustifiable legislation creating new judicial districts and appointing many judges. It is my opinion that it is wrong to appoint either State or Federal judges except there is an imperative necessity for such action.

Coming to the bill under consideration, the Attorney General under date of August 2 wrote me in regard to the proposed judgeship for Tennessee, and transmitted a report showing the condition of the docket and the cases disposed of during the year ending June 30, 1934, and for the year ending June 30, 1935. The report shows the status of the Federal court business in the three judicial districts of that State. There are three judicial districts, eastern, middle, and western, and there is one judge in each district.

In the eastern district the number of civil cases filed in the year ending June 30, 1934, was 294 and there were 174 criminal cases filed in that year. In the year ending June 30, 1935, there were 256 civil cases filed and 403 criminal cases filed. According to the report of the clerk the dockets are "up to date."

Mr. McKELLAR. Mr. President, may I interrupt the Senator?

Mr. KING. Let me complete my statement first.

Mr. McKELLAR. The Senator's figures are incorrect.

Mr. KING. I assume they are correct, having been furnished them by the Attorney General of the United States. His Department knows the condition of the Federal courts and the status of all litigation therein. I requested him to give me information as to the condition of the dockets at present, and I am reading the figures from his communication to me.

In the middle district of Tennessee the number of cases filed in the year ending June 30, 1934, was as follows: Civil cases, 89; criminal cases, 152. For the year ending June 30, 1935, there were only 96 civil cases filed in that large judicial district, and only 306 criminal cases. According to the report of the clerk under this date "the dockets are up to date."

In the western district of Tennessee for the year ending June 30, 1934, there were 78 civil cases filed. In one of the counties in my State more cases are filed than are filed in the Federal district just referred to. For the year ending June 30, 1935, there were 134 civil cases and 168 criminal cases filed. According to the report of the clerk the dockets as of June 30, 1934, were "up to date", and "information as to the condition of the dockets on June 30, 1935, has not yet been received."

Mr. WALSH. Mr. President, will the Senator yield for a question?

Mr. KING. Certainly.

Mr. WALSH. Does the Senator know whether there is any law or regulation requiring United States judges to serve a specified number of days or months in a year?

Mr. KING. I do not think so, though there ought to be.

Mr. WALSH. There was at one time. I do not know what the situation now is. At one time I believe the courts' records would show that some of the judges sat very few months in some parts of the country.

Mr. KING. I think that is true.

Mr. McCARRAN. Mr. President, may I respectfully draw the attention of the able Senator from Utah to the fact that I think Tennessee presents an unusual record in that in the Federal court there an unprecedented volume of business has been handled. If the Senator from Utah will take the number of cases he has read from the record and compare it with the available days of trial, he will find that the judge was working night and day in every district.

Let me say further, if the able Senator from Utah will bear with me just a moment——

Mr. KING. I am through. I have finished what I wish to say concerning the bill now before us.

Mr. McCARRAN. Then I want to say a word. "Justice delayed is justice denied." We should augment the number of our judicial officers rather than curtail them, because by that means we will have accomplished the thing which the American litigant wants, namely, a decision of his controversies.

Mr. McKELLAR. Mr. President, I desire to say that the Federal courts in Tennessee are nearly 1,500 cases behind; and some cases have been undecided for months, and even for years.

I have here a letter from Judge John J. Gore, a Republican judge, which I desire to read:

UNITED STATES DISTRICT COURT,
Cookeville, Tenn., August 5, 1935.

Hon. KENNETH MCKELLAR,
Washington, D. C.

MY DEAR SENATOR: I hope the information the clerk of my court at Nashville sent you one day last week is sufficient to assist you a bit in pasing the itinerant judgeship bill for Tennessee. I feel the need of such a bill and hope that you may be successful in passing it.

Respectfully,

JOHN J. GORE.

I ask unanimous consent that the telegrams and letter which I send to the desk may be inserted in the RECORD in this connection.

There being no objection, the telegrams and letter were ordered to be printed in the RECORD, as follows:

NASHVILLE, TENN., *July 31, 1935.*

Hon. K. D. MCKELLAR,
United States Senator:

On instruction Judge Gore this date am sending following information as to number civil and criminal cases in four divisions, middle district of Tennessee: Waiting trial—criminal 237, civil 213.

E. L. DUDNEY,
Clerk United States District Court.

MEMPHIS, TENN., *July 31, 1935.*

Hon. KENNETH MCKELLAR:

One hundred thirty-seven criminal cases, 337 war-risk cases, 111 civil cases pending at Memphis and Jackson to date, making total of 585 cases; this court has averaged this number cases pending for the last 7 years.

SAM L. GORDON.

KNOXVILLE, TENN., *July 31, 1935.*

Senator KENNETH MCKELLAR,
Senate Office Building:

Clerk Federal court here advises about 31 civil cases on docket this division on which no action has been taken, about 100 civil cases this division pending, and about 25 in Chattanooga and 25 in Greeneville; about 40 cases have been heard and not yet decided. District attorney advises about 65 war-risk cases unheard in this district, and about 75 T. V. A. cases alone pending in Knoxville, and about 150 civic cases on the Knoxville docket, and about 75 cases heard but not yet decided. Both report about up on criminal docket. My own opinion is that there is too much work in this district for one judge.

WM. BAXTER LEE.

LEE, COX, MEEK & HIER,
Knoxville, Tenn., July 31, 1935.

Senator KENNETH MCKELLAR,
Senate Office Building, Washington, D. C.

DEAR SENATOR: With further reference to the matter of the cases pending in the United States District Court in this district.

Since I wired you this afternoon General Frazier called me on the telephone again and stated that there were 160 criminal cases pending in Chattanooga, Knoxville, and Greeneville courts; that there were 125 civil cases pending to which the Government is a party and which are being handled by Government attorneys, and in addition 100 T. V. A. cases which are handled by T. V. A. attorneys. In addition to this he stated that there was, in his opinion, between 150 and 200 civil cases pending in the entire district and that there were about 75 cases which had been tried and had not yet been decided.

I think that this information given by the district attorney is substantially correct. Mr. Beeler, the clerk of the court here, called me after I sent you the telegram and stated that there were over 50 cases which had been tried and submitted to the court and which had not been decided. He also raised his estimate on the other cases given by him in my telegram to you about 20 percent.

I know that Judge Taylor works very hard, and I think is doing all that is possible for one judge to do, and in my opinion he should have some help. I don't know anything about the condition in the middle and west Tennessee districts but on account of all the banks in Knoxville being placed in the hands of receivers, and the loans made by the Reconstruction Finance Corporation, I do know that the civil docket in the eastern district is very much overcrowded and there are many more cases on this docket than I have seen in the 30 years that I have practiced law in Knoxville. The mere fact that the court has 50 or more cases which have been tried and which he has not yet had time to decide is the best evidence in the world to me that help is needed.

With kindest regards, I am, sincerely your friend,

WM. BAXTER LEE.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS FOR EXTRA LABOR AT NAVY YARDS AND SHORE STATIONS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 872) for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims.

Mr. WALSH. Mr. President, there are a few differences between the House and the Senate in regard to this measure.

I move that the Senate disagree to the amendments of the House and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WALSH, Mr. COPELAND, and Mr. BORAH conferees on the part of the Senate.

ADDITIONAL DISTRICT JUDGE, WEST VIRGINIA

Mr. NEELY. I move that the Senate proceed to the consideration of Senate bill 2456, to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia.

Mr. ROBINSON. That would displace the unfinished business. The Senator does not wish to do that, I am sure.

Mr. NEELY. Then I ask unanimous consent that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the President of the United States, by and with the advice and consent of the Senate, is hereby authorized to appoint an additional district judge for the northern and southern districts of West Virginia, who shall, at the time of his appointment, be a resident and a citizen of the State of West Virginia; and who, when appointed and qualified as provided by law, shall exercise all the powers conferred by existing law upon judges of the district courts of the United States; and who shall, as to all business and proceedings arising in said northern and southern districts of West Virginia, as now constituted or which may be transferred thereto, succeed to and possess the same powers, and perform the same duties within said districts, that are now possessed and performed by the district judges heretofore appointed for and now serving therein, respectively.

The present district judge for the northern district of West Virginia shall hold regular terms of court in said northern district, at the following places and times, that is to say:

(a) At the city of Martinsburg on the first Tuesday in April and the third Tuesday in September in each year;

(b) At the city of Wheeling on the first Tuesday in May and the third Tuesday in October in each year;

(c) At the city of Elkins on the third Tuesdays in June and November in each year;

(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

The present district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following places and times, that is to say:

(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

(b) At the city of Lewisburg on the first Tuesday in March and the third Tuesday in September in each year;

(c) At the city of Charleston on the third Tuesdays in April and November in each year;

(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

The district judge for the said northern and southern districts of West Virginia, to be appointed under this act, shall hold regular terms of court in said northern and southern districts at the following places and times; that is to say:

(a) At the city of Clarksburg, in said northern district, on the second Tuesdays in January and September in each year;

(b) At the city of Parkersburg, in said northern district, on the third Tuesday in March and the second Tuesday in October in each year;

(c) At the city of Huntington, in said southern district, on the second Tuesdays in May and November in each year;

(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

Mr. KING. Mr. President, I know the zeal with which these bills are being pressed. Nothing can prevent their passage; but I intend to make the record here, and to voice my opposition to each of them. I believe it is unjust to the taxpayers of the United States to create unnecessary offices and to multiply the rapidly growing Federal personnel. Federal bureaucracy may become an oppressive burden to the people.

I have a letter from the Attorney General of the United States transmitting a memorandum with respect to West Virginia. It reads as follows:

STATISTICS OF JUDICIAL BUSINESS IN THE NORTHERN AND SOUTHERN DISTRICTS OF WEST VIRGINIA

The State of West Virginia is divided into two districts, namely, the northern district of West Virginia and the southern district of West Virginia. Existing law authorizes the appointment of one judge for each district. Hon. William Eli Baker is judge of the northern district and Hon. George W. McClintic is judge of the southern district.

The following tables show the number of cases commenced, terminated, pending, etc., in the northern and southern districts of West Virginia, respectively, during the fiscal years ending June 30, 1932, 1933, and 1934.

Northern district

	1932	1933	1934
United States civil cases:			
Commenced	115	119	38
Terminated	91	113	104
Pending at close of year	122	128	62
Criminal cases:			
Commenced	548	613	132
Terminated	558	589	182
Convictions	542	567	151
Acquittals	0	1	1
Dismissed	16	20	30
Pending at close of year	69	94	44
Private litigation:			
Commenced	101	139	107
Terminated	85	141	125
Pending at close of year	144	142	124
Bankruptcy cases:			
Commenced	363	318	433
Terminated	419	365	388
Pending at close of year	407	360	407

Mr. CLARK. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. CLARK. Does the Senator take into consideration, in reading these figures, the fact that at this session of Congress we have passed enough legislation to double the number of cases pending in any Federal court in the United States?

Mr. KING. That is a matter of conjecture, and the Senator's guess may be better than mine. However, I know that with the repeal of the eighteenth amendment and the Volstead Act, the work of the Federal courts was greatly reduced; and I am advised that in some judicial districts the judges have leisure time. It is true then that Federal statutes are being enacted, many of which are unwise, and that new Federal officers are being provided.

Mr. CLARK. Outside of Federal offenses, if the Senator will yield for just one moment, the new taxes imposed, and the questions involved in the limitation of rights of action, will certainly vastly increase the number of cases before the Federal courts.

Mr. KING. Would it not be wiser for us to wait until the cases are brought, instead of creating judicial districts and appointing additional judges? Even if they are eventually brought, several years might elapse before suits are filed.

Southern district

	1932	1933	1934
United States civil cases:			
Commenced	347	255	59
Terminated	280	257	117
Pending at close of year	201	149	91
Criminal cases:			
Commenced	1,555	852	439
Terminated	1,622	1,017	579
Convictions	1,091	731	360
Acquittals	2	6	1
Dismissed	529	280	131
Pending at close of year	490	325	158
Private litigation:			
Commenced	126	111	98
Terminated	122	107	120
Pending at close of year	107	111	89
Bankruptcy cases:			
Commenced	492	395	349
Terminated	576	430	397
Pending at close of year	356	321	273

From a survey made by this Department of the time required in the several district courts of the United States to reach the trial of cases after joinder of issue, it appears that in the northern district of West Virginia the interval between joinder of issue and the trial of cases is from 60 to 90 days, while in the southern district the average interval between joinder of issue and the trial of cases is estimated to be 60 days.

Mr. STEIWER. Mr. President, will the Senator yield?

Mr. KING. I yield to the Senator from Oregon.

Mr. STEIWER. I merely wish to ask the Senator if the Attorney General advised as to the condition of the docket with respect to the time which elapses before a case can be tried after it is filed.

Mr. KING. The report furnished me states that the docket is up to date, and further that in the West Virginia district the interval between joinder of issue and the trial of cases is only from 60 to 90 days, and in the southern district the interval between joinder of issue and the trial of cases is estimated to be 60 days.

Mr. STEIWER. Does the Senator believe cases are heard promptly and without delay in that jurisdiction?

Mr. KING. The record presented demonstrates that cases are tried without delay.

Mr. President, I have said all that I care to say. I have stated the facts as they have been brought to my attention by the Department of Justice. I have presented facts which I felt it my duty to bring to the attention of the Senate. I am a member of the Judiciary Committee, and I believe that I would fail in my duty if I were silent in the face of these demands for additional judges when I believe that none were required. I know in advance what the result would be, and that I would be lonely in my opposition to these measures.

Mr. ASHURST. Mr. President, I shall say but a few words, and they are really more of a tribute than an argument.

I wish to pay a tribute, in my feeble way, to the Senator from Utah [Mr. KING]. He is a man, in my judgment, not only of scholarship, assiduity, and zeal for the public interest, but as a lawyer for nearly 18 years I have sat at his feet, as Saul sat at the feet of Gamalieh, and learned all the ancient law. I wish publicly to say that with such men on

the Senate Committee on the Judiciary as the Senator from Utah [Mr. KING] one feels reassured, and I know that he realizes that his task today is not a pleasant one. It is not pleasant to object to bills in which Senators are greatly interested, as to which they profoundly believe, as I do, that they are assuming the right position.

As I have said, I have sat at the feet of the able Senator from Utah and learned not only much of the common law, but I learned also something of the Code Napoleon, and he even gave me some instructions in the lex Cornelia. But, great as is his ability, I profoundly believe he is wrong in his opinion regarding the proposal to provide additional judges. I will state the reason why, in my judgment, he is in error at this time.

First, England, Australia, Canada are not polyglot countries. Our country is a polyglot country, made up of many races and many tongues. In addition to that, with our dual system of government, with 48 States and the ever-present and complex questions incident to State and national sovereignty, with Congress within the past 2 years pouring out, as has well been said before, an enormous volume of laws, with court calendars in most of the districts 2 years behind, there has become almost a threat to national existence, by reason of the fact that speedy trials cannot be obtained.

Take, for instance, the southern district of New York, where 32 months frequently elapse between the joining of the issue and the trial of the cause. Will Senators tell me that that is a healthy situation? The same thing is true of southern California and of many of the other districts.

It has been said here today, and well said, that justice delayed is justice denied. We are engaged at this very moment, and have been for some years, in a titanic effort to uphold law and order and public authority, and add to the efficiency and firmness of the Federal Government. We have 143 district judges, excluding those in our possessions and the District of Columbia, and we have some 41 circuit judges.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. WALSH. Will the able Senator inform the Senate whether there is any way of knowing how many days in the year each judge sits?

Mr. ASHURST. I have but a moment left; but I may say that judges are different and communities are different. Many judges work 10 months each year, 6 and 7 hours each day.

Mr. WALSH. My reason for asking the question is that I have heard many statements made in my own State to the effect that the judges of the United States district courts have a very much easier time than do State judges; that they sit fewer number of days; and I wondered whether that was true as to the whole country.

Mr. ASHURST. The able Senator from Massachusetts is quite right and quite searching in his question. In some few districts now and then there is—I will not say a lazy, but a lackadaisical judge who is not diligent.

Mr. WALSH. Is there any check? Does the Attorney General, for instance, keep track of that matter?

Mr. ASHURST. No; there is not, so far as I know; but there is a judicial council which meets each year over which the Chief Justice of the United States presides, and these matters are considered. I wish at this time publicly to commend the zeal and the ability of the district judges of the United States in New England, and I am not making any invidious distinctions.

Of the 143 Federal district judges there are a dozen or two dozen, forsooth, who are slack in their work, but I am willing to say and do say on the floor of the United States Senate that as a body of men the district judges work zealously and faithfully and even to a more emphasized degree than do the circuit judges.

If we are to expect the laws to be enforced, and public order to be maintained, we must not cripple the judicial branch of the Government. We have the power to do it. We hold the purse, and we have the power to create judgeships and withhold the salaries of the judges. The doctrine of noblesse oblige would at least compel us to provide the facilities and an adequate number of judges to enable each judge to perform his duty.

Just a word in conclusion. One never makes any votes as a politician by eulogizing anything English. But truth is truth. We hear men constantly inveigh against our own system of government and praise the English system.

Mr. President, the English system has no superiority over our own, except that they are not a polyglot people. They enforce the laws they make. We are the only country ever known in the history of the world where there is a refusal to enforce the laws we enact.

England may have some superiority in regard to the rules of evidence. In all other respects our system is equally as good as theirs, if we will only enforce our laws.

Mr. CLARK. Mr. President, will the Senator yield to me for a question in my own time?

Mr. ASHURST. Certainly.

Mr. CLARK. I should like to ask the very able and distinguished Chairman of the Committee on the Judiciary whether, from his wide experience and observation, in view of the tremendous and vital importance of the Federal judiciary, particularly at this time, in view also of the very limited cost of the establishment of a sufficient number of judgeships, any policy could be more pennywise and pound foolish than for the United States Government to refuse to provide sufficient judges to enable the courts to be open at all times to litigants, and to speedily determine the issues presented?

Mr. ASHURST. The Senator is correct. It is not only pennywise and pound foolish not to equip the judiciary so it will have opportunity to enforce the law, but it practically means the wrecking of our governmental system.

Mr. NEELY. Mr. President, it would be impossible for anyone to exaggerate the existing necessity for an additional judge in West Virginia. The distinguished Senator from Utah [Mr. KING] has read some figures from ancient history. May I read the figures which reveal conditions existing in West Virginia in 1935?

For the fiscal year which ended on the 30th day of last June there were begun in the northern district of West Virginia 413 criminal cases, 33 civil cases in which the United States Government was a party, and 109 private civil cases. There were begun in the northern district of West Virginia during the same period of time 447 bankruptcy proceedings. In the southern district of West Virginia for the same year there were begun 871 cases all told; 626 of them were criminal cases, 80 were civil cases in which the Government was a party, and the remainder were private civil cases.

In the southern district, 403 bankruptcy proceedings were begun during the last fiscal year.

The conference of judges—which, as the lawyers in the Senate know, is presided over by the Chief Justice of the United States, and is composed of the Chief Justice of the United States and the senior circuit judges of the United States—in 1930 unqualifiedly recommended the appointment of an additional Federal judge in West Virginia, or the creation of an additional judicial district. In 1931 the judicial conference again unanimously repeated its recommendation. In 1932 the conference, presided over by the Chief Justice of the United States, again repeated its recommendation. In 1933 the conference again repeated its recommendation that there should be either an additional judicial district or an additional judgeship created for the State of West Virginia.

In view of the situation thus disclosed, and the recommendation of the conference, I hope this bill will be immediately passed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL DISTRICT JUDGE, KENTUCKY

The bill (S. 3344) to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky, was considered, ordered to

be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky. The judge shall be a resident of the State of Kentucky and shall possess the same powers, perform the same duties, and receive the same compensation as the present judges of the respective districts.

Mr. KING. Mr. President, without taking the time to read it, I desire to have incorporated in the RECORD a report which I have received from the Attorney General, showing the litigation pending in Kentucky, and so on, during the period indicated.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MAY 9, 1935.

STATISTICS OF JUDICIAL BUSINESS IN THE EASTERN AND WESTERN DISTRICTS OF KENTUCKY

The State of Kentucky is divided into two judicial districts. There is authority for the appointment of one judge for each district. Hon. Hiram Church Ford is the judge for the eastern district and Hon. Charles I. Dawson is the judge for the western district.

The following tables show the number of cases commenced, terminated, pending, etc., in the eastern and western districts of Kentucky during the fiscal years ending June 30, 1932, 1933, and 1934:

Eastern district

	1932	1933	1934
United States civil cases:			
Commenced	281	217	55
Terminated	364	224	102
Pending at close of year	233	226	179
Criminal cases:			
Commenced	3,540	2,205	1,119
Terminated	3,714	2,364	1,068
Convictions	3,322	2,054	948
Acquittals	66	6	8
Dismissed	326	304	109
Pending at close of year	178	19	70
Private litigation:			
Commenced	206	248	300
Terminated	195	230	303
Pending at close of year	267	285	282
Bankruptcy cases:			
Commenced	599	346	476
Terminated	611	533	509
Pending at close of year	321	334	301

Western district

United States civil cases:			
Commenced	147	117	94
Terminated	129	116	128
Pending at close of year	160	161	127
Criminal cases:			
Commenced	1,021	750	370
Terminated	1,056	765	379
Convictions	831	635	281
Acquittals	23	16	10
Dismissed	202	114	77
Pending at close of year	71	56	47
Private litigation:			
Commenced	155	217	160
Terminated	119	185	176
Pending at close of year	278	310	294
Bankruptcy cases:			
Commenced	1,080	954	773
Terminated	1,062	957	966
Pending at close of year	1,534	1,531	1,338

From a survey made by this Department of the time required in the several district courts of the United States to reach the trial of cases after joinder of issue, it appears that in the eastern district of Kentucky the average interval between joinder of issue and trial of cases is 10 months. The records fail to disclose the average interval between joinder of issue and the trial of cases in the western district of Kentucky.

BICENTENARY OF BIRTH OF CHARLES CARROLL OF CARROLLTON

Mr. BARKLEY. Mr. President, today from the Committee on the Library I reported two joint resolutions which it will take very little time to consider. I ask that the first one, Senate Joint Resolution 151, be considered at this time.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 151) making provision for a national celebration of the bicentenary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas Charles Carroll of Carrollton during his lifetime of nearly a century rendered services of paramount importance to his country; and

Whereas on February 18, 1776, more than four months before the adoption of the Declaration of Independence, John Adams stated that "in the case of American liberty, his zeal, fortitude, and perseverance have been so conspicuous that he is said to be marked out for peculiar vengeance by the friends of administration; but he continues to hazard his all, his immense fortune, the largest in America, and his life"; and

Whereas in signing the Declaration of Independence Charles Carroll of Carrollton pledged his life, his sacred honor, and the largest fortune in America to the success of the Revolution; and

Whereas the services rendered by Charles Carroll of Carrollton to the United States during the War of Independence, and in the subsequent struggle to preserve the Republic from disintegrating, which resulted in the adoption of the present Constitution, received the warm praise of his contemporaries, including the Father of his Country; and

Whereas Charles Carroll of Carrollton, as United States Senator from Maryland, played a foremost part in the organization of the Federal Government, under the Presidency of George Washington; and

Whereas for a period of 56 years following the signing of the Declaration of Independence Charles Carroll of Carrollton watched the progress of American affairs with eager solicitude and labored unceasingly for the advancement of the Republic; and

Whereas Daniel Webster in an oration delivered at Faneuil Hall, Boston, on August 2, 1826, on the occasion of a civic tribute to Thomas Jefferson and John Adams, then recently deceased, paid eloquent homage to Charles Carroll of Carrollton, then the last of the signers, comparing him to a venerable oak "standing alone on the plain", hailing him as a "fortunate, distinguished patriot", and exhorting his hearers to "let him know that while we honor the dead we do not forget the living, and that there is not a heart here which does not fervently pray that Heaven may yet keep him back from the society of his companions"; and

Whereas in 1828, as a mark of national homage to Charles Carroll of Carrollton, Congress, by joint resolution, conferred upon him the franking privilege, Speaker Stevenson requesting him, in his official notification, to receive the honor "as a token of the distinguished respect and veneration which Congress entertains toward an early and devoted friend to liberty, and one who stood eminently forward in the purest and noblest band of patriots that the world has ever seen"; and

Whereas on November 15, 1832, the President of the United States, Andrew Jackson, voiced in feeling terms the tribute of the Republic to Charles Carroll of Carrollton, who had died on the preceding day, affirming that "no one estimated higher than I did his claims, whilst living, upon the gratitude and love of his country; none will cherish more sacredly his memory now that he is taken from us by the Great Disposer of the affairs of this world"; and

Whereas the bicentenary of the birth of Charles Carroll of Carrollton occurs on September 19, 1937; and

Whereas it is eminently proper and desirable that the United States should officially commemorate this event: Therefore be it

Resolved, etc., That the President of the United States be, and he is hereby, authorized to appoint a body of five persons, to be designated "The Charles Carroll of Carrollton Bicentenary Commission", this Commission to be charged by him with the work of making adequate preparations for a national celebration of the bicentenary of the birth of Charles Carroll of Carrollton. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

The preamble was agreed to.

DISTRICT OF COLUMBIA BEVERAGE CONTROL ACT—CORRECTION OF REPORT

Mr. KING. Mr. President, House bill 6510, to amend the District of Columbia Alcoholic Beverage Control Act, was passed today; and I notice in the report which accompanied the bill that there has been an omission of two or three lines. I ask to have inserted in the report which goes in the files the lines which are omitted.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMEMORATION OF FIRST STEAM RAILROAD ENTERING WASHINGTON

Mr. BARKLEY. Mr. President, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 164, to authorize the selection of a site and the erection thereon of a suitable monument indicating the historical significance of the first entrance into the city of Washington of a steam railroad, and for other purposes.

The PRESIDING OFFICER. Is there objection?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Architect of the Capitol is authorized and directed to select, with the approval of the Commission for the Enlarging of the Capitol Grounds, a suitable site within that

part of the Capitol Grounds bounded by Constitution and Pennsylvania Avenues and First and Third Streets Northwest for a monument to indicate the historical significance of the first entrance of a steam railroad, the "Iron Horse", into the city of Washington, and to grant permission to the officials and employees of the Baltimore & Ohio Railroad Co. (1) to erect, through their duly authorized representative, an appropriate monument on such site as a gift to the people of the United States, and (2) to hold an appropriate ceremony on such site in commemoration of the one hundredth anniversary of such entrance, one of the most important events in the history of the country.

SEC. 2. The design of such monument shall be approved by the Architect of the Capitol and such monument shall be erected and such ceremony held under the supervision of the Architect of the Capitol, subject to the direction of the Commission for the Enlarging of the Capitol Grounds, but the United States shall be put to no expense in or by the erection of such monument or the holding of such ceremony.

ANDREW JOHNSON HOMESTEAD NATIONAL MONUMENT

Mr. BARKLEY. Mr. President, the Senator from Tennessee [Mr. MCKELLAR] introduced Senate bill 1697, which was referred to the Committee on the Library. The committee considered the bill, and authorized me to report it, or to make such changes in it as I might think advisable after conferring with the Senator who introduced it. In the meantime, the House has passed House bill 1420, which I think is in better form than the amendment which was suggested to the Senate bill. I ask for the present consideration of the House bill.

Mr. McKELLAR. Mr. President, I agree entirely with the opinion of the Chairman of the Committee on the Library that the House bill is a proper bill and should be passed at this time, and I hope that will be done.

There being no objection, the Senate proceeded to consider the bill (H. R. 1420) to provide for the Andrew Johnson Homestead National Monument, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That when title to the site of the Andrew Johnson Homestead and the site of the tailor shop in which Andrew Johnson worked (now owned and administered by the State of Tennessee), located in Greeneville, Tenn., together with such buildings and property located thereon as may be designated by the Secretary of the Interior as necessary or desirable for national-monument purposes, shall have been vested in the United States, said area and improvements, if any, together with the burial place of Andrew Johnson, now administered as a national cemetery, shall be designated and set apart by proclamation of the President for preservation as a national monument for the benefit and inspiration of the people and shall be called the "Andrew Johnson National Monument."

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to acquire on behalf of the United States, out of any funds allotted and made available for this project by proper authority, or out of any donated funds, by purchase at prices deemed by him reasonable, or by condemnation under the provisions of the act of August 1, 1888 (25 Stat. 357), or to accept by donation, such land, interest in land, and/or buildings, structures, and other property within the boundaries of said national monument as determined and fixed hereunder, and he is further authorized to accept donations of funds for the purchase and/or maintenance thereof.

SEC. 3. That the administration, protection, and development of the aforesaid national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes", as amended.

PROPERTY AT PERRY POINT, MD.

Mr. CONNALLY. Mr. President, today the Senate passed Senate bill 3345, Calendar No. 1241. In the meantime the House passed a similar bill, House bill 8991, and sent it to the Senate. This is a matter which refers to the Veterans' Bureau. I have no interest in the matter; but I ask unanimous consent that the vote by which Senate bill 3345 was passed be reconsidered, and that the House bill be substituted and considered.

The PRESIDENT pro tempore. Is there objection to the reconsideration of the vote by which Senate bill 3345 was passed? The Chair hears none, and the vote is reconsidered.

The Senator from Texas asks unanimous consent for the immediate consideration of House bill 8991. Is there objection?

There being no objection, the bill (H. R. 8991) to authorize the Administrator of Veterans' Affairs to exchange certain property rights now vested in the United States at Veterans' Administration facility, Perry Point, Md., for certain property and rights of the Pennsylvania Railroad Co. in that vicinity, was considered, ordered to a third reading, read the third, and passed.

CAUSES OF DECLINE IN COTTON PRICES—LIMIT OF EXPENDITURES

Mr. SMITH. Mr. President, some time ago I submitted a resolution asking for an appropriation to investigate the cotton situation. I wish to make a statement to the Senate in reference to that resolution.

The amount I asked for at first was $25,000. The Committee to Audit and Control the Contingent Expenses of the Senate cut the amount to $10,000. The task involved is a stupendous one, if the ground essential to make an intelligent report to this body is to be covered.

Subsequently, I offered an amendment asking for $25,000. When I went to the Committee to Audit and Control the Contingent Expenses of the Senate—and I wish this statement to go into the RECORD—I found two attorneys in the committee, representing two of the principal concerns which were to be investigated, who were there to combat the request which had been made for money to carry on the investigation. If that has ever occurred before in the 25 or 26 years I have been here, I never heard of it—that when a committee of the Senate is conducting an investigation which it believes is of more importance to the country than practically any other investigation ever entered into, and when I, the author of the resolution, am called before the Committee to Audit and Control the Contingent Expenses of the Senate, I find there the attorney for the New York Cotton Exchange, one of the principal institutions being investigated.

He was not representing the exchange, but was representing McFadden Bros. The other attorney said he was representing Anderson, Clayton & Co.

The result of the action of the Committee to Audit and Control the Contingent Expenses of the Senate was to reduce the appropriation to $12,500, while it appropriated $200,000 to investigate the milk industry.

The cotton industry is an industry which is not only national but international, bringing into this country, when allowed free access to the foreign market, $800,000,000 a year from the sale of raw cotton. It has been manipulated until today it is bringing in less than $280,000,000.

Mr. President, I am asking for $50,000 to complete this investigation, to call in the witnesses and lay before the public the facts as to this great commodity, in the production of which America has a practical monopoly. I wish to repeat, never since I have been a Member of this body have I seen the attorneys for the very people whom it proposed to investigate sitting in the Committee to Audit and Control the Contingent Expenses of the Senate to combat what a committee of the Senate is requesting.

I ask that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. The Senator from South Carolina asks unanimous consent that Senate resolution 182 be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. Mr. President, the statute requires that such resolutions shall be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The statute cannot be waived by unanimous consent.

Mr. SMITH. I have made my statement so that my colleagues may be aware of the fact that in the Committee to Audit and Control were the attorneys of the various concerns which we are seeking to investigate. I am giving notice to the Senate that if such a thing occurs again I shall ask this body to vote directly on the amount of money we need.

The PRESIDENT pro tempore. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

COMPENSATION OF CUSTOMS SERVICE EMPLOYEES

Mr. COPELAND. Mr. President, I ask unanimous consent to recur to Calendar No. 1340, Senate bill 1763. I was detained in a conference committee on the river and harbor

bill. In my absence request was made for an explanation and I was not here to make it. I should like to do so now if I may.

Mr. LA FOLLETTE. Mr. President, before the Senator proceeds I should like to know what the bill is.

Mr. COPELAND. It relates to the compensation of certain employees in the customs service.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent to recur to Senate bill 1763. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1763) to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930, which had been reported from the Committee on Civil Service with amendments, on page 2, line 6, to strike out the numerals "2, 3, and 4" and insert in lieu thereof "2 and 3"; in line 12, to strike out the numeral "5" and insert the numerals "4, 5"; in line 13, to strike out the numeral "4" and insert the numerals "3, 4"; and in line 14, to strike out the numeral "4" and insert the numeral "3", so as to make the bill read:

Be it enacted, etc., That section 1 (e) and (f) and section 4 of the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930, be, and they are hereby, further amended to real as follows:

"(e) Inspectors shall be divided into six grades, as follows:

"Grade 1, salary $2,100; grade 2, salary $2,300; grade 3, salary $2,500; grade 4, salary $2,700; grade 5, salary $3,000; grade 6, salary $3,300; and hereafter inspectors shall be promoted successively to grades 2 and 3, at the beginning of the next quarter following 1 year's satisfactory service (determined by a standard of efficiency which is to be defined by the Commissioner of Customs, with the approval of the Secretary of the Treasury) in the next lower grade; not to exceed 50 percent of the force to grades 4, 5, and 6, for meritorious service after no less than 1 year's service in grades 3, 4, and 5, respectively: *Provided*, That promotion above grade 3 shall be at the discretion of the Secretary of the Treasury, upon the recommendation of the Commissioner of Customs.

"(f) Station inspectors shall be divided into four grades, as follows:

"Grade 1, salary $3,000; grade 2, salary $3,200; grade 3, salary $3,400; grade 4, salary $3,600; and hereafter station inspectors shall be promoted successively to grades 2 and 3, at the beginning of the next quarter following 1 year's satisfactory service (determined by a standard of efficiency which is to be defined by the Commissioner of Customs, with the approval of the Secretary of the Treasury) in the next lower grade; not to exceed 50 percent of the force to grade 4 for meritorious service after no less than 1 year's service in grade 3: *Provided*, That promotion above grade 3 shall be at the discretion of the Secretary of the Treasury, upon the recommendation of the Commissioner of Customs."

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to pay the rates of compensation established by this act or amendments thereto.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MONONGAHELA RIVER BRIDGE, PENNSYLVANIA

Mr. SHEPPARD. Mr. President, three bridge bills were reported today which are now on the calendar. I ask unanimous consent for the consideration of the first of those bills which provides for certain bridges in Pennsylvania. The Senator from Pennsylvania [Mr. GUFFEY] is interested and is desirous of having the bill passed.

The PRESIDING OFFICER. Is there objection?

There being no objection the bill (H. R. 7438) to amend the act entitled "An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.", approved June 4, 1934, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That clause (c) of section 1 of the act entitled "An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.", approved June 4, 1934, be, and the same is hereby, amended as follows:

"(c) Across the Monongahela River, at a point suitable to the interests of navigation, in the city of Pittsburgh, Pa., between the Smithfield Street and Point Bridges."

SEC. 2. Section 2 of said act is amended to read as follows:

"SEC. 2. If tolls are charged for the use of said bridges, or any of them, the rates of toll may be so adjusted as to provide a fund sufficient to pay such part or all of any one or more of the following items as shall not be from time to time otherwise provided for, namely: (a) The reasonable cost of maintenance, repair, and operation of said bridges, approaches, and such other public works and improvements as may be associated with said bridges and approaches or any of them in any loan agreement heretofore entered into, or hereafter to be entered into between the United States of America and said Allegheny County Authority or said county of Allegheny; and (b) the amortization, within a reasonable time and under reasonable conditions of any loan or loans, including reasonable interest, taxes, and financing charges, made or to be made in connection with the construction of said bridges, approaches, and other such associated public works and improvements."

SEC. 3. Section 3 of said act is amended to read as follows:

"SEC. 3. An accurate record of the cost of said bridges, approaches, and associated public works and improvements and of all expenditures for maintaining, repairing, and operating the same and of tolls collected from time to time shall be kept and shall at all reasonable times be available for the information of all persons interested in the construction, operation, and maintenance thereof."

SEC. 4. Said act is further amended by adding a new section, to be known as "section 4", reading as follows:

"SEC. 4. The times for commencing and completing said bridges and each of them and the approaches of each of them is hereby extended for periods of 1 and 3 years, respectively, from June 4, 1935."

SEC. 5. Said act is further amended by renumbering section 4 thereof as section 5 and section 5 thereof as section 6.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

HUDSON RIVER BRIDGE—NYACK-TARRYTOWN, N. Y.

Mr. SHEPPARD. Mr. President, I ask that the title of the next of the bridge bills to which I have referred may be stated, and that the bill may be considered.

The PRESIDENT pro tempore. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 3030) granting the consent of Congress to the Rockland-Westchester Hudson River Crossing Authority, State of New York, to construct, maintain, and operate a highway bridge and causeway across the Hudson River between a point in the vicinity of the village of Nyack, Rockland County, and the village of Tarrytown, Westchester County, N. Y.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. MOORE. Mr. President, I ask that the bill may be passed over for the present.

Mr. COPELAND. Mr. President, I hope the Senator will withdraw his objection. So far as the port of New York is concerned I do not think there is any particular objection.

Mr. MOORE. I am not sure. I ask that the bill go over.

The PRESIDENT pro tempore. On objection, the bill goes over.

SALMON INDUSTRY IN OREGON

Mr. McNARY. Mr. President, recently the Washington Post published an interesting and informative article on the salmon industry and the fishways at Bonneville, Oreg. The article was written by Mr. John W. Kelly, Washington correspondent of the Portland Oregonian. I ask that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of Sunday, July 28, 1935]

COLUMBIA SALMON—OREGONIAN PROTESTS EASTERN CONCERN FOR FISH UNDER P. W. A.

To the EDITOR OF THE POST:

SIR: Having spent a lifetime on the Columbia River, with intimate friends among the salmon packers, I cannot permit your editorial on the salmon and Bonneville Dam to pass without comment. You paint a picture of the extinction of the salmon industry, based on an article by my old tillicum, William L. Finley, a naturalist, who, if he had his way, would abolish reclamation, hydroelectric-power projects, and turn Oregon, God's country, over to migratory water fowl, antelope, and wildlife generally.

Income from the salmon industry on the Columbia is not as large as Bill Finley says. It has been decreasing from many causes, stream pollution, unscreened irrigation ditches, and what is a greater menace than Bonneville Dam is the permission of purse-seines off the Oregon coast.

As to the fishways and ladders and elevators at Bonneville, the subject of passing salmon over or around this obstruction was given careful study by the fish commissions of Oregon and Washington, as well as Federal authorities and the men who have most at stake—the practical packers with their investment. Arrange-

ment for handling the fish appears to satisfy the respective commissions; the packers say they are satisfied.

Lament, alarm, and concern over the Columbia River salmon industry now appearing in eastern papers appears to be a smoke screen for actual opposition to the Federal Government entering the hydroelectric field. Bonneville will produce the cheapest power in the world—and at tidewater. Portland now has one of the lowest rate schedules in the United States; these rates offered by private utilities, which are willing to take power from Bonneville. What Oregon needs is industries—those consuming large blocks of power—and Bonneville power will not go begging.

I venture the prediction that in less than 25 years Oregon, Washington, and Idaho will be the fastest-growing region of the United States. It has climate, soil, and water—a combination that is hard to beat. Inevitably the waters of the Columbia had to be harnessed some time; it has been the dream of the people of that area for more than half a century. But so much capital was required no private undertaking was possible Thanks to the depression, when public funds became available, the great opportunity came to realize the dream.

It is just too bad that certain eastern interests weep over the possible destruction of the poor fish. It is not the salmon that bothers them, but a gigantic Government undertaking in power, which, by the way, is incidental to improving the navigability of the Columbia—an improvement which will permit ocean steamers to pass through the Cascade Mountain range almost 200 miles inland to pick up cargoes of wheat, fruit, and cattle

JOHN W. KELLY.

WASHINGTON.

POLITICAL PLATFORMS—ADDRESS BY SENATOR LEWIS

Mr. CLARK. Mr. President, I ask unanimous consent to have inserted in the RECORD a radio address delivered by the senior Senator from Illinois [Mr. LEWIS] on last Tuesday on the subject of Political Platforms as the Control or Limit of Government Power.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We catch the echo of the sanctified prophet proclaiming, "It is not everyone that crieth, 'Lord, Lord' that entereth the kingdom, but they who doeth the will of the Father." To declare the virtues of one and to condemn all action of another—this conjoined with new promises of performance—was enough as platform of party issue in days that have passed.

In such time the mere announcement for or against was sufficient to fix the dispute and identify controversy.

Now it is that the platform is but framed and proclaimed when conditions change, and men and measures of State, city, and farm enter in the Federal arena and press to the rear, or wholly out, that which in the convention of deliberation was the paramount controversy.

To wholly illustrate:

When Grover Cleveland was chosen President as a Democrat—it was upon the principal issue of low tariff approaching free trade. His administration had only been seated when the issue of silver as money was ushered in through fury of advocacy, and met with denunciation and opposition that led to the defeat of Cleveland and the arising of Bryan on the 16-to-1 silver issue.

Then came McKinley as President on the gold platform. He and his Cabinet were barely in place when all convention platform issues were displaced by the arising of the events exploding into the Spanish-American War, and the Philippine Insurrection against the United States.

Theodore Roosevelt succeeded to the Presidency on the platform of the domestic issue—the people against the trusts. Hardly inaugurated to the new undertaking when Japan shadowed the horizon with Asiatic problems, forcing the Roosevelt administration to slit the Continent by cutting the Panama Canal as a provision of American defense.

After Taft, Democrat Woodrow Wilson followed as President on a platform pledged to national relief on the doctrines wherein Theodore Roosevelt claimed that Taft had failed. Wilson turned to execute the first plank of his platform pledging to drive the lobbyists from the Capitol, when the revolutions in Mexico and the assault against the United States from Vera Cruz pushed aside all the platform of Wilson on domestic issues. Then before domestic policies could be revived our Nation was hurled over by the weight and pressure of World War. Domestic declarations were submerged in the demolition through international slaughter.

Here we repeat the query of the Alexandrian philosopher, asking: "Who lights the fires which burst from cauldrons unseen and consume by flames unquenchable?"

President Hoover came to the Presidency on the platform of national prohibition as a "noble experiment", with the further demand of commercial advance through international trade. He had but announced his policy when the growing exigencies of poverty in citizenship, bankruptcy of commerce, hunger and desolation in the farm and city, financial panic, destruction of industry brought his country to internal insurrection and threatened civil revolution.

Without platform authority President Hoover began by placing in control what he felt was best for agriculture, a Farm Loan Board, with the consequent waste of $500,000,000 conceded. In addition, he suffered the experience of the administration under national prohibition administered in too many instances by persecution. This brought such a revolt of the citizen as forced the repeal of the constitutional declaration known as the "eighteenth amendment."

Then against platform pledge as to home rule or authority from any party source, President Hoover engrafted the unprecedented policy for the National Government to advance money of the National Treasury to the States and to business of the citizens as loans. All this wholly in violation of the Constitution. Yet this system has been continued with success by the Democracy in the name of the Reconstruction Finance Corporation under the direction of the chairman, Jesse Jones, and his competent board.

These illustrations cited in the named administrations demonstrate that in our day it is events, not declarations, that prescribe the principles of administration in political government. And these unexpected but adopted substitutes over platforms have ever been received by the American people without revolt of voice or condemnation by ballot.

Here we summon the moral. How could the Presidents of these administrations have foreseen the intruding events that toppled over platforms and repealed prescriptions of party organizations? How could either or all of the officials acting as the hour demanded but refuse to yield to the pettiness in the cry of "inconsistency" or to ignore the grave assertion of "unconstitutional" or under such distortions allow themselves to be diverted from the necessary duty of relief to the need of the citizens and rescue from crushing misfortunes. Hear Coleridge in Ancient Mariner declare, "Where the Spirit of Christ reigns with man, help will be from all who can."

From this we move to ask how could the Franklin D. Roosevelt convention at Chicago in July 1932 have foreseen that at the hour when the new President was to be inaugurated there would have arisen in America mutiny on the street—marches of hunger, children withering in starvation in their tiny beds for want of milk and the mothers with sunken breasts perishing in hunger as they were driven from shelter, while the poor in millions wailed for food. All these distressed crying their agonies in the thoroughfares of the city and country. The farmers driven from the land, the merchant from the business houses, passing to bankruptcy, shorn and stripped of all there was in the possession of life. These had to be provided for or government must die.

How could patriotism have prescribed in political platform to meet the unexpected drought, dropped as flame that dried to powder and suffocation the prospects of 18,000,000 of the agricultural communities? How could the platform have anticipated the floods that followed and inundated States, deluging and drowning the industry and possessions of the millions? Yet these were to be provided for. There was no littleness in the nature of America that hissed the query—

"Where in your platform have you declared to repair these outrages and desolation?"—and then to demand, "Why do you not stick only to the platform you have prescribed?"

To all these chattering critics and to the denouncing shouts of the absurd in attempt at partisan or selfish protests on the basis of "platform abandoned", we answer in the words of the Holy Decree, commanding: "That which the hand findeth to do, do that with all thy might."

We recall that the great Carlyle of Sartor Resartus propounds that "though the clock may strike the hour in its passing day, there is no horologue to strike the change of the incoming eras that slip through unannounced and meeting us unprepared." So is the day of change and evolution again on us, and in the form of the present to be multiplied in years to follow. The Presidents of whom I have spoken can justify their record in the verdict of the saints: "Deo Vult—God wills."

In the President, Franklin Roosevelt, we see and praise his effort to do the will of man and obey the prayer "Give us this day our daily bread." To those who find their duty but to condemn we ask: "Is there no love of country, no pride of nation, no heart of help to fellow mankind? Is there no praise for the rise of our people and for the fast-swelling superiority of our Nation? Are there none who withhold their irritating alarms? Must they ever continue their curses on our own homes as they bless every effort of enemy land, however small in result by comparison to American achievement? To these who would destroy the dignity of their homes, overthrow the magnificence of their Nation, and cheat the prosperity of increasing industry?

Shall we not cry out, "Beware the vengeance of the wronged!" Shall we not say to them, do you dare the hope, that with acquired power repeated, you might again clutch this Government in your crushing grasp and drain every avenue of private independence to refill the treasury of the corrupt? To those who deride the efforts of all who struggle to hold America in the high place that the destiny of the gods had decreed we stay—hear Isaiah cry out: "Woe to those who call the good bad and the bad good—to deny righteousness!"

To these may we not demand that their text shall be that which Shakespeare has the holy churchman Woolsey decree to the statesman Cromwell: "Let all the ends thou aim'st at be thy country's, God's, and truth's." Then the fate of dissolution decreed by events on nations falling around us—with the loss of liberty surrendering to persecution—cannot threaten our Nation. Instead, it is here in America we are to enjoy religion with peace, honor with prosperity, as we chant the anthem—

"My country, 'tis of thee,
Sweet land of liberty,
Of thee I sing."

PERMISSION TO FILE REPORTS DURING RECESS OF SENATE

Mr. ROBINSON. Mr. President, I ask unanimous consent that during the recess of the Senate, leave be granted the Committee on Banking and Currency to submit a report and also that leave be granted for the submission of all conference reports.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RIVER AND HARBOR BILL—CONFERENCE REPORT

Mr. COPELAND subsequently submitted the following report, which was ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6732) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 33, 35, 47, and 72.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 7, 8, 11, 12, 13, 14, 17, 19, 21, 23, 26, 27, 28, 29, 30, 31, 32, 34, 36, 37, 38, 40, 44, 45, 46, 50, 51, 52, 53, 54, 55, 58, 59, 60, 61, 62, 64, 65, 66, 67, 68, 69, 70, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 84, 85, 86, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 117, 118, 119, 120, 121, 123, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 149, 150, and 151.

The committee of conference report in disagreement amendment numbered 71.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Indian Neck Harbor, Connecticut"; and the Senate agree to the same.

The committee of conference recommends that this item be inserted at the bottom of page 25 of the bill.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Milford Harbor, Connecticut."; and the Senate agree to the same.

The committee of conference recommends that this item be inserted at the bottom of page 25 of the bill.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: At the end of the said amendment insert the following ": *Provided further*, That the prosecution of this project shall be subject to approval by the Board of Engineers for Rivers and Harbors."

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "Shrewsbury River, New Jersey; House Document Numbered 157, Seventy-first Congress, and Rivers and Harbors Committee Document Numbered 31, Seventy-fourth Congress"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Documents Numbered 11, Seventy-third Congress, and 66, Seventy-fourth Congress"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In the matter inserted by said amendment insert, after the word "Refuge", the following: "Broadkill River, and inland waterway between Rehoboth Bay and Delaware Bay"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with its insertion on page 28, after line 24; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In the matter inserted by said amendment strike out "as contained in the report of June 5, 1935, of the Chief of Engineers;" and insert in lieu thereof the following: "House Document No. 227, Seventy-fourth Congress:"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by the said amendment insert the following: "Starlings Creek, Virginia; Rivers and Harbors Committee Document Numbered 46, Seventy-fourth Congress"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "except that the District of Columbia shall be required to contribute the sum of $389,000 to the cost of the improvement"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In the matter inserted by said amendment strike out "Documents Numbered 31, Seventy-second, and 57, Seventy-fourth Congresses:" and insert in lieu thereof the following: "Documents Numbered 31, Seventy-second Congress, and 57, Seventy-fourth Congress:".

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "Congress, and 62, Seventy-fourth Congress"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Documents Numbered 28, Seventy-second Congress, and 58, Seventy-fourth Congress"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to amendment of the Senate numbered 43, and agree to the same with its insertion on page 13, after line 19; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with its insertion on page 16, after line 7; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with its insertion on page 16, after line 12; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:"Muskegon Harbor, Michigan; Rivers and Harbors Committee Document Numbered 64, Seventy-fourth Congress"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: After the word "Congress" at the end of the said amendment insert the following: "*: Provided*, That the project for the downbound channel across Harsen's Island is not adopted or authorized herein, and the construction of said channel shall not be commenced until it is subsequently authorized by Congress;"

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with its transfer to page 19, after line 20; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Kennebec River, Maine, with a view to dredging the river from Augusta to Gardiner."

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Bridgeport Harbor, Conn."; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Woodmont Harbor, Conn."

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with its insertion on page 30, after line 11; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: Strike out the word "Lavaco" at the end of the said amendment and insert in lieu thereof the word "Lavaca"; and the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with its transfer to page 37, after line 7; and the Senate agree to the same.

Amendment not numbered (follows amendment no. 130): The paragraph on page 52, lines 11 to 17, inclusive, of the bill printed with the Senate amendments numbered, and reading as follows: "Deep channel waterway from Lake Ontario near Olcott, New York, to the Niagara River at Tonawanda, New York; from Lake Ontario via Eighteen Mile Creek to Lockport, New York, and from Lockport to Tonawanda via the western end of the New York State Barge Canal; with a view to determining the possibility, feasibility, practicability, and cost of development for deep channel traffic.", was added to the bill by amendment in the Senate and printed in roman type in error.

That the House recede from its disagreement to the said amendment, and agree to the same with its insertion on page 36, after line 25 of the House bill; and the Senate agree to the same.

Amendment not numbered (follows amendment no. 136): The item on page 54, line 16, of the bill printed with the Senate amend-

ments numbered, and reading as follows: "Duwamish River, Washington.", was added to the bill by amendment in the Senate and printed in roman type in error.

That the House recede from its disagreement to the said amendment, and agree to the same with its insertion on page 38, after line 13 of the House bill; and the Senate agree to the same.

Amendment numbered 148: That the House recede from its disagreement to the amendment of the Senate numbered 148 and agree to the same with an amendment as follows: In the matter inserted by said amendment strike out "Cascade Locks Rural Fire Protection District, organized under the laws of the State of", and insert in lieu thereof the following "City of Cascade Locks,"; and the Senate agree to the same.

ROYAL S. COPELAND,
DUNCAN U. FLETCHER,
MORRIS SHEPPARD,
CHARLES H. MCNARY,
HIRAM W. JOHNSON,
Managers on the part of the Senate.

J. J. MANSFIELD,
JOS. A. GAVAGAN,
RENÉ L. DEROUEN,
GEORGE N. SEGER,
FRANCIS D. CULKIN,
Managers on the part of the House.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States nominating Marion M. Caskie, of Alabama, to be an Interstate Commerce Commissioner for a term expiring December 31, 1941, vice Patrick J. Farrell, term expired, and also submitting sundry other nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nominations of several officers in the Diplomatic and Foreign Service.

Mr. COPELAND, from the Committee on Commerce, reported favorably the nominations of several officers in the Coast and Geodetic Survey.

Mr. TRAMMELL, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Navy.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers in the Regular Army.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the following nominations:

J. Ernest Douglass to be postmaster at Warrensburg, Mo., in place of A. T. King, removed;

Andrew J. Daniel to be postmaster at Franklin, Ga., in place of J. C. Lee;

Peyton T. Anderson to be postmaster at Macon, Ga., in place of F. D. Stephens, deceased; and

Rafael P. Robert to be postmaster at Fajardo, Puerto Rico, in place of R. P. Robert.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

J. H. JENKINS—RECONSIDERATION

Mr. O'MAHONEY. Mr. President, I move that the vote by which the nomination of J. H. Jenkins, of Colorado, to be regional director, Resettlement Administration, was confirmed August 14, 1935, may be reconsidered.

The motion was agreed to.

The PRESIDENT pro tempore. Does the Senator from Wyoming desire to take up the confirmation now or have it go to the calendar?

Mr. O'MAHONEY. Let it be replaced on the calendar.

The PRESIDENT pro tempore. The nomination will be placed on the Executive Calendar.

The calendar is now in order.

FEDERAL TRADE COMMISSION

The legislative clerk read the nomination of Charles H. March, of Minnesota, to be Federal Trade Commissioner for a term of 7 years from September 26, 1935.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

The legislative clerk read the nomination of A. Lincoln Filene, of Massachusetts, to be a member of the Federal Board for Vocational Education.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clarence Poe, of North Carolina, to be a member of the Federal Board for Vocational Education.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Henry Ohl, of Wisconsin, to be a member of the Federal Board for Vocational Education.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. McKELLAR. Mr. President, at the request of the two Senators from Missouri, I ask that the nomination of Clyde W. Greenwade, to be postmaster at Springfield, Mo., may remain on the calendar. I ask unanimous consent that all other nominations of postmasters on the calendar may be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nomination of Clyde W. Greenwade, to be postmaster at Springfield, Mo., will remain on the calendar; and without objection, all other nominations of postmasters on the calendar are confirmed en bloc. That completes the calendar.

RECESS TO MONDAY

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon Monday next.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m.) the Senate, in legislative session, took a recess until Monday, August 19, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 16 (legislative day of Monday, July 29), 1935

INTERSTATE COMMERCE COMMISSIONER

Marion M. Caskie, of Alabama, to be an Interstate Commerce Commissioner for a term expiring December 31, 1941, vice Patrick J. Farrell, term expired.

UNITED STATES MARSHAL

Edwin D. Bolger, of Michigan, to be United States marshal, western district of Michigan, to succeed Martin Brown, resigned. (To supplant nomination heretofore made in name of Edward D. Bolger.)

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenants with rank from September 1, 1935

First Lt. Daniel John Waligora, Medical Corps Reserve.
First Lt. Walter Philippe Manning, Medical Corps Reserve.
First Lt. Howard William Doan, Medical Corps Reserve.
First Lt. Robert Weston Boal, Medical Corps Reserve.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. Thomas Harry Ramsey, Infantry (detailed in Quartermaster Corps), with rank from December 25, 1927.

TO CORPS OF ENGINEERS

Second Lt. Clayton Earl Mullins, Infantry, with rank from June 13, 1933.

TO CAVALRY

Second Lt. Robert Wilkinson Rayburn, Infantry, with rank from June 13, 1933.

TO FIELD ARTILLERY

First Lt. William Carson Bullock, Infantry, with rank from November 1, 1934.

PROMOTION IN THE REGULAR ARMY

MEDICAL CORPS

To be colonel

Lt. Col. Thomas James Leary, Medical Corps, from August 11, 1935.

POSTMASTERS

ARKANSAS

William J. Martin to be postmaster at Humphrey, Ark. Office became Presidential July 1, 1935.

CALIFORNIA

Ralph W. Evans to be postmaster at Palo Alto, Calif., in place of W. C. Werry, retired.

Reid E. Shamhart to be postmaster at Santa Maria, Calif., in place of E. T. Ketcham. Incumbent's commission expired March 11, 1930.

Catherine L. Gasich to be postmaster at Cupertino, Calif., in place of G. M. Aylesworth. Incumbent's commission expired December 18, 1934.

William H. Adams to be postmaster at Newport Beach, Calif., in place of I. P. Naylor. Incumbent's commission expired December 18, 1934.

Jerry J. Ryan to be postmaster at Pacific Beach, Calif., in place of C. L. Pratt. Incumbent's commission expired December 18, 1934.

COLORADO

French Springston to be postmaster at Eaton, Colo., in place of G. H. Denio. Incumbent's commission expired January 22, 1935.

George H. Duke, Jr., to be postmaster at Hotchkiss, Colo., in place of A. L. Perry. Incumbent's commission expired May 29, 1934.

CONNECTICUT

Marian C. Adams to be postmaster at Glenville, Conn. Office became Presidential July 1, 1934.

Robert A. Brookes to be postmaster at Higganum, Conn., in place of I. S. Cook. Incumbent's commission expired January 13, 1935.

William J. Rourke to be postmaster at Orange, Conn., in place of E. W. Scobie. Incumbent's commission expired May 29, 1934.

Stephen T. Platt to be postmaster at Centerbrook, Conn., in place of H. N. Prann. Incumbent's commission expired January 13, 1935.

Edward Champlion to be postmaster at Eagleville, Conn., in place of F. W. Chaffee, Jr. Incumbent's commission expired May 9, 1934.

Martin W. Sinnott to be postmaster at New Hartford, Conn., in place of H. J. Stanclift, Jr., removed.

Patrick H. McCarthy to be postmaster at Newtown, Conn., in place of H. W. Wheeler. Incumbent's commission expired January 22, 1935.

James O. White to be postmaster at Taftville, Conn., in place of Edward Adams. Incumbent's commission expired January 7, 1935.

FLORIDA

Beulah L. Kunberger to be postmaster at Florence Villa, Fla., in place of P. F. Colley. Incumbent's commission expired December 18, 1934.

Edith Boyles to be postmaster at Brewster, Fla., in place of E. N. Burnett, deceased.

Mell J. Barnett to be postmaster at Fern Park, Fla. Office became Presidential July 1, 1935.

GEORGIA

Blanche Chambless to be postmaster at Alapaha, Ga., in place of M. P. Hughes. Incumbent's commission expired February 27, 1935.

Mary L. Ellis to be postmaster at Experiment, Ga., in place of M. L. Ellis. Incumbent's commission expired April 22, 1934.

IDAHO

Frank S. Wimer to be postmaster at Cottonwood, Idaho, in place of J. L. Rooke. Incumbent's commission expired February 4, 1935.

Rene E. Weniger to be postmaster at Wallace, Idaho, in place of M. A. Corner. Incumbent's commission expired January 23, 1935.

ILLINOIS

Amos C. Westphal to be postmaster at Herscher, Ill., in place of F. W. Diefenbach. Incumbent's commission expired April 2, 1934.

Leroy McNary to be postmaster at Marshall, Ill., in place of H. B. Potter, removed.

James F. Horan to be postmaster at Antioch, Ill., in place of L. M. Jones. Incumbent's commission expired March 2, 1933.

Gertrude G. Schrader to be postmaster at Leland, Ill., in place of B. V. Anderson. Incumbent's commission expired February 25, 1935.

Leo Edward Kinney to be postmaster at Morrisonville, Ill., in place of B. A. Kent. Incumbent's commission expired December 18, 1934.

Daniel F. Maher to be postmaster at Sheffield, Ill., in place of L. F. Richardson, resigned.

James F. Boyle to be postmaster at Sycamore, Ill., in place of W. F. Hemenway. Incumbent's commission expired January 22, 1935.

Katharine L. Colwell to be postmaster at Wyoming, Ill., in place of L. S. Graves. Incumbent's commission expired February 25, 1935.

INDIANA

Henry T. Cain to be postmaster at Remington, Ind., in place of H. W. Gilbert, resigned.

Luther M. Shoemaker to be postmaster at Kewanna, Ind., in place of N. E. Sparks. Incumbent's commission expired February 21, 1935.

Leo Bertram Whitehead to be postmaster at Syracuse, Ind., in place of L. T. Heerman, removed.

IOWA

Joseph P. Burke to be postmaster at Dunlap, Iowa, in place of L. D. Howorth. Incumbent's commission expired February 4, 1935.

Anker Hald to be postmaster at Kimballton, Iowa. Office became Presidential July 1, 1935.

Jay A. Bargar to be postmaster at Lakota, Iowa, in place of J. A. Bargar. Incumbent's commission expired June 24, 1934.

John R. Strickland to be postmaster at Parkersburg, Iowa, in place of R. S. Blair. Incumbent's commission expired January 22, 1935.

Eugene C. Dodds to be postmaster at Fontanelle, Iowa, in place of Harry Carver. Incumbent's commission expired February 14, 1935.

Roy E. Ferguson to be postmaster at Lake View, Iowa, in place of Albert Lille. Incumbent's commission expired January 22, 1935.

James O. Weitgenant to be postmaster at Lorimor, Iowa, in place of A. R. Sanderson. Incumbent's commission expired December 13, 1932.

Edwin A. Howe to be postmaster at Webb, Iowa, in place of L. L. Smith. Incumbent's commission expired January 22, 1935.

KANSAS

George S. Frere to be postmaster at Arma, Kans., in place of Jemima Hill, removed.

Bertha E. McClain to be postmaster at Gaylord, Kans., in place of Maggie Dowell, transferred.

Robert J. Pafford to be postmaster at Salina, Kans., in place of G. S. Robb. Incumbent's commission expired February 5, 1935.

William J. Lyons, Jr., to be postmaster at Fort Leavenworth, Kans., in place of E. W. Reel. Incumbent's commission expired February 28, 1933.

Albert A. Weigel to be postmaster at Gorham, Kans., in place of L. M. Pfortmiller. Incumbent's commission expired June 20, 1934.

N. Pearl Helvern to be postmaster at Hiawatha, Kans., in place of H. J. Weltmer. Incumbent's commission expired March 2, 1935.

Alfred M. Nall to be postmaster at Johnson, Kans., in place of C. H. Van Meter. Incumbent's commission expired February 20, 1935.

Ernest W. McHenry to be postmaster at McLouth, Kans., in place of J. J. Groshong. Incumbent's commission expired March 2, 1935.

Hubert A. Morain to be postmaster at Minneola, Kans., in place of W. S. Wright. Incumbent's commission expired February 20, 1935.

KENTUCKY

Ben P. Edrington to be postmaster at Bardwell, Ky., in place of G. T. Joyner. Incumbent's commission expired January 23, 1935.

Sidney F. Sprake to be postmaster at Cynthiana, Ky., in place of W. M. Maffett, retired.

Eugene Kelley to be postmaster at Pembroke, Ky., in place of A. E. Brown, resigned.

MAINE

Jeremiah M. Minahane to be postmaster at South Berwick, Maine, in place of J. P. Davis. Incumbent's commission expired December 20, 1934.

MARYLAND

Orlando Harrison to be postmaster at Berlin, Md., in place of T. M. Purnell, deceased.

Thomas Bayard Crew to be postmaster at Betterton, Md., in place of H. F. Owens. Incumbent's commission expired December 18, 1933.

Egbert L. Quinn, jr., to be postmaster at Crisfield, Md., in place of W. L. Whittington, resigned.

Showard T. Culver to be postmaster at Hebron, Md., in place of W. R. Wilson. Incumbent's commission expired May 7, 1934.

Mary C. Bishop to be postmaster at Queenstown, Md., in place of G. E. Lane, resigned.

Edward L. Bachtell to be postmaster at Smithsburg, Md., in place of H. J. Fehl. Incumbent's commission expired January 22, 1935.

MASSACHUSETTS

Gertrude A. Davis to be postmaster at Assonet, Mass. Office became Presidential July 1, 1935.

Arthur R. Merritt to be postmaster at Egypt, Mass., in place of A. R. Merritt. Incumbent's commission expired December 8, 1932.

Charles W. Hardie to be postmaster at Harwich Port, Mass., in place of C. W. Hardie. Incumbent's commission expired May 16, 1934.

Elsie M. Dearborn to be postmaster at South Attleboro, Mass., in place of W. P. Orr. Incumbent's commission expired December 20, 1934.

Amasa W. Baxter to be postmaster at West Falmouth, Mass., in place of A. W. Baxter. Incumbent's commission expired January 23, 1935.

George A. Sweeney to be postmaster at Attleboro, Mass., in place of J. V. Curran, resigned.

Augustus J. Formhals to be postmaster at Erving, Mass., in place of A. J. Formhals. Incumbent's commission expired January 23, 1935.

Harold A. Harrington to be postmaster at Graniteville, Mass., in place of W. C. Wright. Incumbent's commission expired February 27, 1935.

Leo B. Corcoran to be postmaster at Hudson, Mass., in place of G. A. Coolidge, retired.

Augustus A. Hadley to be postmaster at Marion, Mass., in place of A. A. Hadley. Incumbent's commission expired December 16, 1933.

Emma E. Murphy to be postmaster at Minot, Mass., in placed of E. E. Murphy. Incumbent's commission expired May 16, 1934.

MICHIGAN

Dennis D. Davis to be postmaster at Cedar Springs, Mich., in place of G. H. Doyle. Incumbent's commission expired January 9, 1934.

Gordon C. Eldred to be postmaster at Climax, Mich., in place of E. B. Nelson. Incumbent's commission expired December 20, 1934.

Philip J. Debri to be postmaster at Grandville, Mich., in place of Flora Van Zinderen. Incumbent's commission expired December 18, 1934.

Charles F. Crawford to be postmaster at Schoolcraft, Mich., in place of R. S. Knepp. Incumbent's commission expired December 20, 1934.

Edmund L. Ashworth to be postmaster at Shepherd, Mich., in place of Bert Green. Incumbent's commission expired December 18, 1934.

Robert E. Bradin to be postmaster at Barryton, Mich., in place of Emma Creevy. Incumbent's commission expired March 2, 1935.

D. Clinton Moore to be postmaster at Durand, Mich., in place of A. B. Freeman. Incumbent's commission expired December 18, 1934.

Earle E. Young to be postmaster at East Lansing, Mich., in place of B. A. Faunce. Incumbent's commission expired March 2, 1935.

Jennie R. Bingham to be postmaster at Farwell, Mich., in place of Louis Gee. Incumbent's commission expired December 18, 1934.

Sam B. Pizer to be postmaster at Harrisville, Mich., in place of E. P. Colwell. Incumbent's commission expired December 18, 1934.

Charles Davidson to be postmaster at Memphis, Mich., in place of E. R. DeMotte. Incumbent's commission expired January 22, 1935.

Joseph Villemure to be postmaster at Newberry, Mich., in place of F. E. Young. Incumbent's commission expired November 6, 1933.

Thomas Edward Shine to be postmaster at Port Austin, Mich., in place of C. J. Kappler. Incumbents' commission expired December 18, 1934.

Glenn P. Adgate to be postmaster at Saranac, Mich., in place of M. C. Weber, retired.

Clifford B. Brown to be postmaster at Stephenson, Mich., in place of Albert Sanders, Jr. Incumbent's commission expired February 20, 1935.

Spencer E. Pinckney to be postmaster at Stockbridge, Mich., in place of R. C. Brown. Incumbent's commission expired January 23, 1935.

Verne C. Wolcott to be postmaster at Union City, Mich., in place of G. M. Miller. Incumbent's commission expired December 18, 1934.

Franklin A. Kolb to be postmaster at Unionville, Mich., in place of D. F. Jones. Incumbent's commission expired December 18, 1934.

Norman J. Halmich to be postmaster at Warren, Mich., in place of Fred Lutz. Incumbent's commission expired January 23, 1935.

Lyle O'Connor to be postmaster at Sparta, Mich., in place of G. Q. Brace, resigned.

Isla M. Messmore to be postmaster at Utica, Mich., in place of E. J. Andrus. Incumbent's commission expired December 18, 1934.

MINNESOTA

Stella M. Rasmussen to be postmaster at Brookpark, Minn., in place of A. R. Woodbeck. Incumbent's commission expired June 20, 1934.

John B. Neugebauer to be postmaster at Ellendale, Minn., in place of C. R. Campbell. Incumbent's commission expired June 17, 1934.

Patrick R. Reilly to be postmaster at Hokah, Minn., in place of William Guenther. Incumbent's commission expired February 25, 1935.

Willard C. Lee to be postmaster at Ada, Minn., in place of Jason Weatherhead. Incumbent's commission expired February 4, 1935.

Donald N. Geddes to be postmaster at Akeley, Minn., in place of E. R. Bell. Incumbent's commission expired February 20, 1935.

James O. Low to be postmaster at Bingham Lake, Minn., in place of W. R. Mattison. Incumbent's commission expired June 19, 1933.

Floyd L. Stroud to be postmaster at Braham, Minn., in place of W. N. Ostrom. Incumbent's commission expired February 25, 1935.

Harry M. Koop to be postmaster at Crosby, Minn., in place of F. A. Lindbergh. Incumbent's commission expired February 20, 1935.

Paul J. Kelly to be postmaster at Fountain, Minn. Office became Presidential July 1, 1935.

Fred C. Larson to be postmaster at Howard Lake, Minn., in place of G. E. Hensel, removed.

Ella M. Mayer to be postmaster at Maple Lake, Minn., in place of Elizabeth Doyle, resigned.

Hjalmer H. Moe to be postmaster at Milan, Minn., in place of Andrew Bromstad. Incumbent's commission expired December 20, 1934.

Frances A. Lamb to be postmaster at Moorhead, Minn., in place of O. T. Wentzell. Incumbent's commission expired January 7, 1935.

Mamie A. Sondergaard to be postmaster at New York Mills, Minn., in place of Walter Peltoniemi. Incumbent's commission expired February 20, 1935.

George W. Gresty to be postmaster at Osakis, Minn., in place of C. W. Long. Incumbent's commission expired February 14, 1935.

Henry N. Halvorson to be postmaster at Pelican Rapids, Minn., in place of E. A. Haugen. Incumbent's commission expired June 20, 1934.

John W. Feller to be postmaster at Rochester, Minn., in place of D. L. Williams, retired.

Mary N. Chisholm to be postmaster at St. Charles, Minn., in place of William Bole. Incumbent's commission expired June 19, 1933.

John W. Lowe to be postmaster at Slayton, Minn., in place of R. F. Lamb, deceased.

Katherine Becker to be postmaster at South Haven, Minn., in place of W. L. Lundberg. Incumbent's commission expired July 3, 1934.

Marcia Russell Tysseling to be postmaster at Stewartville, Minn., in place of J. W. Howe. Incumbent's commission expired February 25, 1935.

Joseph P. Mettel to be postmaster at Wadena, Minn., in place of G. N. Breher. Incumbent's commission expired February 25, 1935.

Fred F. Campbell to be postmaster at White Bear Lake, Minn., in place of F. F. Campbell. Incumbent's commission expired February 25, 1935.

MISSISSIPPI

Thomas F. Kirkpatrick to be postmaster at Hollandale, Miss., in place of T. F. Kirkpatrick. Incumbent's commission expired February 21, 1935.

John Thomas Rainer to be postmaster at Taylorsville, Miss., in place of J. R. Weathersby. Incumbent's commission expired June 20, 1934.

J. Auburn Bethany to be postmaster at Shuqualak, Miss., in place of H. B. Edwards, deceased.

George T. Herlihy to be postmaster at Waveland, Miss. Office became Presidential July 1, 1935.

MISSOURI

William L. Klein to be postmaster at Harris, Mo., in place of T. D. Purdy, removed.

Walter E. Evans to be postmaster at Meadville, Mo., in place of F. J. Black. Incumbent's commission expired April 15, 1934.

Francis T. McClure to be postmaster at Alma, Mo. Office became Presidential July 1, 1935.

Paul C. Catlett to be postmaster at Birch Tree, Mo., in place of V. H. Kirkendall, removed.

James E. Sharp to be postmaster at Gideon, Mo., in place of O. S. Randolph. Incumbent's commission expired February 25, 1935.

William A. Bickel to be postmaster at Lockwood, Mo., in place of A. R. Workman. Incumbent's commission expired January 22, 1935.

MONTANA

Carl A Walker to be postmaster at Musselshell, Mont., in place of M. W. Stockwell. Incumbent's commission expired December 18, 1934.

NEBRASKA

James A. Dunlay to be postmaster at Orleans, Nebr., in place of E. G. Watkins. Incumbent's commission expired January 13, 1935.

Justus H. LaMunyon to be postmaster at Shelby, Nebr., in place of C. G. Anderson. Incumbent's commission expired February 21, 1935.

Ransler M. Hefner to be postmaster at South Sioux City, Nebr., in place of M. E. McBeath. Incumbent's commission expired January 13, 1935.

George D. Carroll to be postmaster at Brady, Nebr., in place of E. H. Springer. Incumbent's commission expired February 5, 1935.

Nick Warth to be postmaster at Carroll, Nebr., in place of C. C. Mills. Incumbent's commission expired February 21, 1935.

Albert Bernard Hassman to be postmaster at Coleridge, Nebr., in place of R. B. Gould. Incumbent's commission expired February 21, 1935.

George L. O'Gara to be postmaster at Laurel, Nebr., in place of V. W. Langford. Incumbent's commission expired February 21, 1935.

Frank E. Faling to be postmaster at Maywood, Nebr., in place of R. L. Roach, resigned.

Patrick F. Tully to be postmaster at North Bend, Nebr., in place of H. J. Newsom. Incumbent's commission expired February 28, 1933.

Emil H. Mack to be postmaster at Petersburg, Nebr., in place of D. G. Stallman. Incumbent's commission expired February 21, 1935.

Bruce P. Boyd to be postmaster at Pierce, Nebr., in place of R. L. Mallory. Incumbent's commission expired February 21, 1935.

Frank L. Cummins to be postmaster at Plattsmouth, Nebr., in place of J. W. Holmes. Incumbent's commission expired February 21, 1935.

Earl W. Isgrig to be postmaster at Tekamah, Nebr., in place of H. A. Loerch. Incumbent's commission expired February 25, 1935.

Mary E. Corkle to be postmaster at Tilden, Nebr., in place of W. E. Brogan. Incumbent's commission expired February 25, 1935.

Sterling F. Amick to be postmaster at Weeping Water, Nebr., in place of H. C. Wilkinson. Incumbent's commission expired February 21, 1935.

William M. Gross to be postmaster at Wisner, Nebr., in place of G. W. Howe. Incumbent's commission expired February 21, 1935.

NEW HAMPSHIRE

Clayton F. Bamford to be postmaster at Center Ossipee, N. H., in place of B. B. Pineo, deceased.

Lester Nathaniel Plummer to be postmaster at Enfield, N. H., in place of H. E. Walbridge. Incumbent's commission expired December 18, 1934.

NEW JERSEY

George E. Fox to be postmaster at Avenel, N. J., in place of C. R. Siessel. Incumbent's commission expired February 4, 1935.

Ralph Burnett Kinney to be postmaster at Butler, N. J., in place of C. B. Ogden. Incumbent's commission expired December 18, 1933.

Ethel Marie McMahon to be postmaster at Convent Station, N. J., in place of G. E. Cowell. Incumbent's commission expired December 18, 1933.

Katherine A. Butler to be postmaster at Hampton, N. J., in place of T. J. Raber. Incumbent's commission expired February 25, 1935.

Albert H. Gordon to be postmaster at Mount Arlington, N. J., in place of R. B. Cook. Incumbent's commission expired April 2, 1934.

Arnold Troxler to be postmaster at Oakland, N. J., in place of D. C. Bush. Incumbent's commission expired March 18, 1934.

James J. Odsted to be postmaster at Oxford, N. J., in place of F. C. Docker. Incumbent's commission expired February 14, 1935.

Matthew P. Fusco to be postmaster at Palisades Park, N. J., in place of J. R. Forrest. Incumbent's commission expired February 25, 1935.

Michael T. O'Brien to be postmaster at Pleasantville, N. J., in place of R. A. Cale, deceased.

Leander P. Eichorn to be postmaster at Ramsey, N. J., in place of H. R. Parvin. Incumbent's commission expired February 25, 1935.

Mary T. Feeney to be postmaster at Roseland, N. J., in place of J. B. Baldwin. Incumbent's commission expired September 30, 1933.

Walter L. Stretch to be postmaster at Somers Point, N. J., in place of Lurelda Sooy. Incumbent's commission expired December 18, 1933.

Daniel J. Fitzpatrick to be postmaster at Summit, N. J., in place of Alfred T. Kent, retired.

Nora Loughman to be postmaster at Wortendyke, N. J., in place of Tunis Sweetman. Incumbent's commission expired December 16, 1934.

Thomas C. Stewart to be postmaster at Atlantic City, N. J., in place of A. J. Perkins, removed.

Charles Ippolito to be postmaster at Orange, N. J., in place of H. H. Wille. Incumbent's commission expired February 28, 1935.

Bertha S. Irving to be postmaster at Haddonfield, N. J., in place of A. F. Wayne. Incumbent's commission expired December 13, 1932.

NEW MEXICO

Mary E. Love to be postmaster at Lovington, N. Mex., in place of E. A. Coleman. Incumbent's commission expired February 28, 1935.

NEW YORK

Nellie B. Taillon to be postmaster at Fort Covington, N. Y., in place of W. D. Creighton. Incumbent's commission expired January 23, 1935.

John L. McDermott to be postmaster at Manlius, N. Y., in place of H. S. Whitney. Incumbent's commission expired January 23, 1935.

Eva W. Wheat to be postmaster at Rose Hill, N. Y., in place of E. L. Evans. Incumbent's commission expired February 4, 1935.

Thomas F. Cunningham to be postmaster at Ticonderoga, N. Y., in place of W. B. Gunning. Incumbent's commission expired December 16, 1933.

Mildred E. Perry to be postmaster at Wampsville, N. Y. Office became Presidential July 1, 1935.

Lena C. Freeborn to be postmaster at Randolph, N. Y., in place of M. F. Anderson. Incumbent's commission expired December 8, 1934.

Daniel S. Foster to be postmaster at Saranac Lake, N. Y., in place of F. C. Conrad. Incumbent's commission expired November 20, 1933.

NORTH CAROLINA

George F. Bost to be postmaster at Hickory, N. C., in place of J. T. Setzer. Incumbent's commission expired December 20, 1934.

Parley Potter to be postmaster at Magnolia, N. C., in place of S. K. Rouse, resigned.

Guy S. Crawford to be postmaster at Rowland, N. C., in place of J. W. McLean. Incumbent's commission expired February 6, 1935.

Orlando H. Hodges to be postmaster at Spray, N. C., in place of J. A. Grogan, removed.

NORTH DAKOTA

Harry Clarence Ladbury to be postmaster at Dazey, N. Dak., in place of F. K. Shearer. Incumbent's commission expired January 11, 1934.

Leo C. Stein to be postmaster at Harvey, N. Dak., in place of C. A. Revell, resigned.

H. Harold Bugge to be postmaster at Sanish, N. Dak., in place of I. R. Green. Incumbent's commission expired February 4, 1935.

Peter V. Hermes to be postmaster at Glen Ullin, N. Dak., in place of Orrin McGrath. Incumbent's commission expired February 4, 1935.

OHIO

Edgar C. Merkle to be postmaster at Mogadore, Ohio, in place of B. F. Duell. Incumbent's commission expired December 18, 1934.

William W. Norris to be postmaster at Ripley, Ohio, in place of H. L. Mefford. Incumbent's commission expired December 18, 1934.

Walter J. Pinkstone to be postmaster at Swanton, Ohio, in place of Howard Arnsbarger. Incumbent's commission expired December 16, 1933.

Daniel J. Gunsett to be postmaster at Van Wert, Ohio, in place of W. D. Dunifon, resigned.

OKLAHOMA

Paul L. Anderson, Jr., to be postmaster at Boley, Okla., in place of J. E. Perry. Incumbent's commission expired April 15, 1934.

Edith White to be postmaster at Dustin, Okla., in place of L. J. Myers, deceased.

Leonard C. Wiley to be postmaster at Glencoe, Okla., in place of R. C. Mayfield. Incumbent's commission expired April 28, 1934.

Clay B. Burnham to be postmaster at Hanna, Okla. Made Presidential July 1, 1935.

Mary A. Ferren to be postmaster at Shamrock, Okla., in place of H. F. Facker, resigned.

OREGON

Otis A. Snook to be postmaster at Drain, Oreg., in place of H. A. Cool. Incumbent's commission expired March 2, 1935.

PENNSYLVANIA

Coletta D. Patterson to be postmaster at Coudersport, Pa., in place of M. F. Clark. Incumbent's commission expired February 14, 1935.

Wilmer G. Dimmig to be postmaster at East Greenville, Pa., in place of J. D. Gerhart, deceased.

May M. Loughrey to be postmaster at St. Davids, Pa., in place of N. M. Hunt. Incumbent's commission expired February 10, 1934.

Lee W. Fisler to be postmaster at Hummelstown, Pa., in place of N. S. Heiff. Incumbent's commission expired February 14, 1935.

Bernice W. Webb to be postmaster at Jamestown, Pa., in place of C. F. Ellis. Incumbent's commission expired January 28, 1935.

John M. Zarkoski to be postmaster at Kulpmont, Pa., in place of A. R. Parker. Incumbent's commission expired January 9, 1933.

Llewellyn Angstadt to be postmaster at Kutztown, Pa., in place of D. M. Saul. Incumbent's commission expired February 25, 1935.

Michael S. Karlitsky to be postmaster at Lyndora, Pa., in place of George Nuckid. Incumbent's commission expired January 28, 1935.

Royal H. Kline to be postmaster at McClure, Pa., in place of S. H. Bubb. Incumbent's commission expired January 28, 1935.

Cecil E. Bell to be postmaster at Mapleton Depot, Pa., in place of W. G. Dell, removed.

George McCloskey to be postmaster at Mountaintop, Pa., in place of R. E. Wilcox, deceased.

Joseph L. Kelley to be postmaster at Narberth, Pa., in place of J. B. Nesper. Incumbent's commission expired January 9, 1935.

Morris A. Smaltz to be postmaster at Richland, Pa., in place of J. S. Steinmetz. Incumbent's commission expired February 14, 1935.

Elmer L. Leaphart to be postmaster at Rockwood, Pa., in place of M. T. Stewart. Incumbent's commission expired January 28, 1935.

Francis M. Smith to be postmaster at Sandy Lake, Pa., in place of W. J. Winner, retired.

William Mackay to be postmaster at Strafford, Pa., in place of T. K. Gregg, deceased.

William C. Jamieson to be postmaster at Sugargrove, Pa., in place of R. J. Weld. Incumbent's commission expired January 28, 1935.

William C. Luksic to be postmaster at Trucksville, Pa., in place of J. R. Lohmann. Incumbent's commission expired February 14, 1935.

Thomas M. Perry to be postmaster at Valencia, Pa., in place of W. H. Smith. Incumbent's commission expired February 25, 1935.

RHODE ISLAND

Millard F. Phelan to be postmaster at Conimicut, R. I., in place of W. L. Simonini. Incumbent's commission expired May 20, 1934.

SOUTH CAROLINA

Houston Manning to be postmaster at Latta, S. C., in place of Deans Crumpler. Incumbent's commission expired December 20, 1934.

SOUTH DAKOTA

Walter Ulmer to be postmaster at Hosmer, S. Dak., in place of G. J. Walth. Incumbent's commission expired April 28, 1934.

Fred W. Benish to be postmaster at Kennebec, S. Dak., in place of R. C. Van Horn. Incumbent's commission expired January 7, 1935.

Henry J. Werner to be postmaster at Ramona, S. Dak. Office became Presidential July 1, 1935.

Minnie Boschker to be postmaster at Pollock, S. Dak., in place of R. H. Peterson. Incumbent's commission expired January 7, 1935.

Strauther M. Blair to be postmaster at Sturgis, S. Dak., in place of Matt Flavin. Incumbent's commission expired January 28, 1935.

Peter S. Frohlech to be postmaster at Willow Lake, S. Dak., in place of J. L. Bergstreser. Incumbent's commission expired February 4, 1935.

TENNESSEE

Mary Amelia Slack Copenhaver to be postmaster at Bristol, Tenn., in place of H. I. Smythe, removed.

Ruby Hensley to be postmaster at Iron City, Tenn. Office became Presidential July 1, 1935.

Walter S. Moore to be postmaster at Portland, Tenn., in place of H. T. Hester. Incumbent's commission expired February 4, 1935.

TEXAS

Leon C. Smith to be postmaster at Bishop, Tex., in place of Gerhard Dube. Incumbent's commission expired April 15, 1934.

Jewell M. Barber to be postmaster at Buda, Tex., in place of L. W. Cox. Incumbent's commission expired December 20, 1934.

Leland B. Doshier to be postmaster at Edcouch, Tex., in place of C. E. Netz. Incumbent's commission expired January 13, 1935.

Edna Williams to be postmaster at Eden, Tex., in place of G. H. Spiser. Incumbent's commission expired February 4, 1935.

Blanche J. Bergin to be postmaster at Gruver, Tex., in place of W. T. McRee, resigned.

Claude H. Hamilton to be postmaster at Harlingen, Tex., in place of J. F. Rodgers. Incumbent's commission expired May 2, 1934.

Eunice N. Seale to be postmaster at Jasper, Tex., in place of V. G. Pringle, removed.

Dorothy A. Wilson to be postmaster at Beeville, Tex., in place of L. M. Adkins, transferred.

Walton Ingle to be postmaster at Caddo Mills, Tex. Office became Presidential, July 1, 1935.

John Weaver to be postmaster at Santa Rosa, Tex., in place of G. M. McCraney. Incumbent's commission expired February 5, 1935.

Marvin S. Chambers to be postmaster at Spearman, Tex., in place of W. J. Whitson. Incumbent's commission expired February 14, 1935.

Robert E. Blair to be postmaster at Windom, Tex., in place of J. R. Burras. Incumbent's commission expired February 4, 1935.

UTAH

Stephen T. Shelley to be postmaster at American Fork, Utah, in place of J. E. Chadwick. Incumbent's commission expired January 22, 1935.

Melvin Bryan to be postmaster at Ferron, Utah, in place of L. P. Ralphs. Incumbent's commission expired February 4, 1935.

VERMONT

Margaret H. Walsh to be postmaster at Concord, Vt. Office became Presidential, July 1, 1935.

Martin R. McDonald to be postmaster at Danville, Vt., in place of E. H. Fisher. Incumbent's commission expired February 25, 1935.

William H. Moriarty to be postmaster at Northfield, Vt., in place of W. C. White, resigned.

Archibald D. Flower to be postmaster at Woodstock, Vt., in place of J. S. Brownell, deceased.

VIRGINIA

James Tolby Owens to be postmaster at Clintwood, Va., in place of C. J. Mullins, removed.

Elizabeth B. Mosby to be postmaster at Columbia, Va., in place of L. H. Stoneman, removed.

Margaret T. Daniel to be postmaster at Craigsville, Va., in place of H. S. Shuey, deceased.

John Wesley Moore to be postmaster at Eastville, Va., in place of L. J. Nottingham. Incumbent's commission expired January 7, 1935.

Adrian Garrett Carter to be postmaster at Edinburg, Va., in place of J. N. Coffman. Incumbent's commission expired January 13, 1935.

Harry Thomas Scarborough to be postmaster at Parksley, Va., in place of A. L. Taylor. Incumbent's commission expired January 7, 1935.

William W. Ware, Jr., to be postmaster at Toano, Va., in place of D. W. Marston. Incumbent's commission expired February 14, 1935.

WASHINGTON

Dirk C. Thiemens to be postmaster at Ephrata, Wash., in place of L. H. Niles. Incumbent's commission expired February 25, 1935.

WEST VIRGINIA

Marion T. Jones to be postmaster at Kimball, W. Va., in place of C. W. Harris. Incumbent's commission expired January 22, 1935.

Clyde M. Rightmire to be postmaster at Mill Creek, W. Va. Office became Presidential July 1, 1935.

Joseph F. Graham to be postmaster at Tunnelton, W. Va., in place of L. C. Halbritter. Incumbent's commission expired January 22, 1934.

WISCONSIN

Francis William Muenich to be postmaster at Argyle, Wis., in place of O. C. Thompson. Incumbent's commission expired February 25, 1935.

Thomas F. Boehrer to be postmaster at Augusta, Wis., in place of D. V. Lampman. Incumbent's commission expired March 2, 1935.

Denis J. Delaney to be postmaster at Avoca, Wis., in place of J. R. Frost. Incumbent's commission expired February 25, 1935.

Patrick Raymond Sornberger to be postmaster at Belmont, Wis. Office became Presidential July 1, 1935.

Walter A. Frome to be postmaster at Black Earth, Wis., in place of E. V. Clark. Incumbent's commission expired June 4, 1934.

Mabel Jackson to be postmaster at Blanchardville, Wis., in place of L. A. Hendrickson. Incumbent's commission expired June 10, 1934.

Ralph W. Singleton to be postmaster at Camp Douglas, Wis., in place of O. C. Nienas. Incumbent's commission expired January 22, 1935.

Carl Newton to be postmaster at De Forest, Wis., in place of R. E. G. Schmidt. Incumbent's commission expired June 4, 1934.

Joseph A. Podruch to be postmaster at Elroy, Wis., in place of A. L. Marsh. Incumbent's commission expired February 25, 1935.

Sara E. Ferriter to be postmaster at Hillsboro, Wis., in place of William Kotvis. Incumbent's commission expired January 22, 1935.

George A. Sauter to be postmaster at Kimberly, Wis., in place of C. J. Fieweger. Incumbent's commission expired February 4, 1935.

Roland Harpt to be postmaster at Mishicot, Wis., in place of Roland Harpt. Incumbent's commission expired January 22, 1935.

John T. Helsing to be postmaster at Port Wing, Wis., in place of C. V. Dahlstedt. Incumbent's commission expired February 25, 1935.

Henry J. Voltz to be postmaster at Schofield, Wis., in place of M. E. Glassow. Incumbent's commission expired January 22, 1935.

James Ervin Casey to be postmaster at Star Prairie, Wis., in place of O. A. Olson. Incumbent's commission expired January 22, 1935.

Harry W. Stimson to be postmaster at Trempealeau, Wis., in place of A. R. Eichman. Incumbent's commission expired February 25, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate, August 16 (legislative day of Monday, July 29), 1935

FEDERAL TRADE COMMISSION

Charles H. March to be Federal Trade Commissioner for a term of 7 years from September 26, 1935.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

A. Lincoln Filene to be member for the unexpired term of 3 years from July 17, 1933.

Clarence Poe to be member for the unexpired term of 3 years from July 17, 1934.

Henry Ohl to be member for the unexpired term of 3 years from July 17, 1935.

POSTMASTERS

COLORADO

Joseph A. Pfost, Arapahoe.

MASSACHUSETTS

Anna Wohlrab, South Sudbury.

MISSOURI

William B. Nivert, Glasgow.
Eugene H. Randol, Kennett.
Chester T. Hoover, Laclede.
Fred D. Connor, Maitland.
Harvey Nalle, Pattonsburg.
Fred A. Lambert, Princeton.

NEW YORK

Gertrude L. Miller, Accord.
Daniel Grant, Afton.
Arthur J. Gormley, Belfast.
Morgan Crapser, Central Bridge.
Alfred C. Brondstatter, Cold Brook.
Timothy C. Sullivan, Comstock.
William J. Rokos, Congers.
Leo A. Fanning, Cornwall on the Hudson.
John H. S. Griffin, Delhi.
Amasa W. Howland, Hudson Falls.
Leo P. Cass, Huntington Station.
Della M. Rexford, Loch Sheldrake.
Mary A. Cahill, Lynbrook.
Henry F. McCall, Madrid.
Michael F. Conroy, Milton.
William F. Riordan, Newark Valley.
Jay W. Lee, New Woodstock.
Ambrose Lee Huber, Rhinebeck.
Catherine L. O'Leary, Roslyn Heights.
Cletus T. Glackin, St. Bonaventure.
Harold M. Drury, Scarsdale.
Eugene F. Govern, Stamford.
Frank Piliere, Valley Cottage.
William J. Eagan, Wappingers Falls.
Oliver Townsend, West Coxsackie.
George W. Probasco, Whitesville.

NORTH DAKOTA

Mary M. Farrell, Casselton.
John J. Behles, Garrison.

TEXAS

Victor D. Brown, Centerville.
Chevis R. Cleveland, Granbury.
Alwyn L. Golden, Leonard.
Woster E. Everett, Lometa.
Phil S. Bouchier, Post.
Olen C. Arthur, Spur.
Lyndsay W. Phillips, Stephenville.
Alice Hines, Venus.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 16, 1935

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Who shall ascend into the hill of the Lord and who shall stand in His holy place? He that hath clean hands and a pure heart, who hath not lifted up his soul unto vanity nor sworn deceitfully. He shall receive a blessing from the Lord and righteousness from the God of his salvation.

Heavenly Father, we entreat Thee to enrich our minds and hearts with heavenly gifts that we may abhor that which is evil and cleave to that which is good. We pray for self-control, for self-respect, and for self-assertion under Thy holy guidance. Help us to be strong and pure in all our intercourse with our fellow men. What we do and say today, may they be in accord with the Ten Commandments and the Sermon on the Mount. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8974. An act to provide revenue, equalize taxation, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. LA FOLLETTE, and Mr. METCALF to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2027. An act consenting to an interstate oil compact to conserve oil and gas, for the regulation of imports of petroleum and its products, and for other purposes; and

S. 3135. An act to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 578. An act authorizing the Secretary of the Interior to permit citizens of Bear Lake County, Idaho, to obtain timber from Lincoln County, Wyo., for domestic purposes.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6623. An act to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2681) entitled "An act to extend the times for commencing and completing the construction of a bridge across Lake Champlain at or near West Swanton, Vt., and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SHEPPARD, Mr. BILBO, and Mr. GIBSON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 8710. An act to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans, 3,000 blankets, olive drab, no. 4, and 3,000 canvas cots, to be used at their annual encampment to be held at Amarillo, Tex., in September 1935.

The message also announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 34. Concurrent resolution authorizing the Clerk of the House, in the enrollment of H. R. 8492, to make certain changes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3311) entitled "An act to amend an act entitled 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain', approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended."

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask what is going to be the program today? Two different reports have come to me within the last few minutes and I should like to know definitely about the program.

The SPEAKER. The Chair expects to recognize the gentleman from Arkansas [Mr. DRIVER] to call up a resolution making the so-called "Guffey coal bill" in order. After the consideration of that bill is completed today I do not know what will come up.

UNDEVELOPED MINING RESOURCES

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, in developing the recovery program now being undertaken by the Federal Government, the utilization of the undeveloped mining resources is of paramount importance.

As part of these remarks I include a copy of a letter addressed to Secretary of the Interior Ickes from Mr. J. H. Eby, a mining engineer of wide and successful experience in the mining field of this country.

PRAIRIE CITY, OREG., *August 11, 1935.*

Hon. HAROLD L. ICKES,
Secretary of the Interior, United States of America,
Washington, D. C.

DEAR SECRETARY: I have been advised that you are taking an adverse stand on a bill introduced by Hon. COMPTON WHITE, Representative from the First Congressional District of Idaho, for the building of roads and trails in forests, including all public domain under the Department of the Interior, for the purpose of assisting the development of the mineral resources in the same.

If you would have a full understanding of the situation you would be heartily in favor of the same, although in an extended form so that it would give an equal break to the prospector and small mine operator which our neighbor on the north, the Dominion of Canada, does. Our mineral resources are even greater than Canada's, and the conditions for the development of transportation even better. It would be well if you as Secretary of the Interior would take a leaf out of the Canadians' book and apply in your administration of those bureaus and branches of the Department which apply to mining.

The gold, silver, lead, zinc, copper, and nickel production of the Dominion of Canada is due directly to the work of the Dominion and provincial governments. Thus, the T. & N. O. R. R. was built by the Province of Ontario expressly for the development of the resources of an almost inaccessible area to the north of Sudbury. You would have condemned such an undertaking on the grounds of the risk that there would have been nothing to develop or that if there was anything in there worth while, let the capital seeking mines build its own transportation system, and that at best the possibilities were only prospective up there among the lakes and muskeg.

The result of this work is that today Canada is backing us off the map in the production of gold and silver. The T. & N. O. pays big returns on the investment and much larger indirect returns. Quebec got busy and built into the gold country, and it, too, is now reaping rich returns from the gold and copper.

Manitoba is now aiding the development of the gold finds along Winnipeg Lake by the building of roads and trails. British Columbia has been for years, that I know of, aiding the prospectors and small miners by building good roads and trails for anyone who will make an adequate showing of prospective value. I have been over them and know what I am talking about. They have district engineers, called "gold commissioners", whose business it is to look after the development of the mineral resources, to advise the prospectors and whoever is seeking mineral.

The policy has resulted in British Columbia now having the largest zinc-lead-silver mine in the world which can pay tariff and undersell our own producers, and they pay as good wages and employ as fine a class of men as the best this side of the line. They also are on the map in the production of copper, and now the gold developments on the Bridge River, with several big producers, are due to the assistance of the Province and Dominion building roads and trails, and even to the building of the Pacific Great Eastern Railroad.

This year the Dominion Geological Survey is sending out its geologists into the field to help the prospectors in every practical way possible to open up even more mineral resources. There is none of the attitude that you take about the Dominion or provincial governments. They are not building highways for joy riders to drive 70 miles per hour; they are building for a richer and greater Canada.

Having been over in Canada considerably, it makes me ashamed of my own country for the niggardly way they deal with the development of the mineral resources and the way they rob those who by their own efforts without any Government aid have developed them. Examples are the States of Michigan and Minnesota.

Now let me ask you to call in John W. Finch, your Director of the Bureau of Mines, and talk this matter over with him. I know him, and am sure that before he got through with you you would right-about-face and cooperate with COMPTON WHITE in the bill which is a move toward the backward policy of the United States Government. When you have done that and understand the situation, of which I have no doubt you will, as you are "from Missouri", then call in that Director of the United States Geological Survey and talk to him "like a Dutch uncle"; get out of his head that the survey is purely a "Bod gesewunden artz", for pure science only, and its reports should be written for the common, ordinary man of average intelligence and be practical throughout, instead of college-graduate geologists like myself.

Make those geologists follow the example of the Canadians and be of practical help to the prospectors and those engaged in the development of mineral resources. There are too many "sericitic phenocrysts in the aphanic ground mass of the microphonetic magma of the apriora batholith."

As one interested in mining and familiar as well with agriculture, let me urge you to give the bill of COMPTON WHITE your most careful consideration, calling in Dr. Finch and some honest-to-God prospectors and some of our Canadian brothers across the line, as you are passing judgment on something which requires the expert evidence of those familiar with it.

Respectfully,

J. H. EBY.

BRONSON CUTTING—WILL ROGERS—WILEY POST

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I secured permission for these remarks in order to briefly pay a humble tribute to my friend, Senator Bronson Cutting, whose tragic death a few months ago brought to a close one of the most useful and unselfish careers in American public life.

Bronson Cutting was one of those rare combinations of courage, common honesty, love for humanity, and devotion

to the public weal, so seldom found among men of wealth in this age of sordid selfishness.

He was probably the best friend the ex-service men ever had in the United States Senate, and lost his life hurrying to his post of duty to serve them in their hour of need.

He was an outstanding champion of the cause of the disabled veterans, who served their country in times of war, and who, because of that service, are unable to sustain themselves in times of peace.

His untimely death was a distinct loss to the Congress and to the country.

Now, today, comes the sad and shocking news of the deaths of Will Rogers and Wiley Post in an airplane accident in far away northern Alaska—not far from the place where my friend, Carl Ben Eielson, one of the world's greatest aviators, met his death a few years ago in his heroic attempt to relieve human suffering and save human lives by carrying food and medicine to people marooned on a vessel that was locked in the ice jams of the frozen north.

Wiley Post was one of the most intrepid aviators the world has yet known. His contributions to aviation cannot be estimated. His name will live as long as human beings continue to navigate the air.

Will Rogers, Wiley Post, Carl Ben Eielson—men of vision, and of devotion to duty, who had the will to work and the courage to dare!

Shakespeare said that—

> Cowards die many times before their deaths;
> The valiant never taste of death but once.

That grim specter never stalked across the paths of these brave men except in their last tragic moments, and while he was not a welcome messenger, his presence, no doubt, stirred their courage instead of striking fear.

> There is something of pride in the perilous hour,
> Whatever be the form in which death may lower;
> For Fame is there to tell who bleeds,
> And honor's eye on daring deeds.

Their tragic fates will be perpetuated in the saga of the far north, as well as in the history, songs, and stories of the universal masses of mankind.

Will Rogers was one of the rarest, richest, sweetest souls that ever touched the chords of human sentiment.

He was the world's greatest entertainer, and was the best and most universally loved of all Americans.

One of the greatest wits of all time, he was also, by far and large, the outstanding humorist of his day and age.

The lightning of his wit, which was oftentimes as devastating as the irony and sarcasm of Cervantes, was invariably tempered by the sunshine of his humor which cured the wound before the pain was felt, drew the masses to him as probably no one else has done since Oliver Goldsmith, and "grappled them to his soul with hoops of steel."

He was probably the greatest philosopher since Shakespeare.

He has been accused of "murdering" the English language because he sometimes spiced his speeches, his writing, and his conversation with sprinklings of slang. They forget that the slang of today is the classic of tomorrow.

Besides, one of the things that enabled Will Rogers to maintain his grip on the human heart was that he could "talk with kings, nor lose the common touch."

Everyone knew what Will Rogers meant.

He was intensely American; he loved our institutions, gloried in our traditions, and looked forward to greater and more glorious achievements in the years to come.

Verily, he was an institution, whose life, whose words, whose works, whose records, whose traditions will constitute some of the richest volumes in the future libraries of the world.

Will Rogers is gone. He will have no successor.

We shall not look upon his like again.

THE CROSSETT LUMBER CO.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, a day or two ago reference was made on the floor to a loan made by the R. F. C. to the Crossett Lumber Co. I have several communications from paper manufacturers protesting against this loan.

I find on inquiry at the R. F. C. that while the loan has been authorized by the R. F. C. it has not yet been accepted by the Crossett Lumber Co. Therefore there is ample opportunity within the next week or two for a withdrawal of this offer by the R. F. C.

This is simply an indication that if such a loan can be made to private industry it will lead to no end of complication and competition with private industry throughout the country. I think it is very proper and fitting that the Members of this House interested in private industry should protest to the R. F. C. against allowing this loan to be accepted by the Crossett Lumber Co., and, Mr. Speaker, I ask unanimous consent to print in connection with my remarks communications from two of my constituents on this subject.

The SPEAKER. Is there objection?

There was no objection.

The letters referred to follow:

STRATHMORE PAPER CO.,
West Springfield, Mass., August 13, 1935.

Representative A. T. TREADWAY,
House Office Building, Washington, D. C.

DEAR REPRESENTATIVE: It is our understanding that the R. F. C. has approved a loan of $4,000,000 to the Crossett Lumber Co. for construction of a hundred ton kraft mill in Arkansas. We believe that the use of public funds to create unnecessary competition in domestic industry is not a proper function of the Government. The paper industry is fully capable of supplying the entire needs of the country at a reasonable price.

Private capital is available for the building of any additional capacity which may become necessary. We object to the lending of public money for this purpose inasmuch as it means that the taxes paid by our industry would be used to provide new competition.

May we urge your strenuous opposition to this movement which may ultimately lead to loans for additional unnecessary capacity in all branches of the paper industry? After 3 years of desperate struggle we are just beginning to see a little daylight ahead and would like to be allowed to work out our problems without additional competition fostered by the Government.

Very truly yours,

H. A. MOSES, *President.*

AMERICAN WRITING PAPER CO., INC.,
Holyoke, Mass., August 13, 1935.

Hon. ALLEN T. TREADWAY, M. C.,
Washington, D. C.

DEAR MR. TREADWAY: Thank you very much for your prompt notification regarding the Crossett Lumber Co.'s application to the R. F. C. for a loan of $4,000,000, and I will appreciate having a copy of the reasons upon which the loan was authorized.

My understanding of the proposition is that the Crossett Lumber Co. applied for the loan upon certain conditions which were not acceptable to the R. F. C. Then the R. F. C. made a counter proposition acceptable to the R. F. C., which the Crossett Lumber Co. was either to accept or decline. Our information shows that the Crossett Lumber Co. has not yet accepted the terms of the loan and that it may be 2 or 3 weeks before they do. We feel that before the loan is actually made the industry should at least be given the opportunity of submitting briefs and data in connection with the application, and this we would like very much to arrange for if it is within the range of possibilities.

Thanking you for your prompt attention and interest in this matter, I remain,

Yours truly,

AMERICAN WRITING PAPER CO., INC.,
S. L. WILLSON.

THE SNYDER-GUFFEY COAL BILL

Mr. DRIVER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 343.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 9100, a bill to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a draw-back under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous coal resources of the United States; to provide for the general welfare, and for other purposes; and providing penalties, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 8 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be

read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. DRIVER. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN] and 10 minutes to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, at this time I am going to yield the minutes allotted to me to my colleague the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Speaker, I do not believe since the time of the original enactment of the N. R. A. there has been a more meritorious piece of legislation brought before this body than the so-called "Guffey coal bill", because it is designed to stabilize the most demoralized industry in this Nation and bring hope and happiness to the hearts of its workers.

If the Members of this House could know the bituminous coal-mining section of the United States as I know it and as other Members of this House who come from these sections know it, I am sure they would approach the consideration of this piece of legislation with the most serious deliberation. If you, my colleagues, had lived in the bituminous-coal regions of the United States and had seen these houses perched on the black hillsides, houses built out of planks, stripped over to hide the cracks; if you had seen the little children playing in the dirt and muck of the streets, their only playthings tin cans and broken bottles; if you had seen the pathetic attempts of the bituminous coal miners to eke out an existence on these steep hillsides by planting little gardens and working in them after they come from their labors in the bowels of the earth in an effort to make the earth produce them something to feed their starving families; if you men had seen, as we have seen in Pennsylvania, the most infamous bunch of police officers the United States has ever known, the coal and iron police in these mining towns, where a miner could not have a few of his friends in for the evening for a social gathering without the permission of these private policemen in these mining towns, where the coal and iron police could absolutely go into the home of a miner and beat him to death with a poker and go scotfree in front of the court—you would approach this legislation almost with a spirit of reverence.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I will yield to the gentleman in a moment.

Mr. HOEPPEL. I would like the gentleman to yield right at this point.

Mr. FADDIS. I yield.

Mr. HOEPPEL. The gentleman is opposed to that provision that allows officers to go into the homes?

Mr. FADDIS. Absolutely.

Mr. HOEPPEL. And yet you are the gentleman that approved forcible entry into the homes of American citizens for search in the event that such citizen is accused of trying to spread dissension in the Army in time of peace. Why not be consistent?

Mr. FADDIS. The gentleman from California is begging the question and, with his usual lack of judgment, is trying to inject something into this proposition that does not belong here. The gentleman from California only exposes his vast ignorance when he gets up here and attempts to make such remarks. I never approved such practices, and never will.

Mr. HOEPPEL. I at least try to be consistent.

Mr. FADDIS. Mr. Speaker, I refuse to yield any further to the gentleman from California. I would ask the Members of the House to consider that here is a piece of legislation dealing with an industry where the labor item is 65 percent as against 23 percent for manufacturing. In order to meet competition in the bituminous coal mining industry there are only reducible factors—wages and safety appliances. To cut wages brings deprivation and want to our mining population. To cut safety appliances brings death and sorrow.

So I would ask the Membership of this House to take into consideration the purposes of this piece of legislation. It is an attempt to raise the living standard of a substantial group of American citizens. It is an attempt to do justice to 500,000 workers in the mines of the United States of America; 500,000 workers who, in order to earn their daily bread, go down into the bowels of the earth; 500,000 men who are engaged in an industry in which the labor item is 65 percent; 500,000 men who are engaged in an industry that is under the most ruthless competition of any industry in the United States.

I would ask you to take this into consideration, that in raising the economic standards of the United States as a whole we can only raise it in one way, and that is to raise the economic standard of each of the various classes of people in the United States. There is no other way in which we can accomplish this objective.

Mr. STACK. Will the gentleman yield?

Mr. FADDIS. I yield.

Mr. STACK. Will the gentleman tell me and the House who really are behind this legislation?

Mr. FADDIS. The people who are behind this legislation are the operators and the miners, who for years and years have been exposed to ruthless competition, and for years and years have been underpaid; men who have been broken up in industry and lost millions of dollars; the men who know this industry from below the ground and above; practical, hard-headed business men and hard-working miners—not fanciful, theoretical college professors bent on conducting some new social or economic experiment.

Mr. STACK. Is organized labor for it?

Mr. FADDIS. Ninety-five percent of organized labor is in favor of it.

Mr. MORITZ. Will the gentleman yield?

Mr. FADDIS. Yes.

Mr. MORITZ. How much will this cost the consumer?

Mr. FADDIS. The cost to the consumer will be negligible; and it will restore the buying power of 2,500,000 people and enable them to live according to desirable American standards of living.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. FADDIS. I yield.

Mr. MARCANTONIO. What percentage of the operators are for this bill?

Mr. FADDIS. I think about 90 percent of the operators in the United States are for the bill.

Mr. DONDERO. Will the gentleman yield to me?

Mr. FADDIS. I yield to the gentleman.

Mr. DONDERO. What is the average pay of the miners in the bituminous-coal industry in your State?

Mr. FADDIS. I cannot state, since the N. R. A. has been held unconstitutional. Since that time there has been a cut in wages and extension of hours. I am sorry I cannot give the gentleman the information. I have not been home lately and I am not familiar with the wages of the miners. I can state, however, that unless this legislation is passed they will soon be back down to the starvation point, as they were before the N. R. A.

Mr. DONDERO. Can the gentleman give us approximately what the extra cost of a ton of coal would be to the consumer?

Mr. FADDIS. I cannot. It would be very slight on the average. To understand the coal-mining industry you must know that coal has often been handled from one broker to another and from that broker to another, and the cost to the consumer under the present management of the industry has been pyramided until sometimes the cost to the consumer has been as high as $20 a ton, because of the manipulation of the brokers. This legislation would make that impossible, by preventing pyramiding of brokerage commissions.

Mr. DONDERO. Is there any evidence before the committee that would give that information to the country?

Mr. FADDIS. I am not a member of the committee, and I cannot give the gentleman that information, but no doubt members of the committee will do so later.

Mr. CRAWFORD. Do I understand that this legislation will make it impossible for the high cost of operating the exchange machinery to be continued?

Mr. FADDIS. Absolutely.

Mr. CRAWFORD. Could the gentleman give us a little brief indication of how that will be accomplished in this bill?

Mr. FADDIS. I shall later on when I come to speak upon the bill, if I can get the opportunity. If not, then somebody else will.

Mr. CRAWFORD. That will be one of the most important features of a bill of this nature. If you can eliminate the cost of distribution and exchange as between the producer and ultimate consumer, that will be very important.

Mr. FADDIS. That is one of the primary purposes of the bill—to see that the revenue coming from the bituminous-coal industry goes to the operator and the worker, the people who should receive it.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. HOUSTON. What percentage of bituminous coal is used by the domestic consumer and what percentage in industry?

Mr. FADDIS. About 12 percent is used for domestic purposes and 88 percent in industry.

Mr. HOUSTON. What has been the average price of bituminous coal in Pennsylvania at the mine?

Mr. FADDIS. It has fluctuated greatly from time to time. Under the N. R. A. the price of 4-inch lump was set at $2.50 per ton at the mine.

Mr. HOUSTON. And what percentage does the operator get and how much does the worker get?

Mr. FADDIS. The day worker received, I believe, under the terms of the N. R. A. $5 per day around the mine. The price for loading varied throughout the region.

Mr. HOUSTON. Is not this legislation going to be of great benefit to labor?

Mr. FADDIS. It will be of the greatest benefit to labor of any piece of legislation that has come up since the N. R. A.

Now, Mr. Speaker, I submit to the Membership of the House that we from coal-producing regions have gone willingly down the line in support of legislation to assist other industries and other classes. We voted for the A. A. A., which meant to us nothing but a rise in pork chops. We voted for cotton bills, which meant nothing but a raise in shirts and overalls to the miner. We voted for Indian bills, reclamation bills, and other bills which to our constituents meant only more taxes. The other day we voted to help the potato grower, and that will mean that the miner will pay more for his potatoes. For all these votes I have never received a word of criticism from the miners. They believe in the principle of live and let live. I believe that it is most unworthy for anyone from the other sections to advance the argument against this bill that it will increase the price of coal.

Mr. FULLER. Mr. Speaker, I rise to a parliamentary inquiry. I just sent a page for the bill under consideration, H. R. 9100, and received the copy which I have in my hand. At the top of the bill, pasted onto it is a pink slip, and on that pink slip in typewriting are the words:

> Bituminous-coal bill as amended and reprinted—controversial phases largely eliminated. Two-thirds of tonnage output operators favor bill, and more than 95 percent of labor.

My inquiry is to know whether it is proper for anybody to paste such a thing as that on a document of the House and whether it is proper for it to be circulated in the House. This is the first time in my experience that I have ever seen any advertisement on an official document or bill pending in the House. I rise for the purpose of ascertaining how it came there and whether or not it is proper to be on this bill.

The SPEAKER. The Chair has no information on the subject. Where did the gentleman get his copy of the bill?

Mr. FULLER. From a page. I send this copy to the desk so that the Speaker may examine it.

Mr. SNYDER. I can tell the gentleman how that came there.

The SPEAKER. The gentleman may state.

Mr. SNYDER. Mr. Speaker, I had so many of these bills sent to my office, and with my secretarial help we wrote those words on that pink slip and pasted the slip on the bill. That is how that happens to be there. I sent copies of these bills with the slip on them to those interested and sent some of them to the desk back here, to be handed out upon request. It is altogether fitting and proper that I should do so.

Mr. WOOD. Can the gentleman see any difference between this sticker on the bill or sending the bill to his colleague accompanied by a letter?

Mr. SNYDER. Not at all.

Mr. WOOD. With the same information contained in the letter.

Mr. SNYDER. This is merely calling attention to the fact that this is the specific article to which we want to call attention.

The SPEAKER. The Chair knows of no rule or authority for inserting a statement like that to which the gentleman has called attention on a bill, and the Chair instructs the pages of the House not to distribute any more bills carrying this sort of inscription to Members on the floor of the House.

Mr. TREADWAY rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. TREADWAY. Will the Speaker allow me to make inquiry about the franking privileges of Members of the House? I understood the gentleman from Pennsylvania to say that he has distributed the bill with that label on it from his office to his constituents through the mails. If that is being done under the franking privilege, is it permissible?

The SPEAKER. That is a matter for the Post Office Department and not for the Chair to decide.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, there are many reasons why this legislation should not be passed. In the first place, to say the most that can be said for it in that respect, its constitutionality is open to serious question. Many good lawyers and students of the Constitution feel very definitely and positively that it is clearly unconstitutional. Personally, if it could be done without passing undesirable legislation, I should like to see the Supreme Court pass upon the question of the power of Congress to regulate the production and distribution of coal, a natural resource, and to determine whether the same limitations apply to the power of Congress to regulate natural resources as apply to its power to regulate and control the raising and distribution of chickens. If there is any difference in its power in this respect it must be because of some other provision in the Constitution than the commerce clause.

Aside from the unconstitutionality of the bill, it is primarily and avowedly a price-fixing measure and ought not to be passed for that reason.

It contemplates an immediate and substantial increase in the price of coal, both at the mines and to the consuming public. I do not believe that the public is in any frame of mind, and certainly it is not in any economic condition, to accept such legislation. The cost of coal is an important item in the budget of nearly everyone who lives in the North, and the consuming public is in no condition to have the price increased 50 cents or $1 or $1.50 per ton, as this bill contemplates. Of course, it is expected that by increasing the price to the consumer those directly engaged in the industry will be benefited temporarily, at least; but in the long run they are more likely to suffer by the legislation, along with the consumer, than they are to be benefited by it.

Mr. WOOD. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. WOOD. I should like for the gentleman to explain just how this bill will increase the price of coal $1.50 a ton or $1 a ton?

Mr. MAPES. Those are the estimates of the Committee on Ways and Means, or the minority on the committee, as set out in the report on this bill. I have made no independent study of the matter, but I doubt whether anyone can tell or predict with any degree of certainty what the increase will amount to. It may be 50 cents. It may be $3.

Mr. WOOD. And it might be 25 cents, or it might not raise the price at all.

Mr. MAPES. I hope it will not, but if it will not raise the price at all, then there is no point to this legislation. As I understand it, the purpose of it is frankly stated by the proponents of it to be to raise the price so that the operators can get more money for their coal in order that they may in turn pay more money to the employees at the mine. I think in the long run it is bound to cause the use of substitutions for coal on the part of the consuming public, such as oil, gas, and steam, and will thereby injure the industry itself and those engaged in it.

My observation has been that whenever the Government has ventured into the realm of price fixing it has made a mistake. Those of us who were here at the time remember our experiences with price-fixing legislation during the World War. It was anything but a success. The urge then was to pass price-fixing legislation in order to keep prices from going too high. The urge now is just the reverse. It is to pass this and other price-fixing legislation in order to raise prices, but any price-fixing legislation or any attempt to control prices artificially, whether to keep them down or to raise them, has a tendency to make the legislative, or artificial, price out of harmony with other prices and to disrupt general economic conditions to the detriment not only of the public in general but to those directly engaged in the industry as well.

We fixed the price of wheat during the war, for example, at $2.20 per bushel. The purpose of that legislation was to encourage the farmers to produce more wheat. I recall feeling at the time that the legislation was passed that the price was abnormally high, although I voted for it. I had in mind the time when wheat sold at 60 cents per bushel on the farm, and when 90 cents per bushel was considered a very good price. But as things developed and the price of farm products advanced, $2.20 per bushel for wheat proved to be out of line with the price of other farm products, and instead of encouraging farmers to produce more wheat it had the directly opposite effect. They produced corn and other products for which they could get higher prices proportionately. During that time I had the privilege of serving as Chairman of the Committee on the District of Columbia, and because of the urge for price-fixing legislation in the District gave some special study to the general subject matter.

I recall reading a book detailing the experiences of the different States in Australia with price-fixing legislation. Some of the States passed legislation fixing the price of foodstuffs and other necessities of life quite generally, while adjoining States refrained from passing such legislation. My recollection is that those States that passed no price-fixing legislation got along better and the price of commodities generally was a little lower in them than in the States that attempted by legislation to artificially control the prices.

I believe that the passage of this legislation will meet with a great deal of bitterness on the part of the consuming public, and if it results, as its advocates hope it will and as it is bound to do, in a material increase in the cost of coal to the consumers, it will bring about the use of substitutes for coal and by so doing result in permanent and lasting injury to the industry itself and those engaged in it.

The SPEAKER. The time of the gentleman from Michigan [Mr. MAPES] has expired.

Mr. DRIVER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, just a few statements concerning phases that were hinted at by the able gentleman from Michigan who just spoke. There has been a great deal said about increased cost that this bill would bring upon the consumer of coal. The only way to arrive at the increased cost is to take some basis on which to reckon cost. I remember very well 2 years ago this very month and last month and the month before when the coal operators of the United States, the United States Steel Co., and the railroads were down here at Washington on their knees begging the Government to do something to save what they had left. They said, in substance, "We do not care what it is, just so you do something to save what we have left." Very well. We put into effect the N. R. A. In the N. R. A. was a provision governing code procedure for mining and marketing coal. After the coal codes were in operation over a space of months, and were enforced by the Government, practically every operator in the United States was favorable to the coal code.

When in January of this year the bill to extend the N. R. A. was voted in the House and hearings were being held on it in the Senate, a bill affecting every group of coal operators in the United States, their representatives were here asking for the extension of the N. R. A., because they said that under its operation they had more peace and happiness and had made more money and things were better stabilized than ever before.

After the N. R. A. decision was handed down by the Supreme Court, this bill which had been introduced in the Senate by Senator GUFFEY and in the House by myself, was rewritten from many angles, in the light of that decision and other decisions that have been handed down by the Supreme Court.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for a question at this point?

Mr. SNYDER. I yield.

Mr. FITZPATRICK. During the period of the N. R. A. did the price of coal go up or go down? It went down, did it not?

Mr. SNYDER. The price of coal went down; but before answering the gentleman further permit me to state that in the course of debate we shall show the basis for our estimate that the cost of coal to the consumers under the Guffey-Snyder bill, H. R. 9100, figured over a period of years, will not be increased more than 2¾ cents a ton over what it was when the N. R. A. codes—when they were in force.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. I yield.

Mr. SISSON. Is it not a fact that under the operation of the N. R. A. the condition of the operators in the soft-coal industry, and the conditions of the miners, too, was better than it ever had been before within our recollection?

Mr. SNYDER. Absolutely so.

Mr. SISSON. If the gentleman will permit one further question for the sake of the record, is it not a fact that the gentleman's study shows that both Germany, Great Britain, and all of the great coal-mining countries generally have had to come to the sort of arrangement proposed in the pending bill?

[Here the gavel fell.]

Mr. DRIVER. Mr. Speaker, I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. SNYDER. I may add to the gentleman's statement this: That the record of the Bureau of Mines shows that the waste in mining coal in England, France, and Germany amounts to only 5 or 6 percent, whereas in this country it runs over 25 percent, due to our haphazard mining methods.

But I must not get away from the subject of cost. Over a space of years, some 2¾ cents a ton would represent the increase over what the price of coal was during the operation of the N. R. A., when it was enforced.

Mr. DRISCOLL. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. I yield.

Mr. DRISCOLL. Will the gentleman tell us what proportion of the production of bituminous coal goes into domestic consumption? A great deal of concern is expressed on behalf of the small consumer.

Mr. SNYDER. I shall be glad to answer the gentleman right away. Twelve percent of the bituminous-coal production goes into domestic use and 88 percent into commercial use.

[Here the gavel fell.]

Mr. DRIVER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Speaker, the Congress of the United States has attempted, through legislation, to stabilize agriculture in many of its branches, and it has undoubtedly succeeded to a great extent in bringing about a situation in agriculture which has saved agriculture from bankruptcy, if not total annihilation.

The first paragraph of the pending bill reads in part as follows:

> That it is hereby recognized and declared that the mining of bituminous coal and its distribution by the producers thereof in and throughout the United States are affected with a national public interest.

The fact that the bituminous-coal industry does "affect the national public interest" is the reason why I am interested in it, for I hold that insofar as, and just so long as, any major industry in the United States is in a depressed, disorganized, or unstabilized condition, that depression and disorganization will affect every other industry in the United States and, to that extent, retard recovery. If you recall, about 1930 President Hoover, in one of his addresses on the state of the Union, pointed out that we were in a very prosperous era, with the exception of two major industries. One of those major industries was coal, the other was textiles. This depression and this unstabilization of the coal industry is nothing new. It has been going on since the industry was inaugurated. No one, I take it, will seriously contend that the coal industry is not predominantly an interstate industry by reason of the fact that the bulk of it is distributed in interstate commerce. Because of its interstate character, it affects the whole national economic structure. In an address which I shall make a little later on, when the bill itself is under consideration, I expect to show this quite clearly.

I am interested in this bill, as I said before, because it affects a major industry. In order to protect our industries we must take them one at a time and lift them out of the present slough of depression. This bill will affect perhaps 450,000 or 500,000 mine workers. Anybody who knows anything about the coal industry and the manner in which it has been conducted will agree with the statement that it probably has been one of the most antisocial in its treatment of the people who perform the work of any industry in either the United States or any other country. For this reason, it affects the whole body of our social fabric, and because of this, its regulation and stabilization is, I submit, a proper subject of congressional action.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from New York.

Mr. MARCANTONIO. Will the gentleman please dwell on the question of whether or not this bill benefits the miners, and what benefits, if any, the miners derive from enactment of the bill?

Mr. FORD of California. That was not the purpose for which I rose, I will say to the gentleman.

Mr. MARCANTONIO. That proposition up to this point has not been discussed at all, and that is a matter in which I am very much interested.

Mr. FORD of California. I will answer that in this way: Any measure that definitely improves the coal-mining situation, that stabilizes prices and stabilizes wages and which gives to the men who do the work better conditions, naturally must help the miners.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 20 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker—

> I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

Every Member on the floor has taken this same oath once or more. On 12 different occasions I have stood on this floor, raised my right hand, and taken this oath. To the best of my knowledge and belief I have not consciously or deliberately broken that oath. I do not intend to begin now.

On July 5 the President addressed a now famous letter to the Honorable SAMUEL B. HILL, chairman of the subcommittee on the Guffey-Snyder coal bill. I will not quote the entire letter of the President, as the country is familiar with it. The letter indicates the President's frame of mind as himself believing the bill is unconstitutional, and while carefully worded it shows at least his uncertainty as to the bill's unconstitutionality. The last sentence of his letter is too important to overlook. I quote:

> I hope your committee will not permit doubts as to constitutionality, however reasonable, to block the suggested legislation.

I for one decline to follow that advice. I am thoroughly convinced the measure is unconstitutional, and reading between the lines I think the President is of the same opinion. I do not follow him, however, in his request that we should not permit doubts as to constitutionality, however reasonable, to stand in our way of voting favorably on the bill. If our oath of office means anything it means first of all support of the Constitution. I shall abide by that oath, and no matter what other Members may feel constrained to do at the request of the President of the United States, I for one consider his suggestion most unwise and lacking in judgment on his part.

No legislation, however meritorious, urgent, or politically expedient, should cause any public official, from the President of the United States down, to allow himself to give favorable consideration to a measure which is recognized as unconstitutional by the great majority of able lawyers who have expressed themselves upon it. It is not out of place to call attention to the fact that the President, himself, is under as much of an obligation to support and defend the Constitution as Members of Congress. In his oath of office, he said:

> I, Franklin Delano Roosevelt, do solemnly swear that I will faithfully execute the office of President of the United States, and will to the best of my ability preserve, protect, and defend the Constitution of the United States.

To throw upon the Supreme Court the entire responsibility for considering the constitutional features of this measure is to shirk our responsibility as Members of Congress. This was made clear by former President Taft in one of his veto messages, in which he said:

> But it is said that this is a question with which the Executive or Members of Congress should not burden themselves to consider or decide. It is said that it should be left to the Supreme Court to say whether this proposed act violates the Constitution. I dissent utterly from this proposition. * * *
>
> The oath that the Chief Executive takes, and which each Member of Congress takes, does not bind him any less sacredly to observe the Constitution than the oaths which justices of the Supreme Court take. It is questionable whether the doubtful constitutionality of a bill ought not to furnish a greater reason for voting against the bill, or vetoing it, than for the Court to hold it invalid.
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> The custom of legislators, and executives having any legislative function, to remit to the courts entire and ultimate responsibility as to the constitutionality of the measures which they take part in passing is an abuse which tends to put the Court constantly in opposition to the legislature and executive, and, indeed, to the popular supporters of unconstitutional laws.

Mr. Speaker, remember that good advice, in view of the attitude of the present President of the United States toward the Guffey coal bill.

While the constitutional question is the most important one involved, there are other features with respect to which it is fair to express an opinion. During the hearings, the testimony of Mr. John L. Lewis, president of the United Mine Workers of America, was most impressive. His picture of the distress in the soft-coal fields and his reference to wornout and inadequate equipment for the protection of life and limb presented a humanitarian aspect that would appeal to the heart and sympathy of any listener.

No one would for a single moment oppose the improvement and correction of these conditions by proper, constitutional means, and I have great hopes that some such method may

be brought about. So far as the working conditions of the miners are concerned, the States have full authority under their broad police powers to require proper safeguards to be taken.

The primary purpose of this bill is not to improve conditions among the miners, but to reestablish the N. R. A. code system for the soft-coal industry as a means of securing Government sanction for monopolistic price fixing and, incidentally, in order to regulate trade practices, wages, and hours of labor. This bill was sponsored in the first instance by a group of operators in the industry and by the United Mine Workers. Together they drafted its provisions, and it is naturally to be supposed that it is intended for their benefit.

It will be recalled that the Supreme Court held the original N. R. A. legislation unconstitutional in a unanimous decision rendered on May 27 of this year. One of the grounds of unconstitutionality was that the act attempted to regulate certain transactions of a purely intrastate character which were not in interstate commerce and which did not directly affect such commerce. The same objection may be made to the attempted regulation of the bituminous coal industry. That decision holds on all fours in the consideration of this measure.

Another objectionable feature is the tax provision. The bill lays a tax of 15 percent on the sale price of all bituminous coal at the mine, but allows a rebate of 90 percent of the tax to operators who agree to comply with the regulations set up under the coal code. In effect, therefore, the tax is not a tax on coal but a penalty on noncompliance with the code. As such it is clearly unconstitutional. Of course, the mine operators are theoretically free to accept or reject regulation under the code as they see fit, but the voluntary feature ceases to be such when direct coercion is applied under the tax provisions.

In his book on Constitutional Government in the United States, former President Woodrow Wilson gave some attention to the subject of the interstate-commerce clause of the Constitution and its relation to our economic system. What he there said is in direct answer to President Roosevelt's suggestion that there should be a centralization of authority in Washington.

After pointing out that the Constitution was never meant to hold the Government back to the time of horses and wagons, Mr. Wilson went on to say that the courts have rightly endeavored to make the Constitution a suitable instrument of national life, extending to the things that are now common the rules that it established for similar things that were common at the beginning.

Declaring that the temptation to overstep the proper boundaries has been particularly great in interpreting the commerce clause of the Constitution, he inquires as to the part of this complex system which Congress may properly regulate. His answer to his own question follows:

> Clearly, any part of the actual movement of merchandise and persons from State to State. May it also regulate the conditions under which the merchandise is produced which is presently to become the subject matter of interstate commerce? Clearly not, I should say; and I think that any thoughtful lawyer who felt himself at liberty to be frank would agree with me. For that would be to destroy all lines of division between the field of State legislation and the field of Federal legislation. * * * If the Federal power does not end with the regulation of the actual movement of trade, it ends nowhere, and the line between State and Federal jurisdiction is obliterated. But this is not universally seen or admitted. It is, therefore, one of the things upon which the conscience of the Nation must take test of itself, to see if it still retains that spirit of constitutional understanding which is the only ultimate prop and support of constitutional government.

That is a very different type of recommendation and idea and thought to what now exists at the White House.

Once this bill gets into operation, there will be an immediate and drastic increase in the price of bituminous coal. Just how much the increase will be, I cannot say, nor can anyone else, but it has been variously estimated all the way up to $1.50 per ton and more.

The price-fixing provisions are the very heart of this bill. The whole purpose in seeking its enactment is to raise the price of coal. Following the collapse of price fixing under the N. R. A., prices went down, and it is now proposed to bring them at least back to the N. R. A. prices, and undoubtedly they will go much higher.

The United Mine Workers have several times held up their impending strike for higher wages and shorter hours until this bill can be enacted into law; and when the mine operators have been guaranteed by law a profit over and above all costs, as set forth on page 13 of the bill, including the cost of increased wages, they will doubtless capitulate to the miners and let the ultimate burden fall on the consumer. I call attention to the fact that even such things as coal operators' association dues are included in the items going to make up the cost of production for price-fixing purposes.

One outstanding defect of this measure is that its provisions only affect two great groups, the operators and the miners, leaving the third great group, the consumers, completely outside. The title of the bill piously recites that it is to provide for the "general welfare", among other things, but I am unable to find where the public comes into the picture at all except to pay the bill.

Mr. FADDIS. Will the gentleman yield?

Mr. TREADWAY. I decline to yield. The gentleman from Pennsylvania [Mr. FADDIS] made the ridiculous statement that this bill would not raise the price of coal. Anyone who makes a statement like that should not interrupt one who is trying to shed light on this bill.

Of course, a gesture has been made in their behalf by providing for a consumers' counsel, but if the consumers' counsel under this bill is of no more benefit to the public than the one provided for under the Agricultural Adjustment Act, then the Government might just as well save the amount of his $10,000 salary.

Every householder, every manufacturer, every steam plant using bituminous coal—in short, thousands of individuals and industries—are ignored and forgotten by the authors of this measure. There may be some provocation for ignoring the consumer, but to my knowledge no explanation has been given by any supporter of this bill.

We in the northeastern section of the country are the forgotten people, although it is our pocketbooks which eventually are to be tapped. During the hearings I ascertained from a witness, who seemed to be well qualified to answer, that approximately 20,000,000 tons of bituminous coal are annually consumed in the New England States. On this basis, we are faced with an increased cost for coal which, even if it does not exceed $1 per ton, will amount to something in the neighborhood of $20,000,000 for New England alone.

Still the consumer is not a party to making up this program.

I warn the proponents of this measure that because of their avariciousness and their failure to give any consideration to those who will pay the added cost, the bituminous-coal industry is losing its best market. For a number of years industrial plants have been turning from coal to electricity and fuel oil. Householders are turning to fuel oil and gas. If the price of coal is forced higher, this movement will be accelerated, with the result that coal will be supplanted almost entirely by electricity generated from water power, by fuel oil, and by gas.

Another objectionable feature of the price-fixing provisions is that they provide an opportunity for the larger operators, who naturally have the lower production costs, to freeze out the smaller, high-cost mines and thus gain a monopoly in an otherwise highly competitive industry. This is made possible by the fact that the minimum price, which in practical effect becomes the maximum price, is based upon the average production costs in the price-fixing area, weighted according to the total net tonnage of each mine. Thus, the large, low-cost mines will be enabled to make a handsome profit, the medium-cost mines will just make expenses, and the small, high-cost mines will be forced out of competition altogether.

The bill is also objectionable from the standpoint of the numerous high-salaried boards which it sets up, with their raft of employees who are to be appointed without reference to the civil-service laws.

The civil service is a forgotten matter in connection with the Government under the present Democratic administration. There is a Bituminous Coal Commission of five members and a Labor Board of three members, the personnel of which receive a $10,000 annual salary. I have already mentioned the consumers' counsel who also receives a $10,000 salary. Then, in addition, there are 23 regional boards, made up of operators and miners, the members of which serve without salary, but who are empowered to appoint officers from their own membership and fix their compensation, and to hire other necessary employees. What necessity there is for the creation of a special labor board for the coal industry, in view of the passage of the Wagner labor-disputes bill, I do not know. While this measure is supposed to stabilize the bituminous-coal industry, it would seem that the large number of boards provided for would keep it in a state of constant turmoil.

This bill has had an unusual legislative career. Introduced in its original form on January 24 of this year, it was little heard of and not seriously considered until the President included it with his so-called "must program." Thereafter, it loomed large upon the legislative horizon.

Hearings on the measure were immediately scheduled before a subcommittee of the Ways and Means Committee. Although, after hearing the testimony on both sides, a majority of the subcommittee were definitely of the opinion that the bill was unconstitutional, it was kept alive through White House influence, and after a number of amendments had been adopted in the subcommittee it was reported to the full Ways and Means Committee "without recommendation."

The only way that the bill could get to the full Ways and Means Committee was to have the subcommittee agree to refer it to the full committee without recommendation.

The majority members of the committee thereupon held a number of secret meetings on the bill, from which the minority members were excluded. Our only information as to what transpired in these meetings was gained through the press, and from the articles appearing therein from time to time the indications were that the President was having difficulty in mustering sufficient votes among the majority members to insure a favorable report on the bill.

In spite of all the pressure and intimidation the administration could exert, 8 of the 18 majority members, according to the press, steadfastly refused to support the bill. With six of the seven minority members known to be in opposition, it was obvious to the President that a favorable report could not be secured. Further secret meetings were held, and finally, on Friday, August 9, the press quoted the chairman of the committee as saying that sufficient votes to report the bill to the House finally had been assured.

A meeting of the full Ways and Means Committee was called for Monday, August 12, for the purpose of considering the bill. At this meeting the minority members witnessed the operation of the ingenious method which had been worked out whereby the bill could be reported to the House in spite of the fact that a full majority of the 25 members of the committee were opposed to it. This was made possible by the simple expedient of having two members of the majority party withdraw their negative votes and answer "Present."

What methods of persuasion were used by the White House to effect this parliamentary jockeying I do not know, but, regardless of how it was done, the practice is to be seriously condemned. What the minority members of the committee said of the methods pursued by the majority members in the consideration of the tax bill applies equally to those pursued in the consideration of this bill, namely, that representative government ceases to exist under such a system.

There has been much said in recent months about lobbying. Two committees of the Congress are now engaged in broad investigations of this activity. It would seem that these investigations might properly be turned upon the high-pressure lobbying of the White House. Members upon the majority side are seldom left free to vote their convictions upon major legislative matters. If it appears that a measure in which the President is interested does not have sufficient support to secure its passage, the pressure of the White House is brought to bear in many ways upon recalcitrant Members.

This bill is an important issue at the moment, not so much for what it does but for what it portends. The power of Congress over industry is restricted by the Constitution to the regulation of commerce among the several States. This bill attempts to impress the mining of coal, which the Supreme Court has said is a local activity, with a national public interest, so as to give Congress the power to regulate it. If Congress can impress the coal industry with a national public interest, it can probably do so with respect to other industries. If it can regulate the production of coal, it can regulate the production of oil, gas, and electricity. If it can regulate these, it can probably regulate the production of food, and if it can regulate the production of food it can probably regulate the production of clothing and shoes. There would be no end to the Federal power, and, as the Supreme Court has said, "The authority of the State over its domestic concerns would exist only by sufferance of the Federal Government."

Thus if this bill becomes a law it will be an entering wedge for the enactment of similar legislation for other industries, and soon every mine, every manufacturing plant, and every farm will be regulated from Washington. The issue presented by this bill is whether we are going to take a step in that direction. The whole effort of the administration in pushing the new deal has been in the direction of centralization of power.

The President has inferred that it is a question of whether we are going back to the "horse and buggy" days. I say that this is not the question. The question is whether we are going to maintain our institutions under which we have prospered for a century and a half, or whether we are going to have centralized, bureaucratic, dictatorial control of the activities of all our people.

[Here the gavel fell.]

Mr. DRIVER. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, while I am opposed to this bill and shall vote against it, I intend to vote for the rule because I have always voted for every rule which has been reported by the Rules Committee to bring legislation before the House for consideration. The only rule I ever voted against was one which tended to limit freedom of the Members in connection with the offering of amendments, and where I felt the circumstances did not warrant such action. I have voted against such rules whether offered when the Republicans were in control of the House or when my own party controls the House. The rule is the vehicle by and through which a bill comes up for consideration in the House. I take the position that legislation which has been reported by a committee requiring a rule for consideration by the House should not be denied the opportunity of discussion so far as the merits of the legislation are concerned.

Mr. Speaker, as far as I am concerned I have given this bill the most profound consideration from the constitutional angle and from the practical angle, which I shall discuss later during general debate, or under the 5-minute rule; so I shall not go into a discussion of the details of the bill at this time. However, I think Members are entirely justified in voting for the rule as a matter of principle in order to give any bill, and particularly a bill of this kind, an opportunity for consideration on its merits by the membership of the House. A Member is not inconsistent in any way in voting for a rule and being opposed to the bill. The consideration of a rule does not permit going extensively into the merits or demerits of a measure. With 1 hour of debate on a rule for the consideration of a bill of this kind, having constitutional aspects and practical aspects, it cannot be thoroughly debated within the hour.

This bill is a matter of major importance, and is one that should be considered by the House. The adoption of the

rule provides the vehicle by and through which such consideration can be given by the House, and in accordance with the position which I have always taken with reference to all legislation, when a rule is brought in for the consideration of a bill, which rule is fair and proper and protective of the rights of the Members, I have always voted for such rule, and I intend to vote for this one. [Applause.]

[Here the gavel fell.]

Mr. DRIVER. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, unlike my colleague from Massachusetts, originally, I was inclined to be against the pending bill and against the rule, but having investigated the matter and heard many gentlemen who are thoroughly familiar with the bill discuss its terms, I have come to the conclusion that it is my duty to vote for the rule, and my conscience dictates that I should also vote for the bill. [Applause.]

I regret that some of my colleagues, especially on the Republican side, including the splendid, capable, and efficient gentleman from Massachusetts [Mr. TREADWAY], again try to bring to the fore the question of constitutionality of a bill and question the right of the President to recommend this beneficial, wholesome, and much-needed legislation. As between political speeches and arguments used against the constitutionality of this bill and the merits of the measure, I prefer to follow the sound judgment of a former Chief Justice of the United States who, when no political question was involved, three times in succession in a similar matter held that Congress has such jurisdiction. This was held in the Swift case, in the Board of Trade case, and in the Coronado case. In view of his clear-cut decision in these cases, and notwithstanding what politically minded gentlemen may say for the purpose of prejudicing the minds of the people, I believe that Congress has jurisdiction to so legislate and that this bill is constitutional.

Oh, I recognize that some of the judges, politically minded, during the last year have gone out of their way to hold some of our acts unconstitutional. I have stated on the floor and I shall state again that in many instances some of the judges have gone far afield in an effort to destroy maturely considered, helpful, and beneficial legislation in the interest of the masses and in the general interest of our country.

Mr. UNDERWOOD. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. UNDERWOOD. Does not the gentleman think that the question of the constitutionality of this proposed legislation ought to be left to the proper tribunal, which is the Supreme Court, and that this bill is of such vital importance in stabilizing the soft-coal industry of this country, that the rule ought to be passed and the legislation be given a proper and fair hearing on the floor of the House?

Mr. SABATH. The gentleman from Ohio is correct. The only thing I regret is that a great many gentlemen are opposed to this bill because they feel that it may serve them well in their districts to oppose it, and for sectional reasons they oppose this legislation.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Oh, I could not refuse to yield to my amiable colleague. If I had only a half minute of time I would gladly yield it to him.

Mr. COX. And the gentleman's colleague always finds himself very much embarrassed when he has to differ from the gentleman. Does the gentleman mean by his reply to the gentleman from Ohio that there is no responsibility upon the membership of this Congress to determine the question of the constitutionality of a proposed measure?

Mr. SABATH. I say if there is a doubt in the mind of any Member of Congress as to helpful, needed, beneficial legislation, I think, and it is the right of a Member to vote for such legislation, and, if there is any question, let the courts finally decide the matter. In this instance, however, I feel that the Supreme Court eventually will hold that it is within the power of Congress to legislate in this way and that the bill will be held constitutional.

Mr. COX. Does the gentleman realize that if it is within the power of Congress to say that production is commerce then there is left to the States no power whatsoever?

Mr. SABATH. I do not desire to take from the States any of their proper rights, but if there is anything that goes into interstate commerce and affects interstate commerce, it is the production of coal, and this is true as to coal to a greater degree than anything else. [Applause.]

In conclusion, let me state that anyone familiar with the deplorable conditions of the coal miners of the United States should feel in duty bound to vote for legislation that will improve their unfortunate existence. When men are obliged to work for $1.75 and $2 per day, as the coal miners do in some States, and the entire amount earned by them is absorbed by the companies' own stores, keeping the men in their debt; and considering that on an average 2,500 miners lose their lives annually in this most dangerous of occupations, I say that no man should, on the pretense that the bill might be declared unconstitutional, evade his duty to these deserving, suffering citizens.

Mr. Speaker, some say that this legislation may cause an increase in the price of coal. After a thorough investigation, I am satisfied that the price will increase only 3 cents a ton above that established under the National Recovery Act. It is my honest opinion that the poorest people in any district will not hesitate to pay that little increase if they feel it will improve the condition of these unfortunate coal miners and make it possible for them to earn a wage that may provide their families to live at least half decently. There are approximately 500,000 coal miners and approximately 2,500,000 dependents of coal miners who will be benefited by the passage of this bill; and, I repeat, anyone familiar with the conditions of the American coal miner in his hazardous work is in duty bound to support this proposed remedial legislation. [Applause.]

[Here the gavel fell.]

Mr. DRIVER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

Mr. SNELL. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 241, nays 94, not voting 94, as follows:

[Roll No. 169]

YEAS—241

Adair	Crosby	Gilchrist	Kramer
Amlie	Cross, Tex.	Gildea	Kvale
Arends	Crosser, Ohio	Gingery	Lambeth
Ashbrook	Crowe	Gray, Ind.	Lanham
Ayers	Cullen	Gray, Pa.	Larrabee
Barden	Cummings	Green	Lee, Okla.
Beam	Daly	Greenway	Lemke
Beiter	Darden	Greenwood	Lewis, Colo.
Berlin	Dear	Greever	Lewis, Md.
Biermann	Delaney	Gregory	Lloyd
Bland	Dempsey	Griswold	Luckey
Bloom	Dies	Gwynne	Ludlow
Boehne	Dingell	Haines	Lundeen
Boland	Dirksen	Hamlin	McAndrews
Boykin	Dobbins	Hancock, N. C.	McClellan
Boylan	Dorsey	Hart	McCormack
Brooks	Doughton	Harter	McGrath
Brown, Ga.	Drewry	Healey	McKeough
Brunner	Driscoll	Hildebrandt	McLaughlin
Buck	Driver	Hill, Ala.	McReynolds
Buckler, Minn.	Duffey, Ohio	Hill, Knute	Mahon
Burch	Duffy, N. Y.	Hill, Samuel B.	Maloney
Burdick	Duncan	Hobbs	Mansfield
Caldwell	Dunn, Pa.	Hoeppel	Marcantonio
Cannon, Mo.	Eagle	Houston	Martin, Colo.
Carmichael	Eckert	Huddleston	Mason
Carpenter	Edmiston	Imhoff	Massingale
Cary	Ellenbogen	Jacobsen	May
Celler	Faddis	Jenckes, Ind.	Mead
Chandler	Farley	Jenkins, Ohio	Meeks
Chapman	Fenerty	Johnson, Okla.	Merritt, N. Y.
Citron	Ferguson	Johnson, Tex.	Mitchell, Tenn.
Clark, Idaho	Fitzpatrick	Johnson, W. Va.	Monaghan
Coffee	Flannagan	Jones	Montet
Colden	Fletcher	Kee	Moran
Colmer	Focht	Keller	Moritz
Connery	Frey	Kelly	Murdock
Cooley	Fulmer	Kennedy, Md.	Nelson
Costello	Gambrill	Kloeb	O'Brien
Cravens	Gassaway	Kocialkowski	O'Connell
Crawford	Gehrmann	Koppiemann	O'Connor

O'Day	Richardson	Smith, W. Va.	Wallgren
O'Leary	Robinson, Utah	Snyder	Walter
O'Neal	Robsion, Ky.	South	Wearin
Parsons	Rogers, Okla.	Spence	Weaver
Patman	Romjue	Stack	Welch
Patterson	Sabath	Starnes	West
Patton	Sadowski	Stefan	White
Pearson	Sanders, La.	Taylor, Colo.	Wilcox
Peterson, Fla.	Sandlin	Taylor, Tenn.	Williams
Pettengill	Sauthoff	Terry	Wilson, La.
Pfeifer	Schaefer	Thom	Withrow
Pierce	Schneider	Thomason	Wolverton
Polk	Schuetz	Thurston	Wood
Quinn	Schulte	Tolan	Woodrum
Ramsay	Scott	Tonry	Young
Ramspeck	Scrugham	Turpin	Zimmerman
Randolph	Sears	Umstead	Zioncheck
Rayburn	Secrest	Underwood	
Reed, Ill.	Shanley	Utterback	
Richards	Sisson	Vinson, Ky.	

NAYS—94

Andresen	Eaton	Kleberg	Rogers, Mass.
Bacharach	Ekwall	Knutson	Ryan
Bacon	Engel	Lambertson	Sanders, Tex.
Bell	Englebright	Lamneck	Seger
Blackney	Fiesinger	Lehlbach	Short
Bolton	Ford, Miss.	Lord	Smith, Conn.
Buchanan	Fuller	McFarlane	Smith, Va.
Burnham	Gasque	McGehee	Snell
Carlson	Gavagan	McLean	Taber
Casey	Gearhart	Mapes	Tarver
Castellow	Granfield	Marshall	Taylor, S. C.
Cavicchia	Guyer	Martin, Mass.	Tinkham
Christianson	Halleck	Merritt, Conn.	Treadway
Church	Hancock, N. Y.	Michener	Vinson, Ga.
Cooper, Tenn.	Hartley	Millard	Werner
Cox	Higgins, Mass.	Miller	Whelchel
Crowther	Hollister	O'Malley	Whittington
Culkin	Holmes	Peterson, Ga.	Wigglesworth
Darrow	Hope	Pittenger	Wilson, Pa.
Deen	Hull	Plumley	Wolcott
Disney	Kahn	Powers	Wolfenden
Ditter	Kenney	Rankin	Woodruff
Dondero	Kerr	Ransley	
Doxey	Kinzer	Robertson	

NOT VOTING—94

Allen	Corning	Kniffin	Reilly
Andrew, Mass.	DeRouen	Lea, Calif.	Rich
Andrews, N. Y.	Dickstein	Lesinski	Rogers, N. H.
Arnold	Dietrich	Lucas	Rudd
Bankhead	Dockweiler	McGroarty	Russell
Binderup	Doutrich	McLeod	Shannon
Blanton	Dunn, Miss.	McMillan	Sirovich
Boileau	Eicher	McSwain	Smith, Wash.
Brennan	Evans	Maas	Somers, N. Y.
Brewster	Fernandez	Maverick	Steagall
Brown, Mich.	Fish	Mitchell, Ill.	Stewart
Buckbee	Ford, Calif.	Montague	Stubbs
Buckley, N. Y.	Gifford	Mott	Sullivan
Bulwinkle	Gillette	Nichols	Sumners, Tex.
Cannon, Wis.	Goldsborough	Norton	Sutphin
Carter	Goodwin	Oliver	Sweeney
Cartwright	Harlan	Owen	Thomas
Claiborne	Hennings	Palmisano	Thompson
Clark, N. C.	Hess	Parks	Tobey
Cochran	Higgins, Conn.	Perkins	Turner
Cole, Md.	Hoffman	Peyser	Wadsworth
Cole, N. Y.	Hook	Rabaut	Warren
Collins	Kennedy, N. Y.	Reece	
Cooper, Ohio	Kimball	Reed, N. Y.	

So the resolution was agreed to.

The following pairs were announced:

On the vote:

Mr. Sweeney (for) with Mr. Hess (against).
Mr. Mitchell of Illinois (for) with Mr. Maas (against).
Mr. Rabaut (for) with Mr. Collins (against).
Mr. Dockweiler (for) with Mr. Goodwin (against).
Mr. Bankhead (for) with Mr. Gillette (against).
Mr. Rogers of New Hampshire (for) with Mr. Thomas (against).
Mr. Boileau (for) with Mr. Cole of New York (against).
Mr. Dietrich (for) with Mr. Corning (against).
Mr. Sutphin (for) with Mr. McLeod (against).
Mr. Warren (for) with Mr. Andrew of Massachusetts (against).
Mr. Reilly (for) with Mr. Mott (against).

Until further notice:

Mr. McSwain with Mr. Buckbee.
Mr. Oliver with Mr. Fish.
Mr. Cochran with Mr. Carter.
Mr. Blanton with Mr. Doutrich.
Mr. Steagall with Mr. Gifford.
Mr. Arnold with Mr. Reece.
Mr. Sumners of Texas with Mr. Wadsworth.
Mr. Lea of California with Mr. Stewart.
Mr. McMillan with Mr. Reed of New York.
Mr. Sullivan with Mr. Tobey.
Mr. Montague with Mr. Rich.
Mr. Bulwinkle with Mr. Perkins.
Mr. Parks with Mr. Higgins of Connecticut.
Mr. Maverick with Mr. Allen.
Mr. Kennedy of New York with Mr. Cooper of Ohio.
Mr. Goldsborough with Mr. Brewster.
Mr. DeRouen with Mr. Hoffman.
Mr. Cole of Maryland with Mr. Kimball.
Mr. Cannon of Wisconsin with Mr. Lucas.
Mr. Binderup with Mr. Owen.
Mr. Eicher with Mr. Harlan.
Mr. Stubbs with Mr. Kniffin.
Mr. Hennings with Mr. Turner.
Mr. Smith of Washington with Mr. Rudd.
Mr. Evans with Mr. Palmisano.
Mr. Colmer with Mr. Nichols.
Mr. Lesinski with Mr. McGroarty.
Mr. Brennan with Mr. Claiborne.
Mr. Norton with Mr. Brown of Michigan.
Mr. Russell with Mr. Dunn of Mississippi.
Mr. Thompson with Mr. Hook.
Mr. Sirovich with Mr. Fernandez.
Mr. Cartwright with Mr. Dickstein.
Mr. Clark of North Carolina with Mr. Buckley of New York.
Mr. Ford of California with Mr. Peyser.

The result of the vote was announced as above recorded.

EXTENSION OF REMARKS

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

Mr. DITTER. Mr. Speaker, America faces a grave crisis today. Its form of government is challenged. Its traditions and institutions are assailed. Its fundamental law is attacked and branded as archaic. Those high in authority venture the criticism that an opinion of the Supreme Court relegates the Nation to the "horse and buggy" age, and urge the enactment of certain legislation in spite of "doubts however reasonable", as to the constitutionality of such proposals.

The attention of the House of Representatives has been directed to certain decisions of the Court of last resort, and the opinion in one case has been characterized as "unprogressive, unconstitutional, and not correct." The Democratic Members have been criticized for their failure to support legislation—

> Which would have encouraged retirement of some of the reactionary judges * * * and which would, it was believed, have created an opportunity for the President of the United States to appoint men more in accord with the great principles of progress of this day and age.

In addresses and colloquies on the floor of the House approval has been voiced of radical changes, ranging from a proposed padding of the Supreme Court "with a sufficient number of new members", to the passage of a constitutional amendment by which the "Supreme Court of the United States shall have no right to declare any law unconstitutional."

Those untrained in the law have found common ground with some whose academic background should assure an appreciation of Anglo-Saxon principles, with the result that the House has been urged to resort to revolutionary measures to destroy the time-honored and accepted power of the Court to pass upon the constitutionality of acts of Congress. While the attacks made on the floor of the House may be explained in the words of Cicero, "It is a truth but too well known that rashness attends youth as prudence does old age", another explanation must be found for the criticism of those, other than Members of Congress, whose offices are likewise predicated on oaths to "preserve, protect, and defend the Constitution."

This attitude indeed presents a grave crisis to America. The Constitution is in peril. There are those who would craftily avoid it; others would cunningly evade it; and still others would ruthlessly destroy it. It is difficult to determine which of these sinister forces is the most dangerous. They present individually and collectively potential disasters to every American, to American representative democracy, and to American privileges of self-government.

The attacks on the Court and on the Constitution have been due to some extent to disappointment, chagrin, and disillusionment. At times the truth hurts. Some proponents of legislation promising utopian blessings have entirely disregarded constitutional limitations.

They have proceeded on the theory that the end justifies the means. Others have blindly but willingly accepted po-

tions labeled "cure-alls" without manifesting any concern as to their constitutionality. Many have been content with a sense of security and unassailability because of the appeal made to the distressed by public benefactions and largesses. It is but natural that to these groups an opinion of the Court at variance with their philosophies would cause disappointment, chagrin, and disillusionment.

The continuance of American representative democracy rests upon a strict observance of the independence of the three branches of the Government—the executive, the legislative, and the judicial. Each has its functions. Each has its powers. Each has its duties. The life of America depends upon the tested theory of checks and balances under the Constitution.

The revolt against established standards and accepted principles is not confined to our country. It is a day of challenge to ideals and traditions of the past. Experiment is advocated to take the place of experience. The danger which we face is that in our quest for reformation and the cure of all the ills of society, we will be tempted to sacrifice fundamentals without which our crusade of righteousness will lead inevitably to disappointment and disaster. The demands for radical changes in government come as a result of widespread distress. Promised alleviation provides a basis for an appeal to discard old principles and to substitute untried methods in their stead. We are tempted to unwisely extend powers to those in authority in the hope of abating our present economic ills. The imminence of the danger and the allurements of the appeal should arouse us from our lethargy.

We might turn with much profit to an opinion rendered by the Supreme Court of the United States more than 60 years ago. America was confronted with grave problems at that time. Unrest, national peril, economic disurbances, and sectional differences combined to create difficulties of even greater moment than those which we face today. At that time the court enunciated the basic principle which should never be questioned and the wisdom of which has always been accepted heretofore as essential for the continuity of constitutional government in our land. In advocating the supremacy of the Constitution and the necessity of its continued application for the well-being of all classes of citizens, the Court used these words:

> The Constitution of the United States is a law for rulers and people, equally, in war and in peace, and covers with the shield of its protection all classes of man, at all times, and under all circumstances. No doctrine involving more pernicious consequences was ever invented by the mind of man than that any of its provisions can be suspended during any of the great exigencies of government. Such a doctrine leads directly to anarchy or despotism.

If "great exigencies of government" will not condone the suspension of constitutional provisions, neither will the term "national emergency" excuse the abortion, avoidance, or expansion of its principles. The resultant is the same—anarchy or despotism.

If the protection afforded under the Constitution to all classes of men, and none of its enemies or defamers are sufficiently venturesome to promise a larger degree of protection to the individual than that afforded by the Constitution, if that protection is to be our prized possession and a priceless heritage to posterity, then the Constitution must be kept inviolate. If it no longer represents the will of the people, if it is no longer their declaration of purposes of self-government, let amendments be offered according to the prescribed methods and let them stand the test of adoption or rejection, or let its critics advocate the repeal of all of its salient and cardinal principles. Efforts at legislation circumvention and vociferous demagogic denouncements are the insiduous maneuvers of pretenders, dictators, and despots.

If the Constitution no longer answers the needs of free men in our complex state of society, if individualism must needs be supplanted by collectivism, if the dynamic of initiative is to be suppressed by the complacency of static "planning" if liberty is to be surrendered in exchange for dictatorial domination, if the will to do and the courage to dare is to be foresaken as the exemplification of American manhood and womanhood, if in a word America as a constitutional representative democracy has been a failure, as some governmental pedagogic parasites would have us believe, then the Constitution must be laid away among the archives of the nations as a symbol of a worthy but futile endeavor by free men to govern themselves. We do not subscribe to this confession of failure.

Nor do we endorse the effort of teachers of economic experiments who occupy remunerative positions in the Federal Government at the expense of the taxpayers in persistently pointing to a communistic state as an example for America to follow in a "planning program." The audacity of such persistent pointing is only exceeded by the effrontery of the lamentation, expressed by one in high authority in national councils today, that the "experimental habit", the habit to destroy personal liberty, private property, and individual freedom, is difficult to attain because of "the unreasoning, almost hysterical attachment of certain Americans to the Constitution." A declaration of this kind should arouse America. It is defiantly critical of the fundamental law of the land. It implies that an attachment to the Constitution is to be deplored. It indicates an attitude of hostility to constitutional observance. It manifests an avowed purpose to substitute a philosophy of government based upon strange nostrums and un-American principles for our system of representative democracy. "Planning program", as used by the critics of constitutionalism, is but a subterfuge for collectivism, and collectivism depends upon the complete submergence of the rights of individual citizens.

Does America want to change its form of government? Do Americans want to surrender constitutional safeguards? That is the issue before the American people. The Nation cannot exist as a collectivist state and continue to recognize and protect the rights of the individual. These rights include the hopes, the ambitions, the energies, the initiative, the courage, and the resourcefulness which have typified American achievements in all worthy endeavor. They include the daring of the American pioneers who blazed the trail to conquer a continent. They include the faith of American inventors who harnessed the force of nature to develop a nation. They include the genius of the American industrialist who built the science of business to perfect a civilization. These all represent the experiences of individualists, not the experiments of collectivists.

The rights of the individual include freedom of speech and the press, the right to worship God according to the dictates of one's conscience, security against unreasonable search and seizure, the privilege of the right of habeas corpus, the assurance that the citizen cannot be deprived of life, liberty, or property without due process of law, and the safeguards which have long since been looked upon as birthrights of the Anglo-Saxon people against persecution and unfounded prosecution. These rights are not the offspring of collectivism nor the creation of fascism. These rights must die if dictators are to live. They are the very antithesis of the tyranny of dictatorship. These rights are ours because of our Constitution, and will only continue to be ours so long as the Constitution and the spirit which gave it shall exemplify the soul of America. If the safeguards guaranteed by the Constitution to the individual citizen are destroyed, the way is open for the ruthless exploiter to ply his nefarious practices at the expense of the weak for the benefit of the strong. The preservation of individual rights and the recognition of individual obligations for the common welfare are the surest protection for the weak against the oppression of the mighty. The assault upon the Supreme Court must be viewed as an attack upon the Constitution and the institutions of America.

The place of the courts, and especially the Federal courts, of government for the protection of the rights of the individual is of paramount importance. The Court must determine whether or not the rights of the individual guaranteed to him by the Constitution have been attacked, invaded, or destroyed by the passage of legislation or by the attempted exercise of any unwarranted powers by those intrusted with public office. The Court must decide whether either the States or the Federal Government have exceeded their respective rights as specifically outlined in the Constitution.

The Court must be the tribunal before which issues involving the rights of the individual, the rights of the States, and the rights of the Federal Government are to be adjudicated. Without the Court the rights guaranteed by the Constitution would be meaningless and our system of government would be a hollow mockery.

A constitution which can be disregarded or ignored either by the dictates of the executive or the caprice of the legislature ceases to be the fundamental law of the land. Confidence in the courts and the continuance of its powers to determine issues between litigants according to constitutional limitations are essential.

A definite, clear-cut issue is presented to America. Upon the decision of the American people will depend the future of our endeavor to govern ourselves.

Will America barter away its birthright or permit it to be stealthily destroyed? I do not believe it. I believe we prize our Constitution. I believe we are anxious for its preservation. I believe we realize the safeguards of a government of laws rather than a government of men. I believe we appreciate the value of personal liberty and security and the right of private property. I believe we are conscious of the obligations upon which the general welfare depends and willing to meet these obligations. I believe we sense the danger of the demagogue, the threat of the dictator, and the fury of mob rule. I believe the most humble citizen realizes that the Constitution is his protection against the oppression of the arrogant and the ambitious. I believe we will be aroused to "preserve, protect, and defend" the Constitution as the most effective instrument ever devised for self-government.

DEATH OF WILL ROGERS AND WILEY POST

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to speak out of order for 5 minutes.

The SPEAKER. Is there objection?

Mr. DOUGHTON. Reserving the right to object, and I shall not object, I want to say that it is the desire of those in charge of the coal bill that we finish general debate today. So Members see what they are up against.

Mr. JOHNSON of Oklahoma. Mr. Speaker, it becomes my duty to make the sad announcement of the sudden and unexpected deaths of two of the world's outstanding citizens. Word has just come that Will Rogers, for many years recognized as the world's most famous and beloved humorist and philosopher, and Wiley Post, undoubtedly one of the world's greatest fliers, have lost their lives in an airplane crash near Fairbanks, Alaska. Thus two devoted friends, who made immeasurable contributions to aviation, have taken off on their last long flight together.

Not only are Members of Congress shocked and stunned to receive this sad news, but the entire world will mourn the loss of these two beloved and outstanding citizens, both of whom, as is well known, grew to manhood in the great Commonwealth of Oklahoma.

Will Rogers was a native son of Oklahoma, having been reared on a farm in the eastern part of the State with no more early advantages than the average country boy. He was what is generally called a self-made man.

When any man rises to the heights of fame as did that great humorist there must be some particular reason for it. The world well knows that Will Rogers had many outstanding and lovable attainments. But probably the most outstanding of all was his love for humanity and especially for unfortunate humanity. He knew life. He was a friend of man of all walks of life. He was broad-minded, generous, and, undoubtedly, the most beloved citizen in all the world.

Every little boy and girl in America, as well as millions of other children throughout the world, have for years had a deep and an abiding affection for Will Rogers. They knew in their hearts that he was their friend. Today there is a pang of sorrow in the hearts of the children in every civilized nation on the face of the earth, as well as in the hearts of the grown-ups, in the unexpected and untimely passing of this great, good man. The world has been made better and happier because he lived in it, and civilization will not forget him. The memory of his acts of kindness, his patriotic devotion to his country, and his love for humanity everywhere will not become dimmed nor be forgotten, but will live on and on with undiminished power.

Wiley Post also grew to manhood in Oklahoma. He was reared within a few miles of my old home in southern Oklahoma. I have known him personally for more than a quarter of a century and was glad to call him my friend. It was nearly a quarter of a century ago that Wiley Post and I went to the neighboring city of Lawton, Okla., where the first airplane was advertised to be on exhibition. Post was then a small boy in his "jeans and teens." The plane was a very crude affair, but the sight of it thrilled young Post, who was then a humble farmer boy. He resolved that day that some time he would be not only an aviator, but that he would be a great one. He would own his own plane and fly to his heart's content. It was there that day that Wiley Post caught the vision of future aviation in America—a vision he never lost sight of until he had piloted his *Winnie Mae* twice around the world and blazed a trail that astounded all mankind. The world has lost an outstanding if not one of the most famous aviators of this generation.

Members of the House might be interested also to know that I have known Wiley Post's father and mother personally for many, many years. They still reside on a farm within about 25 miles of my home city, and today, as we grieve for the loss of Will Rogers and offer our feeble words of condolence to his loved ones, let us also remember the dear old horny-handed father of Wiley Post and his godly mother, as well as his widow and other members of the family, who grieve at the passing of their famous loved one.

Mr. LEE of Oklahoma. Mr. Speaker, I ask unanimous consent to speak for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

Mr. LEE of Oklahoma. Mr. Speaker and Members of the House, Will Rogers and Wiley Post have gone out together. Oklahoma's two most distinguished sons and aviation's two most ardent champions have today taken off together on their last flight. Will Rogers was my hero; he was the Big Brother of the world. His wholesome humor never bit like a wolf, but always like a lamb. He always used it to champion the fellow who needed a lift. He took the sting out of political strife and poured oil on the troubled waters of international controversies, and now the greatest cowboy in the world has gone to the last round-up.

Wiley Post's mother and father live in my district. Wiley Post was a mechanic in a garage, when a piece of steel struck him in the eye and made it sightless. While recovering he turned to the study of aviation in order to realize his boyhood ambition. Then with his able assistant, Harold Gatty, he crashed the record in the around-the-world flight in his faithful ship, the *Winnie Mae*. Then he later broke his own record in a solo flight around the world. And now the Sleepless Eagle, with the greatest ambassador of good humor the world has ever known at his side, has taken off in the great white ship. Happy landing, "Will"; happy landing, "Wiley"; we grieve your going.

Mr. GASSAWAY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GASSAWAY. Mr. Speaker, 35 years ago I punched cows with Will Rogers in the Panhandle of Texas. A nobler, finer spirit never lived. It was my good fortune to ride with Wiley Post from Oklahoma City to Dallas, Tex., and return. This morning I was shocked beyond expression to learn that the two outstanding characters of the great State of Oklahoma had passed on to the Great Beyond. This is a great loss to the Nation, but especially to the great State of Oklahoma. No words on my part can adequately express my feelings.

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address which I just delivered over the National Broadcasting Co. as a tribute to Will Rogers.

The SPEAKER. Is there objection?

There was no objection.

Mr. NICHOLS. Mr. Speaker, since early this morning the Nation has been mourning the loss of two of its outstanding citizens. One, Wiley Post, a trail blazer and a pioneer in the field of aviation. The other, Will Rogers, truly America's favorite son, who, through his wholesome humor and sound, wholesome philosophy, has probably endeared himself to more hearts than any other individual in the world.

Oklahoma by his passing has lost its most profound advocate. The United States has lost one who at times has been her sternest critic, but one who more often, through his humorous philosophy, has aided in leading this Government through turbulent times.

Will Rogers was truly an American, having been born of Cherokee Indian parentage, his blood was but slightly diluted by a mixture with that of our friends and neighbors beyond the seas. His traditions and training was all American. He was the descendant of one of the leading families of the old Cherokee Nation, the leading Indian nation in point of civilization upon the American Continent. His father was a member of the assembly of this nation, which met in Tahlequah, Okla., for many years when the Cherokee Republic carried on all the functions of an independent nation. Upon the death of his father, Will was adopted by his Uncle Clem, who at the time of statehood in Oklahoma was a member of the constitutional convention. Rogers County was named for his family. The Cherokee Nation, with the mixture of the blood of Scottish pioneers who settled among them in Georgia, retained the best part of their Indian civilization and also absorbed the good points of the white-man civilization without the bad. The Cherokee Republic was the first nation in the world to adopt absolute prohibition, and the teachings of his ancestors remained with Will Rogers to his death. He was an abstainer. The old Cherokee Nation is a part of my district in Congress. The Cherokee Nation is sad today, for perhaps its most illustrious son who had ever gone out into the white man's world is dead.

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Speaker, I rise at this time as a friend of Will Rogers. Twenty-five years ago in Port Chester, N. Y., I played on the same bill with Will Rogers when he was starting his vaudeville career. I found him, 25 years after, just the same democratic, real American, and I am grieving today at his death and at the death of that great pilot, Wiley Post, who accompanied him on the trip to Alaska. May both their souls rest in peace.

INCOME AND INHERITANCE TAXATION

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 8974, to provide revenue, equalize taxation, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table the bill H. R. 8974, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate. Is there objection?

Mr. WHITE. Mr. Speaker, I reserve the right to object, to ask the gentleman from North Carolina if it is the purpose of the conferees to agree to Senate amendment numbered 25, repealing sections 6, 7, and 8 of Public Law 428, Seventy-third Congress, to strike out the restrictions on the movement, sale, and tax on silver from the silver nationalization bill, or whether the bill will be brought back here in order that the House may have an opportunity to vote upon that matter?

Mr. DOUGHTON. I could not make reply to that, Mr. Speaker, for the reason that we have not had any meeting of the conferees as yet.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none.

Mr. WHITE. Mr. Speaker, I offer the following motion, which I send to the desk.

The Clerk read as follows:

Mr. WHITE moves that the conferees on the part of the House be, and they are hereby, instructed to agree to the Senate amendment 25 of the bill.

The SPEAKER. The question is on the motion of the gentleman from Idaho.

The question was taken, and the motion was rejected.

The Chair appointed the following conferees: Mr. DOUGHTON, Mr. SAMUEL B. HILL, Mr. CULLEN, Mr. TREADWAY, Mr. BACHARACH.

SNYDER-GUFFEY COAL BILL

Mr. SAMUEL B. HILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9100) to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a draw-back under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous coal resources of the United States; to provide for the general welfare; and for other purposes; and providing penalties.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9100, with Mr. MCREYNOLDS in the chair.

The Clerk read the title of the bill.

Mr. SAMUEL B. HILL. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. Under the rule, the gentleman from North Carolina is entitled to 4 hours and the gentleman from Massachusetts [Mr. TREADWAY] to 4 hours.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Washington [Mr. SAMUEL B. HILL].

Mr. SAMUEL B. HILL. Mr. Chairman, I ask that I might proceed without interruption until I have had an opportunity to make a connected statement as to what the bill is and what its purposes are. In my judgment this legislation equals in importance any legislation that this Congress has been called upon to consider. It is needless to say that the issues which it presents are highly controversial. Many Members of the Congress and members of the Committee on Ways and Means have serious doubts, if not positive convictions, as to the constitutionality of the proposed legislation. Others are firmly convinced that it is constitutional. Many Members who have not had the opportunity to give this proposed legislation the study which the Committee on Ways and Means has given it, have assumed that the legislation is unconstitutional and are basing their opposition to the measure upon that theory. Many others are opposed to the legislation, regardless of whether it is constitutional or not, and are urging the alleged unconstitutionality as a basis for their opposition, while in fact their principal opposition is to the purposes of the measure, regardless of its legal aspects.

A great deal of prejudice has been created in the minds of Members of Congress and the people of the country against this bill merely by bruiting about the statement that it is clearly unconstitutional. I ask you to approach the consideration of this subject with open minds and after you have studied and heard the bill and its legal aspects discussed, along with the merits of the bill, that you then make up your minds as to whether you are for or against it. I ask you not to go into this consideration with the preconceived idea that this legislation is unconstitutional. We think we can show you that it is within the limits of the constitutional powers of Congress.

I shall not dwell for any length of time upon the necessity for the legislation, but will merely call to your attention

the demoralized condition of the soft-coal industry in this country today, a condition that has prevailed up until the adoption of the code under the N. R. A. in 1934. Many of you will recall that investigations have been made of this industry in the years gone by. Many of you will recall that the question has been debated as to whether or not the coal industry should be placed in the status of a public utility, and taken under control of the Government in order to bring order out of the chaos obtaining in that great industry.

This legislation, aside from the interest that the public has in it, involves about 15,000 bituminous-coal mines and something over 500,000 workers in those mines. We have legislated in the interest of the farmer, in the interest of the railroads, in the interest of the manufacturers, and today we are here submitting for your consideration this important legislation in the interest of the bituminous-coal industry of this country. We have aided through regulation the prices of wheat, corn, hogs, and tobacco, and recently we passed in this House an amendment in the interest of the potato grower. You did not hear anything about the unconstitutionality of those acts. You did not hear anything about reasonable doubt that might enter your minds as to whether or not the action in behalf of the farmers was constitutional. You did not hesitate to aid the railroads when they needed help. But when it comes to the great bituminous-coal industry we have those appearing here saying they are interested in the consumer. We are all interested in the consumer. We were interested in the consumer when we passed legislation that would raise the prices of wheat, corn, hogs, tobacco, and potatoes. We were interested in the consumer when we passed these tariff laws in the interest of the manufacturing industry of this country. We did not hesitate then to pass legislation because it would raise the price of commodities to the consumer. We knew when we passed all that legislation that if it did any good to the industry involved and to the country as a whole, the prices of the commodities protected or aided or regulated would necessarily be raised and that some additional cost to the consumer would be imposed by reason of such legislation. You did not hear anything from the manufacturers who have the high protective tariff for their protection, that the consumer is prejudiced by reason of an increase in the price of goods that he has to pay; but they come here today and tell you that if you pass this bill the price of coal will be increased and that their constituents will have to pay that increased price. It comes with ill grace from those of us who have aided all these other industries to raise their prices to the consumers, to say today that we object to this measure because, perchance, it will raise the price of coal to the consumers of this country.

I want to take a little time to explain to you just what is in this bill. I will pass over and leave to others to describe to you what the condition of the 500,000 miners in this country is, because of the demoralized condition in the coal mines of the country. We had tragic pictures of the distress, poverty, and suffering that that great army of American citizens endure because of low wages, because of inadequate compensation to provide support for themselves and their families. We have been told that of the cost of a ton of coal 65 percent is for labor; so that when you sell a ton of coal you are selling human labor. When cutthroat prices in the coal industry are indulged in, those reductions operate directly upon the wages of the men who work in the mines and dig out the coal. There is no other way in which the operators can meet that competition. They take it out of the wages of the miners. When they reduce the price of a ton of coal at the mines, the wages of the miner who digs the coal out of the ground are reduced in order to make up that difference. So today, my friends, you are dealing not simply with dollars invested in coal mines but you are dealing with human labor and human misery. It is in the interest of that great working class, the 500,000, that we are asking your serious consideration of this legislation upon its merits. We will discuss with you, too, the legal aspects of the legislation.

Section 1 of the bill is a congressional declaration of fact, a declaration of policy. I am going to ask your indulgence while I read that section in full, because it has an important bearing not only upon the purposes of the legislation but upon the legality of the legislation.

Be it enacted, etc., That it is hereby recognized and declared that the mining of bituminous coal and its distribution by the producers thereof in and throughout the United States are affected with a national public interest; that the service of bituminous coal in relation to the industrial activities, the transportation facilities, the health and comfort of the people of the United States; the conservation of bituminous-coal deposits in the United States by controlled production and economical mining and marketing; the maintenance of just and rational relations between the public, owners, producers, and employees; the right of the public to constant and ample supplies of coal at reasonable prices; and the general welfare of the Nation require that the bituminous-coal industry be regulated as herein provided.

It is further recognized and declared that all production of bituminous coal and distribution by the producers thereof bear upon and directly affect its interstate commerce and render regulation of all such production and distribution imperative for the protection of such commerce and the national public service of bituminous coal and the normal governmental revenues derivable from such industry; that the excessive facilities for the production of bituminous coal and the overexpansion of the industry have led to practices and methods of production, distribution, and marketing of such coal that waste such coal resources of the Nation, disorganize the interstate commerce in such coal and portend the destruction of the industry itself, and burden and obstruct the interstate commerce in such coal, to the end that control of such production and regulation of the prices realized by the producers thereof are necessary to promote its interstate commerce, remove burdens and obstructions therefrom, and protect the national public interest therein; that practices prevailing in the production of bituminous coal directly affect its interstate commerce and require regulation for the protection of that commerce, and that the right of mine workers to organize and collectively bargain for wages, hours of labor, and conditions of employment should be guaranteed in order to prevent constant wage cutting and the establishment of disparate labor costs detrimental to fair competition in the interstate marketing of bituminous coal, and in order to avoid those obstructions to its interstate commerce that recur in the industrial disputes over labor relations at the mines.

That, members of the committee, is section 1 of the bill. It is a congressional declaration of fact and of policy, and we contend that this declaration of fact sets out such facts as neither the court nor anyone who seeks to refute them can gainsay. If the court finds these congressional declarations to be the facts in connection with the bituminous-coal industry, then it will uphold the legality of this bill as being within the regulatory power of Congress under the commerce clause. I ask you to reread section 1 and determine in your own minds whether it is, in fact, a declaration of fact. If it is, then the courts are going to accept it, and when the courts accept it as a statement of the facts, then there is no longer any question about the regulatory power of Congress over this industry and the distribution of its product.

Some have said that the production of coal is not commerce and hence, cannot come under the commerce clause or the regulatory power of Congress. We do not contend that the production of coal is commerce. We do not contend that the production of coal is in any sense commerce, but we do contend that the production of coal and its distribution, the practices which attend the production of coal and its distribution, including labor disputes and labor relations, including cutthroat prices and the resultant disturbance of coal production due to consequent strikes and the cessation of production interfere with and burden interstate commerce directly and come within the regulatory power of commerce.

The courts do not hold that it must be commerce or that it must be interstate commerce in order that it may come under the regulatory power of Congress under the commerce clause. The court holds that if it directly affects and burdens commerce it comes within that regulatory power. The Supreme Court in the Schechter case said:

We said in the second *Employers' Liability case* (223 U. S., 1, 51), that it is the "effect upon interstate commerce" not the "source of the injury" which is the criterion of congressional power.

Oh, they say, coal is not commerce; the production of coal is a local operation. We concede that. This does not

mean, however, that in the production of coal and in the practices attending the production of coal interstate commerce is not burdened. It is this burden and direct effect upon interstate commerce which brings the production of coal and its distribution within the regulatory power of Congress.

I call attention briefly, without reading, to a number of cases dealing with this subject. I refer to the Coronado coal cases and the Red Jacket coal case. These cases involved strikes of miners in local mines, interfering with the production of coal in those mines, wholly within one State. The operators sought to enjoin the striking miners. The striking miners defended on the ground that it was a local operation, intrastate in its nature; that the production of coal was not interstate commerce and, hence, not within the regulatory power of Congress. What did the court hold? The court held that the practices of the miners in striking against the operation of the mines and preventing the production of coal in those mines, which operation was a purely intrastate and local operation and not in itself within the flow of commerce and certainly not in interstate commerce, were engaged in a conspiracy to stop the production of the mines through strikes, and that this was an interference with interstate commerce in that they stopped the production of coal that would flow in interstate commerce. That is the other side of the picture. The court held in those cases that the workers in the mines were interfering with interstate commerce when they stopped the production of coal that went into interstate commerce.

Mr. LEWIS of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. LEWIS of Maryland. And in the injunction the court did not say that miners working on intrastate consumption would not come under the injunction. The injunction applied to the work of the mine whether it was devoted in part to interstate consumption or wholly to intrastate consumption.

Mr. SAMUEL B. HILL. The gentleman is correct about that.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. VINSON of Kentucky. As a matter of fact, the transactions enjoined were wholly intrastate in character.

Mr. SAMUEL B. HILL. Yes.

Mr. MICHENER. Mr. Chairman, will the gentleman yield for one short question?

Mr. SAMUEL B. HILL. I yield.

Mr. MICHENER. Those were criminal conspiracy cases. Has the gentleman given due consideration to the fact that the question of conspiracy was involved and not alone the operation of the men in the mines?

Mr. SAMUEL B. HILL. Yes; the gentleman has given consideration to that fact. What right would the Federal court have to take jurisdiction of a criminal conspiracy if it affected only intrastate transactions?

Mr. MICHENER. If a part of the conspirators were engaged in some other part of the United States and dealing in the same industry——

Mr. SAMUEL B. HILL. The conspirators were dealing at the mine and the transaction was wholly local, as far as the operation was concerned. The jurisdiction of the Federal court was based solely upon the fact that it was an interference with interstate commerce, and that was the sole basis of jurisdiction.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Was the question raised that the coal being mined was an aid or an agency used in interstate transportation? Did that question come into the case at all?

Mr. SAMUEL B. HILL. No; it did not.

Mr. SUMNERS of Texas. I mean the coal was used in engines that pulled interstate commerce.

Mr. SAMUEL B. HILL. No; that point was not made. This was simply a conspiracy in a locality among a certain group of miners in one State which interfered with the production of coal in that State.

Mr. SUMNERS of Texas. Does the gentleman think that would have anything to do with the question? I have never examined it myself.

Mr. SAMUEL B. HILL. Absolutely.

Mr. SUMNERS of Texas. Maybe I do not make myself clear. Did the fact that the coal was used to fire engines which pulled trains in interstate commerce enter into the picture?

Mr. SAMUEL B. HILL. That is an additional argument for the validity of this legislation but was not in that case.

Mr. SUMNERS of Texas. Is it in the picture testing the constitutionality of this measure?

Mr. SAMUEL B. HILL. It is in the picture, but we are not relying on that solely, because coal does go into the industries, into transportation, and a number of other places involving interstate operations.

Mr. SUMNERS of Texas. It goes into the operation of engines.

Mr. SAMUEL B. HILL. Certainly. That shows the national public service that the coal is performing.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. The Red Jacket case, taken with the fact that practically 95 percent of all coal produced finds itself in interstate commerce, is very probative and carries a great deal of weight in establishing the gentleman's contention that the Congress under Supreme Court decisions has the right to pass this legislation, because it is a matter within the purview of the Interstate Commerce Act.

Mr. SAMUEL B. HILL. Yes. It shows its effect on the national public interest. There is not any question about that. There is not a single fact alleged in section 1 of this bill that can be disproved or gainsaid. When that statement is accepted as the fact the Supreme Court is not going back of it.

Mr. Chairman, the point I make with reference to these strike cases is they were preventing the production of coal, bear in mind; and the production of coal is not commerce and is intrastate. We all agree to that. They were interfering with the production of coal, which might affect the flow of commerce and might burden interstate commerce. We are getting right back to that very principle in this legislation. If the Court has jurisdiction to enjoin a combination of mine workers from interfering with the production of coal, certainly the Court has the right and the power and the Congress has the power to say that the things that bring about those unfortunate labor relations may be provided against by legislation. That is what we are proposing to do here. The fact that the production of coal, its distribution, and labor relations and all of the attendant facts in connection with the production of coal, substantially affect interstate commerce brings it within the regulatory power of Congress. When you come to that conclusion, all of this talk about unconstitutionality falls to the ground. I say that lawyers of national standing and repute have advised that there is reasonable expectation—and I am not saying that they guarantee it—that the Court will uphold the constitutionality of the law, based on decisions of the Supreme Court in other cases which pertain to this legislation.

Mr. HOBBS. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield to the gentleman from Alabama.

Mr. HOBBS. May I ask whether or not it is a fact that in the Supreme Court decisions regarding conspiracy cases, the gravamen and gist of the conspiracy was held to be aimed at an impingement upon interstate commerce, and wholly disassociated from local production?

Mr. SAMUEL B. HILL. Not wholly disassociated. Of course, it was connected with interstate commerce. The intent was to interfere with interstate commerce. They were

stopping the production of coal in a mine in one State and it was the stopping of that production that was a burden upon interstate commerce. The Court said it is not the source of the injury that is the criterion but the effect upon interstate commerce that determines whether or not it comes within the regulatory power of Congress.

Mr. HOBBS. Did not the Court in those decisions lay stress upon the fact that the intent and purpose of the conspiracy was to interfere with interstate commerce?

Mr. SAMUEL B. HILL. Yes; it did. That intent was derived from the acts of the miners in preventing the production of coal in intrastate operations.

Mr. VINSON of Kentucky. The fact that intent was necessary to be alleged and proved did not add to the constitutional power. It was really a limitation. In other words, intent and conspiracy to interfere and obstruct interstate commerce does not add to or take away from the power that permitted action under the statute.

Mr. HOBBS. But the Supreme Court said it did.

Mr. VINSON of Kentucky. It did not add to or take away from the constitutional power. The Congress cannot do that under the statute.

Mr. HOBBS. Neither can Congress do that by a statement in a preamble.

Mr. VINSON of Kentucky. The gentleman should read about four cases from the Supreme Court.

Mr. SAMUEL B. HILL. I am going to leave to the gentleman from Kentucky a discussion of the cases, which may be an answer to the gentleman from Alabama; however, I want to touch upon them briefly.

The Supreme Court has had under consideration two cases. One of them was *Chicago Board of Trade* v. *Olsen* (262 U. S. 1).

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SAMUEL B. HILL. And in the *Stockyards Case* (*Stafford* v. *Wallace*, 258 U. S. 495) it was held that a declaration of fact and of policy, as is set out in this bill, if supported by the facts, would be accepted by the courts as the basis of the statement or allegation that the transactions complained of were a burden upon interstate commerce and directly affecting interstate commerce, and hence under the regulatory power of Congress.

As stated by Chief Justice Taft in *Stafford* v. *Wallace* (258 U. S. 495 (1922), at 518 and 520):

> The application of the commerce clause of the Constitution in the Swift case was the result of the natural development of interstate commerce under modern conditions. It was the inevitable recognition of the great central fact that such streams of commerce from one part of the country to another which are ever flowing are in their very essence the commerce among the States and with foreign nations which historically it was one of the chief purposes of the Constitution to bring under national protection and control. This Court declined to defeat this purpose in respect of such a stream and take it out of complete national regulation by a nice and technical inquiry into the noninterstate character of some of its necessary incidents and facilities when considered along and without reference to their association with the movement of which they were an essential but subordinate part.
>
> The principles of the Swift case have become a fixed rule of this Court in the construction and application of the commerce clause.
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> * * * * * * *
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> The reasonable fear by Congress that such acts, usually lawful, and affecting only intrastate commerce when considered alone, will probably and more or less constantly be used in conspiracies against interstate commerce or constitute a direct and undue burden on it, expressed in this remedial legislation, serves the same purpose as the intent charged in the Swift indictment to bring acts of a similar character into the current of interstate commerce for Federal restraint. Whatever amounts to more or less constant practice, and threatens to obstruct or unduly to burden the freedom of interstate commerce is within the regulatory power of Congress under the commerce clause, and it is primarily for Congress to consider and decide the fact of the danger and meet it.

Mr. Chairman, I simply wanted to present in this brief way some of the arguments and some of the cases upon which we are relying for the constitutionality of this act, and I submit if you will give them close study you will find they support the legality of the proposed legislation.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield to me for a little information on this matter?

Mr. SAMUEL B. HILL. Yes; I yield for a question.

Mr. ROBSION of Kentucky. In some of our communities we have what we know as little wagon mines or truck mines that are engaged exclusively in mining and hauling coal to the various communities, strictly in intrastate business. Does the gentleman think this measure would cover these little truck mines or these little wagon mines?

Mr. SAMUEL B. HILL. It applies to any coal operator, and if they come within that class it applies to them. I do not know what the particular situation may be, but it applies to any operator so far as the taxing feature is concerned.

I now want to discuss one or two other features of the measure. It has been claimed that the Schechter case foredoomed this particular legislation. The Schechter case distinguished all of these cases upon which we rely for the legality of this legislation and did not overrule a single one of them.

In the Schechter case, under the N. R. A., the Court held that legislative powers were delegated to the administrator and to the code authorities beyond the power of Congress to so delegate. There is not a single delegated power in this bill. This is not an imposed code, this is a voluntary code. The code provided for in this bill in section 4 provides that it shall be binding upon those who sign the code and none others, and there is set out in that section just what powers the Coal Commission, which is set up in this legislation, shall have and what powers the district boards shall have and how they shall exercise them. It states just exactly what are unfair practices. It defines how minimum price levels are fixed. It does not leave a single thing to the administrators of the code. It only leaves to them the working out of the various problems under the specifications set out in this bill, and I repeat that not a single legislative power has been delegated in this code and hence it does not in that respect come within the ban of the Schechter case. It is a voluntary code. You will recall that under the N. R. A. 75 percent of the industry signing a code made it binding upon the members of the industry. That is not true in this case. Only those members who sign the code are bound by it and the basis of enforcement of the terms of the code is the contract or mutual obligation to which they subscribe in signing the code. So there is nothing there that is illegal.

There is nothing there that goes beyond the power of contract or the power of agreement. It is true that in this legislation it is provided that those who sign the code shall be absolved from the operations of the antitrust laws against agreements as to price fixing so far as having a common price is concerned, but the code itself is a matter of voluntary agreement and there is not a single penal provision in this bill. It does not impose upon anybody who does not agree himself to subscribe to the conditions of the code any obligations whatever in connection therewith, and has no control over him.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. HOBBS. I am very anxious to get that point clear in my own mind. Is it or is it not a fact that although you classify the code as set out in section 4 as voluntary, yet anyone who does not come in and voluntarily sign is penalized 13½ cents a ton?

Mr. SAMUEL B. HILL. There is imposed, under the taxing provisions of section 3 of the bill, a tax of 15 percent of the price of the coal at the mine or the fair value of the coal at the mine if a captive mine, and if he is a code member and complies and conforms to the conditions of the code, he gets a draw-back of 90 percent of the 15 percent.

Mr. MICHENER. That amounts to coercion, does it not?

Mr. SAMUEL B. HILL. That is a matter of opinion. I will say it would be some inducement.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. SAMUEL B. HILL. I yield.

Mr. CRAWFORD. With reference to the direction which is given here by Congress as to how the minimum price shall be arrived at, in looking at page 18, I find this language:

> On the petition of any district board or other party in interest or on its own motion, after notice to the district boards, the Commission may at any time conduct hearings to determine whether

the foregoing method of fixing minimum prices under subsection (a) is prejudicial to any district with respect to the fair opportunity of such district to market its coal.

It seems to me in that particular provision you drift away from the direction given by Congress as to how the minimum price shall be arrived at, and thus permit the Commission to deviate from the direction given by Congress and set up its own method of arriving at minimum prices.

Mr. SAMUEL B. HILL. The Commission may have to make some adjustment, but it is still bound by the rules set down in this bill.

Now, section 3 is the tax provision, and I have discussed that briefly in response to a question, and you are all familiar with that.

If Congress has the right to regulate this industry, then it has the right to regulate by taxation.

Even if the tax should be held to be a penalty, yet if Congress has jurisdiction over the subject matter, if it has the power to regulate the industry, it makes no difference whether the tax is for revenue or for penalty or regulation, because in either event it would come under the regulatory power of Congress.

That is what we are relying on this bill, that it directly affects and burdens interstate commerce.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. SAUTHOFF. Will the gentleman state what provision is made for coal already mined out in the yard?

Mr. SAMUEL B. HILL. As to price?

Mr. SAUTHOFF. Yes.

Mr. SAMUEL B. HILL. Do you know that if there was not a question of competition you would hear nothing about this bill? If it were not for the fact that you have gas, oil, and electricity in competition with coal, you would not hear anything about this bill. It is absolutely economically impossible for prices of coal to go up unreasonably—the tendency is to come down.

Mr. SAUTHOFF. The gentleman does not answer my question.

Mr. VINSON of Kentucky. Will the gentleman yield to me?

Mr. SAMUEL B. HILL. I yield.

Mr. VINSON of Kentucky. What is the price of coal now?

Mr. SAUTHOFF. About $8.50.

Mr. VINSON of Kentucky. What is the price f. o. b. the mines?

Mr. SAUTHOFF. I have been advised that it is about $4.

Mr. VINSON of Kentucky. What was the price under the N. R. A.?

Mr. SAUTHOFF. I think about the same price.

Mr. VINSON of Kentucky. I think I can show the gentleman that household fuel, coal, is going to be helped by this bill.

Mr. SAUTHOFF. Am I to infer that there will be no rise in price?

Mr. VINSON of Kentucky. There is no reason whatever that there should be any rise in price on account of the passage of this bill. There is no real reason for it.

Mr. SAMUEL B. HILL. The fact is that under the N. R. A., when the industry was reestablished, it got along very nicely and the miners were working and mines were operating, and the average price of coal at the mine was $1.83 per ton on the average. At that time you were probably paying $8 or $10 or $12 in your home city, but the price at the mine was $1.83. On page 623 of the hearings is set out a statement which gives the results of an economic survey and the calculation as to the increase in cost of coal on account of a raise from $1.50 to $2 a ton at the mine, and showing such increase to be only thirteen one-hundredths of 1 percent. Fifty cents a ton at the mine would reestablish these coal mines and make a very small increase upon the consumer. The fact is there is nothing to this bugaboo of skyrocketing the price of coal to the consumer, so far as the increase of the price to the producer is concerned. The producer at the mine gets a very low price, a price of below $2 a ton. The price of $8 or $10 or $12 a ton to the consumer is fixed by the middlemen between the consumer and producer.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. Yes.

Mr. CONNERY. A former distinguished Member from Pennsylvania, Mr. Casey, the gentleman will remember, made a wonderful speech about coal 12 or 13 years ago when he brought out those facts, that the increase in the price of coal whenever it comes, does not come from the wages of the miners, or the cost of coal up to the surface. It comes from then on down through the middleman and the retailer.

Mr. SAMUEL B. HILL. That is true.

Mr. JENKINS of Ohio. With reference to this increase in price, in my district we can guarantee to produce a thousand carloads a day which we can sell to the world, any one who comes there can get it, the finest coal in the United States, at $2 a ton, regardless of whether this bill is passed.

Mr. FADDIS. And in connection with what the gentleman from Massaschusetts said, I have seen the time when bituminous coal was raised up to a price of $16 a ton to the consumer from somewhere in the neighborhood of $5 a ton, and the miners never got a cent of that increase. It all went to the coal broker.

Mr. SAMUEL B. HILL. This is a meritorious measure. It is the needed legislation, and you ought to approach its consideration with an open mind. The stabilization of the bituminous-coal industry on a cost-of-production basis will relieve the distress and despair of a half million men and their families and will rehabilitate one of the great industries of the country. [Applause.]

Mr. TREADWAY. Mr. Chairman, in accordance with the agreement arrived at with the chairman of the committee, I now yield the gentleman from North Carolina [Mr. DOUGHTON] 1 hour of my time. I yield 15 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, the gentleman from Washington [Mr. SAMUEL B. HILL] stated and reiterated several times that there is nothing compulsory about this legislation, that it is purely optional with mining companies as to whether or not they wish to come in under the code. Of course, we all realize that the purpose of the legislation is to set up a miniature N. R. A. It is true that mining companies have the option of joining this N. R. A. or not, as they see fit, but I call the attention of the House to the following language on page 7 of the bill, beginning with the word "*Provided*" in line 13:

Provided further, That any such coal producer who has filed with the National Bituminous Coal Commission his acceptance of the code provided for in section 4 of this act, and who acts in compliance with the provisions of such code, shall be entitled to a drawback in the form of a credit upon the amount of such tax payable hereunder, equivalent to 90 percent of the amount of such tax, to be allowed and deducted therefrom at the time settlement therefor is required, in such manner as shall be prescribed by the Commissioner of Internal Revenue.

If this refund does not make acceptance of the code compulsory, then I do not know the meaning of the word compulsory. Mining companies would be compelled to accept the code in order to do business so as to get the rebate which their competitors will get.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. TREADWAY. The gentleman should bring out the fact that in contrast to that, if he does not accept the code, he does not get the drawback and pays that entire tax; and, of course, that puts him out of business.

Mr. KNUTSON. I thought the language I read made that plain. If he does not accept the code, he has to pay the full tax; if he does accept the code, he gets a rebate of 90 percent. If that is not compulsory, what in the name of common sense is it?

Mr. VINSON of Kentucky. Is there anything in the bill that prevents the producer, after he has paid the tax, from making application for refund? And is not there in the same section the gentleman read, section 3, page 8, a provision

that permits him, despite signing the code and the payment of the tax, to test the validity of the act and of the code?

Mr. KNUTSON. Oh, yes; he can contest its validity. Thank God, you cannot take our constitutional rights away from us. He can test its validity, but all he will get from asking for a refund—well, he can just put that in his pipe and smoke it.

Mr. VINSON of Kentucky. If the act is illegal——

Mr. KNUTSON. Oh, we all know that the whole bill is illegal. Even the President admits the bill is illegal and unconstitutional. When he wrote to Mr. HILL some time ago he expressed the hope that the members of the committee would vote for the bill "despite any doubt" they might have as to the constitutionality of this bill. I strongly suspect that the purpose of this administration is to constantly pass bills which are unconstitutional in the hope that they will work up such a sentiment for the rewriting of the Constitution that it will be done. It is plain that the purpose of the new deal is to break down the Constitution.

Now, Mr. Chairman, I shall not take any time as to the legal aspects of this bill, not being a lawyer, but I want to call to your attention the very able minority report, written by the gentleman from Tennessee [Mr. COOPER] and signed by such other patriotic Democrats as the gentleman from Texas [Mr. SANDERS], the gentleman from Arkansas [Mr. FULLER], the gentleman from Ohio [Mr. LAMNECK], and the gentleman from Illinois [Mr. THOMPSON].

In other words, I want the world to know that the administration does not completely dominate all the Democrats on the Ways and Means Committee. [Applause.] I commend to your attention the 10 pages which Mr. COOPER has written. They clearly show that this bill is unconstitutional. I do not want you to be carried away by the persuasive logic of the gentleman from Washington [Mr. SAMUEL B. HILL], because the gentleman made just as persuasive a talk in behalf of the constitutionality of the N. R. A., as I recall.

Mr. ANDRESEN. Will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. ANDRESEN. A great deal has been said about this bill not increasing the price of coal or that the N. R. A. did not increase the price of coal to the consumer.

Mr. KNUTSON. They say that in order to get enough votes to pass the bill, but my colleague and I know better.

Mr. ANDRESEN. May I cite an illustration?

Mr. KNUTSON. I will be glad to have the gentleman cite it.

Mr. ANDRESEN. One institution in my district, a college, prior to the N. R. A., had a contract with a coal company to buy 3,000 tons of coal at $1.75 a ton at the mines. As soon as the N. R. A. went into effect, the coal company, having the backing of the N. R. A., canceled the contract and said, "You will have to pay $1 a ton more, or $2.75, or you cannot get the coal." The contract was canceled and these people had to buy their coal from another mine. They found that all mines had raised the price of coal $1 a ton as a result of the activity of the N. R. A.

Mr. KNUTSON. Of course, that was the aim of the N. R. A. It was its purpose to raise all commodity prices, and that is the objective of this bill. Now, I do not blame the gentlemen who come from coal-producing States for saying it will not raise the price of coal, if it is going to get them some votes, but let not the Membership be so gullible as to believe that this legislation will not increase the price of coal. Let me tell the House one other thing: Winter is coming on. There are over 10,000,000 idle men and women in this country. We have over 20,000,000 on the dole. Now it is proposed to make their existence more hazardous by increasing the price of their fuel for next winter, by anywhere from $1 to $1.50 a ton. I defy any proponent of this bill, even my very able friend from Kentucky, Mr. VINSON, whom I know will dwell quite extensively upon that phase of the question, to prove that that is not so. Do not be deceived. The purpose of this legislation is to boost the price of coal by anywhere from 60 cents to $1 per ton. That is the primary object of it. What other excuse is there for this legislation? I pause for some gentleman on the majority side to enlighten me as to any other purpose there can be for this legislation.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. VINSON of Kentucky. The purpose is to stabilize coal prices and to give men, women, and children in the mining communities a chance to live.

Mr. KNUTSON. Oh, yes; there is another objection to this bill, Mr. Chairman, and that is that it absolutely makes no provision for the consumer. Oh, they will tuck away somewhere down there in the Department of the Interior a consumers' counsel. He is going to be about as effective as the consumers' counsel is under the A. A. A. I do not even know what the gentleman's name is. All I know is that he draws down $10,000 a year.

Mr. BOLAND. Will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. BOLAND. I should like to ask the gentleman what was the purpose of the potato bill? Was it not to raise the price of potatoes?

Mr. KNUTSON. I presume it was. I hope it will.

Mr. BOLAND. Did not the gentleman vote for that bill?

Mr. KNUTSON. Now, I want to call another thing to the attention of the Membership of this House. When Judge Dawson, of Kentucky, held the coal code of the N. R. A. unconstitutional, the price of coal at the mines immediately dropped 40 cents a ton. The gentleman from Wisconsin propounded a question to the gentleman from Washington wherein he asked whether or not the passage of this legislation would affect the price of coal already mined and above ground. Of course, it will. It will affect the price until it gets into the hands of the consumer, because the retail price is based upon the price at the mine at the time the coal is sold to the consumer. Does that answer the gentleman's question?

Mr. ANDRESEN. Will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. ANDRESEN. The gentleman recalls what happened to anthracite coal up in the Northwest when they continually kept raising the price up and up until all the people who ordinarily used anthracite coal had to stop using it because of the high price, ranging from $20 to $25 a ton. It went out of the picture completely.

Mr. KNUTSON. Yes. I recall in our own home we were driven from the use of anthacite to Pocahontas coal, because anthracite coal went to $22 a ton, and that was more than we felt we could afford to pay.

Mr. BOLAND. Was that not by reason of the freight rates rather than the price?

Mr. KNUTSON. What makes freight rates?

Mr. UNDERWOOD. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. UNDERWOOD. Does the gentleman think the consuming public would object to paying a price for their coal equal to the cost of production?

Mr. KNUTSON. No; I do not.

Mr. UNDERWOOD. Does not the gentleman know that as a result of the low and starvation wages that are paid in the coal industry today and that were paid in the coal industry prior to N. R. A. the industry today faces a chaotic condition?

Mr. KNUTSON. It was testified to before our committee that the conditions in a number of coal fields were deplorable, and I want to say that I will do anything I can to help correct this situation. But here you have winter coming on and you have 10,000,000 or more people out of work, you have twenty-odd million on the dole, and yet you here propose to make their existence more precarious and hazardous through the passage of this legislation.

All we have done in this Congress is to increase and increase and increase the cost of living to the consumer, but we have made no effort to put him to work. I say that instead of considering all this social legislation, we ought to get down to brass tacks and pass legislation that will restore confidence. That would put the idle to work. The idle want

work, not dole. All this social legislation should wait until we get the country back on its feet.

Mr. Chairman, at this point I desire to insert some views that I supplemented to the minority report on the pending measure:

SUPPLEMENTAL VIEWS OF MR. KNUTSON

While I have concurred in the views of the minority, I desire to submit the following supplemental statement in explanation of my position in opposition to this bill.

1. It was with respect to this bill that the President wrote to Congressman SAMUEL B. HILL, he hoped members of the committee would vote despite any doubts "however reasonable" they might have as to its constitutionality.

2. Eminent counsel declare most confidently that it is unconstitutional, for mining of coal has repeatedly been held not to be interstate commerce and thus not under the interstate-commerce clause and not within the power of the Federal Congress to regulate.

3. If, however, apart from the legal phase, the bill is to be considered as a method for regulating an industry said to be affected with public interest, it must be set down as a fundamental principle that:

"An owner of property devoted to a use in which the public has an interest, in effect, grants the public an interest and must, to the extent of that interest, submit to control of the public" (*Munn* v. *Illinois*, 94 U. S. 113).

(a) As applied to this bill, the public referred to must include the consuming public and public interest must cover prices.

(b) As an industry "affected with public interest", the soft-coal industry must therefore submit to control by the public to the extent of prices.

4. The bill, however, sets up "a little N. R. A." for the bituminous-coal industry, despite the recent Supreme Court decision, in which that industry, though said to be affected with public interest, is (a) freed from antitrust laws; (b) authorized through a commission to fix prices by a rigid mathematical calculation, both maximum and minimum; (c) given monopolistic powers and is protected in their exercise by this bill.

5. As a measure to regulate an industry affected with public interest, the true idea of such legislation is directly reversed.

(a) The public—that is, the consumer—has only been given, and that in a late draft, a "counsel" somewhere in the Interior Department, who is to protect their interest.

(b) We are all aware how little effectiveness there was in the consumers' counsel under the late defunct N. R. A.

(c) The force and power and effectiveness of the bill are directed toward the welfare of the industry itself to (1) increase costs and prices; (2) assure profits to all and excess profits to low-cost mines; (3) guarantee all costs of every kind and for everyone be passed on to the defenseless consumer; (4) protect producer against any publicity as to costs and profits.

Those who drafted the bill looked through the wrong end of the telescope; the industry and its welfare and its profits loom in large detail; the consumer, representing the very interest calling for regulation, is dim and far away.

The industry is to be protected by this law from every angle; the consumer has been provided no effective protection at all.

The whole idea and philosophy of the bill should be reversed.

6. The obvious intent of the bill is to raise the prices of bituminous coal.

(a) This is a matter of vital concern to all consumers, but especially to the States that do not have a coal supply, such as New England and the Northwest.

7. How much prices will be increased it is impossible to estimate accurately.

(a) Computations have run from 60 cents per ton to $1.50 per ton.

(b) Why are miners postponing their call of a strike until this bill has been passed upon if they do not think, through its provisions, their demands will be granted for a 10-percent increase in wages, a 6-hour day and a 5-day week?

(c) All this added cost will be passed on to consumers, unprotected under the law, while labor is guaranteed its wages, operators are guaranteed their costs and profits.

(d) Prices of coal must inevitaly rise, and States removed from source of supply will bear the greatest burden.

8. This enforced and artificial rise in prices of coal will be an additional burden on the consumer but will not stabilize the coal industry or work for its continued benefits.

(a) Bituminous-coal industry, which is to be given monopolistic powers, is not in reality a monopoly.

(b) There are active substances, such as fuel oil, natural gas, hydroelectric power, pressing it in every market.

(c) When it finds itself regulated, its costs and prices artificially raised and maintained, the result will be a further stimulation of substitutes, a decrease in coal production.

The regulation of an industry does not secure stability within that industry or provide anything other than a strait-jacket and thus prevents a fair opportunity by competitive adjustments to retain business or secure the return of legitimate, economical, and desirable business that has been lost unless and until a corresponding regulation is applied to effectively competing substitutes.

It is inevitable that the plan provided for in this bill, to give the bituminous-coal industry monopolistic powers, leaving the consumer poorly protected, under the guise of regulation, will prove a bitter disappointment unless and until those provisions are in themselves in the public protection and interest and are so administered. Even then there will be the same disappointing result, unless and until corresponding regulations are effectively applied to competing substitutes.

This bill—

(a) Does not protect the consumer.

(b) Is not written or designed in the behalf of or protection of public interest, although to be applied to an industry declared to be affected with public interest.

(c) Is designed for the purpose of increasing and will increase artificially the prices of coal to the consumer, and is intended to maintain such an artificial price level.

(d) Neglects the consumer, who constitutes the public interest in the industry, and protects only wages, prices, and profits.

(e) Is, therefore, wholly contrary to regulation in the public interest.

After having given this subject earnest and careful consideration I am impelled to the position that now, of all times, is most inopportune to increase the cost of living to the millions who are idle and on relief. It is my mature judgment that Congress is not justified in enacting the bill before us, which cannot but add to their burdens and increase their misery.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Kentucky [Mr. VINSON].

Mr. VINSON of Kentucky. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein certain letters, excerpts from hearings, statutes, and opinions of the courts.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. FULLER. Mr. Chairman, I ask unanimous consent that all Members who speak on this measure, without asking for it, may have the right to revise and extend their remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman from Kentucky yield for one question before he starts his speech, that I may get some information which I think will be helpful?

Mr. VINSON of Kentucky. Mr. Chairman, I yield.

Mr. MARCANTONIO. Will the gentleman inform us how much coal is now above the ground? Has any testimony as to the amount of coal now above ground been given?

Mr. VINSON of Kentucky. Mr. Chairman, I shall answer the question of the gentleman from New York and then I should like to proceed with my argument, first, as to the constitutionality of the bill; and I request that I be not interrupted until I conclude the main portion of my argument.

Answering the gentleman from New York, I do not recall the exact amount in tons above ground. It is sufficient to say, however, that it is but a few days' run of coal. I would say offhand, in my best judgment, that there is probably 2 to 3 weeks' supply of coal on hand.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. JENKINS of Ohio. And practically all of that coal has already been sold.

Mr. FULLER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. FULLER. Did I understand the gentleman to say that there are only 2 weeks' supply of coal on hand in the United States?

Mr. VINSON of Kentucky. I would say that between 2 and 3 weeks' supply is my best judgment. I would want to check up on it before making any statement definitely.

Mr. FULLER. Well, let us say 3 weeks' to a month's supply.

Mr. VINSON of Kentucky. Two weeks would be my best judgment. I cannot put my finger on the total tonnage above ground, but there were 358,000,000 tons of bituminous coal mined in 1934; and the mines produce considerable coal each running day.

Mr. WOOD. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. Mr. Chairman, I am sorry I must decline to yield to my friend. I want to get to the constitutional argument.

Mr. Chairman, much has been said with reference to the unconstitutionality of this measure. Our friends on the other side of the aisle chide us with a letter written by our President, Franklin D. Roosevelt, to the gentleman from Washington [Mr. HILL], chairman of the subcommittee which considered this measure.

At this point I desire to read into the RECORD this letter in its entirety:

THE WHITE HOUSE,
Washington, July 5, 1935.

Hon. SAMUEL B. HILL,
House of Representatives, Washington, D. C.

MY DEAR MR. HILL: Your Subcommittee of the Ways and Means has pending before it H. R. 8479, a bill to stabilize the bituminous-coal mining industry and promote its interstate commerce, etc., and I understand that questions of the constitutionality of some of its provisions have arisen in the subcommittee.

This industry, from the standpoint of the operators and the miners, has had many years of difficulty. The product is a great natural resource entitled to the consideration of the Congress, both as to the conditions under which it is produced and distributed and as to measures which may be taken for its conservation. The deposits are limited to a few States, the consumption is Nation-wide. Competition and overexpansion have brought destructive price reductions, which have inevitably reacted upon labor standards, with a resulting dislocation, restriction, and obstruction of interstate commerce and a recurring danger of industrial strife. Circumstances such as these present the strongest possible illustration of how conditions of production directly affect commerce among the States.

Admitting that mining coal, considered separately and apart from its distribution in the flow of interstate commerce, is an intrastate transaction, the constitutionality of the provisions based on the commerce clause of the Constitution depends upon the final conclusion as to whether production conditions directly affect, promote, or obstruct interstate commerce in the commodity.

Manifestly, no one is in a position to give assurance that the proposed act will withstand constitutional tests, for the simple fact that you can get not 10 but 1,000 different legal opinions on the subject. But the situation is so urgent and the benefits of the legislation so evident that all doubts should be resolved in favor of the bill, leaving to the courts, in an orderly fashion, the ultimate question of constitutionality. A decision by the Supreme Court relative to this measure would be helpful as indicating with increasing clarity the constitutional limits within which this Government must operate. The proposed bill has been carefully drafted by employers and employees working cooperatively. An opportunity should be given to the industry to attempt to work out some of its major problems. I hope your committee will not permit doubts as to constitutionality, however reasonable, to block the suggested legislation.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

There is nothing in this letter of which we need to be ashamed. Our Republican friends probably regret his deep concern for this great industry and the folks engaged in it.

Mr. Chairman, I call the particular attention of the House to one paragraph in the President's letter which deals with the law point involved in this letter. The President put his finger upon the law point involved, the constitutional law point. Our friends who argue before the Congress that because the mining of coal is of an intrastate nature, that therefore Congress does not have power to regulate, miss the constitutional point involved. The President put his finger on the real point involved when he said:

> Admitting that mining coal, considered separately and apart from its distribution in the flow of interstate commerce, is an intrastate transaction, the constitutionality of the provisions based on the commerce clause of the Constitution depends upon the final conclusion as to whether the production conditions directly affect, promote, or obstruct interstate commerce in the commodity.

This is the point involved in the constitutional discussion, whether or not a finding of fact upon the part of the Congress of the United States that those transactions involved in the production of coal directly affect, obstruct, or burden interstate commerce, and therefore are within the constitutional power of Congress.

Yet we are criticized because our President, recognizing that 450,000 to 500,000 American breadearners face the same winter that my friend from Minnesota so graphically pictured—face it without the opportunity to bring bread and meat to their wives and their children in those coal camps—asked the Congress to give due consideration to this measure. We are chided by our Republican friends as to our attitude toward the Constitution. We have presented by them in the hearings excerpts from a veto message of a great Republican President, a great Chief Justice of the United States, a great American citizen, advising Congress it should sustain his veto because a bill was unconstitutional. No living man can say that William Howard Taft did not love his country, did not respect his Constitution, and that when he took his oath of office to support and defend it no man, Republican, Democrat, or what not, can dim the luster of that great American's glory by intimating that it was taken with mental reservation. William Howard Taft, in his veto message on the Webb-Kenyon bill, spoke from the depths of his heart when he recalled to the Congress of the United States their responsibility as Members of the House and Senate and called upon them to consider seriously the constitutional question involved.

William Howard Taft, a great Federal judge before he was President, a great Chief Justice of the Supreme Court of the United States subsequent to the time he was President, said that the Webb-Kenyon bill was unconstitutional. He vetoed it upon this ground. Not satisfied with that, he exercised his power as President to have the veto sustained. The Congress of the United States then assembled, considered his veto message and overrode the veto. Lo and behold, when the Supreme Court of the United States considered the constitutionality of the Webb-Kenyon bill they sustained the constitutionality of that bill, even though President Taft and Attorney General Wickersham had been most positive it was unconstitutional.

[From the Washington Daily News, Aug. 10, 1935]

A SPECIOUS ARGUMENT

"Why pass the Guffey-Snyder coal-control bill when it's plainly unconstitutional?" ask its opponents, whose lobbying has held it in committee far too long.

This is an argument based on opinion rather than fact.

In February 1913 Congress passed the Webb-Kenyon Act, regulating the shipment of liquor into dry territory. President Taft vetoed the bill. Accompanying his veto was a long statement by Attorney General Wickersham prophesying that unless the Supreme Court receded from a well-settled line of decisions extending over a period of years, it would certainly declare this legislation to be without the constitutional power of Congress. Mr. Taft's veto message quoted from six Supreme Court decisions and alluded to others. He bluntly reminded Congressman that they also were duty bound by oath to observe the Constitution.

Certain of its unconstitutionality was a President, considered to be one of the greatest constitutional lawyers of our history, a man later to become Chief Justice. Equally certain was one of our ablest Attorneys General. Their objections were bulwarked with plenty of clear-cut precedents. Yet—

Congress passed the act over Taft's veto, and the Supreme Court upheld Congress. In fact, it sustained this "unconstitutional" act twice, once in 1915 without a dissenting opinion, and in 1916 with two dissenting.

More recently such able constitutional lawyers as Newton D. Baker and James M. Beck declared the T. V. A. Act unconstitutional, but the Federal circuit court in New Orleans sustained it. We cannot recall a single important social reform measure which its enemies did not describe as unconstitutional.

Obviously Congress should not raise false hopes by passing a clearly unconstitutional bill. But as many able lawyers say the Guffey-Snyder bill is constitutional as say it is not.

President Roosevelt, himself a pretty good lawyer, advises Congress to pass this bill and leave its constitutionality to the courts. In view of the chaos in coal and this measure's sincere attempt to cure it, Congress should take the President's advice.

THE ATTORNEY GENERAL NEVER HAS SAID THE BILL IS UNCONSTITUTIONAL

May I say that nobody can have the temerity to stand here and say that the Supreme Court would do this or that as to constitutional questions. We cannot do that. The Attorney General, as a matter of fact, has been criticized because he told the subcommittee—of which I was a member—of the Ways and Means Committee, considering this bill, that there were decisions that would be used and urged in favor of constitutionality, and that there were other decisions that would be used and urged against constitutionality. After we had sat there and discussed all the decisions for 2 or 3 hours, I asked him the question of his attitude toward the constitutionality of this bill. Almost verbatim, he said that while he could not guarantee what the Supreme Court would do upon this or any other constitutional question, no Member of the House or Senate, in his opinion, should permit fear of the constitutionality of this measure to deter him from supporting the bill if otherwise he would support it.

JUDGE KNUTSON'S OPINION

Mr. KNUTSON. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Assuming this measure is constitutional—and I think the best lawyers in the House do not so assume——

Mr. VINSON of Kentucky. I grant you Judge TREADWAY and Judge KNUTSON, who are not lawyers, hold this bill to be unconstitutional. [Applause.]

Mr. KNUTSON. Well, I have such distinguished company as Judge COOPER, of Tennessee.

Mr. VINSON of Kentucky. May I say that I have no quarrel with any man, whether he be lawyer or layman, in respect to his views as to constitutionality, because after all is said and done, the only person who can answer his own convictions and control his own conscience in this matter is each individual Member.

Mr. KNUTSON. The gentleman realizes, of course, that there must be laymen to support lawyers. However, assuming this measure is constitutional, the gentleman will admit the legislation waives all the provisions of the Sherman-Clayton Antitrust Act.

Mr. VINSON of Kentucky. That would not worry the gentleman. The gentleman has not been worried about that before.

Mr. KNUTSON. No?

Mr. VINSON of Kentucky. Particularly with regard to agricultural propositions.

Mr. KNUTSON. What would there be to prevent the coal producers from getting together and running the price away up?

Mr. VINSON of Kentucky. The maximum prices in the bill, but I will answer that in due time.

THE SOUTHERN FIELDS

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I am seeking information. There is no doubt about the serious condition in which the soft-coal industry and the miners find themselves and the need for relief. It has been urged that the coal business south of the Ohio River, in the southern fields, will be very adversely affected by this legislation. In other words, it is claimed, for instance in Kentucky, that it would cut down the production of coal there more than 40 percent.

Mr. VINSON of Kentucky. I think I get the gentleman's point.

Mr. ROBSION of Kentucky. I want a clear answer on that proposition. In what way will this bill protect the northern fields and may the northern fields take advantage of the southern fields, or may the southern fields take advantage of the northern fields?

Mr. VINSON of Kentucky. I cannot see in this bill any reason for Kentucky production to be reduced. I may say to the gentleman from Kentucky, that this bill, known as the "Snyder bill", is in about its fifth draft. In my opinion, the operators and the mine workers in the Kentucky and southern fields are protected. If they have not been, it is because I have not been able to do it. I have spent every effort to write in here provisions that would be fair to the southern operators, and protect their interest. May I say to the gentleman from Kentucky, also, that the original bill introduced in January 1935 was of such a nature that I was against it for several reasons. It looked as if it was written by and on behalf of the northern operators. It provided certain allocations that were favorable to northern operators. It would have been prejudicial to the operators and mine workers in the southern field. It had a different method of arriving at prices. I would not be here supporting the bill if it had been left in that condition. As I stated previously, this is the fifth draft substantially.

I call to the attention of my friend and the House the language of the bill with reference to the coordination of price by the District Board. I read into the RECORD paragraph (b) on page 17 of this bill:

(b) District boards shall, under rules and regulations established by the Commission, coordinate in common consuming market areas upon a fair competitive basis the minimum prices and the rules and regulations established by them, respectively, under subsection (a) hereof. Such coordination, among other factors, but without limitation, shall take into account the various kinds, qualities, and sizes of coal, and transportation charges upon coal. All minimum prices established for any kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable, and not unduly prejudicial or preferential, as between and among districts, and shall reflect, as nearly as possible, the relative market values, at points of delivery in each common consuming market area, of the various kinds, qualities, and sizes of coal produced in the various districts; to the end of affording the producers in the several districts substantially the same opportunity to dispose of their coals upon a competitive basis as has heretofore existed. The minimum prices established as a result of such coordination shall not, as to any district, reduce or increase the return per net ton upon all the coal produced therein below or above the minimum return as provided in subsection (a) of this section by an amount greater than necessary to accomplish such coordination, to the end that the return per net ton upon the entire tonnage of the minimum price area shall approximate and be not less than the weighted average of the total cost per net ton of the tonnage of such minimum price area. Such coordinated prices and rules and regulations, together with the data upon which they are predicated, shall be submitted to the Commission, which may approve, disapprove, or modify the same to establish and maintain such fair competitive relationship, and such approval, disapproval, or modification shall be binding upon all code members within the affected districts. No minimum price shall be established that permits dumping. On the petition of any district board or other party in interest or on its own motion, after notice to the district boards, the Commission may at any time conduct hearings to determine whether the foregoing method of fixing minimum prices under subsection (a) is prejudicial to any district with respect to the fair opportunity of such district to market its coal. Should the Commission so find, and further find that the prejudice cannot be removed through the coordination of minimum prices as provided for in this subsection (b), then the Commission may establish a different basis for determining minimum prices in such district, to the end that fair and competitive prices shall prevail in the marketing of the coal produced in such district: *Provided*, That the minimum prices so established as to any such district shall yield a return, per net ton, not less than the weighted average of the total costs, per net ton, of the tonnage of such district.

I call to the attention of my friend and the House that in this coordination of price there shall be taken into account, among other factors, but without limitation, the various kinds, qualities, and sizes of coal and transportation charges upon coal. I know that we both are thinking of freight differentials in respect of the minimum prices received for our Kentucky coal. It is patent from this language that in addition to the kinds, qualities, and sizes of coal the transportation charges must be taken into consideration in the coordinated price.

Further, this language says plainly that the minimum prices shall be just and equitable and not unduly prejudicial or preferential as between and among districts.

At this point I offered an amendment which was adopted by the committee and is in the bill under discussion, beginning in line 19, and running through and including line 25, on page 17. I repeat it here. All minimum prices—

Shall reflect, as nearly as possible, the relative market values, at points of delivery in each common consuming market area, of the various kinds, qualities, and sizes of coal produced in the various districts, to the end of affording the producers in the several districts substantially the same opportunity to dispose of their coals upon a competitive basis as has heretofore existed.

This language is clear and unequivocal. We have written into the bill that the coordinated prices shall reflect the relative market value at the point of delivery in each common consuming market area of the coals produced in the various districts, to the end that the coal in each district shall be given the same competitive basis as has heretofore existed; in other words, move into its common consuming market on the same competitive basis as heretofore. I beg to submit that I have taken this language up with a number of operators in the southern fields, and they feel that it is plain, beyond question, that the coordinated price shall permit the coal of the various districts throughout the country to be on substantially the same competitive basis as has heretofore existed.

Further, there is the provision that on the petition of any district board or other parties in interest, or on its own motion, the Commission may conduct hearings and determine whether there have been prejudices in the methods of fixing

prices under subsection (a) of the bill prejudicial to any district with respect to the fair opportunity to market coal; that if the prejudices could not be removed through the coordination of minimum prices as provided for in subsection (b), then the Commission may establish a different basis for determining minimum prices in such district, to the end that fair and competitive prices shall prevail in the marketing of the coal produced in such district.

Mr. Chairman, there are many other features in this bill that are protective of the coal industry in the southern fields. In my opinion, it will be a boon to southern operators. When I was supporting the original N. R. A. the coal operators of Kentucky were on my neck because they said it would ruin them. But I thought I could see an opportunity to overcome, to disperse, and dissipate the demoralized conditions existing in the coal fields of Kentucky and southern West Virginia, of which I knew. I supported the N. R. A. I saw the same crowd appear before the Ways and Means Committee pleading for the extension of the N. R. A. because they said that friendly relations between capital and labor had existed under N. R. A. as never before. They stated that certain unfair trade practices, such as the shipping of distress coal, the pyramiding of sales, and other unfair trade practices had virtually disappeared. They said a stabilized price was what they wanted. They showed that while the cost was $1.83, this being the average cost in the bituminous fields, the realization price was but $1.86. They stated that the operators had the greatest period of prosperity which they had enjoyed in 15 years.

For the first time in history in our country the coal miner could bring something home to his wife and family in the 2-week pay envelop, which was quite unknown to him in the olden days.

THE TAFT PHILOSOPHY OF REGULATING INTERSTATE COMMERCE

Now, Mr. Chairman, I was discussing a few moments ago former Chief Justice Taft. In my limited way, I paid tribute to him as a distinguished lawyer, a distinguished judge, a distinguished President, a distinguished Chief Justice, and a distinguished American.

I say to you that the philosophy underlying this bill is the Taft philosophy in respect of interstate commerce. If it had not been for opinions written by Chief Justice Taft while he was on the Supreme Court, this bill would not be here today. You will recall, I believe it was in 1905, that Justice Holmes wrote the opinion in the Swift case that was epoch making so far as interstate commerce law is concerned. In this opinion, he said that the Supreme Court would not be bound by technical niceties in respect of the intermingling of intrastate transactions and interstate transactions and said that under the commerce power Congress had the right under the Sherman Act to regulate intrastate transactions intermingled with interstate transactions.

It was following the Swift case that Chief Justice Taft wrote in indelible ink his philosophy and the philosophy of the Supreme Court upon which we rely and which has not been attacked, which has not been weakened by a single decision of the Supreme Court that can be cited to you.

The first Taft opinion (*Stafford* v. *Wallace*, 258 U. S. 495) involving the power of the Congress of the United States to regulate transactions intrastate in nature that directly affected interstate commerce was the Packers and Stockyards Act case, decided, I believe, May 1, 1922. The act related to the regulation of meat packing, the packers, the stockyards, and transactions expressly stated by the Supreme Court to be intrastate in nature. There can be no question about these being intrastate transactions, and here is what Chief Justice Taft, great American, lover and defender of the Constitution, said in that case:

> It was for Congress to decide, from its general information and from such special evidence as was brought before it, the nature of the evils actually present or threatening, and to take such steps by legislation within its power as it deemed proper to remedy them. It is helpful for us in interpreting the effect and scope of the act in order to determine its validity to know the conditions under which Congress acted.
>
> The application of the commerce clause of the Constitution in the Swift case was the result of the natural development of interstate commerce under modern conditions. It was the inevitable recognition of the great central fact that such streams of commerce from one part of the country to another which are ever flowing are in their very essence the commerce among the States and with foreign nations which historically it was one of the chief purposes of the Constitution to bring under national protection and control. This Court declined to defeat this purpose in respect of such a stream and take it out of complete national regulation by a nice and technical inquiry into the noninterstate character of some of its necessary incidents and facilities when considered alone and without reference to their association with the movement of which they were an essential but subordinate part.

Congress set forth in the act the constant and recurring practices of the intrastate transactions that burdened interstate commerce, as my friend from Alabama, Judge HOBBS, might say, "erroneously" in the preamble, but section 1 is more than a preamble to a resolution. Section 1 is a finding of fact by the Congress of the United States. You had a finding of fact in the Packers and Stockyards Act, and in that case Chief Justice Taft said this:

> The reasonable fear by Congress that such acts, usually lawful and affecting only intrastate commerce when considered alone, will probably and more or less constantly be used in conspiracies against interstate commerce—

Now my friend from Alabama perks up because he has talked about conspiracies, but it does not stop there. It says "or", using the disjunctive—

> or constitute a direct and undue burden on it, expressed in this remedial legislation, serves the same purpose as the intent charged in the Swift indictment to bring acts of a similar character into the current of interstate commerce for Federal restraint.

How did the intrastate act in the Swift indictment come within the congressional power? It was because of the charge that these acts were done with an intent to burden interstate commerce. Now, Chief Justice Taft says that the finding of fact on the part of the Congress takes the place of the intent that was, and is, in your conspiracy cases. Listen to this:

> Whatever amounts to more or less constant practice—

I am reading from the opinion of Chief Justice Taft—

> and threatens to obstruct or unduly to burden the freedom of interstate commerce is within the regulatory power of Congress under the commerce clause, and it is primarily for Congress to consider and decide the fact of the danger and meet it.

He does not stop there, Mr. Chairman. Chief Justice Taft, continuing in that decision says:

> This Court will certainly not substitute its judgment for that of Congress in such a matter unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent.

THE FIRST GRAIN-FUTURES CASE—HILL *v.* WALLACE (259 U. S. 44)

The first grain-futures case was *Hill* v. *Wallace* (259 U. S. 44). This case was decided on May 15, 1922, following next after the United States report on the Second Child Labor case, that day decided. This case was decided within 2 weeks after the case of Stafford against Wallace. The opinion in both of these cases was written by Chief Justice Taft.

The Future Trading Act dealt with intrastate transactions. That is not the conclusion of your speaker but the conclusion of the Supreme Court of the United States in the opinion which we know as "Hill against Wallace." Congress sought to regulate the grain marts in Chicago. Those transactions were held by the Supreme Court to be intrastate in their nature. The Supreme Court specifically said they were not interstate. Congress relied upon the taxing power in the first statute. The case went to the Supreme Court, and that Court struck it down because they said it was not a tax, it was a penalty, and that the Congress did not have the power to regulate intrastate transactions under the taxing power. I read now from the opinion in the case of Hill against Wallace:

> We come to the question, then, "Can these regulations of boards of trade by Congress be sustained under the commerce clause of the Constitution?" Such regulations are held to be within the police powers of the State. (*House* v. *Mayes*, 219 U. S. 270; *Brodnax* v. *Missouri* (219 U. S. 285). There is not a word in the act from which it can be gathered that it is confined in its operation to interstate commerce. The words "interstate commerce" are not to be found in any part of the act from the title to the closing section. The transactions upon which the tax is

to be imposed, the bill avers, are sales made between members of the board of trade in the city of Chicago for future delivery of grain, which will be settled by the process of offsetting purchases or by a delivery of warehouse receipts of grain stored in Chicago.

Looked at in this aspect and without any limitation of the application of the tax to interstate commerce, or to that which the Congress may deem from evidence before it to be an obstruction to interstate commerce, we do not find it possible to sustain the validity of the regulations as they are set forth in this act. A reading of the act makes it quite clear that Congress sought to use the taxing power to give validity to the act. It did not have the exercise of its power under the commerce clause in mind and so did not introduce into the act the limitations which certainly would accompany and mark an exercise of the power under the latter clause.

It follows that sales for future delivery on the Board of Trade are not in and of themselves interstate commerce. They cannot come within the regulatory power of Congress as such, unless they are regarded by Congress, from the evidence before it, as directly interfering with interstate commerce so as to be an obstruction or a burden thereon (*United States* v. *Ferger*, 250 U. S. 199). It was upon this principle that in *Stafford* v. *Wallace* (258 U. S. 495) we held it to be within the power of Congress to regulate business in the stockyards of the country, and include therein the regulation of commission men and of traders there, although they had to do only with sales completed and ended within the yards, because Congress had concluded that through exorbitant charges, dishonest practices, and collusion they were likely, unless regulated, to impose a direct burden on the interstate commerce passing through.

FIRST CORONADO CASE (259 U. S. 344)

Then within a month and 4 days after Stafford against Wallace, to wit, June 5, 1922, he gave utterance to another opinion of the Supreme Court. This was about 20 days after Hill against Wallace. This is the first Coronado case. Some folks think this case is an authority against us. It is because they overlooked one point. It is because they think we are relying upon the fact that the mining of coal is interstate commerce. We do not pretend to say that the mining of coal is interstate commerce. Let me read from the opinion written by Chief Justice Taft:

Coal mining is not interstate commerce, and the power of Congress does not extend to its regulation as such.

Then the Court cites the First Child Labor case (*Hammer* v. *Dagenhart*), and says:

The making of goods and the mining of coal are not commerce, nor does the fact that these things are to be afterward shipped or used in interstate commerce make their production a part thereof.

This is plain language. Our opponents generally stop there. But what does Chief Justice Taft next say? Please remember that the first Coronado opinion was written a month and four days after the Stafford against Wallace case, or the Packers and Stockyards Act case; and 20 days after the case of Hill against Wallace.

Here is what this great man said. It was an invitation, it was a suggestion by this great Chief Justice in regard to the regulation of coal:

Obstruction to coal mining is not a direct obstruction to interstate commerce in coal, although it, of course, may affect it by reducing the amount of coal to be carried in that commerce. We have had occasion to consider the principles governing the validity of congressional restraint of such indirect obstructions to interstate commerce in *Swift* v. *United States* (cases cited).

The last case cited is the Packers and Stockyard case (Stafford against Wallace), decided May 1, 1922. Continuing the opinion, Chief Justice Taft said:

It is clear from these cases that if Congress deems certain recurring practices though not really part of interstate commerce, likely to obstruct, restrain, or burden it, it has the power to subject them to national supervision and restraint. Again, it has the power to punish conspiracies, in which such practices are part of the plan to hinder, restrain, or monopolize interstate commerce. But in the latter case the intent to injure, obstruct, or restrain interstate commerce must appear as an obvious consequence of what is to be done, or be shown by direct evidence or other circumstances.

Lawyers will say that this latter quotation is obiter dictum. I grant you that technically that is true, but when it is written by the same great lawyer just a month and 4 days after the case of Stafford against Wallace, it occurs to me that it is very strong dictum. Here was a case in which the question of interfering with interstate commerce was involved. The facts of the case did not show a sufficiency to permit the Court to restrain the acts which burdened interstate commerce. The Court evidently felt strongly on the subject else this suggestion and invitation to subject the great bituminous-coal industry to national supervision and restraint would not have been given.

BOARD OF TRADE V. OLSON (262 U. S. 1)

So it was, when Congress passed the second Grain Futures Act, Congress in the act stated that trading in grain futures was clothed with a national public interest. Congress said that these intrastate transactions, exorbitant charges, dishonest practices, and collusion, all of which are found in section 1 of this bill, all of which are in the unfair trade practices of the coal men themselves, admittedly so to be—when the Congress of the United States found those acts, recurrent and constant, and a direct burden on interstate commerce, this same great judge, this same great American, this same man who loved the Constitution, wrote the opinion in the case of Chicago Board of Trade against Olson upholding this regulatory statute of intrastate transactions which Congress said directly burdens interstate commerce.

My friends, you have the suggestion, you have the invitation of Chief Justice Taft to regulate intrastate transactions burdening interstate commerce. He pointed the way, he erected guide posts, he flashed the green light and told you to go ahead. He was exercising an affirmative power under the interstate commerce clause rather than the negative power which has been called into use under the restraint transactions.

In the Olsen case, the second grain-futures case, Chief Justice Taft said that the provision in Hill against Wallace was argument and authority for rather than argument and authority against the second statute. I want you to remember that in the second statute they were seeking to regulate the same things that had been held to be unconstitutional in the first statute. The same transactions were sought to be regulated in the second statute as in the first statute but under the commerce power. Congress made a finding of fact in the second statute that trade in grain futures was clothed with a national public interest and that such transactions were a direct burden on interstate commerce.

I quote now from the opinion of Chief Justice Taft in Chicago Board of Trade against Olsen:

The Grain Futures Act, which is now before us, differs from the Future Trading Act in having the very features the absence of which we have held in the somewhat carefully framed language of the foregoing quotations, our sustaining the Future Trading Act. As we have seen in the statement of the case, the act only purports to regulate interstate commerce and sales of grain for future delivery on boards of trade because it finds that by manipulation they have become a constantly recurring burden and obstruction to that commerce. Instead, therefore, of being an authority against the validity of the Grain Futures Act, it is an authority in its favor.

It is impossible to distinguish the case at bar, so far as it concerns the cash grain, the sales to arrive, and the grain actually delivered in fulfillment of future contracts, from the current of stock shipments declared to be interstate commerce in *Stafford* v. *Wallace* (285 U. S. 495). * * * (262 U. S. 1 p. 35).

"This case was but the necessary consequence of the conclusions reached in the case of *Swift & Co.* v. *United States* (196 U. S. 375). That case was a milestone in the interpretation of the commerce clause of the Constitution. It recognized the great changes and development in the business of this vast country and drew again the dividing line between interstate and intrastate commerce where the Constitution intended it to be. It refused to permit local incidents of great interstate movement, which taken alone were intrastate, to characterize the movement as such. The Swift case merely fitted the commerce clause to the real and practical essence of modern business growth. It applies to the case before us just as it did in *Stafford* v. *Wallace*.

"In the act we are considering, Congress has expressly declared that transactions and prices of grain in dealing in futures are susceptible to speculation, manipulation, and control which are detrimental to the producer and consumer and persons handling grain in interstate commerce and render regulation imperative for the protection of such commerce and the national public interest therein."

It is clear from the citations, in the statement of the case, of evidence before committees of investigation as to manipulations of the futures market and their effect, that we would be unwarranted in rejecting the finding of Congress as unreasonable, and that in our inquiry as to the validity of this legislation we must accept the view that such manipulation does work to the detriment of producers, consumers, shippers, and legitimate dealers in interstate commerce in grain and that it is a real abuse.

CHICAGO BOARD OF TRADE *v.* OLSON (262 U. S. 1, P. 40)

The question of price dominates trade between the States. Sales of an article which affect the country-wide price of the article directly affect the country-wide commerce in it. By reason and authority, therefore, in determining the validity of this act, we are prevented from questioning the conclusion of Congress that manipulation of the market for futures on the Chicago Board of Trade may, and from time to time does, directly burden and obstruct commerce between the States in grain, and that it recurs and is a constantly possible danger. For this reason, Congress has the power to provide the appropriate means adopted in this act by which this abuse may be restrained and avoided.

We include herewith section 3 of the Grain Futures Act which impresses the sale of grain futures with a national public interest and finds fact to be that—

Such fluctuations in prices are an obstruction to and a burden upon interstate commerce in grain and the products and by-products thereof and render regulation imperative for the protection of such commerce and the national public interest therein.

SEC. 3. Transactions in grain involving the sale thereof for future delivery as commonly conducted on boards of trade and known as "futures" are affected with a national public interest; that such transactions are carried on in large volume by the public generally and by persons engaged in the business of buying and selling grain and the products and byproducts thereof in interstate commerce; that the prices involved in such transactions are generally quoted and disseminated throughout the United States and in foreign countries as a basis for determining the prices to the producer and the consumer of grain and the products and byproducts thereof and to facilitate the movements thereof in interstate commerce; that such transactions are utilized by shippers, dealers, millers, and others engaged in handling grain and the products and byproducts thereof in interstate commerce as a means of hedging themselves against possible loss through fluctuations in price; that the transactions and prices of grain on such boards of trade are susceptible to speculation, manipulation, and control, and sudden or unreasonable fluctuations in the prices thereof frequently occur as a result of such speculation, manipulation, or control, which are detrimental to the producer or the consumer and the persons handling grain and products and byproducts thereof in interstate commerce, and that such fluctuations in prices are an obstruction to and a burden upon interstate commerce in grain and the products and byproducts thereof and render regulation imperative for the protection of such commerce and the national public interest therein.

TAGG BROS. *v.* UNITED STATES (280 U. S. 420)

The Supreme Court in the case of Tagg Bros. against the United States went so far as to regulate and fix the commissions charged by a man out in Omaha, Nebr., as I recall, for the sale of livestock. The Court upheld the power of Congress, where they gave the Secretary of Agriculture the right to fix his fees and commissions. Certainly they were intrastate transactions, were they not? If a man gets a cow or a calf in the stockyards in Omaha, and sells it within the State, is that not an intrastate transaction? Is that any less local than the mining of coal? Both are intrastate transactions, but it was the question of the effect upon interstate commerce. The Court held the power to fix commissions valid under the commerce power.

THE SCHECHTER CASE

I want to call your attention to the Schechter case. That has been discussed quite a little. I say to you frankly, in a summary way, that the Schechter case did not overrule any previous case written by the Supreme Court. It did not set up a single new rule of law. It did not indicate that regulation by Congress of intrastate commerce was prohibited. It in no way reflected on the validity of the doctrine that the legislative findings of Congress would not be recognized by the Court. The Court in the Schechter case said there was no direct burden on interstate commerce, subject to the regulatory power of Congress.

My friends, if they said that once, they said it a dozen times in various ways. When they took up the question involved in subsection 2 of the interstate-commerce discussion this is what the Supreme Court said:

Did the defendants' transactions directly affect interstate commerce so as to be subject to Federal regulation? The power of Congress extends not only to the regulation of transactions which are part of interstate commerce but to the protection of that commerce from injury.

They say further in this opinion:

It is not a question of the source—

not a question of whether it is intrastate or interstate—but it is the effect upon interstate commerce, not the source of the injury which is "the criterion of congressional power.

Certain decisions are cited in the Schechter case. Some of our friends seem to think that they are distinguished from the Schechter case. I hasten to agree. They are distinguished from the facts and law in the Schechter case. It was held that the sale or slaughter of a chicken after it came to rest, after it had ceased to flow in interstate commerce, after it was agreed that it would never cross a State line, that even the sale and slaughter of a chicken, even the sale of a sick chicken, had an effect upon interstate commerce. The Supreme Court said it did not have a direct effect but it had an indirect effect. They said there was a line of demarcation between effects. They said that if the effect was indirect, Congress did not have the power to regulate it. I submit to any lawyer in this House that when they say Congress did not have the power to regulate indirect acts, they admitted power to regulate direct acts. They said, not only in answering the initial question but in the text of the opinion, that Congress had the power, yet had the power to regulate transactions directly affecting interstate commerce.

The Court said:

In determining how far the Federal Government may go in controlling intrastate transactions upon the ground that they affect interstate commerce there is a necessary and well-established distinction between direct and indirect effects. The precise line can be drawn only as individual cases arise, but the distinction is clear in principle.

The distinction between direct and indirect effects has been clearly recognized in the application of the Antitrust Act. Where a combination or conspiracy is formed with the intent to restrain interstate commerce or to monopolize any part of it, the violation of the statute is clear (*Coronado Coal Co.* v. *United Mine Workers*, 268 U. S. 295, 310). But where that intent is absent, and the objectives are limited to intrastate activities, the fact that there may be an indirect effect upon interstate commerce does not subject the parties to the Federal statute, notwithstanding its broad provisions. This principle has frequently been applied in litigation growing out of labor disputes.

THE CONSPIRACY CASES

We mention the fact that in these conspiracy cases it is necessary to show that the acts were done with the intent to restrain interstate commerce. I would suggest that the necessity to prove intent to restrain interstate commerce certainly does not add to the constitutional power used in enjoining the intrastate transactions involved. The fact of conspiracy or combination does not add to this constitutional power. Certainly there is constitutional power to enjoin intrastate transactions, else such injunctions would not be issued or maintained.

There have been many cases in which mine workers have been enjoined for interfering with the mining of coal—an intrastate transaction—for the reason that their acts were held to be a burden upon interstate commerce. It seems to me self-evident that such course could not be taken except under the commerce power of the Constitution. It seems plain to me that when Chief Justice Taft, in the case of Stafford against Wallace, stated that the finding of fact by Congress took the place of the intent necessary to be alleged and proved in the conspiracy cases that it closes the door to serious contention that this bill is unconstitutional.

In the celebrated *Red Jacket case* (18 Fed. (2d) 840), which the Supreme Court declined to review, the Court said:

Interference with the production of these mines as contemplated by defendants would necessarily interfere with the interstate commerce in coal to a substantial degree. Moreover, it is perfectly clear that the purpose of defendants in interfering with production was to stop the shipment in interstate commerce. It was only as the coal entered into interstate commerce that it became a factor in the price and affected defendants in their negotiations with the union operators. And, in time of strike, it was only as it moved in interstate commerce that it relieved the coal scarcity and interfered with the strike.

APPALACHIAN COALS CASE (288 U. S. 344)

This case was decided March 13, 1933.

The Supreme Court recognizes the demoralized condition of the industry. It upheld the right of a large group of operators to sell their competing coal through a sales agency

at agreed prices. The three judges of the lower court unanimously held this scheme illegal under the antitrust acts, but the Supreme Court reversed their judgment.

In section 1, the finding of fact, we stress the need of regulation in order to protect this great industry from destruction. Certainly practices that would destroy the bituminous-coal industry would have a direct effect upon interstate commerce. The Supreme Court, in the Appalachian Coals case, said:

> It is therefore necessary in this instance to consider the economic condition peculiar to the coal industry, the practices which have obtained, the nature of defendants' plan, the reason which led to its adoption and the probable consequences of carrying out that plan in relation to market prices and other matters affecting the public interest in interstate commerce in bituminous coal. * * *
>
> In the graphic summary of the economic situation the Court found that numerous producing companies have gone into bankruptcy or into the hands of receivers, many mines have been shut down, the number of days of operation have been curtailed, wages to labor have been substantially lessened and the States in which coal-producing companies are located have found it increasingly difficult to collect taxes.
>
> When industry is grievously hurt, when producing concerns fail, when unemployment mounts and communities dependent upon profitable production are prostrated, the wells of commerce go dry.
>
> The industry was in distress. It suffered from overexpansion and from a relative decline through the growing use of substitute fuels. It was afflicted with injurious practices within itself—practices which demanded correction.

CONSUMERS' VIEWPOINT

Mention is made in respect of the consumers' position, and we are chided in regard to the consumers' counsel. I think it is a good thing. I think it is a good thing to have someone representing the consumer sitting there next to the commission to present the side of the consumer. I do not think there will be any motion made by the gentlemen on the Republican side to strike that from the bill. If they are actually serious and sincere, why do they not move to strike it?

They talk about a runaway market. We meet that. We provide a ceiling, a maximum price for the benefit of the consumer, to protect the consumer from these $18, $20, and $22 prices per ton that gentlemen from the Northwest have just discussed. This bill protects the consumer with these maximum prices.

Now, the gentleman from Minnesota [Mr. KNUTSON] runs off and talks about a dollar and a half increase per ton. The first time I ever heard it was when I saw it in his report. The difference of a dollar and a dollar and a half per ton increase does not make much difference to our good friend Harold. If he can show any testimony about a dollar and a half per ton increase I will be happy to admit it. The most that anybody before our committee ever put it was a dollar increase per ton.

Mr. KNUTSON. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. KNUTSON. I would like to call the gentleman's attention to the testimony of Mr. Francis before the committee.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Kentucky.

Mr. VINSON of Kentucky. It is fortunate the hearings are printed, because when I said to you that the dollar increase was the maximum before our committee, I was referring to the testimony of James D. Francis. Turn to the hearings, pages 407 to 413, and let us see what Jim Francis said. I have known Jim Francis 25 or 30 years. He is opposing this bill. Why? He has the right to oppose it. He is in a fortunate, favored class; he, probably, has the lowest-cost mine in West Virginia. He has the Island Creek coal mine with a 6-foot seam of clean coal. He can mine coal for 25 cents a ton cheaper than his neighbors less fortunate. He is fortunate, too, in having a splendid capital structure.

You will find that since the original bill was introduced the big boys are opposing it; those who have low-cost production mines, those who have favored capital structures are opposing it. The Pittsburgh Coal Co. favored it at one time, but let me tell you one thing, they are not favoring it today; and if they were I would be suspicious. I am saying to you that it is those companies that have a favored status that want to drive their less favored competitors out of business that are opposing this bill. I am saying this even though there are operators in Kentucky that are opposing it.

I want the House to understand that I do not represent a coal district. However, I am as much interested in their welfare as if I did. My district faces two Kentucky coal districts, the Kentucky River field and the Big Sandy field. I know something about conditions in the mining districts, for the prosperity of the coal fields is reflected into my district. I have lived there and I know the conditions there. I feel that under this bill the same benefits will flow to those engaged in the coal industry, operator and miner, that flowed to them under the N. R. A.

Some few months ago when the extension of the N. R. A. was under consideration those who now oppose this bill were loudest in their demand for a continuation of the N. R. A., among them a gentleman who today wrote you a letter opposing its passage. He was to be the leading witness, according to the calendar, a great coal man, in favor of N. R. A. extension, but who on account of a death in family did not appear.

I am speaking of Mr. Hawthorne; he favored the extension, he was leading the fight for the extension. He did not talk about constitutionality then, even though N. R. A. was in the courts. They testified to the benefits that came from N. R. A., benefits to them, benefits to everybody connected with mining coal.

I almost forgot my $1.50 proposition brought up by the gentleman from Minnesota [Mr. KNUTSON]. James D. Francis testified that it would increase the price of coal a dollar. This will be found in the printed hearings at pages 407 to 414. I said: "Mr. Francis, when you say it will increase the price of coal $1 what basis do you take?"

Mr. Francis, who is a splendid lawyer and a gentleman, said: "I am taking the present, the current prices for coal."

I said: "Mr. Francis, what is current coal selling for now as compared to N. R. A. prices?"

Mr. Francis said current coal was then selling 40 cents under N. R. A. prices. I believe at some place in his testimony he said possibly 50 cents below N. R. A. prices. Did you hear anybody, speaking for the consumer, talk about being gouged by N. R. A. prices?

Mr. Francis said that current coal was selling then for 40 or 50 cents below N. R. A. prices.

I am told today that industrial coal is selling between 75 cents and $1 below N. R. A. prices.

Take 40 or 50 cents from the dollar increase above current prices you have either 50 or 60 cents of increase above N. R. A. prices. When you look at his testimony, you will see that 4 cents a ton in his computation of increase was due to the tax in title II of the bill. Title II has been stricken from the bill. You will also see that, in his computation, 46 cents of the price in excess of the N. R. A. price was in contemplated increased cost prices. So that $1 a ton increase, even though you take the base at current prices, washed out as compared to N. R. A. prices.

N. R. A. prices were started on a $2 base. It did not reach that. Cost was $1.83 and realization was $1.86.

Mr. Francis said that coal selling for $2 f. o. b. mines——

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. VINSON of Kentucky. Mr. Francis said that $2 coal f. o. b. mine would, under ordinary conditions, now be sold in the district of the gentleman from Massachusetts at $9 a ton. It is my recollection that he said $2.25 was the cost of transportation to tidewater, and the balance of the cost was made up of shipment by boat, dockage, distributing costs, the profits of the wholesaler, the retailer, and the final distributing charges. These made up the $9 a ton.

In other words, that $2 a ton, the price at the mine, is less than 25 percent of the cost that they pay in New England or in the Northwest.

I say frankly that experience since the N. R. A. shows that the cost of industrial coal has decreased from 60 cents to $1 per ton. The gentleman from Wisconsin states that the

domestic coal, for household use, has stayed where it was. That is the consumer's viewpoint.

Mr. TREADWAY. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. I am very glad the gentleman makes such a fine reference to Mr. Francis, because I made some reference to his testimony without directly quoting him. However, on page 407 of the hearings, before the gentleman who now has the floor began to interrogate Mr. Francis, he and I had a little conversation back and forth.

Mr. VINSON of Kentucky. That is correct, but the gentleman did not go far enough.

Mr. TREADWAY. I went plenty far enough to have him say this:

Mr. TREADWAY. You are considering the quantity rather than the difference in figures?

Mr. FRANCIS. That is true.

Mr. TREADWAY. How much of that tonnage is there?

Mr. FRANCIS. Approximately 20,000,000 tons of bituminous coal are used in the New England States.

Mr. TREADWAY. Of all types?

Mr. FRANCIS. Yes. It varies greatly from year to year on your industrial demand, and also depends on how much oil your plants use as a sustitute for coal.

In the past few years a good many of your plants have gone to oil. They switch back, depending upon the delivery cost of the oil.

Mr. TREADWAY. Then you see about $20,000,000 additional cost to the industrial interests of New England by the passage of this bill?

Mr. FRANCIS. Yes.

Mr. VINSON of Kentucky. Will the gentleman yield me 5 additional minutes?

Mr. TREADWAY. The gentleman's friends over there are very generous to him in time.

Mr. VINSON of Kentucky. That was the beginning of the colloquy. I told the Members he stated that; but then I took him on cross-examination and he said that the $1 was above the price for current coal and that the price for current coal had fallen 40 to 50 cents below the N. R. A. price.

[Here the gavel fell.]

Mr. DOUGHTON. I yield the gentleman 5 additional minutes.

Mr. VINSON of Kentucky. May I ask you of New England, the North, the East, the South, the West, or wherever you may be from, do you want to buy coal for a price below the cost of production? Is that fair? You ought to be willing to pay at least the cost of production.

Mr. TREADWAY. Why, we have never asked for anything different and do not now.

Mr. VINSON of Kentucky. I want to say that the testimony before the committee was that the railroads, which consume 25 percent of the bituminous coal, have bought coal in order to run their engines as low as 25 cents a ton.

Mr. TREADWAY. Will the gentleman yield?

Mr. VINSON of Kentucky. No; not unless the gentleman yields me some time.

Mr. TREADWAY. The gentleman asked me a question.

Mr. VINSON of Kentucky. In the hearings it was stated that they were then buying coal for 54 cents. Whenever you have a coal mine, it is necessary to keep the mine going. They have their big contracts for nut and slack, the kind of coal which the railroads buy. They will make a contract and cut their prices. That is where the cutthroat competition comes in. When you get below the proportionate part of the cost for the coal sold to the railroads and the big industrial consumers the price which is charged the consumers of household coal is more than they ought to pay. Under the N. R. A. that differential was brought together. We have had it stated here by the gentleman from Wisconsin [Mr. SAUTHOFF] that the cost of household coal has not decreased since N. R. A., yet we have the price of industrial coal decreasing from 75 cents to $1 per ton.

I respectfully ask those of you who are interested to read pages 407 to 413. You will see there Mr. Francis' statements in reference to the effect upon the price; excepting his fear of increased costs, he does not show that it will unduly burden the price to the domestic consumer.

Mr. VINSON. Now, then, that increase, Mr. Francis, according to your notion, would be a 60-cent-per-ton increase over the N. R. A. cost; is that right?

Mr. FRANCIS. I think that would be approximately the additional cost, Mr. VINSON.

Mr. VINSON. You say the present market levels are 40 cents a ton below the N. R. A. levels?

Mr. FRANCIS. On current sales that is my estimate, from the best information I can obtain. And I think that the prices today are somewhat too low.

Mr. VINSON. Are they below the cost of production?

Mr. FRANCIS. Some of them are.

Mr. VINSON. Do you think, considering the location of New England, favored as it has always been, that the location of any particular part of the country justifies their securing coal below the cost of production?

Mr. FRANCIS. I do not think it is good business for the country to buy or sell this coal over any year period below the cost of production.

Mr. VINSON. As a matter of fact, the cost of production, even with the N. R. A. sales price, is comparatively a small part of the retail price of that coal in any market?

Mr. FRANCIS. That is true. The selling price of the coal at the mines, I do not think will average, the country over, as much as 40 percent of the delivered price of coal to the consumers.

Mr. VINSON. Do you know, or can you state, what is the retail price of the coal laid down in New England between $5 and $8 cost. What does the Yankee salesman get for his coal from the consumer? I have always understood that they were good traders.

Mr. FRANCIS. I would say he gets what the law of supply and demand will permit him to get.

Mr. VINSON. What the traffic will bear?

Mr. FRANCIS. Yes, sir; what the traffic will bear.

Mr. VINSON. Have you any notion as to what the traffic will bear at the cost to which you refer, $5, alongside the ship, or $8 to distant points?

Mr. FRANCIS. Most of the coal going from our region to New England is industrial coal, not retail-dealer coal.

Mr. VINSON. That would be approximately $5 coal?

Mr. FRANCIS. But if that coal has to be unloaded and to be put in railroad cars for shipment at a cost of 50 cents a ton for dockage, and then has to be shipped fifty or a hundred miles away at a freight rate of $1.50, you would have a cost of $7. But if it goes to a retail dealer and the retail dealer handles it through a yard and it happens to be a domestic shipment, the price might be $9 to the consumer of domestic coal.

Mr. VINSON. Then you do not care to say what domestic coal is selling for in Boston today?

Mr. FRANCIS. I do not have the figures in mind, but I would think that Pocahontas or New River domestic coal—and, of course, that is anthracite, and they use very little of our coal there for domestic purposes—but I would say it would be running from $7.50 to $9.50 or $10 a ton, according to the grade and size.

Mr. TREADWAY. Have you a break-down, giving us as best you can—and I know it would be approximate, because you are merely giving your honest estimate—as to this 60 cents per ton added cost to the N. R. A. price if this bill were enacted into law?

Mr. FRANCIS. Gentlemen, I have laid on your desks this morning three exhibits which I would like to have placed in the record.

Mr. VINSON. Does that cover the question I asked you?

Mr. FRANCIS. I would like to use that in going into the question you asked.

The first exhibit starts out with——

Mr. VINSON. Which one do you call the first?

Mr. FRANCIS. This large sheet here, which is headed "Districts in 'minimum price area 1'."

The second one is a chart showing at 5-cent intervals the cost of production—including selling expenses and administrative expenses—and the tonnage in each cost class for mines in the West Virginia-Virginia smokeless coal fields, producing approximately 96 percent of the commercial tonnage, during the 8 months' period ended November 30, 1935.

The third one is a statement of five typewritten pages showing the production costs—weighted averages—for the 10 months' period, April 1934 through January 1935, for the major mining districts included in "minimum price area no. 1."

In regard to the first and third exhibits, which, are of course, figures made from the same compilation, these are taken from the N. R. A. statistics. They do not represent the entire production from this area.

They represent such figures as were filed with the N. R. A. and compiled from these districts.

I believe they are fairly representative because during this period of 10 months they represent 175,000,000 tons of production for the 10 months' period, which is approximately 60 percent of the tonnage produced in that area. I believe they are typical.

It is difficult to analyze this bill because it is difficult for me to understand this bill.

But this exhibit no. 1 shows the cost of production in the so-called "minimum price area no. 1", as set out in this bill, for 175,000,000 tons, broken down on this larger exhibit by major districts, making up the no. 1 district. It shows the weighted cost of production to be approximately $1.85 per ton.

Mr. VINSON. That is under N. R. A.?

Mr. FRANCIS. Yes; and that is cost, not the selling price. It shows, for instance, in the State of Indiana, in that district a cost of $1.52 a ton. It shows a cost in Illinois of $1.553; it shows in northern West Virginia a cost of $1.667; it shows in the Panhandle of West Virginia a cost of $1.727; it shows in Ohio a cost of $1.803; it shows in the Virginia field, southern no. 2, high volatile coal, a cost of $1.819; it shows in western Pennsylvania a cost of $1.941; it shows in the smokeless fields, the low volatile

fields, southern no. 1, a cost of $1.943; it shows in Iowa a cost of $2.112; it shows in eastern Pennsylvania a cost of $2.118; and it shows in Michigan a cost of $3.185.

That is the variation in cost under the N. R. A. wages and hours, which are generally still in effect, and which are voluntarily in effect, so far as I know, in this district. So I do not have any reason to believe that the costs in any of these districts are today any less than they were under the N. R. A.

Mr. VINSON. The selling price is approximately 40 cents a ton less?

Mr. FRANCIS. The current selling price; that does not mean that the coal moving is 40 cents less on the sales being made today, because there are a great many sales that were made 2 or 3 weeks or a month ago for a contract period over a year which we may still be moving at a higher price. So the average is not 40 cents under, but I think the current market would probably be 40 cents under.

Mr. VINSON. But that dollar proposition dealt with the current price?

Mr. FRANCIS. That dollar proposition dealt with the current price.

Mr. VINSON. In other words, you did not mean to say it would be a dollar more than coal that was moving under contract at a higher price?

Mr. FRANCIS. No; I did not mean that.

Mr. VINSON. Let us get the figures. What is coal at its current price selling for today, on the average?

Mr. FRANCIS. Mr. Vinson, we produce in this minimum price area no. 2, from the five or six thousand mines, approximately 40,000 different kinds and sizes and qualities of coal. That certainly illustrates how impossible it is to say just what the market price is because each of those coals has a different value and a different use.

Mr. VINSON. I realize that; but you have in the record a statement that if this bill passes the cost will be a dollar per ton above the current price. What I would like to have for the record is a statement as to what price you used.

Mr. FRANCIS. The current price for the 10 months' period I am referring to——

Mr. VINSON. I am not talking about that.

Mr. FRANCIS (continuing). Was approximately $1.85. So, if you take 40 cents off, I would say coal today is currently moving at approximately $1.45 or $1.50 a ton.

Mr. VINSON. The $1.85 is the cost per ton under N. R. A.?

Mr. FRANCIS. It happens, however, that the selling price for the same period for that area was approximately the same as the cost.

Mr. VINSON. I think some one said it was on the plus side about 2 percent, so as we get it there the selling price for this 10 months' period was approximately the cost price.

Mr. FRANCIS. That is true.

Mr. VINSON. Then you are using the $1.45 as the current price level?

Mr. FRANCIS. I would say that is near the current price level of coal moving today. That is coal generally in this whole area; that is coal that is being sold this week. I may be a little bit low or a little bit high, but I think that is my guess.

Mr. VINSON. Coming back now to a former question I asked you. The operators in this area—I believe they call it area no. 1?

Mr. FRANCIS. They call it minimum price area no. 1.

Mr. VINSON. In the sales of their coal, that is, the current sales, they are averaging 40 cents a ton less than the cost of production for those current sales; is that a fair statement, and is it substantially correct?

Mr. FRANCIS. That is my estimate. It might be 50 cents. I may be 10 cents off, but they are less than the current cost of production; there is not any question about that, in my mind, as a whole, that is, considering the good mines, and the bad mines, and the indifferent mines.

Mr. VINSON. Of course, you may use your own course, but I would like for you to break down that 60 cents added cost, if the Snyder-Guffey bill passes, that is, the added cost above the N. R. A. cost, of 60 cents a ton.

Mr. FRANCIS. In the first place, we have going on here today in this city a wage conference trying to arrive at a wage scale. The operators are proposing to continue the N. R. A. hours and wages. The miners are asking for a 6-hour day and a 5-day week and an advance in wages.

The estimate of the operators here is that if the wage increase is granted by the operators it will add to that wage increase, and also account for the decrease in hours, if the demands should be granted, and that it would cost approximately 46 cents a ton more above the current cost for those items alone.

Mr. VINSON. Let us get away from current prices or costs, because we get confused when we talk about that. My question is as to what it would be as compared to the N. R. A. cost.

Mr. FRANCIS. All right. As far as cost is concerned, I would say that the current cost and the N. R. A. cost is practically the same thing. The difference today is between the N. R. A. selling price and the current selling price. I do not think there is any substantial difference between the N. R. A. cost and the current cost. So we might just refer to the cost.

Mr. VINSON. You consider that they are substantially the same?

Mr. FRANCIS. Yes; they are substantially the same, because there has been no change in any factor, or any substantial factor of cost during this period.

But if we should have this bill passed and should have these boards set up, or have these commissions set up, I think we are going to pay, and the country is going to pay, the increased wage cost, and that makes approximately 46 cents that the employees are asking for. That is 46 cents of the 60 cents.

This bill provides for a tax of about 4 cents a ton, and that would make 50 cents. Certain costs under the bill, and certain inefficiencies that would result from starting and stopping with shorter hours, if they should go in effect, would amount to an item of 15 or 20 cents a ton, I would think, instead of 10 cents.

Mr. VINSON. What are those things?

Mr. FRANCIS. When you have the plant cost, and you have a plant installed to run 8 hours a day, and you cut that plant down to 7 hours, your overhead is the same as it was for 8 hours. You could cut it down to 6 hours and still increase it.

Your depreciation goes on, and your selling and administration organization goes on, and we have less tonnage per unit.

There is a certain intangible expense connected with starting and stopping and in operation that has to be taken care of, and you have less hours of slack to take it up in, and all those things will figure in your additional cost.

Mr. VINSON. That 7- to 10-cent increase in cost to which you have just referred is based, in a major degree, if not entirely, upon the reduction in the hours of labor?

Mr. FRANCIS. Yes; that particular one.

Mr. VINSON. That is what I am saying; that particular one.

Whatever would be agreed upon in regard to wage scales between the operators and the miners that would be less than the estimate of the operators, would decrease to that extent the 46 cents cost, in addition to the N. R. A. cost?

Mr. FRANCIS. That is true.

THE TAX PROVISION

The taxing power brings in some money. I have not the time to discuss that feature. I think it is a tax, but if we have the power to regulate, it does not make any difference whether it is a tax or not.

Mr. Chairman, these taxes will bring in $10,000,000 a year if everybody joins and everybody gets a drawback. If some of them do not join it will bring in more than $10,000,000 a year.

CONCLUSION

Mr. Chairman, I appreciate the time that has been allotted to me and the attention given me. May I say just one more word in conclusion? The matter of constitutionality ought not to prevent support of the measure if otherwise you favor it. This precise question affecting coal transactions has not been passed upon. There is a borderland that has never been explored by the Supreme Court. Under the Taft philosophy it is my opinion and the opinion of other lawyers who have given this matter consideration that this bill will stand the test. Men hide behind constitutionality when they are thinking about the political effect upon them. I am not taking issue with them in respect of that.

May I say this to those who are not conclusive in their minds that this bill is unconstitutional: Think of the men, women, and children in the mining communities. Let me ask those who voted for the Bankhead cotton bill, the Kerr-Smith bill, the various bills helping the wheat growers, the hog grower, the milk industry, the cheese industry, the potato industry, all adding to the purchasing power of this Nation, to give this matter their very serious consideration. I tell you that the condition of those men, women, and children in the coal fields entitles them to your very careful, yea, prayerful consideration. [Applause.]

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield myself 3 minutes.

I do this for the purpose of calling the gentleman's attention to the statement he made relative to whether I had any objection to having the cost of production actually met, or words to that effect. No one, of course, for a moment would question getting back your money in any line of activity or business; but I want to call attention to certain items that appear on page 13 of the bill which will go into the computation of the total cost, namely, the cost of labor, supplies, power, taxes, insurance, workmen's compensation, royalties, depreciation and depletion, as determined by the Bureau of Internal Revenue in the computation of the Federal income tax, and all other direct expenses of production, whatever that may mean, including coal operators' association dues, district board assessments, levied under the code, the cost of selling and the cost of administration. In other words, the increase of the cost of coal certainly cannot be estimated at $1 a ton, or anything like it, if the new items of cost are actually included in fixing the price of the fuel to the consumer.

I think the real question we have before us is to see what effect this legislation will have upon the ultimate consumer for whom I am pleading.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Arkansas [Mr. FULLER].

Mr. FULLER. Mr. Chairman, this bill has for its purpose, so it is contended, the stabilization of the bituminous coal industry of the United States, the fixing of wages and hours and the prices to be paid for labor and creating two expensive bureaus to administer the same.

You have heard a great deal about the cost of coal and about the plight of the miners, and there is a great deal of truth in these contentions, but the miners today are drawing $5 per day in the main coal fields. This is what they drew under the N. R. A., and they are working 5 days of 7 hours each per week.

Mr. GINGERY. The gentleman means the day men and not the miners.

Mr. FULLER. What does the miner get?

Mr. GINGERY. The miner gets paid by the ton.

Mr. FULLER. They average $5 a day and they averaged that under the N. R. A.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. RANDOLPH. I want to say that instead of 5 days a week in my district they are working 1 and 2 days a week.

Mr. FULLER. Well, I stated the general rule, and to my amazement and surprise I heard the gentleman who just preceded me on the floor [Mr. VINSON of Kentucky] state there was not enough coal on hand now to run this Nation for over 2 or 3 weeks. That is what the gentleman stated, and now you say they are only working 2 or 3 days a week. What do you want to pay them per hour or per ton for mining coal?

Mr. RANDOLPH. I may say to the gentleman that I have not spoken on the bill.

Mr. FULLER. I referred to the gentleman who just preceded me. If you have no surplus amount of coal on hand and under your rules and regulations you want the miners to work 6 hours a day for 5 days, and still have no market for your coal, what are you asking for here? I will tell you what you are asking, and everybody knows it to be a fact. You are demanding, and if we pass this bill you will get it, 30 hours a week for labor or 6 hours for 5 days, and instead of $5 a day you will be paying them $6 a day and more, and yet you say there is not a surplus on hand now of any great amount, and this bill, beyond any question of doubt, will increase the price of coal and everybody knows this to be the fact.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. GRAY of Pennsylvania. How many coal operations are there in the gentleman's district?

Mr. FULLER. Not a one.

Mr. GRAY of Pennsylvania. The gentleman talks as if he had none.

Mr. FULLER. But I know facts and I know figures, and you can correct me any time you want when I am wrong.

Mr. McCORMACK. Mr. Chairman, I do not think it is fair to make that statement. I have not a coal operation in my district, but I have a lot of business in my district and I do not think it is fair to impute bad faith to any man on account of his position here.

Mr. GRAY of Pennsylvania. I did not impute any bad faith to the gentleman.

Mr. TAYLOR of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. TAYLOR of South Carolina. If, by chance, the gentleman happens to be against the bill by reason of the fact he has no mines in his district, it must follow, under the same logic, that those who are supporting the bill are supporting it because they have mines in their districts.

Mr. FULLER. Certainly. I have no complaint to make of the gentlemen from Pennsylvania who are so strong for this bill. Personally, I do not know of any delegation that I could go to and find more personal friends, but I think they are placing a wrong construction on my ideas of statesmanship if they think I have no right to differ from them on a matter of such grave importance.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. VINSON of Kentucky. I was asked a question in regard to the amount of coal on top of the ground and I gave it as my best judgment that it was something like a 2 weeks' supply and I think one gentleman said 3 weeks. I am now reliably informed, by a gentleman who, I think, knows, that there is a supply of somewhere between 3 weeks and a month.

Mr. FULLER. Is not that a great amount?

Mr. VINSON of Kentucky. I am just correcting my own statement.

Mr. FULLER. I know the gentleman wants to be fair and I know the gentleman has a desperate case because he could hardly leave the floor because he wanted to impress each and every fact upon you that he could think of in regard to this matter. He is a great statesman, a hard worker, and an excellent constitutional lawyer.

Mr. VINSON of Kentucky. I forgot one thing—I forgot barrels.

Mr. FULLER. Did you? Well, barrels may go where this measure is going to go, and although the whisky and glass lobby may defeat bulk sales, I recall you were also a strong advocate of bulk sales.

This bill will give governmental sanction and approval to 30 hours a week for industry. This is just as certain to happen as the sun rises and sets, and they know it, and that is why they are so strong for this bill.

What does this bill do? It creates a commission of five at $10,000 a year. It creates a counsel for the consumers who will be drawing $10,000 a year. It creates a Labor Board, although we have a Labor Department now, of three members at $10,000 a year—nine men on this bureau drawing $90,000 a year. And then they will have three or four hundred lawyers, mathematicians, experts, and so forth, and God only knows what the expense will be to the taxpayers of this country.

Mr. GILDEA. Will the gentleman yield?

Mr. FULLER. Yes.

Mr. GILDEA. Will there not be a great saving to the Government of the United States by the stabilization through such a board? In my own town the N. R. A. stabilized the anthracite industry, and 600 families were taken off the relief roll, and now there are only 50.

Mr. FULLER. That no doubt is true, but anthracite coal is not included in this measure. I am willing to try and do anything possible for the miners, but I think the Constitution of this Government is big enough and broad enough that we can give relief to any industry or any class of people within the letter and spirit of the Constitution without enacting an unconstitutional act.

Mr. RANDOLPH. Will the gentleman yield?

Mr. FULLER. I cannot yield. I wish the gentlemen had preceded me so that I could answer them. I cannot see why they are clamoring for this bill. The miners are not able to work because there is no demand for their coal.

When you increase the price of coal, then consumers will use electricity, oil, or gas in its place, and the miners will be thrown out of employment, and there will be more unemployed in this country.

Mr. SNYDER. Will the gentleman yield?

Mr. FULLER. Yes; I yield.

Mr. SNYDER. The gentleman said that this would increase the price of coal. Does the gentleman know it will be increased?

Mr. FULLER. Certainly, I know it, and every Member of the House knows it. It is not a controverted question.

Mr. SNYDER. How much will it be increased?

Mr. FULLER. From a dollar to a dollar and a half a ton. The gentleman knows it, and every Member from Pennsylvania knows it.

Mr. RANDOLPH. Will the gentleman yield?

Mr. FULLER. Yes; I yield.

Mr. RANDOLPH. I think it will increase the price of coal because we have had a decrease of from 40 to 60 cents a ton since the N. R. A. went out of existence.

Mr. FULLER. Why, yes; the cost of administration will increase the price of coal, increase the price of labor, and all this talk about not increasing the price of coal is baby talk, and everybody knows that is so.

Mr. BOLAND. Will not the gentleman admit that the price of labor should be increased in these mining districts?

Mr. FULLER. It is possible. I am not well enough informed to say, but do not come here and deny what you are trying to do, because I know what you are trying to do and you know it, too. This will mean that the coal miners of the United States will absolutely run this department.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes.

Mr. McCORMACK. Of course, we all want to help labor. I do not step back from any labor official in my desire to help labor organized and unorganized, but when we artificially raise the price level to benefit a group in one section of the country, what about labor, organized and unorganized, in New England and every other section of the country that is liable to be displaced as a result of the increased cost of production? If we have a general price rise, that is different.

Mr. FULLER. I have voted for every labor bill in the legislature before I came here, and since I have been in Congress I have done likewise. My heart goes out to that class of people. I used to be one of them myself. I worked on a railroad section, not 30 hours a week, but 10 hours a day for $1.10 a day. This is the most unreasonable claim for which a bill was ever presented to the American Congress. I will tell you what else it will do, and you can investigate it and find out whether it is true. It will create a monopoly, and it will close every coal mine in the United States west of the Mississippi River, south of Mason and Dixon's line, and about a third of those in the central States of the Union, outside of West Virginia and Pennsylvania, and there is no doubt about that. Their operation is too expensive and they cannot afford to pay these high wages.

Let me show you how I know this. When they drew this bill, and it is a miners' bill, and their attorney drew it, it contained a provision to appropriate $300,000,000, and for what purpose? To buy up the nonproductive mines that could not be operated on account of the advanced cost in the price of labor. The committee cut it out, and they thought they did a fine thing, but when they cut that out, they closed out the little mine owner and did him an irreparable injury and destroyed his life savings.

Mr. GRAY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FULLER. No; I cannot yield. There is no use of trying to convince you gentlemen. Convince a man against his will and he will be of the same opinion still. There is no use of my trying to argue with you gentlemen, and I am not attempting to do so.

Mr. DRISCOLL. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes.

Mr. DRISCOLL. I did not hear all of the gentleman's remarks, having been called out of the Chamber, and I do not exactly know what his position is as to local interest. I would like to know how he voted on the potato bill yesterday.

Mr. FULLER. I did not trade like a lot of you gentlemen from Pennsylvania, and vote for the potato bill to obtain votes for this measure.

Mr. DRISCOLL. I voted "no", on the potato bill yesterday.

Mr. FULLER. You are about the only one from Pennsylvania that voted that way. The others voted for the potato bill, and it was generally understood on the floor that your colleagues voted for the potato bill in return for votes for the Guffey coal bill.

Mr. DRISCOLL. My question is still unanswered. How did the gentleman vote?

Mr. FULLER. I voted for it, to sustain the committee, with my fingers crossed. There is nothing that I am going to try to keep from you that I discuss here. Whenever I hear fellows holler, I know that they have been hit with a rock, and that is the reason I know that I am presenting a good argument, because you gentlemen otherwise would not be asking me all these questions. Let us see some of the reasons why we ought to be opposed to this bill.

That it is unconstitutional there is not a man in this House that does not believe so or who has the slightest doubt about it, except my good and able friend, Mr. VINSON of Kentucky, who just preceded me, who has studied the bill so hard that he has convinced himself against his will that it is constitutional. But he says that it is on the shadow line. That is true, "shadow line" well expresses the question. Then there is my good friend, an able lawyer, Mr. HILL of Washington, who left the floor and is now sitting in the gallery beside his wife receiving the congratulations of his admiring friends, who said there are lots of good lawyers in the United States who say that this bill has a "good chance" to be declared constitutional. A "good chance" for a bill to be declared constitutional! Why, it is a joke when they talk about the bill being constitutional, especially in view of the fact that it is copied after the N. R. A., which the Supreme Court has just said was unconstitutional.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. FULLER. Yes.

Mr. CULKIN. I attempted to ask the gentleman referred to a question with respect to the Schechter case. The gentleman from Arkansas I assume has read it and undoubtedly remembers the citation of the case of the Industrial Association against the United States, reported in 268 New York, which holds that building is essentially local as are mining and manufacture or the growing of crops. That was in a recent decision. The Schechter decision held that mining is intrastate. Does the gentleman believe that the Supreme Court is going to reverse its recent holding on that?

Mr. FULLER. I do not have even a suspicion it is going to attempt to do such a thing as that. [Laughter.] Nobody else has. Let me tell you something more. Where does the Attorney General of the United States stand on this proposition? For over a week we tried every process except sending the Sergeant at Arms to get him before the subcommittee of the Ways and Means Committee to ask him a few questions on the constitutionality of this measure.

Mr. SNYDER. Will the gentleman yield?

Mr. FULLER. Yes; I yield.

Mr. SNYDER. Did the gentleman ever know of the Attorney General of the United States to come before any committee and hand down an opinion before a law was enacted?

Mr. FULLER. Oh, yes; yes.

Mr. SNYDER. Will the gentleman cite one case? Will he just cite one case?

Mr. FULLER. No. I cannot recall it, but I know it as a fact.

Mr. COOPER of Tennessee. Will the gentleman yield?

Mr. FULLER. I yield.

Mr. COOPER of Tennessee. I can cite the gentleman to such an instance. If the gentleman will look at my remarks on the social-security bill, he will find an 11-page opinion rendered by the Department of Justice on that measure.

Mr. FULLER. Yes. When we did get him before the subcommittee he said he came directly from the White House, and he made the same argument as the White House—"Vote it out, irrespective of its constitutionality." Did he tell us he would defend it and declare for its constitutionality? Oh, no! A few moments later, for fear he had not been strong enough, our great President sent a letter to my good friend from Washington, Mr. SAMUEL B. HILL, and he said, "Not to permit doubts as to the constitutionality, however

reasonable, to deter you from bringing this bill out", an acknowledgment on its face that this bill is unconstitutional.

Based upon 37 years of active practice, except what time I have spent here in Congress, I would be ashamed to go back and look the lawyers of my district and my constituency in the face and let them know I had voted for a bill that was generally recognized everywhere as being unconstitutional. [Applause.]

Mr. DRISCOLL. Will the gentleman yield?

Mr. FULLER. No. The gentleman will have his opportunity to make a speech later.

Not only that, but every man on the floor of this House has taken an oath that he will support the Constitution. We may not believe in some of the decisions of the Supreme Court. They may have committed errors. I know they have, because they are only human, but it is the law of the land, and we should abide by it. I want to tell you, my friends, that any attempt to amend or rewrite the Constitution to satisfy the demands of these so-called "brain trusters", Socialists, or Communists, is going to meet with a just repudiation at the hands of the people of the United States in every State in this Union. [Applause.] You are not going to drag me down with that kind of a crowd. [Applause.]

If this bill is enacted into law it is only a stepping stone to putting all national resources in an N. R. A. or Government ownership, including railroads. Have you any doubt about it? Let me tell you something. John L. Lewis, President of the United Mine Workers of America, delivered a speech at Charlottesville on July 10, 1935, in which he said:

> All the other national resource industries, anthracite coal, oil, gas, lumber, copper, and electric powers, must soon follow this precedent.
>
> If experience under a public utility status should be ineffective, or should the Supreme Court declare the Guffey bill unconstitutional, recourse must at once be had to a constitutional amendment or to Government ownership and operation.

You will note he raises a question of doubt as to the constitutionality of the Guffey bill.

Are you in favor of Government ownership of railroads? Are you in favor of Government ownership of the national resources of this country—oil, gas, gold, silver, copper, lead, and zinc mining, and all other business avocations of life? Do you favor the Government going in and operating, owning, and controlling them? Certainly not.

Why, gentlemen, socialism in all its wild dreams never went that far. That is what is back of this bill, yet you ask us to support a bill simply to help some poor, unfortunate people, such as miners who no doubt are in a bad condition—to pass a bill that is unconstitutional, with the view that the Government is going to regulate and control or own all these utilities and national resources. Whenever the Government goes into business by owning all of our national resources, our railroads, our telephones, our telegraph companies, what is going to become of the business of this country? What is going to happen to the ambition and thrift of the youth of this country? Who is going out and experiment and invest their money, like my good friend from New Mexico [Mr. DEMPSEY], bringing in wildcat oil wells, gold and silver mines? The Government will not do it. The man who goes out and takes a chance is the man that makes the wealth of this Nation. [Applause.]

I will tell you what brought about this bill. There is no doubt about it in the world. The threat of a strike is what brought about this bill. The miners have threatened to strike. They have an agreement with the President of the United States that they will put it off until the 16th day of September to see whether or not they can ram down the throats of an obedient Congress this Guffey bill—this monopoly. What right have they to demand of Congress that we should pass this bill, simply for the purpose of averting a strike? Are we to be forced and treated like "dumb driven cattle", or are we to vote our convictions like statesmen?

Mr. RANDOLPH. Will the gentleman yield?

Mr. FULLER. I yield.

Mr. RANDOLPH. I like the gentleman from Arkansas, and I admire his stand. I simply want to call to his attention the fact that this is more than a miners' bill. A majority of the operators of coal mines in this country are for this legislation.

Mr. FULLER. Is that so? Well, I hold in my hand—and I defy the gentleman or anybody else, and I will give the gentleman the list—I defy you to show if it is not true. If it is not true, I want to know it. This list shows that on tonnage the mine owners and operators, on a tonnage basis, 60.8 percent are opposed to this bill; and this list gives the names of them.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I do not yield. I will give the list to the gentleman; he can read it.

Mr. FADDIS. Will the gentleman give the tonnage that Mellon represents?

Mr. FULLER. No. I do not know Andrew Mellon. I possibly have less use for him than the gentleman.

Mr. FADDIS. I have heard the gentleman speak of him many times on the floor of the House.

Mr. FULLER. Not complimentary. The railroads of the country are opposed to the bill. Practically all of them, bankrupt or on the edge of bankruptcy, realize and know that this would make it cost them $1 a ton more. It will increase the price of steel from $2 to $5 a ton.

Mr. EDMISTON. Mr. Chairman, will the gentleman yield?

Mr. FULLER. No; I cannot yield. I will be pleased to hear the gentleman make a speech when I get through.

When you increase the price of steel, everybody in the country—farmers, railroads, everybody—who uses automobiles has got to pay the price. But, after all, I would be willing to pay more, I would be willing to bear more of a tax burden, myself, and to see it passed on to the unsuspecting taxpaying public if we could do something legal and legitimate to take care of the miners of the United States; but I am not going to be a party to kill the small coal industries simply because they do not have a profitable, paying mine where the vein is thin and the haul is expensive. One would think this bill was drawn for the people of Pennsylvania alone.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield.

Mr. BROOKS. I would like to ask the gentleman if he did not ask me to vote for his bulk-sale provision in the alcohol-control bill.

Mr. FULLER. I do not recall that I did, but I think my influence got the gentleman to do it.

Mr. BROOKS. The gentleman asked lots of Members to do just the same thing and they helped the gentleman. The gentleman should not be jumping on us; we are not jumping on him.

Mr. FULLER. I am not jumping on you gentlemen; keep off me and I will let you alone.

You will no doubt recall asking and receiving my aid for rectifiers of your district, but you do not like to hear about that. [Laughter and applause.]

They talk about relief given to the farmer and contend we should reciprocate. We gave them some temporary relief. It was only intended as temporary and emergency relief. It was not permanent legislation like this. Not only that, let me ask you this: What would happen to this Nation if the farmers of the United States should strike for one year and refuse to grow or sell the products they are now producing for less than cost? What respect would you have for them? None in the world. Not only that, but the farmer works not 30 hours a week for $5 a day; he works 60 to 70 hours a week, and would be delighted to get $2 a day.

Look at this bill. They say it has an excise tax in it. Congress is authorized to levy that kind of a tax only for the purpose of maintaining the Government for revenue purposes. The tax that is being levied here, as every lawyer in the House knows, is a subterfuge; it is simply for administration of the coal industry.

[Here the gavel fell.]

Mr. TREADWAY. Does the gentleman desire more time to finish his own speech? I mean his own speech, not to yield for interruptions, but to finish his own speech.

Mr. FULLER. Yes.

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas.

Mr. FULLER. In my short period of service in Congress I have never seen anything like this bill. You never saw a bill with a history like this one. The subcommittee of the Ways and Means Committee that worked with this bill for over 2 months was against reporting it favorably. Fourteen members of the Ways and Means Committee out of 25 have so declared themselves in the committee and are going to vote against it; yet it was reported out. I challenge anybody to find a member of the Rules Committee who is at heart for this bill, yet they voted it out, so the report goes, 8 to 6; and yet they are seeking to ram this bill through the House by influence, not by argument, and not by real merit. I think it is time this Congress and the Members thereof exerted themselves and voted their own convictions, especially upon a subject of such great importance.

As far as I am concerned, Mr. Chairman, I am in favor of economy in Government. I am in favor of balancing the Budget even though it hurts. I am opposed to the reckless throwing away of Government money which has to be met from the taxes paid by the people of this country. We might just as well begin to realize that we have to get back to normal American ways of living and doing business, make a living by working, by being honest and paying our honest debts. That is what we ought to do and that is what we will have to do.

If this bill passes it will be due absolutely, wholly, and entirely to the high standards, to the influence, and to the prestige of the Democratic delegation in Congress from the State of Pennsylvania. [Applause.] But, Mr. Chairman, that is no reason why this bill should pass. I would be ashamed to go back to the humblest citizen of my district and have him point to me and say that I had created a monopoly, that I had voted for a bill which every newspaper in the United States says is unconstitutional, a bill that every lawyer who has the ability to pass even the easiest bar examination will say, in view of the Supreme Court decision, is unconstitutional.

Let us put our hands upon our hearts. Let us do what our conscience and good judgment dictates. Let us not let influence from anybody anywhere guide us in casting our votes on this measure. I repeat, Mr. Chairman, just as certain as the sun rises and sets, if this bill is enacted into law it will be the worst thing that has ever happened to the miners. It will be the worst thing that has ever happened to their industry. I sympathize with these miners. I realize they have a hard fight. But where is the argument that says we can do anything for them in this bill? Increasing the price of labor for a prostrate industry will not produce a remedy. When the price of coal is increased it will mean less sales and less labor. They tell us they are drawing $5 a day and working 1 or 2 days a week. We are told they have a surplus of coal for about 1 or 2 weeks on hand. How are we going to help them under this bill except to unionize by coercion every kind of coal organization in the country. It unionizes, dictates, and coerces every kind of operator to join and to pay this 15 percent of the coal that is mined, or he is driven out of existence. There never was such a monopoly ever attempted in the world. It has gone far beyond the dream of the N. R. A., which, because of the Supreme Court decision has faded into the distant past. [Applause.]

Mr. DOUGHTON. Mr. Chairman, I yield 45 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER of Tennessee. Mr. Chairman, I ask unanimous consent that in the revision and extension of my remarks I may be permitted to include my views as stated in the report on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER of Tennessee. Mr. Chairman, it is with regret that I find I am unable to agree with some of the Members of my party on the Committee on Ways and Means. I also regret that I am unable to agree with the suggestions made, on the pending measure, by the President. It has been my privilege to walk step by step with our great President in his recovery program and to try to make my contribution, as far as my limited capacity would permit, on all of these forward-looking measures that have been recommended for the recovery of this great country of ours. Yet on this particular occasion, in connection with this measure, I am unable to reach an agreement with the suggestions that have been offered relative to this particular bill.

Mr. Chairman, every impulse of my being responds in genuine sympathy and interest for the miners of this country, that great group of citizens of the Nation who go down beneath the surface of the earth and bring forth a commodity that is so important for the welfare and happiness of the people of this country. Yet, when I consider this measure there stands a great bulwark in the way of my supporting it. It is the Constitution of the United States of America.

I am not responsible for the Constitution being here. I am not responsible for the decisions of the Supreme Court of the United States, but they are here and they constitute the law of the land. I feel I am bound by them. As a citizen of this country I stand with admiration and respect for the Supreme Court of this great country. [Applause.]

Mr. Chairman, as has been stated by those who preceded me, many different bills on this subject have been introduced and considered. The first bill referred to the Ways and Means Committee, which in turn was referred to a subcommittee of which I had the honor to be a member, I do not believe could have received the support of a dozen Members of this body. Yet it was the measure presented to us as incorporating the plan that should be adopted for the treatment of the subject here under consideration.

One section of the bill even provided that a corporation could not exist and engage in the production of coal in this country unless they subscribed to the code provisions therein enumerated. They could not have the right to use the mails of the United States unless they subscribed to the provisions of this code. By the strong arm of the law it said to American institutions that they were deprived of their corporate existence, granted to them by the States of the Union, and deprived of the use of the mails of my country and yours if they did not submit themselves and the destiny of their business to a commission created and existing here in Washington.

Another section of that bill provided that this commission sought to be set up for the regulation and control of the bituminous-coal industry should have superior authority over the Interstate Commerce Commission and was given authority to veto and nullify the actions of the Interstate Commerce Commission in connection with the granting of permits for railroad and track facilities to coal mines engaged in the territory served by that track.

It also contained what has been referred to here as title II, creating a coal reserve and authorizing the appropriation of $300,000,000 to take up all of the submarginal coal land in this country. These and many other provisions that, as I saw it, were just as impossible of support, were included in the measure that was presented for consideration by the committee. Of course, the measure has been very greatly changed. Every change has been an improvement, but, after all, as I submit to you here today, the measure still stands as unconstitutional, and I am therefore unable to give it my support.

It is on this phase of the matter now presented for your consideration that I want to ask your indulgence for a little while. It is my belief that the bill is unsound on at least three grounds—its price-fixing features are definitely monopolistic, its taxing provision is coercive and not for the purpose of raising revenue, and the Supreme Court already has held that coal mining is not interstate commerce.

I now want to invite your attention to some of the decisions and holdings of the Supreme Court in support of the

position that I am here taking as to the legality of this measure.

As a member of the subcommittee of the Ways and Means Committee, to which was referred the bill H. R. 9100—Guffey-Snyder coal bill—I have endeavored to give special consideration to this bill with respect to its constitutionality. The bill seems to rest primarily upon the power of Congress to regulate interstate commerce and to levy taxes. It has as its objective the regulation of the bituminous-coal industry.

The first question to be considered is whether regulation by Congress of the bituminous-coal industry is a lawful exercise of its power to regulate interstate commerce. In *Hammer* v. *Dagenhart* (247 U. S. 251), in which the Supreme Court held invalid a prohibition against transporting in interstate commerce articles produced in factories where child labor had been employed within 30 days prior to their shipment, the Supreme Court said:

> The making of goods and the mining of coal are not commerce, nor does the fact that these things are to be afterward shipped or used in interstate commerce make them a part thereof.

And cited as authority for this statement the case of *Delaware, Lackawanna & Western Railroad Co.* v. *Yurkonis* (238 U. S. 439). This last case involved a suit for damages for injuries sustained by an individual blasting coal in a mine owned by a railroad company. In this connection the Court said:

> The averments of the complaint as to the manner of the receiving of the injury by plaintiff showed conclusively that it did not occur in interstate commerce. The mere fact that the coal might be, or was intended to be, used in the conduct of interstate commerce after the same was mined and transported did not make the injury one received by the plaintiff while he was engaged in interstate commerce. The injury happening when plaintiff was preparing to mine the coal was not an injury happening in interstate commerce, and the defendant was not then carrying on interstate commerce, facts essential to recovery under the Employers' Liability Act.

Other cases also support this conclusion. For instance, in *Heisler* v. *Thomas Colliery Co.* (260 U. S. 245) the Supreme Court held that anthracite coal, when prepared and ready for shipment to market but not yet moved from the place of production, was not in interstate commerce and was, therefore, still subject to the taxing power of the State of Pennsylvania. In *Oliver Iron Mining Co.* v. *Lord* (262 U. S. 172) the Supreme Court upheld a tax imposed by Minnesota upon persons mining ores within the State, saying:

> Mining is not interstate commerce, but, like manufacturing, is a local business, subject to local regulation and taxation.

Finally, in the Schechter Poultry Corporation case, decided May 27, 1935, the Supreme Court quoted with approval from the case of *Industrial Association* v. *United States* (268 U. S. 64), as follows:

> The alleged conspiracy and the acts here complained of spent their intended and direct force upon a local situation, for building is as essentially local as mining, manufacturing, or growing crops; and if, by resulting diminution of the commercial demand, interstate trade was curtailed either generally or in specific instances, that was a fortuitous consequence so remote and indirect as plainly to cause it to fall outside the reach of the Sherman Act.

In the Schechter case it was pointed out that when poultry was trucked to slaughter houses in Brooklyn for local disposition, it became commingled with the mass of property within the State, and the flow of interstate commerce ceased. The poultry had come to a permanent rest within the State. In the case of mining or producing of coal, interstate commerce has not even commenced, so the coal is still a part of the mass of the property of the State of its production until it commences its final movement for transportation from the State of its origin to that of its destination.

The second question is whether the production of coal directly affects interstate commerce so as to subject it to Federal regulation. Examples of cases directly affecting interstate commerce are cited by the Supreme Court in the Schechter case. In that case the Court said intrastate transactions must have a direct and not an indirect effect on interstate commerce in order to bring them within Federal control.

> The freedom of local trade may stimulate interstate commerce, while restrictive measures within the police power of the State enacted exclusively with respect to internal business, as distinguished from interstate traffic, may in their reflex or indirect influence diminish the latter and reduce the volume of articles transported into or out of the State (Schechter case).

Where there are monopolistic tendencies, however, used to restrain or obstruct the flow of goods into interstate commerce, the courts have gone much further. For example, in *Local 167* v. *United States* (291 U. S. 293), an injunction was upheld where market men, teamsters, and slaughterers in the poultry business had conspired to burden the free movement of poultry into New York.

The Supreme Court, however, draws a sharp distinction between these cases involving conspiracy to restrain or obstruct the flow of interstate commerce and those in which such intention to obstruct is lacking and the act merely incidentally affects such commerce.

In the *Minnesota Rate Case* (230 U. S. 352), the court said:

> In the intimacy of commercial relations, much that is done in the superintendence of local matters may have an indirect bearing upon interstate commerce.

In other words, intrastate transactions, even though they have a considerable incidental and indirect effect upon interstate commerce, are not subject to Federal regulation or control. If, however, there is an obvious purpose and intent of obstructing or interfering with the flow of goods into the current of interstate commerce, the conspirators cannot hide behind intrastate operations if the actual effect of their acts is to so obstruct or restrain such flow.

> The mining of coal is not interstate commerce, and a conspiracy to obstruct mining at particular mines, though it may prevent coal from going into interstate commerce, is not a conspiracy to restrain that commerce, within the Sherman Act, unless an intention to restrain it be proven or unless so direct and substantial an effect upon it necessarily results from the obstruction to mining that such intention must in reason be inferred (*United Mine Workers* v. *Coronado Coal Co.*, 259 U. S. 344).

I do not believe from the foregoing cases that it can be held that the mining of coal directly affects interstate commerce. This view is further supported by the statement of the Supreme Court in Hammer against Dagenhart, cited supra, which is as follows:

> The grant of power to Congress over the subject of interstate commerce was to enable it to regulate such commerce, and not to give it authority to control the States in their exercise of the police power over local trade and manufacture.

It would seem that Congress has no more authority to regulate the mining of coal than it has to regulate intrastate sales of poultry. The fact that some coal operators may enter into combinations or conspire to interfere directly with or burden interstate commerce will not warrant the Federal Government's regulating the entire coal industry. If this were not true, Congress would be able to regulate both the manufacturing and mining industries because some manufacturer or coal operator joined a combination or conspiracy with the intent to restrain interstate commerce or monopolize any part of it.

The bill makes a positive declaration that all production of bituminous coal and distribution by producers thereof bear upon and affect its interstate commerce and render regulation of all such production and distribution imperative for the protection of commerce. I do not believe that a mere declaration is sufficient to bring the production of coal within the commerce clause. It is true that the Supreme Court in upholding the Grain Futures Act (*Chicago Board of Trade* v. *Olsen*, 262 U. S. 1) make the following comment:

> In the act we are considering, Congress has expressly declared that transactions and prices of grain in dealing in futures are susceptible to speculation, manipulation, and control which are detrimental to the producer and consumer and persons handling grain in interstate commerce and render regulation imperative for protection of such commerce and the national public interest therein.

Then the Court goes on to state:

> It is clear from the citations, in the statement of the case, of evidence before committees of investigation as to manipulations of the futures market and their effect, that we would be unwarranted

in rejecting the finding of Congress as unreasonable, and that in our inquiry as to the validity of this legislation we must accept the view that such manipulation does work to the detriment of producers, consumers, shippers, and legitimate dealers in interstate commerce in grain and that it is a real abuse.

Then the Court went on to answer the contention that such manipulation was too remote in its effect on interstate commerce, and stated:

If a corner and the enhancement of produced by buying futures directly burden interstate commerce in the article whose price is enhanced (as concluded in *United States* v. *Patten*, 226 U. S. 525), it would seem to follow that manipulations of futures which unduly depress prices of grain in interstate commerce and directly influence consignment in that commerce are equally direct. The question of price dominates trade between the States. Sales of an article which affect the country-wide price of the article directly affect the country-wide commerce in it. By reason and authority, therefore, in determining the validity of this act we are prevented from questioning the conclusion of Congress that manipulation of the market for futures on the Chicago Board of Trade may, and from time to time does, directly burden and obstruct commerce between the States in grain, and that it recurs and is a constantly possible danger. For this reason Congress has the power to provide the appropriate means adopted in this act by which this abuse may be restrained and avoided. (Parenthetical expression added.)

There the Court held that the finding of Congress that the manipulation of the market for futures on the Chicago Board of Trade does directly burden and obstruct commerce between the States in grain was a reasonable finding.

In view of the foregoing I do not believe that the bill can be sustained under the commerce clause.

The second question to be considered is whether the bill may be sustained as a valid exercise of the taxing power. Section 3 of the bill imposes a tax of 15 percent on the sales price of bituminous coal—or, in the case of captive coal, the fair market value at the mine—produced within the United States, to be paid by the producer. Any coal producer who has accepted the code provided in section 4 of the bill and who acts in full compliance with the provisions of such code is entitled to a drawback up to 90 percent of the amount of the tax.

I do not believe that the taxing provisions of the bill may be sustained as a valid exercise of the taxing power. The bill shows on its face that it is an attempt to coerce coal operators of a State into compliance with a code prescribed by Congress to regulate the production and distribution of coal.

It is not believed that the taxing power of the Constitution can be utilized to permit the Federal Government to regulate a power reserved to the States or the people by the tenth amendment. In this connection, the Supreme Court, in holding the Income Tax Act of 1894 unconstitutional in the *Pollock Case* (157 U. S. 429), made the following comment:

If it be true that by varying the form the substance may be changed, it is not easy to see that anything would remain of the limitations of the Constitution, or of the rule of taxation and representation, so carefully recognized and guarded in favor of the citizens of each State. But constitutional provisions cannot thus be evaded. It is the substance, and not the form, which controls, as has, indeed, been established by repeated decisions of this Court.

Furthermore, this principle was reaffirmed by the Supreme Court in the case of Magnano Co. against Hamilton, decided April 2, 1934 (292 U. S. 40), in which the Court said that a tax will be judicially stricken down if—

Its necessary interpretation and effect be such as plainly to demonstrate that the form of taxation was adopted as a mere disguise, under which there was exercised, in reality, another and different power denied by the Federal Constitution to the State.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Tennessee. I yield.

Mr. THOM. I simply want to ask the gentleman how he differentiates the case where we levy a protective tariff duty that excludes imports and this tax on coal costs.

Mr. COOPER of Tennessee. Of course, the tariff is quite a different subject, and I would rather not depart from this line of reasoning at this time.

Mr. McCORMACK. If the gentleman will yield, of course, the tariff is strictly a delegated power by the States under the Constitution with respect to a tariff on imports, and is an entirely different situation.

Mr. VINSON of Kentucky. However, there is a similar delegation of power to the Federal Government from the States to regulate interstate commerce.

Mr. COOPER of Tennessee. Mr. Chairman, I must decline to yield further.

Moreover, the Supreme Court has repeatedly held that Congress cannot, by calling an exaction a "tax", make it a tax (*United States* v. *One Ford Coupe Automobile*, 272 U. S. 32; *Child Labor Tax Case*, 259 U. S. 38).

The cases of *Veazie Bank* v. *Fenno* (8 Wall. 553), upholding a 10-percent tax on bank notes issued by State banks, and *McCray* v. *United States* (195 U. S. 27, 59), upholding a tax of 10 cents a pound on yellow oleomargarine and only one-fourth of a cent a pound on white olemargarine, do not appear to affect this question. The sole objection to these taxes was their excessive character. Nothing else appeared on the face of the acts imposing the taxes. In each of the acts imposing these taxes there was an increase of a tax admittedly legal to a higher rate, and this was all—Child Labor Tax case, supra. This was also true in the case of Magnano Co. against Hamilton, supra, upholding a 15-cent-per-pound State tax on butter substitutes. In this case the court said:

If the tax imposed had been 5 cents instead of 15 cents per pound, no one would have thought of questioning the tax.

This same situation was present in the narcotic case of *United States* v. *Doremus* (249 U. S. 86), upholding a regulation for subjecting the sale and distribution of drugs to official supervision and inspection on the ground that they had a reasonable relation to the enforcement of the special tax imposed with respect to narcotic drugs.

But, on the other hand, the Court has stated that where the necessary interpretation and effect of the act be such as to demonstrate plainly that the form of taxation was adopted as a mere disguise under which there was exercised, in reality, another power not granted to the Federal Government under the Constitution, such an act cannot be upheld.

The first case to bring out this principle is the Child Labor Tax case, cited supra. That case held unconstitutional an act imposing an excise tax of 10 percent of the net profits from the sale of products of a factory or mine in a taxable year if children below a certain age had been permitted to work in such factory or mine during such taxable year. In that case, the Court said:

In the case at the bar, Congress in the name of a tax which on the face of the act is a penalty, seeks to do the same thing, and the effort must be equally futile.

The analogy of the Dagenhart case is clear. The congressional power over interstate commerce is, within its proper scope, just as complete and unlimited as the congressional power to tax, and the legislative motive in its exercise is just as free from judicial suspicion and inquiry. Yet when Congress threatened to stop interstate commerce in ordinary and necessary commodities, unobjectionable as subjects of transportation, and to deny the same to the people of a State in order to coerce them into compliance with Congress' regulation of State concerns, the Court said this was not in fact regulation of interstate commerce, but rather that of State concerns and was invalid. So here the so-called "tax" is a penalty to coerce people of a State to act as Congress wishes them to act in respect of a matter completely the business of the State government under the Federal Constitution. This case requires, as did the Dagenhart case, the application of the principle announced by Chief Justice Marshall in *McCulloch* v. *Maryland* (4 Wheat. 316, 423), in a much-quoted passage:

"Should Congress, in the execution of its powers, adopt measures which are prohibited by the Constitution; or should Congress, under the pretext of executing its powers, pass laws for the accomplishment of objects not intrusted to the Government; it would become the painful duty of this tribunal, should a case requiring such a decision come before it, to say that such an act was not the law of the land."

The next case, *Hill* v. *Wallace* (259 U. S. 44), which involved this question, held invalid a tax of 20 cents a bushel on all futures, but excepting from its application sales on boards of trade designated as contract markets by the Secretary of Agriculture on fulfillment by such boards of certain conditions and requirements set forth in the act. In this case the Court said:

The act is in essence and on its face a complete regulation of boards of trade, with a penalty of 20 cents a bushel on all "futures" to coerce boards of trade and their members into com-

pliance. When this purpose is declared in the title to the bill, and is so clear from the effect of the provisions of the bill itself, it leaves no ground upon which the provisions we have been considering can be sustained as a valid exercise of the taxing power.

The case of *Trusler* v. *Crooks* (269 U. S. 475) considered section 3 of the act referred to in Hill against Wallace, supra, the other parts of the act having been declared unconstitutional in that case. Section 3 of the act on its face appeared to be a tax, providing as follows:

That in addition to the taxes now imposed by law there is hereby levied a tax amounting to 20 cents per bushel on each bushel involved therein, whether the actual commodity is intended to be delivered or only nominally referred to, upon each and every privilege or option for a contract either of purchase or sale of grain, intended hereby to tax only the transactions known to the trade as "privileges", "bids", "offers", "puts and calls", "indemnities", or "ups downs."

The Supreme Court held this section unconstitutional in Trusler against Crooks, supra, stating:

The major part of this plan was condemned in *Hill* v. *Wallace*, and section 3 being a mere feature without separate purpose, must share the invalidity of the whole * * *.

This conclusion seems inevitable when consideration is given to the title of the act, the price usually paid for such options, the size of the prescribed tax (20 cents per bushel), the practical inhibition of all transactions within the terms of section 3, the consequent impossibility of raising any revenue thereby, and the intimate relation of that section to the unlawful scheme for regulation under guise of taxation. The imposition is a penalty and in no proper sense a tax.

This case shows that in determining whether or not the tax was a penalty the Court will consider the whole scheme in its entirety, even going to the title of the act.

Another case having some bearing on this question is that of *Nigro* v. *United States* (276 U. S. 332), in which the Supreme Court upheld the validity of section 2 of the Narcotic Act, making it unlawful for a person to sell drugs except in pursuance of a written order of the person to whom the articles are sold on a form issued by the Commissioner of Internal Revenue. But in this case the Court made the following comment:

Since that time [the time of the Doremus case] this Court has held that Congress by merely calling an act a taxing act cannot make it a legitimate exercise of taxing power under section 8 of article I of the Federal Constitution.

In *Linder* v. *United States* (268 U. S. 5), the Supreme Court held that a physician who gives an addict moderate amounts of morphine could not be held liable, stating that direct control of medicinal practice in the States is beyond the power of the Federal Government. In this case the Court made the following comment:

* * * Congress cannot, under the pretex of executing delegated power, pass laws for the accomplishment of objects not intrusted to the Federal Government. And we accept as established doctrine that any provision granted by the Constitution, not naturally and reasonably adapted to the effective exercise of such power but solely reserved to the States, is invalid and cannot be enforced.

I find little support for the "tax" in the case of *Florida* v. *Mellon* (273 U. S. 266). In that case the Supreme Court upheld the provision of the Federal estate-tax law, allowing a credit against the Federal estate tax for death taxes paid to the States up to 80 percent of such Federal tax. There is nothing on the face of the estate-tax law to show that it is a regulatory measure. If it does result in coercion, that coercion is directed toward the States to secure the enactment of death-tax laws rather than toward the Federal taxpayer. The tax burden of the Federal taxpayer is the same, whether all of the Federal estate tax is paid to the Federal Government or whether a part is paid to his State government. But in this bill the taxing provisions are designed to coerce the Federal taxpayer into accepting a Federal code for the coal industry. This "tax" appears to come within the same category as the "taxes" condemned in the Child Labor case and Hill against Wallace. I, therefore, do not believe that the tax under this bill can be upheld as a valid exercise of the taxing power.

Another argument advanced in support of the bill is that it can be supported under the general welfare power. The term "general welfare" occurs in two places in the Constitution: First, in the preamble; and second, in the taxing clause. In the preamble it is provided that—

We, the people of the United States, in order to * * * promote the general welfare * * * do ordain and establish this Constitution for the United States of America.

The Supreme Court has held that the preamble is a mere statement of the purposes effected by the Constitution itself and contains no grant power. (*Jacobsen* v. *Massachusetts*, 197 U. S. 11; see also Story on the Constitution, 5th ed., sec. 462.) Therefore, if this power exists at all, it must be derived from that part of section 8 of the Constitution which provides—

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States.

But the welfare clause under the taxing power is merely a limitation upon the taxing power and is not a power by itself. (Story on the Constitution. Framing the Constitution, Farrand, p. 182; *Ward* v. *Maryland*, 12 Wall. 418.)

Finally the argument is made that the bill can be supported on the theory that mining coal is affected with a national public interest. However, this would not be sufficient authority to sustain the bill. The Federal Government is a government of delegated powers and Congress cannot transcend the imposed limits because it believes more or different power is necessary—Schechter case. Therefore the fact that a business is affected with a national interest would not of itself be a sufficient basis upon which to sustain the bill. It is true that in the Chicago Board of Trade against Olsen case, cited supra, the Supreme Court held that—

In view of the actual interstate dealings in cash sales of grain on the exchange and the effect of the conduct of the sales futures upon interstate commerce, we find no difficulty * * * in concluding that the Chicago Board of Trade is engaged in a business affected with a public national interest and is subject to national regulation as such.

But a careful reading of that case will disclose that the basis for the decision was the power granted under the commerce clause.

From the present attitude of the Court I believe that the bill in its present form is unconstitutional.

When the Attorney General and the Solicitor General appeared before the subcommittee on July 5 they contended that the question of the constitutionality of the Guffey coal bill was not free from doubt, and that cases could be cited both for and against its validity. The cases which they cited as having a tendency to uphold the constitutionality of the bill are analyzed as follows:

First. *Wilson* v. *New* (243 U. S. 332): I find upon examination that this case deals with the question of the power of Congress to regulate the hours of work and wages of railroad employees engaged in interstate commerce. Since common carriers by rail in interstate commerce are within the legislative power of Congress to regulate commerce, I do not believe that this case will uphold the Guffey coal bill, which attempts to regulate the mining industry, which is of a local character.

Second. *Bedford County* v. *Stonecutters Association* (274 U. S. 37): This case involved a violation of the Sherman Antitrust Act. The Court held in that case that a conspiracy existed which interfered with, or monopolized, interstate commerce, and pointed out that it was immaterial that the means adopted to bring about the contemplated restraint of commerce operated after physical transportation had ended. This is one of the cases cited and distinguished in the Schechter case to support the following statement of the Court:

And combinations and conspiracies to restrain interstate commerce, or to monopolize any part of it, are nonetheless within the reach of the antitrust act, because the conspirators seek to attain their end by means of intrastate activities.

In other words, this case upholds the principle that if there is an obvious purpose or intent to obstruct or interfere with the flow of goods into the current of interstate commerce, the conspirators cannot hide behind intrastate operations if the actual effect of their acts is to so obstruct or

restrain such flow. To the same effect is *Local 167* v. *United States* (291 U. S. 293), which was cited and distinguished by the Supreme Court in the Schechter case.

Third. Danbury Hatters case (*Lawler* v. *Loewe*, 235 U. S. 522; *Loewe* v. *Lawler*, 208 U. S. 274): These cases also involved a question of conspiracy and combination in restraint of commerce between the States. There was a combination by means of a labor organization to destroy an existing interstate traffic in hats by preventing the manufacturers, through the instrumentality of a boycott, from manufacturing hats intended for transportation beyond the State. This case also falls within the classification of those where there is shown to exist an intent of obstructing or interfering with the flow of goods into the current of interstate commerce.

Fourth. *United States* v. *Ferger* (250 U. S. 199).—In this case the validity of an act of Congress punishing forgery and utterance of bills of lading for fictitious shipments in interstate commerce was in question. The court pointed out in that case that the bills of lading were in the form of interstate commerce bills, which in and of themselves involved the potentiality of fraud as far-reaching and all-embracing as the flow of channels of interstate commerce in which it was contemplated that the fraudulent bills would circulate. The right of Congress to punish offenses of this sort was, as pointed out by the Court, for the purpose of guarding against the injury which would result from the making and issuing of spurious imitations of an instrumentality which was to be used in interstate commerce. This case seems clearly distinguishable from the cases which would arise under the Guffey coal bill, for here the act of counterfeiting bills of lading for fictitious shipments was harmful in itself and would appear to be subject to the same regulation as in the case of lottery tickets, which the Supreme Court held could be prohibited from being carried from one State to another In re *Rahrer*, 140 U. S. 545). Other cases involving the same principle are *Champion* v. *Ames* (169 U. S. 613), upholding a law prohibiting the transportation of livestock affected with a contagious disease; the *Hipolite Egg Co.* v. *U. S.* (220 U. S. 145), upholding the Pure Food and Drug Act, prohibiting the transportation in interstate commerce of adulterated or misbranded articles; *Hoke* v. *U. S.* (227 U. S. 308), upholding the White Slave Traffic Act; and *Brooks* v. *U. S.* (267 U. S. 432), punishing interstate transportation of stolen automobiles.

Fifth. *Dahnke-Walker Milling Co.* v. *Bondurant* (257 U. S. 282): This case involved the constitutionality of a Kentucky statute prescribing the conditions on which corporations of other States might do business in that State. The particular corporation, a Tennessee corporation, in pursuance of its practice of purchasing grain in Kentucky to be transported to and used in its Tennessee mill, made a contract for the purchase of wheat, to be delivered in Kentucky on the cars of a public carrier, intending to forward it as soon as delivery was made. The Supreme Court held that the transaction was in interstate commerce, notwithstanding the contract was made and to be performed in Kentucky, and that the possibility that the purchaser might change its mind after delivery and sell the grain in Kentucky or consign it to some other place in that State, did not affect the essential character of the transaction. Since the plaintiff intended to forward the grain to its mill as soon as delivery was made, the Supreme Court held that the transaction was in interstate commerce. This case does not seem any different in principle from that of the *Swift & Co. Case* (196 U. S. 375) and other cases, including *Tagg Bros.* v. *Moorehead* (280 U. S. 420), referred to by the Attorney General) of a like sort distinguished by the Supreme Court in the Schechter case, in which the Supreme Court made the following statement:

> • • • Hence, decisions which deal with a stream of interstate commerce—where goods come to rest within a State temporarily and are later to go forward in interstate commerce—and with the regulations of transactions involved in that practical continuity of movement, are not applicable here. • • •

I do not believe any of the cases cited by the Attorney General, and referred to above, can be relied upon to sustain the constitutionality of the Guffey coal bill in view of the Schechter case. In the case of mining or producing of coal, interstate commerce has not even commenced, so the coal is still a part of the mass of the property of the State of its production until it commences its final movement for transportation from the State of its origin to that of its destination. In the Schechter case, it was pointed out that when the poultry was trucked to slaughterhouses in Brooklyn for local distribution, it became commingled with the mass of property within the State, and the flow of commerce ceased.

The Attorney General cited as one of the leading cases against the constitutionality of the bill *Hammer* v. *Dagenhart* (247 U. S. 251), in which the Supreme Court held invalid a prohibition against transporting in interstate commerce articles produced in factories where child labor had been employed within 30 days prior to their shipment. It was pointed out, however, that this decision was a 5-to-4 decision and that the opinion of the minority was very persuasive. However, this decision has been followed by the Supreme Court in many other cases and is clearly the law of the land until it is overruled. Another case against the constitutionality of the bill mentioned by the Attorney General is that of *Industrial Association* v. *United States* (268 U. S. 64), which is cited with approval by the Supreme Court in the Schechter case.

The Supreme Court pointed out in the Schecter case that where there is no intent to restrain interstate commerce, or monopolize any part of it, the fact that there may be an indirect effect upon interstate commerce does not give the Congress authority to regulate intrastate activities. Proponents of this bill rely upon the case of *Stafford* v. *Wallace* (258 U. S. 495) to support their contention that a declaration by Congress to the effect that the transaction does affect interstate commerce serves the same purpose as the intent to restrain or monopolize any part of interstate commerce. However, it is not believed that this contention is a sound one when applied to cases involving wholly local activities like the mining of coal. That case—Stafford against Wallace—involved the constitutionality of the Packers and Stockyards Act of 1921. The Court pointed out that Congress framed the Packers and Stockyards Act in keeping with the principles announced and applied in the Swift & Co. case, in which it was held that cattle sent for sale from a place in one State with the expectation that they will end their transit in another, and when, in effect, they do so with only the interruption necessary to find a purchaser at the stockyards, the current thus existing is a current of commerce among the States and the purchase of cattle is a part and incident of such commerce. The Court points out that the recital in section 2 of the act carries out this particular conception of interstate commerce by providing—

> A transaction in respect to any article shall be considered to be in commerce if such article is part of that current of commerce usual in the livestock and meat-packing industries, whereby livestock (and its products) are sent from one State with the expectation that they will end their transit, after purchase, in another, including, in addition to cases within the above general description, all cases where purchase or sale is either for shipment to another State, or for slaughter of livestock within the State and the shipment outside the State of the products resulting from such slaughter.

This case was also distinguished by the Supreme Court in the Schechter case on the ground that the stream of commerce had commenced and the goods had only come to rest temporarily within the State.

It is interesting to note that in a memorandum published in the CONGRESSIONAL RECORD of May 29, 1935, upholding the constitutionality of the public utility holding-company bill, the following statement was made as to the effect of the decision of the Supreme Court in Hammer against Dagenhart:

> The child-labor decision is readily distinguishable from all the cases that might arise under the present bill. There is here no concern with the purely local conditions in a business like manufacturing, which can be completely regulated by the State regardless of the ultimate destination of the product. • • •
>
> Unlike the manufacturing regulated by the child-labor law, the business of holding companies is neither essential nor local. A reading of the opinion of *Hammer v. Dagenhart* makes it plain

that the controlling factor in the decision was the conviction of the Court that the grant of authority over interstate commerce was used in the act "to destroy the local power always existing and carefully reserved to the States in the tenth amendment to the Constitution." There is no conceivable basis for a like view of the present bill.

Under this view there would, of course, be no more authority to regulate the business of mining coal than the business of manufacturing.

In view of the foregoing I am still of the opinion that the bill in its present form is in direct conflict with the decision of the Supreme Court in the Schechter case and will be held unconstitutional.

So, in conclusion, simply allow me to invite attention to the fact that practically the last utterance of the Supreme Court is the decision in the Schechter case declaring the National Industrial Recovery Act invalid. The only ground upon which the pending bill could possibly depend for its constitutionality is section 1, which is a declaration of policy, referred to by some as a stump speech. I invite you to compare that with section 1 of the National Industrial Recovery Act. The same thing was sought to be done there. A declaration of policy was included as section 1 of the bill, yet when the Supreme Court came to consider that act, it held it unconstitutional. Therefore, I am unable to see how the inclusion of section 1 of this bill gets around the decision of the Court in the Schechter case when the Congress had included as section 1 of the National Industrial Recovery Act a similar declaration of policy. [Applause.]

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, we have just listened to one of the finest constitutional arguments that I have ever heard presented by any member of the bar, and certainly the finest discussion of constitutional questions by any Member during my service as a Member of the Congress.

The gentleman from Tennessee [Mr. COOPER] has made a very profound study, as evidenced by the remarkable statement he has just made. Whether one agrees with him or not, one is impressed with his sincerity and admires the profound study that he has made of the constitutional aspects of this bill.

I am in agreement with the gentleman's constitutional angle, particularly the due-process clause of the Constitution. It is my opinion that in order to justify legislation which would meet the commerce clause, there must be a stretched interpretation of the Supreme Court's opinions of the past.

I am perfectly frank in saying that while I do not think the mining of coal, in the absence of a combination or conspiracy, comes within the provisions of the commerce clause, in this bill the subcommittee have certainly presented their best foot forward when they refer to the possible demoralization of this business unless some legislation of this kind is passed.

While I cannot agree that that will bring the bill within the constitutional powers of Congress, nevertheless I am frank in stating that they, the proponents, have presented the best foot forward.

From the angle of the due-process clauses, which goes hand in hand with the commerce clause, taking property without due process of law, I am unable to arrive at a conclusion that there was reasonable doubt or any reasonable ground to believe that the Supreme Court might find that the bill comes within the provisions of the Constitution.

I do not believe that the Supreme Court will say that Congress can exercise the taxing power to bring about compulsory control of legitimate business by the Government, which will operate, at the same time, to destroy those who will not comply.

This bill provides for a 15-percent tax, but if the operator accepts the provisions of the bill a drawback of 90 percent is authorized. The purpose of that tax is to compel operators to become subject to the code. An operator who does not become subject to the code pays the full 15-percent tax as against an operator who does, receiving 90-percent drawback, ultimately paying 1½-percent tax. This means that the man who will not permit himself to become subject to the code will be driven out of business. I do not think that the taxing power of the Constitution can be exercised for such purpose.

This bill is unlike the potato bill which I voted for yesterday. In that bill one is not taxed from the inception. Under that bill there is a quota imposed and if one violates the quota, so far as the excess is concerned, the tax is imposed. As far as this bill is concerned, there is a tax imposed upon everyone from the outset. In other words, the tax in the potato bill is the exception where a violation occurs to the allowed quota, and the tax imposed here starts from the inception of the passage of the bill. In the potato bill the tax is imposed as a penalty for violation, while in this bill it is to compel compliance from the outset with the law.

Outside of the constitutional question, what is proposed in this bill? What is its effects? I come from New England. New England has been hard hit. Every business, every industry has been hard hit as a result of this depression. An emergency confronts us. The law of supply and demand has been disturbed, and as a result of that disturbance there has been stagnation in business all along the line, not only in the coal industry but in the textile and every other industry. One hundred thousand people in New England alone in the textiles are working not 3 or 4 days a week, but 2 days a week and less. What are we going to do for the textiles? If this bill is good enough for this industry it is good enough for the textile, and if it is good enough for the textile, and for every other business activity, what we will do is to pass for all businesses legislation of this kind, resulting in complete compulsory, permanent regimentation of American business.

The argument is advanced here that this bill will not increase prices.

The same argument was advanced when the Agricultural Adjustment Act was passed; yet today we find the byproducts of hogs selling at 38, 40, and 42 cents a pound. We find beef selling at 52 cents a pound. We find throughout this country consumers' strikes in their incipient stages against the price-fixing policies of the Agricultural Adjustment Act. Men honestly made the argument at that time that the passage of the act would not increase the price level, yet it has increased the price level. It has resulted in thousands of men being put out of employment in the textile industry alone, because it fails to recognize the three interdependent factors that make up the law of supply and demand, namely, production, consumption, and prices. By operation of law it raises the price level and disregards the other two factors which make up the law of supply and demand, production and consumption. When you raise the price level without the price level of other commodities rising, without wages rising all along the line, people will resort to substitutes. People will go on strike as a result of their resentment. It imposes an unfair burden on other workers. Ultimately those that the bill is intended to help will receive harmful results as the result of any legislation bringing about price-fixing features.

The Agricultural Adjustment Act, although the burial will take place later, is dead today because of the compulsory price-fixing features. Those who believe in and who have a desire for permanent farm-relief legislation had better realize that the Agricultural Adjustment Act is dead and consider a substitute for the next session. The public are not supporting it. Whether it is constitutional or not, no law can exist that does not receive the respect and the support of the general public. Nearly 1,000 persons are not paying their processing taxes.

In Detroit and other cities there is a consumers' strike. What will happen to the farmer when that strike gets back to the farm and affects the farmer, and when he realizes that his products are not being purchased because of the price level, which the processing taxes contributed to, and when he is not able to sell the products of his farm? We have had experience before in the case of Brazil with its attempt of world-wide price control of coffee. Brazil undertook to establish a price for the world, and the world

resorted to substitutes. People also used less coffee. The result was a collapse. England, with its control of the raw products of rubber, tried to control the world price of raw rubber, and then business and buyer resorted to substitutes, or purchased less—went on a strike. The result was there was less purchases of raw rubber because of the price control, because of the monopoly and because of the unfair dictation of those who controlled the world supply. The result was a collapse, and chaos followed in its wake.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. The gentleman has studied this bill and has listened to the hearings and all of the testimony. Can the gentleman find anything in this bill which is of any direct benefit to the miners?

Mr. McCORMACK. Well, I do not want to answer that question, because I have too much respect for John Lewis and those men who sincerely believe there is something in this bill. I am frank in stating that the passage of this bill will probably result in thousands of miners losing their employment.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. McCORMACK. It is because of my respect for John Lewis that I hesitated, hoping that the bill would be put in form that I could vote for it, before I made my decision. I helped bring out this bill for consideration. My vote would have killed the bill in the committee. I voted personally as to how I felt, and then I withdrew my vote and voted "Present", so that it could be brought here for consideration. There is no question but that John Lewis—a fine man, a fine gentleman, whom I have only met once—believes there is something in this bill. He wants to help labor in Pennsylvania. What about labor in Massachusetts? What effect is this going to have on my industries? What about the increased cost of production in my industries and in New York and the other textile and manufacturing centers? Any general increase of price level with wages following when there is an upward market would be all right; but, if price in one activity is boosted up without increasing prices and wages along the line, the increased cost of production in textiles in the manufactures of New England and other industrial sections will mean thousands of men going out of work.

Now, are not such factors entitled to consideration? We are struggling in New England with our backs to the wall as the result of cost of production being higher than in other sections of the country, giving them a differential, as the result of which in the last 15 years we have lost many mills in New England and over 100,000 employees losing their means of employment.

Prior to the depression, over 100,000 employees lost employment as a result of our mills moving to the South and to Brazil, all as a result of increased cost of production in New England over other sections. Nearly 100,000, alone, in the textiles are now unemployed as a result of the depression, accentuated by the processing taxes and increased imports from other countries, principally Japan.

As a result of the passage of this bill, without compensating features, coal will be sharply increased to our manufacturers. What about the consumer? What about the person in my district who is not working, working 2 or 3 or 4 days a week? They have to buy coal. What about them? Are they not entitled to consideration? What I say applies not only to New England but to every other section of the country. Looking it over from a national angle, this bill does not give consideration to all factors involved. Of course, I would like to vote for this bill, but should I do so, knowing the results that will flow therefrom to the workers and consumers of industrial sections?

The American people, in my opinion, will not stand for permanent compulsory control or regimentation. The American people, equally, in my opinion, will not stand for continued price fixing. The history of 300 years has shown that price fixing has always been a failure and has injured those it was intended to benefit. For a short period it might do good, to meet an emergency—but over a long period of time the other factors involved, which are usually ignored, catch up, such as the consuming public, their resentment, a purchaser strike, the effect of the processing tax directly imposed, and price fixing by legislation becomes a failure. When resentment arises, lack of respect for law occurs, and when that situation comes about any such legislation as compulsory regimentation or price fixing or any other legislation is impossible of continued operation; and this is without regard to the constitutional questions.

In the consideration of this bill we should think of our industry, all laboring under the disastrous and devastating effects of the depression, and in the consideration of this bill we must also consider the consuming public. Should they stand the increased burden? Can they stand the increased burden? Will they stand the increased burden?

For the reasons which I have enumerated, without regard to the constitutional question involved, I have reached the conclusion that the best interests of my people and the best interests of this country, this bill, in the absence of legislation which will benefit all of our people of all economic classes, is unwise. [Applause.]

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield 25 minutes to the gentleman from Illinois [Mr. CHURCH].

CONSTITUTION OR NEW DEAL

Mr. CHURCH. Mr. Chairman, I heartily join my colleague from Massachusetts [Mr. McCORMACK] in complimenting our distinguished colleague [Mr. COOPER of Tennessee] for his very learned statement just made against this bill. I express the hope that those Members not present and privileged to hear his address will read it.

This bill attempts to set up a fascistic Federal plan to regulate the mining, as well as the sale and shipment of every bit of bituminous coal produced in every State of the Union, whether or not that coal ever crosses a State line. It attempts to regulate, not only interstate commerce in coal, but also all intrastate production of coal. It is another opening wedge by which the Federal Government would assume control and management of all business—not just the coal business—but all business, thus rivaling Russia itself.

This is a march of fascistic Federal Farleyism into the coal pits and coal bins of every American in every State of the Union. The other day in the House you marched with fascistic control into every potato bin and into every little potato patch. Today it is into every citizen's coal bin.

With the President of the United States prodding poor political pupils with a message at the point of his political bayonet—in peace time—with the butt of his political weapon bolstered and buttressed by a bag of $4,880,000,000, poking Congress into submission and poking holes into the Constitution, he is putting Federal fascism into the mines and coal bins of every American.

This bill will not put coal into our people's coal bins this winter, but rather will fill the bins and coalpits with a fascistic Federal Farley bureaucratic snooping system of pay-rollers at the expense of every user, producer, and miner of coal in America. I wish it to be distinctly understood that I believe every effort should be made to remedy the bituminous-coal situation, to improve the working conditions of the miner that he may live comfortably and happy, and likewise to assist the operator. But, Mr. Chairman, this bill will not accomplish that. It will only result in an adverse decision by the Supreme Court, with resulting confusion and difficulties to enhance rather than alleviate the problems of the man who toils, the problems of the producer and consumer alike.

SUPREME COURT DECISIONS

Mr. Chairman, there is a long list of Supreme Court decisions, too numerous to enumerate here, to prove without any question, beyond all reasonable doubt, that such a fascistic fuel bill as this is unconstitutional. My colleague from Tennessee [Mr. COOPER] has cited some of these deci-

sions, but I wish to call your attention briefly to this same matter. Some decisions are as follows:

The Schechter case, where the Court cited the case involving coal as a precedent (*Coronado Coal Co.* v. *United Mine Workers*, 268 U. S. 295–310).

The marketing provisions of this bill violate the fifth amendment because they deprive the producer of the right to sell his own goods at his own price. It will increase the price of coal to the consumer. In the Schechter case Mr. Chief Justice Hughes said:

> If the Federal Government may determine the wages and hours of employees in the internal commerce of a State, because of their relation to cost and prices and their direct effect upon interstate commerce, it would seem that a similar control might be exerted over other elements of cost, also affecting prices, such as the number of employees, rents, advertising, methods of doing business, etc. All the processes of production and distribution that enter into cost could likewise be controlled * * *. We are of the opinion that the attempt through the provision of the code to fix the hours and wages of employees of defendants in their intrastate business was not a valid exercise of Federal power.

For the RECORD, let me state that in the Schechter case it was clearly pointed out that both the Stock Yard case (*Stafford* v. *Wallace*, 258 U. S. 495), and the *Chicago Board of Trade Case* (262 U. S. p. 1), dealt with an activity which actually interrupted the flow of interstate commerce and although some of my colleagues have made much ado about them they were not in point in the Schechter case, which dealt with an activity not interstate commerce.

The millions of tons of coal in the little coal mines, hauled by the farmers of our country to their homes, and the tons of coal hauled to millions of consumers that never come within miles of a State line—an intrastate fact or transaction—cannot be made a different fact or made into an interstate transaction by overheated congressmen. Of course, if the fact is there and Congress so declares it, it remains the same fact; but if it is one fact, Congress cannot declare it to be another fact. Facts are facts, and Congress cannot declare intrastate commerce to be interstate.

The fact that some coal finds its way into interstate commerce does not make its production a part of interstate commerce (*Oliver* v. *Lord*, 262 U. S. 172; *Heisler* v. *Thomas*, 260 U. S. 245).

Likewise the production of crude oil is not interstate commerce (*Champlin* v. *Corporation Commission*, 286 U. S. 210).

The coal business is not under the class of businesses that are carried on under public authority. So holds the Court in *Wolff Co.* v. *Industrial Court* (262 U. S. 522). In this case Mr. Chief Justice Taft said, and I would call this to the special attention of my colleague from Kentucky [Mr. VINSON], who spoke a few moments ago, and read a great deal of obiter dictum:

> It has never been supposed since the adoption of the Constitution that the business of the butcher, or the baker, the tailor, the wood chopper, the mining operator, or the miner was clothed with such a public interest that the price of his product or his wage could be fixed by a State regulation.

The 15-percent tax scheme is not a tax but a penalty, and an indirect attempt to enforce code provisions. It is unconstitutional under the child-labor case, *Bailey* v. *Drexel Furniture Co.* (259 U. S. 20 (1922), where the taxing power was attempted to be used as a means of prohibiting child labor; also, *Hill* v. *Wallace* (259 U. S. 44) is conclusive on this point.

Mr. Chairman, it is not my intention to present a detailed and somewhat laborious argument against the passage of this legislation, with frequent legalistic reference to court decisions in parallel cases, on the grounds of its being unconstitutional. Even though such an argument should be presented and should prove infallible in its logic; even though the membership of this House should be convinced that the measure could not stand the tests in the courts—and it cannot—too many of my colleagues would, as they have in the past, listen to the dictates of the White House and their individual political interests rather than to the dictates of their better judgment and conscience. I regret to have to say that it is evident that many of my friends on the other side of the aisle are guided by the dictates of political opportunism and expediency rather than by the dictates of tradition and constitutional principles.

It will be recalled that when the $4,880,000,000 appropriation bill was being debated on this floor early in the session I took occasion to call your attention to the constitutional feature. I endeavored to remind you that we took an oath of office, in which we solemnly swore to preserve and protect the Constitution of the United States. I called attention to the fact that we were making a blank-check appropriation and delegating to the Executive legislative powers which, under the Constitution, reside with the people's representatives in the Congress.

The President of the United States has since answered that argument, as he has other arguments on the unconstitutionality of many of the new-deal measures. He answers by stating in effect that the bill may be unconstitutional but disregard that fact. I refer specifically in the letter which he sent my colleague, SAMUEL B. HILL, Chairman of the subcommittee of the Committee on Ways and Means, under date of July 5, relative to the coal bill. He wrote in part:

> Your Subcommittee of the Ways and Means has pending before it H. R. 8479, a bill to stabilize the bituminous coal-mining industry and promote its interstate commerce, etc., and I understand that questions of the constitutionality of some of its provisions have arisen in the subcommittee * * * I hope your committee will not permit doubts as to the constitutionality, however reasonable, to block the suggested legislation.

Mr. Chairman, when I took an oath of office in January, I solemnly swore to protect and defend the Constitution of the United States. Now you ask us to violate that oath, to lie, to stultify ourselves by voting for this legislation however reasonable—I repeat—however reasonable our doubts and our opinions may be as to its constitutionality. I again call your attention to what the President wrote:

> I hope your committee will not permit doubts as to the constitutionality, however reasonable, to block the suggested legislation.

THE CHALLENGE

And so, Mr. Chairman, if the President of the United States calls upon the Congress to enact legislation which he virtually admits to be unconstitutional, it is useless for me to present any argument on the grounds of constitutionality of the bill. But I say to you here that that statement, as well as the new-deal program, represents a challenge to our democratic form of government. It resolves itself into a question as to whether our people wish the so-called "new deal", which represents a dictatorship such as have grown up in European countries, or whether they wish to continue under that form of government which has enabled this country to develop from 13 struggling colonies to the foremost power in the world today.

THE ISSUE

Mr. Chairman, I wish to take this opportunity to answer that challenge. When the President of the United States would disregard his oath of office and when certain Members of this House, as did my Democratic colleague from my home State of Illinois several days ago and again today, raise the question as to the right of the United States Supreme Court to function as it does, it behooves some one of us to indicate the seriousness of the matter. If you would disregard the Constitution and if you would challenge the right of the Supreme Court to uphold that document as representing the supreme law of the land, you make the issue clearly and distinctly the Constitution or the new deal, a representative government or dictatorship. It is that proposition, in behalf of the people of my district, which I propose to discuss here.

NEED FOR VISION

As the brilliant James M. Beck, former Member of this body from Pennsylvania, stated on the floor here in a discussion of the N. R. A., "We live in the today, forgetful of yesterday, and unmindful of tomorrow." I accuse the new deal of deliberately fostering in the United States a spirit of revolt against the principles upon which this Government was founded. In the legislation which is proposed and

enacted the principles of this Government are constantly disregarded and the President speaks of the return to "horse and buggy" days when he finds his ambitions obstructed by the Court. The people are called upon to disregard the lessons of historic experience in a futile drive for the pragmatic advantages of the present. The vision is not that statesmanlike vision of the founders of this Government, who, while considering their immediate problems, had their eyes focused on the generations to come. The new-deal vision does not go beyond the next election, and as one of the proverbs of the wise Solomon reads, "Where there is no vision, the people perish."

While admitting the gravity of the economic situation, in a spirit of political opportunism, under the cry of an emergency, the Constitution has been suspended, with the Supreme Court of the United States remaining the lone defender of the people's rights as embodied in that monumental document. If an emergency can justify the suspension of the supreme law of the land, we are then living under an unwritten form of government. That which the words "liberty" and "freedom" imply become empty and meaningless, for it is the Constitution which guarantees to the people their freedom of life without unreasonable governmental interference. The Supreme Court determines when the Government has exceeded its authority, granted to it by the people, and therefore protects the individual's rights. Yet my good Democratic friend from Illinois, the oldest Member of this body in terms of service, challenges that right of the Court.

VISION OF FOREFATHERS

There are certain essential principles of our Constitution which we should call to mind. In the passions of today too little thought is given to principles. I venture to say that if our forebears thought as the "new dealers" are given to think, this Republic would never have been established. We declared our independence from England because of taxation without representation. It was only a "tupenny" tax on a pound of tea, and, as far as the tax was concerned, it had no important economic effect upon the Colonies. But there was inculcated in the hearts of the people the spirit of self-government and the spirit of liberty. Because of the principle of taxation without representation these courageous people were willing to forego all the advantages of the protection and assistance of a great empire and to struggle through seven weary years of armed conflict with its untold hardship. There was involved a principle. It was not a question of the pragmatic advantages of the immediate present but, rather, a question of the rights of individuals and the generations to come.

PEOPLE SOVEREIGN

I request the indulgence of this House that I may briefly recall for you the essential principles of this Government. First, ours is a representative Government, and we have the honor of being the people's representatives. It is our duty to give due and proper consideration to whatever legislation may be necessary to meet a given situation, and we should zealously safeguard that right and responsibility. The President of the United States is not our master. We are not to yield to his dictates. The people are our respective masters. When the President of the United States attempts to coerce the legislative branch of the Government, directly or indirectly, to yielding to his will, he exceeds the bounds of his authority.

The Constitution sets limits to that which we can do, enumerating specifically the powers of the Congress. If the people should wish to enlarge those limits, thereby granting to the Federal Government power which it does not now have, the procedure for the end is provided by way of an amendment to the Constitution. It cannot be argued that the process is too slow to meet an emergency for reason of which some of you argue the Federal Government should have increased power. In February 1865 the amendment to abolish slavery was proposed to the several States, and in December of the same year the required three-fourths of the States had ratified it. Likewise, in a year's time the amendment to repeal the prohibition amendment was written into the Constitution. The Constitution can be made amenable to any situation, and should the changed circumstances show the necessity of changes being made in the paramount law, it is the privilege of the people, and the people alone, to make those changes. No President and no party in power have the right to ignore this fact.

The Constitution is the supreme law of the land, which, after the theory of Montesquieu, divides the government into the legislature, the executive, and the judiciary under a system of delicately arranged "checks and balances." Under the theory of the new deal the legislature ceases to exist and all the legislative authority is placed in the Executive, who in turn delegates that authority to some one of his political officers. The people of the United States under the new deal have been no longer governed by the laws of Congress but rather by Executive orders. Up to July of this year the President of the United States has issued about 1,250 Executive orders, all of which have had the force of law and to which all the people have been subject. In America we call it an "Executive order". In Europe they call it a "decree". It all means one and the same thing, simply that the new deal represents a government by one man and his agents, who are appointed not upon a basis of their ability and efficiency but upon a basis of their loyalty.

Contrary to the philosophy of the new deal, the Federal Government is not a sovereign power, which grants certain privileges to individuals or classes, which it may also rescind at its will. Rather it can be said that the people are sovereign, who grant to the Federal Government certain powers, which they may rescind at will. Yet this House has just recently passed bills which would, if enacted, close the courts to the people. You now seek to deny the people the right to bring their grievance into court, where a decision is made as to whether the Government has exceeded the powers the people gave it.

SUPREME COURT

The foremost purpose, the greatest and noblest, of the Constitution is to maintain an equilibrium between the right of the Government and the rights of an individual. To maintain the equilibrium in the scales of justice, to protect the individual from the encroachments of the Government upon his guaranteed rights under the supreme law of the land, the Supreme Court of the United States was established.

This is the institution which the President of the United States seems to belittle and this is the institution, the protector of the people from arbitrary power, tyranny, and suppression which I have heard my good Democratic friends challenge. I say to you that when you challenge the Supreme Court of the United States you are challenging the very cornerstone of this free democratic Government.

What is there, then, to prevent this Government from entirely ignoring the Constitution and to enact legislation with the force of law which is entirely repugnant to it? Without the Supreme Court, however much we may regret certain legislation being declared contrary to the Constitution by it, there would be nothing to prevent the new deal from denying our people freedom of speech and of press. Without the Supreme Court what is there to protect the right of the people as embodied in the first 10 amendments of the Constitution, sometimes known as the "American Bill of Rights"?

The Constitution provides that—

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish.

Its jurisdiction is defined:

The judicial power shall extend to all cases in law and equity arising under this Constitution, the laws of the United States, and treaties made or which shall be made under their authority; to all cases affecting Ambassadors, other public ministers, and consuls; to all cases of admiralty and maritime jurisdiction; to controversies to which the United States shall be a party; to controversies between two or more States, between a State and citizens of another State, between different States, between citizens of the same State claiming lands under grants of different States, and between a State or the citizens thereof and foreign States, citizens, or subjects.

But this is not all, for the Constitution provides that—

This Constitution, and the laws of the United States which shall be made in pursuance thereof, and all treaties made or which shall be made under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any States to the contrary notwithstanding.

A judiciary was thus created which was the final conscience of the Nation. It has the clear power to curb the legislature and the Executive when those two branches of the Government act contrary to the paramount will of the written Constitution. Whenever the will of the majority is nullified because of inconsistency with the fundamental law threats are made, as are now being made by my Democratic friends, to destroy the power of the Supreme Court. As William Wirt, formerly an Attorney General of the United States, said about a century ago:

If the judiciary be struck from the system, what is there of any value that will remain, for government cannot subsist without it. It would be as rational to talk of a solar system without a sun.

When I recently heard these new-deal attacks upon the Supreme Court as having the right to nullify those laws which are repugnant to the supreme law, I immediately decided to reread the proceedings of the convention of 1787 as they exist in a fragmentary form, and to read the early colonial commentaries on the Constitution in order that I may definitely ascertain what was intended by the founders of this Government. I could quote to you at some length from these documents, but I shall content myself with a passage from the Federalist Papers published in 1788:

The complete independence of the courts of justice is peculiarly essential in a limited constitution. By a limited constitution, I understand one which contains certain specific exceptions to the legislative authority such, for instance, as that it shall pass no bills of attainder, ex post facto laws, and the like. Limitations of this kind can be preserved in practice no other way than through the medium of courts of justice whose duty it must be to declare all acts contrary to the manifest tenor of the Constitution void. Without this all the reservations of particular rights or privileges would amount to nothing.

Some perplexity respecting the rights of the courts to pronounce legislative acts void, because contrary to the Constitution, has arisen from an imagination that the doctrine would imply a superiority of the judiciary to the legislative power. It is urged that the authority which can declare the acts of another void must necessarily be superior to the one whose acts may be declared void. * * *

There is no position which depends on clearer principles than that every act of a delegated authority, contrary to the tenor of the commission under which it is exercised, is void. No legislative act, therefore, contrary to the Constitution can be valid. To deny this would be to affirm that the deputy is greater than his principal; that the servant is above his master; that the representatives of the people are superior to the people themselves; that men acting by virtue of powers may do not only what their powers do not authorize but what they forbid.

That was written in the Federalist Papers 1 year after the Constitutional Convention of 1787. It clearly sets forth the intention of the framers. Those who challenge the Supreme Court, therefore, subscribe to the doctrine that we are superior to the people we represent. They subscribe to the doctrine that we can do not only what we are authorized by the supreme law of the land to do but we can do even that which the supreme law forbids. Under such a doctrine it is perfectly obvious that a constitution is meaningless.

Mr. Chairman, I do not wish to develop this matter any further at this time. The President's request that we pass legislation which he virtually admits to be unconstitutional and his program of a benevolent dictatorship represents a serious challenge to our representative form of government. You are asking this Congress to forget its oath of office and to adhere only to the Executive wish.

This so-called "new deal" is not new to those familiar with the historic processes in Europe since the war. Mussolini came into power as a dictator in Italy in a period of economic hardships and distress. Lenin came into power in Russia in a period of economic collapse and demoralization following the World War. Hitler came into power in Germany in a like period of economic stagnation and paralysis. Roosevelt came into power in the United States as a result of the unrest and hardship of this world economic depression. The historic processes are virtually the same, each having those characteristics peculiar to each country's traditions, institutions, and habits of thought.

BIRTHRIGHT OR POTTAGE

President Roosevelt has been given the right to raise and lower tariffs, to manipulate the dollar, to spend fabulous sums of money in whatever way he wishes, to control agricultural production, and until the Supreme Court decision in the Schechter case he had the right to regulate our industrial life. In the banking bill which passed this House the President would control the banking system. Under the new deal the President of the United States and his political appointees act as the legislature as well as the Executive, and the whole American life is controlled and regulated from the White House through departments and agencies and commissions. It is a program which is slowly but surely undermining the American system of government; and if the issue can be made clear to the people that which you are requiring of them is a sacrifice of their heritage for a dictatorship, they would not make the sacrifice. Our heritage is a government which has evolved through the years and under which this country rose from 13 little Colonies to the most powerful nation in the world. It is our birthright, and I am confident that the people will not, like Esau, sell that birthright for a bowl of pottage. (Genesis 25:29.)

It is not necessary for me to emphasize the importance of our birthright of free democratic government emanating from the people, where the Government is the agent of the people and not the people agents of the Government, where the Government is one of laws and not of men. In the Sunday, August 4, edition of the New York Herald Tribune, I read an article from Houston, Tex., where a southern committee to uphold the Constitution had been formed, composed of representative Democrats of the 16 Southern States. Among the declaration of principles of this committee, which is enrolling thousands of true Democrats as distinguished from the "new dealers", I read the following:

We stand for a government of laws under a written constitution as against a government of boards, bureaus, commissions, and administration, under which it is difficult to safeguard the public welfare.

Mr. John Henry Kirby, of Texas, chairman of the committee, is reported to have said:

Personal government has not only been hateful to us but it has failed to materially better our economic situation.

That is but one reassuring indication that the people will not sell their birthright of "life, liberty, and pursuit of happiness" for new-deal pottage, particularly when that pottage does not represent a revival of business and the reemployment of men in private enterprise. Rather it is a pottage by way of a confusing conglomeration of about 60 alphabetical set-ups, restricting and strangling business, which is offered the people for orderly processes of a representative government which we inherited. These 60 or more Federal agencies, clothed with dictatorial and extraordinary power, controlling and regulating the "butcher, the baker, the candlestick maker", the cotton raiser of the South, the wheat grower of the West, and the industrialist of the East, are filled by those whose only claim to the positions they hold is their membership in the Democratic Party. Whenever an amendment to a bill relating to any of these agencies to the effect that the employees would be selected under civil-service rules and examinations, upon their training, experience, and efficiency, has been offered by the minority, that amendment has been promptly defeated. Whenever the Senate sought to amend a bill so as to make appointments subject to the confirmation of the Senate, the White House immediately expressed its disapproval. Efficiency must give way to the building up of a vast Farley fascistic political machine throughout the United States, with resulting confusion, blunders, and waste, interference with business, and continued unemployment.

There must be employers and there must be a flow of capital in productive channels in order that there may be employees, pay envelops, and consuming power. The immediate necessity has been to provide relief for these unem-

ployed, but the larger and more important problem is to provide permanent jobs. Our people want to work and not subsist year in and year out on the relief rolls. By no magic is it possible to have employees without employers.

NEED FOR CONFIDENCE

So long as this new-deal experimentation exists there cannot be a revival in business. Simply stated, the program, with its undefined objectives in procedure, the course to be followed, has tended to destroy rather than foster confidence, which is the basis of our economic activity. Our present economic life moves primarily on a credit basis, and the word "credit" is derived from "credere", meaning "to have confidence."

Futurity and confidence are distinctive factors of business. One does not borrow unless he is confident he can repay, nor does one loan unless he is confident of repayment. One does not buy unless he is confident he can pay for his purchases, nor does one sell unless he has confidence in the buyers' capacity to pay. One does not invest unless he is confident of a return on his investment.

When the element of confidence is missing, trade reaches low levels. We lack confidence to buy, to sell, to borrow, to loan, or to invest. We cannot be certain as to the future, and more specifically, we cannot be certain as to future values. There is a state of stagnation and inertia.

MONEY VALUES

Our monetary experimentation under the new deal has served to destroy confidence in the future value of the dollar. We do not know if the dollar will be devaluated further, whether the objective is the commodity dollar, as proposed by Professor Warren, or whether it is intended that we return to the gold standard at an early date. We do not know if it is intended to place the United States on a bimetallic standard, with the free coinage of gold and silver at a definite fixed ratio.

We have already depreciated our currency and there are no definite assurances as to the future. Will the dollar we loan today be worth the same as the dollar ultimately repaid? Will the yardstick contain 36 inches tomorrow, 30 inches, or 42? The acceptability of promises to pay and the making of business contracts are dependent not only upon the confidence one has in the purchaser or borrower as an individual to pay at maturity, but they are also dependent upon the confidence one has in the value of the standard used in the transaction.

EXPENDITURES MEAN TAXES OR INFLATION

Not only our undefined monetary objective but also our increasing national indebtedness is slowly destroying confidence. After 2 years of the new deal we have an increase of $9,000,000,000 in our public debt, now about $28,000,000,000, and it will not be long before our public debt will be $35,000,000,000. We cannot look with certainty at the national credit. Business is faced with the dilemma of either increased taxation or inflation. The debt will have to be discharged through revenue returns or repudiated by printing-press money. Under the circumstances one does not know what to expect.

On May 14, 1934, the committee for the investigation of the durable-goods industry, which industry is located extensively in my State of Illinois, made its report. It is recognized that the solution of the unemployment problem requires that we focus our attention on the durable-goods industry, where it represents the basis of industrial enterprise and it is in this industry that a major part of our unemployment exists. I am prompted to quote part of this committee's conclusions:

> Business cannot make long-range plans without assurance that our monetary policies will not be subject to sudden and arbitrary changes. Such changes destroy confidence and work against economic recovery. * * * A stabilized dollar is needed in order that business may again plan for the future.
>
> Measures for coercive Government control of industry are inconsistent with American principles, and such measures can have no other effect than to kill confidence and indefinitely delay recovery.

Mr. Chairman, that is what the new-deal pottage consists of—uncertainty, confusion, continued unemployment, mounting deficits, and increased taxes. No man—no man would sell his liberty, his American birthright of a free democratic government, for that pottage.

CONSTRUCTIVE PROGRAM

You ask what I would propose as a constructive program. It is not difficult to meet such a request. In the first place, I would adhere to the provisions of the Constitution and follow the orderly procedure of government. I would discontinue this practice of enacting laws which when they ultimately reach the court will be nullified. In the second place, I would take conscious, deliberate steps to balance the Budget and establish confidence in the national credit. In the third place, I would reduce all unnecessary governmental expenditures and strive toward lightening the tax burden. In the fourth place, I would remove government from business and discontinue this unreasonable interference. I would encourage rather than burden. In the fifth place, I would encourage the flow of capital in private channels and long-term commitments in order that our people may return to their jobs. In the sixth place, I would encourage rather than discourage local charities in caring for the needy.

Upon these major premises, and there are others, I would construct my program for economic recovery, looking to the return of the unemployed to their jobs, affording assistance to our farmers who have suffered for many years from a disparity in prices, affording assistance to the home owners and encouraging the building of new homes and remedying the abuses which have made themselves evident in our economic system. I sincerely and honestly believe a vigorous constitutional constructive program can be carried out, looking to the greatest happiness for the greatest number of people, by assuming a progressive attitude for the future and profiting by the experiences of yesterday.

THE CHOICE

Our economic situation has produced immeasurable hardship and difficulties. No one realizes it more than I. In working out the solution let us not be forgetful of yesterday and unmindful of tomorrow. Ours is a noble heritage, and in behalf of the people of my district I wish to say we are not willing to sell that heritage for the new-deal pottage of dictatorship or socialism. We are socialistic to the extent that we believe in the principles, "Do unto others as you would have them do unto you", "Love ye one another", but we believe that all men have certain inalienable rights, and among them is the right to "life, liberty, and pursuit of happiness." In the choice between the Constitution and the new deal we choose the Constitution. Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent to extend my remarks and to include therein certain opinions of the Court on the N. R. A. as affecting this legislation.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Chairman, I want first of all to pay a tribute to the gentleman from Kentucky [Mr. VINSON], a member of the Ways and Means Committee, for the very able discussion he gave on the pending bill from the standpoint of its constitutionality.

There is today in the coal industry chaos. The district which I represent is one of the largest bituminous coal producing regions in the United States. Recently I visited Monongalia County, W. Va., and talked to scores of operators and hundreds of miners about the legislation pending before this House this afternoon. One leading operator who a few weeks ago was bitterly opposed to this legislation told me that it was absolutely imperative that action be taken at once to stabilize this industry if it is to survive. Since the N. R. A. codes for coal have been dropped, prices for the commodity have dropped from 50 to 75 cents, and in some instances as much as $1, resulting in hardships and loss to all those connected with the industry.

There is in my district, of course, as in the Membership of this body, a divided opinion upon the legality of this bill and the resulting benefits or lack of benefits to come from it. Out of the 15 counties which I have the responsibility of representing, 8 are coal-producing, namely, my own county of Randolph, the county of Monongalia, in which is located the great Scott's Run mining region. And, let me say to you, speaking of coal mining and the condition of the miners' families, an investigation by the Federal Housing Administration, seeking to find what improvements might be made upon the homes of the miners in that region and other sections of Monongalia County, showed that out of approximately 2,700 homes inspected, 2,300 were not even livable for the miners who dwelt therein. The other counties are Mineral, Preston, Grant, Barbour, Webster, and Pocahontas.

I want to say that personally I believe that in this country we have had by and large over a long period of years, except in very few instances, the crucifixion of the coal miner on the cross of long hours, short pay, and unfavorable working and living conditions for himself and his family.

In West Virginia under the National Recovery Act I believe it is safe to say here this afternoon that an additional 25,000 miners were given employment because of the National Recovery Act. The collapse of this legislation leaves us in my Commonwealth, and I speak particularly of my own district, in a state of chaos and uncertainty and with a bad economic and social picture. I believe, and I say this with all the power at my command, that after the National Industrial Recovery Act became a law, at no time in the coal industry in West Virginia, except for the peak prices, did we ever have a more flourishing industry than under that legislation. Bituminous coal is a nonrestorable natural resource, highly important to the operation of our industrial system. Yet as the recipients of this most valuable possession, embedded in the very soil of our continent, we have failed up to this hour to provide a form of utilization of this national possession.

The coal industry of the United States, since the beginning, has been characterized by wasteful production, chaotic distribution, inefficient management, and economic insecurity. My operators are among the groups ready to recognize that condition today. The generation of electric power as well as steam depends basically upon the utilization of coal. The use of coal is equally essential in the operation of our two basic industries—iron and steel and manufacturing of chemicals. In the face of this, it is almost unbelievable that we have permitted such wasteful overdevelopment of the industry that in some years we actually produce less than half of the annual productive capacity.

This overdevelopment has had far-reaching effects. It caused the loss of incomes to the miners who were forced to subsist on a mere fraction of their potential incomes, due to unemployment. It resulted in wasteful production, causing uneconomic depletion of the most valuable deposits. It has meant unjustifiably high prices to the ultimate consumer as compared with prices to industrial consumers. It has produced, in fact, many disorganizing influences which directly affected those industries where coal was utilized. In undermining the standards of living and impairing economic stability of our industrial system, the disorganized condition persisting in the coal industry has seriously retarded the economic progress of the Nation.

That this condition calls for a drastic remedy has been long recognized by economists, engineers, and technical experts. This has also been recognized by the courts. When, in 1931, the Appalachian Coals, Inc., was formed with the object of regulating and stabilizing a local market the attempt was questioned under the antitrust laws forbidding combination in restraint of trade. The case came on appeal before the Supreme Court of the United States (Sup. Ct. 504, October term, 1931, *Appalachian Coals, Inc., appellants,* v. *United States of America*).

In summarizing the facts as revealed by the record the Supreme Court, in its decision on March 13, 1932, drew a forceful picture of the condition characterizing the industry:

The evidence leaves no doubt of the existence of the evils at which defendants' plan was aimed. The industry was in distress. It suffered from overexpansion and from a serious relative decline through the growing use of substitute fuels. It was afflicted by injurious practices within itself—practices which demanded correction. If evil conditions could not be entirely cured, they, at least, might be alleviated. The unfortunate state of the industry would not justify any attempt unduly to restrain competition or to monopolize, but the existing situation prompted defendants to make, and the statute did not preclude them from making an honest effort to remove abuses, to make competition fairer, and thus to promote the essential interests of commerce. The interests of producers and consumers are interlinked. When industry is grievously hurt, when producing concerns fail, when unemployment mounts and communities dependent upon profitable production are prostrated, the wells of commerce go dry.

In this decision the United States Supreme Court summarized the problem as it then existed and pointed to the need of further action to prevent future development of destructive competitive forces.

One of the best descriptions of the present status of the industry was given on August 12, 1933, by Dr. Alexander Sachs, chief of the Research and Planning Division of the N. R. A., at the coal code hearing:

* * * Since the war the coal industry has been overexpanded, has been in a continuous state of warfare, and all three parties—owners, workmen, and consumer—have been complaining that they were not getting their due. It has been not only an overdeveloped but, if I may use the terms in a descriptive sense and not at all in a derogatory sense, an underorganized and underplanned industry in relation to the problems that have confronted it in the post-war period and are confronting it today.

The much-discussed "coal problem" is but one of the end products of our national policies or lack of policies relating to the ownership and development of the country's natural resources. The United States possesses within its borders approximately half of the coal resources in the world, and, except for relatively inaccessible portions of the public domain in the Rocky Mountains, practically all of this vast storehouse is privately owned. Measured in terms of annual needs, these reserves represent hundreds of years of supply. But under unregulated and unplanned competition the urge of the present generation of owners has been to reduce these resource assets into current income, and in many cases the burden of coal-land taxes and of carrying charges on investments already incurred compel owners to develop properties without regard to the economic timeliness of their exploitation. This is one of the underlying causes of the large number of mines in operation, their aggregate excess capacity compared to consumptive demand, low prices for coal, with resulting starved wages for workers, bankruptcy, and reorganization of operating properties.

The causes of the chronic state of virtual chaos in the bituminous coal industry in the past decade may be listed as follows:

1. Excess capacity stimulated by the Great War.

2. Transportation differentials uncoordinated and inequitable in terms of the whole economy and the use of the fuel in the varying markets.

3. Wage differentials uncoordinated and inequitable in terms of the whole economy from the point of view of both of competing operators and competing workers.

4. Uneven technological improvements in coal production in the various fields, which unequally increased supplies. This tendency to overproduction was in turn fostered and aggravated by the wage and freight differentials.

5. Technological economies in the use of coal which have continuously and markedly reduced the demand.

6. More importantly revolutionary technical displacements of the demand and the outlets for coal by reason of the development of competitive fuels under conditions of competitive and wasteful exploitation of natural resources, which, while increasingly hard on the substitutes, have been crushing on the older fuel thus displaced.

7. Legal restraints hitherto existing which prevented agreements for the organization of the industry, the marketing of the product, and the balancing of production with consumption and coordination of such production with that of substitute and competing fuels.

The much-discussed "coal problem" is thus but one of the end products of our national policies, or rather lack of policies, relating to the ownership and development of the country's natural resources.

In conclusion, Dr. Sachs summarized the situation as follows:

The coal industry thus presents the spectacle of an overdeveloped, undermanaged industry in continuous state of internal and external economic struggle.

The secret, if it is a secret after years of publicity given to the problems of the coal industry, lies in the fact that, under the regime of competitive individualism to the limit, no one mine, no one company, could alleviate the handicaps alone. In fact, any forward step made by one mining company, good by itself, brings about conditions that are prejudicial to the industry as a whole and makes the inherent contradictions only more acute.

And even if by the move of a magic wand the demand for coal should double, and the partly idle mines begin to cover the finan-

cial charges on their past excessive investments and even show some profit, then bankrupt mines will be reopened and new mines will be opened, and the competitive war will go merrily on. Then retrenchment, wage cuts, strikes, unemployment, cutthroat competition, bankruptcies commence all over again. The old squeaky merry-go-round will again commence its cycle; too many mines, too many miners, too much equipment, too little management, no planning, no profits, no living wage.

Speaking in a personal capacity, it seems to me indisputably clear that the only solution lies in organization and planning for the industry as a whole, and not through continuing the laissez-faire cutthroat competition.

It has been made sufficiently clear that one of the basic reasons for Government regulation of the industry is its overdevelopment and excess capacity. This overdevelopment unavoidably brings tremendous pressure upon the operator to open additional mines in order to meet carrying charges on investment. It has sustained a system of freight rates favoring the development of remote localities through low charges per ton-mile. Overcapacity and unemployment have combined to exert tremendous pressure upon the workers attached to the industry. Over 300,000 coal miners were rendered jobless between 1923 and 1932. While the majority of these men are fully equipped to carry on skilled and hazardous work in the coal mines, they are not equipped for employment elsewhere. These conditions have enhanced the tendency on the part of the competing interests of the management to evolve a method of salvation at the expense of the interests and rights of the workers.

These are the conditions responsible for the industrial conflict which has recurred throughout the history of the industry. The proposed measure seeks to eliminate these conflicting tendencies and through allocation and limitation of production to do away with the incentive to wage-cutting and similar actions of the management inherently detrimental to the workers. But the bill does more than that; it provides ample machinery for harmonious cooperation of labor and management of the industry; cooperation which is bound to bring in time complete rehabilitation of the industry's economic position.

We know that nothing short of the plan embodied in this measure can accomplish this economic stabilization and industrial peace, long sought and heretofore unattainable to the coal producer, to the coal miner, and to the consumer of the industry's produce. All the previous attempts at solving the problem through half measures have ended in failure and only delayed the permanent solution. This experience makes it especially important to preserve the proposed bill in its present form and avoid emasculation of any of its fundamental features.

We know that the purpose of the bill cannot be accomplished by voluntary codes of fair competition unsupported by statutory requirements. Ample evidence to that is borne by the record of the bituminous-coal industry under the N. R. A. at the time when the industry was operating at a little better than a 20-hour work week, the original code provided for a 40-hour maximum, reduced to 35. This is just one example which demonstrates sufficiently how utterly impossible it is to even approach the solution of stabilizing the coal industry in the absence of substantive statutory law.

Our country is clearly on the road to substantial and lasting recovery, but unless the gains already made are consolidated and safeguards are provided in law to prevent future disaster, this recovery will not come and privation and suffering of our people will continue. This must be clearly recognized by Congress when it takes action on this measure, but primary and basic recognition must be given to a principle which supersedes all others, a principle which is laid down in the Constitution of the United States; that it is the duty and responsibility of the Congress of the United States to provide for conservation of natural resources, so that the wealth of the land could not be dissipated through wasteful competition, depriving the future generations of Americans of resources which are rightfully theirs.

Passage of this legislation before this session of Congress adjourns will put into effect provisions which will be the very salvation of the coal industry and will bring about the rehabilitation and well-being of hundreds of thousands of our citizens who have lived too long on the ragged edges of life. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Chairman, I shall not devote any time to a discussion of the constitutionality of this bill. I think the gentleman from Kentucky has covered the matter by citing specific cases which leaves no doubt in my mind as to this bill being constitutional. Where 90 percent of the production of an industry goes into interstate commerce and where 25 percent of the total production is consumed by railroads hauling interstate commerce, this, in my opinion, offers sufficient justification for the contention that it has such a direct bearing upon commerce that it is certainly constitutional.

Even though it might not be constitutional, there will be a long period of operation under this bill which will give the coal industry an opportunity to stabilize itself. If this plan fails then no one will lament its being declared unconstitutional a year and a half from today. If the plan succeeds, then even though it be declared unconstitutional, we have every reason to believe that the operators and the miners by voluntary agreement will continue those policies which have proven to be beneficial.

It has been my theory of government that the only way we might get out of the depression was to help every group in every section of the country. I cannot conceive of New England being in a depression and the Middle West being at the height of prosperity. I cannot conceive of the North being in a depression and the South being at the height of prosperity. To me all sections of the Nation must be prosperous together or there is no permanent prosperity for anyone. For this reason I voted for the tobacco bill, for the cotton bill, for the bill helping the corn growers and the hog raisers and the potato growers, although they affected very little of the district which I represent. Now we from the coal-producing sections of Ohio and of the Nation come to you and ask you to return to us the same benefit that we have willingly given to you.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. SECREST. I yield to my colleague from Ohio.

Mr. JENKINS of Ohio. Is it not true that in the gentleman's district, and in my district adjoining, there never has been a time when there has been so much harmony between the operators and the miners as prevails today?

Mr. SECREST. Never before that I can remember.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. SECREST. I yield to the gentleman from Ohio.

Mr. UNDERWOOD. Is it not true that in the coal-producing sections of Ohio we find almost unanimous support on the part of the operators and the employees on behalf of this measure?

Mr. SECREST. I think every operator and every miner in the State of Ohio is for this bill.

Mr. RANDOLPH. That is also true in my district.

Mr. SECREST. I am happy that the gentleman from West Virginia has joined with us in ardently supporting this bill.

There is every sound reason why the Federal Government, and the people as a whole, should be vitally interested in the coal industry. Coal is absolutely necessary to our present and future economic existence. It is our greatest source of heat and power, both of which are indispensable to life and industry.

Our very civilization and well-being demand that we preserve this great natural resource for which a suitable substitute is extremely unlikely. Low wages and cutthroat competition have made it impossible to secure the maximum amount of coal from any given mine. That which was most accessible and could be mined most cheaply, was taken from the vein. The rest was left in the mine. In fact, the report of the Natural Resources Board shows that 35 percent of our soft coal has been lost forever under conditions that have existed in the coal industry. In Europe, where efforts

have been made toward stabilization, the loss in mining is only 5 percent.

When we realize that under present consumption and present conditions the greater part of all coal east of the Mississippi River will be practically gone within 100 years, the situation is appalling. Concern for future generations as well as concern for those now engaged in mining, demand that action be taken to stabilize the industry at the earliest possible moment, and to insure sufficient wages and profits to make it possible to mine all the coal instead of a part.

Coal has been, coal is, and coal will continue to be the chief cornerstone upon which the progress and prosperity of industrial America must rest. The problems of those engaged in its production are the problems of all. Upon the men who mine coal depends the welfare of the steel worker, and the worker in practically every factory in the Nation.

Vitally concerned is the farmer who must depend upon the earnings of all labor to purchase the products of his farm.

For several generations the miners of the Nation waged a ceaseless struggle to secure in the form of wages a fair share of the wealth they produced. Year after year, by the greatest sacrifice and effort, working conditions steadily improved.

The depression, with its consequent loss of markets, swept away temporarily the progress of years. Collective bargaining was not recognized and conditions of labor and rates of pay were arbitrarily established by the owners of the mines. Many operators bid far below their competitors and then proceeded to pay starvation wages in an effort to realize a profit. Other operators who desired to be fair were forced to cut wages in order to retain markets for their coal. This system of underbidding and wage slashing continued until the life of a miner in many cases was little better than that of the galley slaves of ancient Rome. Miners were forced to lay their own track, do their own timbering, and handle great quantities of slate and waste without one cent of pay. Some of them did almost as much work without pay as they did with it. In some fields conditions were better, but in general the industry was never in a more deplorable condition.

At this point the National Industrial Recovery Act was passed by Congress. It gave the miners the right of collective bargaining and it gave the operators an opportunity to cease cutting each other's throats. The 5-day week, long a dream of the miner, became a reality. Wages were increased and, generally, employment was greater and work was steadier than it had been for years. A sick industry was far on the road to recovery when the N. R. A. was declared unconstitutional.

Again the future of the industry is one of anxiety and uncertainty. Miners and operators alike have placed their hope in Congress.

The operators desire, and are entitled, to no more or no less than a fair return on their investment.

The miner who turns a God-given, natural resource into wealth certainly has every moral right to a fair share of the wealth he produces. He hopes for, and deserves, a wage that will feed his family with wholesome food, clothe them respectably, allow them to enjoy a reasonable share of the conveniences and luxuries his labor makes possible, and permit his children to secure the same educational advantages as are given to the children of those for whom he works. By every rule of justice he is entitled to good wages for his hazardous work, he is deserving of good working conditions and the maximum guaranties of safety. The miner does not want to strike if these rights can be secured by peaceable means.

He is convinced that the Guffey bill will stabilize the industry and permit him to reap a harvest from his toil commensurate with the great public service he renders the Nation.

On behalf of thousands of men with whom I once labored, I wish to urge upon this Congress favorable consideration of this bill. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Chairman, I favor this bill for three specific reasons: The first is that it is economically sound; second, that it is socially desirable; and, third, it is constitutionally valid. My reasons for this last statement I will give you in a few moments. In rising to support the bill H. R. 9100, otherwise known as the "Guffey-Snyder coal bill", I do so with full and complete confidence in its constitutionality. I am not a lawyer. But I can read the English language, and I believe I have sufficient intelligence to interpret and understand the unequivocal implications of clear and concise English.

Moreover, I submit that when a tribunal of the high character and purpose of the Supreme Court lays down such a simple and direct rule as the following, I have a right, though not a member of the bar, to accept it at face value.

In the now famous Schechter case the Court says:

> If a trade or industry is predominantly intrastate in character, Congress has no authority to legislate on matters of regulation, including minimum wages, maximum hours of labor, working conditions, trade practices, and prices, except that—
>
> If transactions of that trade or industry, directly and to a sufficient degree, affect interstate commerce—the facts in each individual case determining the decision on that point—Congress may by appropriate enactment undertake regulation or supervision of intrastate operations of such trade or industry, including a regulation of wages, maximum working hours of labor and working conditions, minimum and maximum prices, and trade practices to the extent required to keep interstate commerce unburdened and unobstructed.
>
> If a trade or industry is predominantly interstate in character, and its operations directly and to a sufficient degree affect interstate commerce, the facts in each case controlling, Congress has authority to enact appropriate legislation on matters of regulation, including minimum wages, maximum hours of labor, working conditions, trade practices, and prices. In such circumstances the authority of Congress, we think, extends to the regulation of the intrastate operations of such trade or industry in cases where its intrastate operations are such that the failure to regulate them would obstruct or prevent the effective regulation of the industry by Congress. The facts in each case must determine whether transactions entirely intrastate are subject to regulation by Congress under this rule.

Here the Court clearly and explicitly lays down a rule for the guidance of Congress in legislation on such matters. And it is my firm conviction that the bill under consideration—H. R. 9100—comes entirely within the limits and in no way departs from or transcends the authority which the Court affirmatively states that Congress possesses.

Now what are the facts in this case?

It is not disputed by the opponents of this bill that at least 70 percent of the bituminous coal produced in the United States is shipped to points outside the State in which it was produced. In other words, 70 percent of the coal produced enters interstate commerce.

Statistics show that about 19 percent of the gross revenues of interstate railroads comes from the shipment of coal tonnage, and furthermore that 25 percent of the gross tonnage of coal produced is used as fuel on interstate railroads.

It may be admitted that coal produced in and consumed in a State is purely intrastate business, but it is inconceivable, as a matter of common sense, that, in view of the interstate character of the bulk of the business, Congress should be barred from regulating it.

According to statistics there are upward of 400,000 men employed in the mining of bituminous coal. These men are not all employed in one State. If they were, I still maintain that their welfare is "affected with a public interest."

If the industry in which they are engaged is to be conducted in an orderly, sound way, contributing by such orderly conduct to the public welfare, instead of adversely affecting the public welfare, as it does when disorganized and unstabilized, then I maintain in my weak layman way that it is the duty of Congress to take such measures as are within its power to stabilize that industry in the interest of commerce specifically and in the interest of the public welfare generally.

No other industry in the United States has, I believe, in the past, been guilty of so many antisocial practices. Its workers have been forced to live in hovels under the most unsanitary conditions imaginable. They have been underpaid as to wages and overcharged for rent in company houses and for goods at company stores.

They have worked long hours, under conditions that took no thought of their safety. Their employment has been uncertain. They have been, in fact, the victims of one of the cruelest systems of exploitation of any class of workers in the Nation.

The Guffey-Snyder coal bill is the answer. I hope it is the solution. For these reasons I shall support it. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Chairman, I want to say just a few words about some of the constitutional arguments which have been made here this afternoon by Members from the Democratic side of the Chamber.

We have helped railroads, we have helped the insurance companies, the wheat growers, the corn growers, the cattlemen, the hog raisers, the citrus-fruit growers of California and Florida, the tobacco growers, and, just the other day, the potato growers. All of these acts, so far as the constitutional lawyers in this body are concerned, were constitutional in their opinion, I presume, or else they would not have supported them. Only day before yesterday, in order to assist the potato growers of this country, the gentleman from Arkansas [Mr. FULLER], the gentleman from Tennessee [Mr. COOPER], and the gentleman from Massachusetts [Mr. MCCORMACK], these great Democratic constitutional lawyers who have just spoken against this bill, voted to put a tax of three-quarters of 1 cent on every pound of potatoes raised in America. That was constitutional. They know and I know that that tax was imposed in order to regulate the potato business, just as the tax under this bill is imposed to regulate the coal business.

If it is constitutional to regulate the potato growers through a tax, why, in the name of high heaven, is it not constitutional to regulate the coal business by the same method?

The gentleman from Arkansas [Mr. FULLER] goes so far as to say that we are a set of Communists in advocating this bill. Let me tell you that this bill has the endorsement of the greatest President we have had in my lifetime [applause], and I know that he is not a Communist. He believes in extending to the miners of this country the same rights given to the potato growers, the farmers, and the cattle and the hog men, in treating all men alike. This is not communism, it is pure Americanism, and I thank God we have in the White House a real American who is willing to help the man who toils.

I know what I am talking about when I talk to you about the coal business. I have been connected with the coal business practically all my life. I know that no element in our labor population has suffered as the coal miners of America, and if there is any element in our population that needs assistance and needs help it is the coal miners of this country, and yet when we try to come to their rescue with the same type of legislation that we have been passing here, day in and day out, there are those who get up and brand us as Communists. I want to say to the gentleman that I resent the charge, and that every American who believes in a square deal and who believes in extending to the man who goes down under the earth and mines coal the same rights that you extend to the farmers and others in this country, resents the charge. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Chairman, I am glad that I can appear on this floor once in agreement with my colleagues from the adjoining States of West Virginia and Kentucky in urging the passage of the Snyder-Guffey bill. You know, as a general rule, in the past I have found myself in radical disagreement upon problems affecting the soft-coal industry; but today we are confronted with a condition, not a theory. The great mining industries of my State and of my congressional district, where millions of dollars have been invested, with thousands of employees and their families depending upon the industry, are facing a chaotic condition similar to that which existed prior to the enactment of the N. R. A. Ohio has always been proud of her diversified industries. We have had a record of achievement in industry, mining, and agriculture.

During this session of the Congress, with my colleagues, I have joined in passing legislation which I thought would benefit other sections and other industries in the country. I have always believed it to be a true American policy that every section of this country should be permitted to develop and prosper, not at the expense of another but as a whole. Oh, I have heard others say here today that this would raise the price of coal to the consumers of this country. Mr. Chairman, I believe this fact is not evident from a reading of the hearings before the Ways and Means Committee, and I believe also that the consumers of this country are fair enough to pay a price for their coal that is at least equal to the cost of producing the coal. Today I can see before me, back in my congressional district and State, thousands of patriotic, loyal American citizens who feel that if this legislation is not passed they will face the same starvation wages and working conditions that they faced prior to the enactment of the Coal Code.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. UNDERWOOD. Yes; I yield.

Mr. JENKINS of Ohio. Is it not a fact so far as the gentleman's industries are concerned, and the industries in the gentleman's district are similar to those in my district, there is no intention anywhere on the part of the producer or the miner that anything shall be done to raise the price of coal to the consumer?

Mr. UNDERWOOD. I believe that is true.

Mr. RANDOLPH. If the gentleman will permit, I may say that I am also in agreement with the gentleman, and we know that the consuming public is interested also in the humanity that goes into the production of any commodity which it uses.

Mr. UNDERWOOD. I think that is very true.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. UNDERWOOD. I yield.

Mr. KNUTSON. If what the gentleman from Ohio [Mr. JENKINS] has said is true, what is the purpose of this legislation?

Mr. VINSON of Kentucky. The gentleman from Minnesota has been around a long time and he ought to know.

Mr. JENKINS of Ohio. The purpose is to stabilize the industry.

Mr. KNUTSON. Stabilize it at about a dollar a ton more than we are paying now.

Mr. UNDERWOOD. It will be conceded, perhaps, that next to the food supply and transportation business of our country, that the Nation's fuel supply is the most important. There is every probability that for many generations to come the production and transportation of coal will be of vital concern to our people. It is, and will continue to be, one of our basic industries. The coal business is basic because our economic and industrial life is absolutely dependent upon a supply of coal. Industry in this age of mechanics and machinery depends upon power to run the various agencies of production and distribution. The source of the larger portion of this power is coal.

I have lived in a coal-mining community all my life and am familiar with the difficulties and chaotic conditions of both the miners and producers which have prevailed during the past several years, with the exception of the time the N. R. A. was in existence. The mining industry of the country employs some 400,000 men, upon whom are dependent their families, consisting of some 1,500,000 people, and unless something is done for the industry these men and their families will continue to suffer by reason of wage cuts, which have existed in the past to such an extent that the miners and their families are barely able to exist.

The Guffey-Snyder coal bill provides for a minimum amount of governmental regulation to ensure the orderly conduct and stabilization of the bituminous-coal industry. I think this answers the question of the gentleman from Minnesota [Mr. KNUTSON].

The bill creates a consumers' counsel to appear for and act in the interests of the consuming public.

It includes in its provisions methods for establishing minimum prices for coal that will yield the average cost of production, and certainly no consumer would ever object to paying a price for coal products that will yield the cost of production. In the past the price for coal has been such as to yield considerably less than the cost of production with the chaotic conditions resulting to which I have heretofore referred.

The bill permits the establishment of maximum prices for the protection of users of coal so that, in a run-away coal market such as existed during the war period and immediately thereafter, the consuming public will be protected.

The bill does not give any one coal-producing district an advantage over any other coal-producing district.

The demoralized competition in the bituminous-coal industry was notorious prior to the enactment of the National Recovery Act, and even during the period of great prosperity, in 1928 and 1929, the experience of the bituminous-coal industry was a heavy loss, and the coal miners did not share this prosperity with their fellow laborers, which I well know from my living among them during this period.

Opponents of the Guffey-Snyder bill have made the claim that its enactment would result in a large increase in the price of bituminous coal to the public. This statement is very ably refuted in the majority report of the Ways and Means Committee, which sets out the facts and figures showing the average cost of production of coal during the 1934 period, and with the continuance of existing production costs, there is no reason to doubt that under the operation of this bill the price of coal at the mines will not be higher than the prices that prevailed under the bituminous-coal code. And I again call attention to the fact that the public is protected as to excessive prices for coal.

Opponents of the legislation have made the claim that the enactment of this bill would result in an increase in wages paid to coal-mine labor, therefore a corresponding increase in the cost of producing coal and an equivalent increase in the price of coal to the consumer. Granting that under the provisions of the bill the minimum price of coal is established at the level of the cost of production, this contention is valid only on the assumption that the cost of production and the equivalent market-price level for bituminous coal are matters of indifference to the producer. That this is not the case is so well known as to require no refutation. Even at the level of prices established under the bituminous-coal code, competition with fuel oil, gas, and hydroelectric power was a limiting factor in the production and distribution of bituminous coal. The competition of these other fuels naturally limits the cost of producing coal as an alternative to heavy losses of volume of coal tonnage. Therefore, whether or not higher wages in the bituminous coal-mining industry shall prevail in the future depends upon considerations entirely apart from the enactment or the failure to enact the Guffey-Snyder bill.

Ohio has a just right to be proud of her diversified industries. The good people of my State have an excellent history of achievement in agriculture, mining, manufacturing, and other industrial activities, but the existing and prevailing conditions are literally killing one of the greatest industries of my State. The Ohio coal situation has been extremely bad, and the great mines of my State and district have been in many instances idle. Millions of dollars have been invested in the mining industry, and thousands of miners and their families are dependent upon this industry for their livelihood. Conditions in many of the mining fields were prior to the N. R. A. sad and desperate. Men had not had employment for months, their homes had been mortgaged, their savings exhausted, and actual want and hardship existed in many localities. Only the kindness of the merchants in extending credit prevented men, women, and children from facing actual want and hunger. Do we want to go back to these conditions, or shall we march forward and give to these men, women, and children the right to live and work and save?

I can see before me today in the mining fields, composing a part of the district which I have the honor to represent, thousands of these loyal, patriotic American citizens face to face with actual want and hardship. If you will go with me into mining fields of Ohio today, with which I am acquainted, I can show you the coal miner living in a modest and simple home, where he sits with his family brooding over the unkindness of fate. If you knew the miners of my district and State as I know them, if you had associated with them as I have done, if you only knew the many hardships they have encountered and are encountering today, I am sure that you and the good people who have sent me here would not ask that I remain silent upon a question which is of vital importance to the happiness and welfare of thousands of men, women, and children in the coal fields of my State and district.

I am interested in their welfare. It is my duty to represent them, as well as all my people, in this Congress. I have been their friend and will continue to help them by my vote and influence whenever possible. The Ohio miner only seeks for himself and family what every true American wants—an honest living and a square chance to work in unrestricted and unhampered competition with his fellow workers in other fields. I want all sections and all the people of this great country to prosper and be happy. I regret that any of our people must suffer where it is possible to grant them a measure of relief.

Therefore, in conclusion, I wish to say that I have not touched upon the question of the constitutionality of this bill since I, for one, am attempting to make this effort to assist the laboring people of the country and am willing to leave that question to the proper tribunal, the Supreme Court of the United States. I believe that I speak the sentiment of laborers everywhere in every industry, and I ask you to pass this bill to provide a proper livelihood for these laborers who work down deep under the earth providing fuel for America. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. IMHOFF].

GUFFEY-SNYDER COAL BILL

Mr. IMHOFF. Mr. Chairman, I wish to give my support to H. R. 8479, otherwise known as the "Guffey-Snyder coal bill." My congressional district, the Eighteenth District of Ohio, is one of the greatest coal-mining centers in the State of Ohio as well as the entire country. Therefore my district is very much interested and concerned in the outcome of the legislation proposed in this bill.

In my home county, Belmont County, Ohio, when the mines are running full blast, there are some 14,000 miners employed. In my entire district there are some 20,000 miners altogether. This means that some forty to fifty thousand people are dependent upon the mines for their subsistence in that particular section. The prosperity of our entire section is to a large extent dependent upon the prosperity of the mining business. When the mines are working and the miners are earning good wages, their prosperity reaches out to all other lines of business. The lawyer, the doctor, the grocer; in fact, every form of business reaps the reward of prosperity in the coal mines. Therefore the people of my district are much concerned that some provision be made such as is proposed in the Guffey-Snyder coal bill to stabilize this great industry in which, in this country, 500,000 men are employed. In my congressional district the operators and the miners as well are united in favor of the passage of this legislation.

The N. R. A. was a godsend to the coal miners and operators as well. After the great coal strike in 1927 and up until 1933 the coal-mining business in my section was at a very low ebb. The mines were working only 2 or 3 days a week; the miners were paid 25 cents a ton for loading coal and $1.25 a day for work outside. Then came the Roosevelt administration and the advent of the N. R. A. Immediately, under the N. R. A., the coal-mining business became prosperous. Wages for loading coal were raised from 25 cents a ton to 60 cents a ton and wages for outside work were raised from $1.25 a day to $5 a day, and, instead of the mines work-

ing 2 or 3 days a week, they worked every day. The cutthroat competition that had been ruining the coal business for years was eliminated. The operators were saved from bankruptcy. The miners once more were working every day at good wages and were able to provide the necessities of life for their families. The prosperity of the miners and the operators at once spread to other lines of business in the community. Everybody profited by the prosperity of the miners. Then came the Supreme Court decision which declared the N. R. A. unconstitutional. Since that time the mining business has been on the decline. Cutthroat competition is again coming into play. The price of coal is falling, wages are being cut, and unless something is done the coal business will be back into the same state it was before the advent of the N. R. A. The necessary remedy is provided in the Guffey coal bill. It has been advised by some of the best legal talent in the country that the bill as is drawn is constitutional. It is, in short, a little N. R. A. for the coal business and is the only way out in the matter of providing for this great industry such stabilization as will save it from the ruin of the past. The provisions of this bill are vital to the interests of one-half million miners in this country, as well as the investment of hundreds of millions of dollars by the operators.

It has been said that the passage of this bill will result in a very great increase in the cost of coal. Investigation has disproved these claims and reliable authority has established that under the provisions of this bill there would be but a very small increase in the cost of coal to the public at large.

During the consideration of this bill I expect to give it my full and absolute support. It will have tremendous and far-reaching effects upon many of my constituents. It is perhaps the only thing that can be done to prevent an extended and long-drawn-out strike by the half million coal miners of America. Such a strike can only result in a great loss to the miners, the operators, and the country. I do not know a single outstanding reason why this bill should be defeated but I know of many reasons why this splendid piece of legislation should be enacted in order that prosperity and happiness might be brought to many hundreds of thousands of citizens in our great country. [Applause.]

Mr. TREADWAY. Mr. Chairman, I yield to the gentleman from Ohio [Mr. JENKINS] such time as he may desire.

Mr. JENKINS of Ohio. Mr. Chairman, ladies and gentlemen of the Committee, this is a very important bill. I had intended to discuss it at some length but in view of the very able discussions already had, a further crowding of the RECORD would hardly be justified unless one felt that some material point or matter had escaped notice by the several able gentlemen who have preceded me. To a reader of the RECORD I wish to emphasize the fact of the convincing and thorough arguments already made in the belief that whether the reader may be for or against the measure, he will find ample material to enlighten him thoroughly.

This is an important measure, for it holds in its potentialities the happiness and welfare of 450,000 miners and their families, and it holds in its potentialities the welfare and stability of an industry in which many millions are invested, and upon which the very life and safety of our people depend. When these two facts are fully appreciated one must conclude that this is a most important measure.

By reason of the fact that coal is only produced in a very limited area the great majority of the people of the country do not have a thorough knowledge of the industry, and many are biased simply for want of correct information. Many people judge the industry by their idea of what a strike is. Their ideas of a strike are greatly distorted and consequently the industry and those who conduct it are misunderstood and their motives are impugned. If you will pardon a personal reference, I will say that I was brought up in close contact with the mining industry and my observation and experience have extended over the whole period of my life. There is tragedy in every branch of this industry. There is a grimness in the thought of going down into the dark, damp, and dangerous depths of the earth to dig out a commodity which the people must have, and there is a sadness in the thought that when this is done the work is hardly appreciated, and those who do it are often misrepresented.

To follow this industry requires a personal courage which many a man does not possess. No one assumes these risks for the pleasure it gives him. No; he assumes them for through them he sees an opportunity to make a living for himself and family. There is no group of workers who deserve more at the hands of the people generally than that great group of law-abiding men who take their lives in their hands every day for the benefit of others. The miners' union has contributed more to the upward climb of labor than any other organization. For the last 750 years the fight of labor has been a steady climb upward toward higher standards of living. Selfishness and greed are natural to the human family, and their opposition to the climb of labor has been fierce at times, but there is no gainsaying the fact that never before in the United States has there been such a splendid cordiality existing between employers and employees as that which exists now. Say what you will, but I reiterate that the much-abused miners' union has done more for labor than any of the other organizations. One need not be in any way connected with or obligated to this organization to recognize a truth when it is pointed out.

The miner is usually a very law-abiding man. He is a family man. His work is individual. It develops individuality. It is a game in which every man plays his part. Upon the careless act of one man may depend the lives of hundreds. Mining is no child's play. There is a comradeship among miners that comes only to those who associate together in dangerous undertakings. Having seen many a casualty from my childhood days in and around the mines up until a few years ago, when I saw the gruesome sight of 80 bodies laid out in a row, all the victims of one gas explosion, I think I know something of the hazards of mining. I shall never forget that large crowd of wives and mothers and children and friends as they milled around the mouth of the shaft from which solemnly was carried body after body by grim-visaged colaborers.

These, my friends, were only a small part of the 2,000 who are killed every year in the battle that these men put up for the maintenance of their families and for the welfare and comfort of the Nation. Yes; I repeat, the fight of labor up the scale of social justice has been a patient one. Seventy-nine thousand brave men have lost their lives in the coal mines of the country in the last 37 years, and many thousands more have been injured and maimed for the remainder of their lives. No student of the subject will say that this battle of these brave men has been in vain. Never in the history of the mining industry has there been such harmony existing between miners and operators as that which obtains at the present time.

I would not if I could forget what I know of the dangers of this business. It so appeals to me that I feel that I should resolve all doubts in favor of what I know and feel. Of course, one should not legislate from sympathy alone; neither should he legislate without sympathy, for tyranny is action without sympathy and justice.

I recite these facts in the hope that it may be made clear that those participating in the mining of coal are deserving of your confidence.

I can say for the mine operators that they have had more than their share of troubles in the past few years. Modern methods have tended to displace the use of coal and the production of coal, with a result that the industry is confronted with a surplus that demoralizes the industry. For instance, modern machinery now enables one miner to produce as much as three or five could produce 40 years ago.

Modern methods of treating coal have resulted in coal being combusted so as to produce three times as much energy as produced 40 years ago. Likewise, modern machinery operates so much more economically than the machines of 40 years ago that the same energy as was required 40 years ago will now drive twice or three times as many machines. Operators and miners have long since come to the place where they recognize that the best interests of both lie in the same direction.

This great industry, because of these and many other vicissitudes, has been in a most deplorable condition for the past 12 or 15 years. The demands for coal during the war expanded the coal production far beyond the customary needs. The mining business is different from almost any other business, in that when once commenced it must be pushed on or else the loss will be total. This pressing on has carried many into bankruptcy. Only those survived that had a capital structure that enabled them to outlast the others. Although many were forced into bankruptcy, still with the slightest revival of the coal business someone would clean up the properties under some flimsy financial set-up, only to again increase the production until the surplus would cause a battle of cutthroat competition, with the recurring slump.

This would result inevitably in greater hardship upon the miner than upon anyone else. The operator, when forced by merciless competition to sell under cost, would be bound to reduce the miner either in wages or in inferior mining facilities and protection.

There is no question that the condition of the mining industry has for the past 12 years been so deplorable as to warrant a court in taking notice of this fact when called upon to interpret any laws passed seeking to revive this business.

In reference to the pending bill, arguments against it are made—

First. As to its constitutionality.

Second. As to whether it will unduly raise the cost of coal.

Arguments in favor of it are made—

First. Because the business needs to be stabilized for its own benefit.

Second. It needs to be stabilized for the benefit of the consumers.

Third. That it will give more regular employment to miners.

As to its constitutionality I should say that constitutionality is a moot question in the case of many legislative acts until they are tested in the courts. Those who will want to believe that this bill is constitutional will find themselves taking refuge in the thought that until it is declared unconstitutional they should have a right to follow those who venture the opinion that it is constitutional. And those who want to believe that the law is unconstitutional will take comfort in the thought that they will be observing their oath more strictly to vote against this bill for fear that it is unconstitutional. There may be some who feel absolutely that it is constitutional, and there may be some who feel equally as certain that it is unconstitutional. I think that practically every person capable of interpreting legal decisions finds himself in a fog of uncertainty.

I have gone into this phase of this subject carefully, and I am inclined to the belief that the Court will find sufficient in this bill to sustain it. The Court will be moved to this conclusion from the fact that this is a great industry sadly in need of stabilization, and that those who are seeking this relief are not seeking to do any injustice to anyone else. If the Court should find against its validity, it may point the way to a solution of this vexatious problem, as it has done many times heretofore. I am stopping here long enough to say that many of the same cases are cited by advocates of both theories to prove their claims. This is a sign that they are not very far apart. It is only a question of interpretation. The following cases are cited for consideration:

Appalachian Coal case (228 U. S. 34).
Delaware Lackawanna R. R. case (238 U. S. 439).
Olsen case (262 U. S. 1).
Wallace case (258 U. S. 495).
Coronada Coal case (259 U. S. 344).
Red Jacket case (18 Fed. 839).
Hill v. *Wallace* (259 U. S. 44).

As to whether the price of coal will be raised to the consumer it is my opinion that this will not be done to any appreciable degree. I mean that it will not be more than 20 or 25 cents per ton at the most, and this will all be absorbed in business generally. The amount paid by industry for coal is in many cases not more than one-tenth of 1 percent of the cost of what that industry produces. Under the cutthroat competition of the past few years the great coal-consuming industries of the Nation, being possessed of a stronger financial capital structure, could impose upon the weaker industry with the result that it could dictate its own price. This resulted in much coal being sold below cost. One of the most disastrous practices to any industry is to sell below cost. Someone must make up this deficiency. In the mining industry both operator and miner suffered. The operator continued in business as long as he could by skimping and denying to the miner what he should have had, until eventually the operator faced bankruptcy and the miner faced starvation.

This bill will not result in any extravagant increase in price. Mr. Findlay, one of the leading coal producers in the country, says it will not increase the price. John L. Lewis says the same thing. I know it is not the purpose of the operators or the miners to increase the price of coal. If the industry is stabilized both will be satisfied. If the operator can get from $2 to $2.50 per ton for his coal f. o. b. car at the mines in Ohio both will be satisfied. No consumer worth considering would want coal for less than the bare cost of production. The operators and miners cannot profit unreasonably off of anybody when they are willing to sell their coal for this price.

The purpose of this bill is most laudable. The coal industry is worthy of our best consideration. The miners and their families are equal to the best of our citizenry. We owe it as legislators to come to their rescue, so far as our judgments dictate and our oaths permit. They ask no more. I shall not fail my people in this extremity. With hope that the courts will recognize the laudable purposes of those who favor this legislation and that the same will be found to be consonant with the great organic charter of our liberties and the great guarantor of justice to all, I shall support this measure. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Mr. Chairman and members of the Committee, I probably would not have asked the opportunity to say anything on this legislation had it not been for the fact that oft-repeated statements have been made by Members on the floor of the House accusing the United Mine Workers of America of threatening this Congress to strike if this law was not passed.

Now, Mr. Chairman, I think we will all agree that the coal-mining industry has never seen a period of real amicable relations between the mine workers and the operators until the National Recovery Act was enacted.

Immediately after the law was enacted the mine workers and the operators in this Nation entered into an agreement. They formulated a code, and from that time on we have had no difficulty in the mining industry of this Nation. There have been no strikes or lockouts.

Now, the question has been asked by the gentleman from New York [Mr. MARCANTONIO], What benefit will labor derive from the enactment of this legislation? I tell you, even though the miserable figure of $3.75 a day for miners, which was established by the code for Missouri mine workers—even though that be meager, since the N. R. A. has been declared unconstitutional, I am ashamed to state that some of the mine workers of Missouri in my district are now working for the miserable sum of $1 a day—almost a 300-percent decrease in wages since the nullification of the National Recovery Act.

That has not been reflected in the retail price of coal.

The price of domestic coal in Missouri since that time has gone up. Think of it! Mine workers digging 3 and 4 tons of coal a day in this low coal field, where it requires great effort to produce a ton of coal, receiving from 25 cents to 35 cents per ton in some instances. The domestic consumers in the State of Missouri are paying from $6 to $8 per ton for that coal, depending upon the quality. The reason why the mine workers have warned you about an impending strike is the fact that if we allow cut-throat

competition to continue, it is bound to bring on strikes and difficulties. The mine workers cannot escape it. That is the only way they have of defending themselves from having their wage standards reduced to a level with that of peon labor.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. WOOD. Yes.

Mr. RANDOLPH. And the miners of this country are not holding over the heads of the Members of this Congress the threat of a strike but are appealing to Members of Congress to have legislation.

Mr. WOOD. Yes, they are appealing to Members of Congress to enact this legislation so that they will not have to strike.

The enactment of the Snyder-Guffey coal bill will insure a continuation of the amicable relations that existed during the period in which the national code for the coal industry was in existence. If this bill is not enacted by this session of Congress the cutthroat competition that has ensued since voiding of the National Recovery Act by the Supreme Court will become more destructive and further intensify the chaotic conditions that now exist in the industry. It should not be difficult for anyone who is fairly familiar with the desperate situation in the coal-mining industry, the dire results that will follow if we do not give the coal operators and miners the opportunity to stabilize the industry by the enactment of this bill.

Eighty percent of the bituminous-coal operators and 95 percent of the coal miners are urging and pleading with us to enact this bill which will enable them to stabilize the industry and bring about a condition where the miners may receive a living wage for their hazardous labors, and the coal operator may reecive a fair return for his investment and management.

Whatever may be said on the floor of this House, as long as there is red blood coursing in the bodies of the workers of this Nation, they will resort to the last vestige of their economic power—the strike—when conditions become so unbearable that they can no longer secure the necessities of life for themselves and families from their labors.

If we close this session without enacting this important legislation it is my candid opinion that we will fall far short of our plain duty to our constituents.

In the light of our experience since the National Recovery Act has been declared unconstitutional, no one can say that the leveling up of the wage structure will be reflected in the price of the domestic consumption of coal, as since the voiding of the N. R. A. the wage standards of the mine workers have been slashed to the bone and the price of coal has been constantly rising along with the rise in the price of other commodities, insofar as domestic consumption is concerned.

I hope and believe this important legislation will pass before this session of congress adjourns.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, I am not now going to address myself to any constitutional argument either for or against the bill; that will come later; but I do wish to give you a little background of the district which I represent. In the Twenty-seventh District of Pennsylvania there are about 200 coal-mining operations, not including the smaller operations where less than 1,000 tons a year are produced. There are about 10 captive coal mines. There are 150 local unions of United Mine Workers in that district with a membership of 35,000, according to the best estimates of the United Mine Workers of America. This district is composed of four counties, and it is the largest single bituminous coal producing congressional district in the United States. I know the people who live and work around the mines. All my life I have lived with them and worked with them and among them. There is no better, no more loyal, no more industrious, or honest class of people in the United States. They are not holding any threat of a strike over this Congress, because no people know more the damage that a strike does to the country than do the miners themselves. It not only defeats the miners, but it defeats the operators and, also, it defeats the public and the country generally.

I think there is not a single miner in the Twenty-seventh Congressional District of Pennsylvania who is not thoroughly in accord with this legislation, and there is not an operator that I know of since this bill has been re-formed who is not also in accord with the miners backing this legislation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GRAY of Pennsylvania. Yes.

Mr. CRAWFORD. With the gentleman's experience and knowledge of the coal-mining business—and I want to state that I am very friendly to a lot of the things that he has to say—what power of expression has the miner other than through the power of strike? In what other way can he speak to the people of the country?

Mr. GRAY of Pennsylvania. He can speak only through his trade journals and leaders, and finally resort to a strike.

Mr. CRAWFORD. But, after all is said and done, the strike is his last weapon?

Mr. GRAY of Pennsylvania. Exactly.

Mr. CRAWFORD. And about the only effective weapon he has?

Mr. GRAY of Pennsylvania. Without a doubt it is his last resort, his final hope, and effective method of bettering his working and living conditions.

Mr. CRAWFORD. What in the gentleman's opinion causes the operators of the country to allow their stocks of coal above the ground to run down to such a low point as they have at the present time? What puts into operation the forces which prevent that coal from coming to the surface? In other words, why are not the mines running more on a production basis at the present time?

Mr. VINSON of Kentucky. If the gentleman from Pennsylvania will allow, it is a matter of having a market for the coal. The coal is on the top of the ground now, but practically all of it is in the hands of the jobber.

Mr. CRAWFORD. Is it not true that the market is here, because if there are 2 or 3 or 4 weeks' supply of coal throughout the United States, that is too small a stock of coal to have on hand when you spread it out. Detroit is short, Pittsburgh is short, Cincinnati is short, every city on the continent is short of coal when there is such a supply on hand.

Mr. FADDIS. Mr. Chairman, will the gentleman allow me to answer the gentleman from Michigan?

Mr. GRAY of Pennsylvania. Yes.

Mr. FADDIS. The facilities for storing bituminous coal are very limited. Bituminous coal is a very bulky commodity.

Mr. VINSON of Kentucky. And the ability to get the coal from the mines to the market is another reason for not having any excessive amount on hand.

Mr. FOCHT. Also there is a disintegration of coal that occurs in the winter time.

Mr. GRAY of Pennsylvania. Mr. Chairman, all these Members are correct. Coal is a decidedly bulky substance; there are no facilities for storing coal above ground except railroad cars, some sheds, and piling it up in heaps on the ground. When coal is once mined and brought to the surface the processes of deterioration immediately set in.

I will say to the gentleman from Michigan [Mr. CRAWFORD] that coal is not generally mined unless there is immediate sale for it or unless there is such a buying market as will most likely absorb the output of a mine. Coal is not subject to the cold-storage system of the meat-packing industry, or stocking up merchandise by manufacturer, or the holding over of wheat or cotton or such like commodities.

I want to direct some comment on the question of alleged increased cost of coal to the consumer, should this bill become a law.

Members have spoken in this House on that phase of the bill without sufficient knowledge of the subject and without a proper consideration of the facts.

It must be recognized that only 12 percent of the total bituminous-coal output of the country is used for domestic consumption; that the greater part of this 12 percent is consumed right in the locality of the coal-production areas. It is anthracite—hard coal—that is generally used for domestic purposes in centers where there is no soft-coal production. So it will be seen that this talk of great increase in the cost of coal to the domestic consumer is largely imaginary. It is a mythical issue, raised by the opponents of this legislation to scare Members of the House away from support of the bill.

Now, let us consider the alleged increased cost of coal to the commercial consumer. Let us take the situation of New England, about which we have heard so much here today.

Granting, for the sake of argument, that there will result from the passage of this bill some increase in the price of a ton of coal used commercially, what do we find? First, that the statements regarding the amount of the increased price per ton are grossly exaggerated, and without any factual foundation.

Secondly, assuming that coal at the mine mouth, f. o. b. railroad cars at the mine, is slightly advanced in cost, and is shipped let us say from Pennsylvania to New England for commercial uses in textile mills. These mills are operated by electric power and if the electric power is generated by steam produced by the use of steam coal, how much increase would there be in the production cost of any single article manufactured in a New England textile mill? The increased cost of any single article due to advanced cost of coal would be negligible. There again we discover that this averment of a tremendous increase in cost of manufactured goods to the consuming public is mostly fancy and phantasy. It is not a fact which need disturb any practical, conscientious, legislative mind.

Suppose we consider the subject from the standpoint of wages earned and paid to the coal miners. What a mass of misinformation has been diffused in the House in that respect. Miners' wages are $5 a day. Yes; that is true at present in organized fields for day men. But day men are really few, very few in number as compared with the total number of miners engaged in digging coal.

The man who digs and loads the coal is paid by piecework, as it were. They are paid different scales in different coal-producing fields; and he is paid by the ton he digs and loads; that is, he is supposed to be paid on that basis. But the truth is that one of the alleged common practices of the operation of a coal mine is to weigh the mine car loaded with coal and short change the loader. This abuse was so common that it led to many battles between the operators and the organized labor units in the industry. The evil has been overcome largely by the check-weighman system of weighing, in which the loader of the coal has a representative on the tipple to check the weight of his car.

We have yet more considerations to give this proposed legislation. This is H. R. 9100 which we are presently deliberating. It is the bill as reported by the Ways and Means Committee of the House. It is not by any means the bill as originally introduced into the House as a companion to the Senate Guffey coal bill. As we have H. R. 9100, we have a measure immeasurably superior to the bill as first presented. I want to pay my respects to the Ways and Means Committee for having done a very splendid job on the draft. I sincerely compliment the committee for giving us a piece of legislation much more likely to receive the support of a majority in this House, and much more likely to meet with general approval if enacted.

May I briefly call attention to some of the more important changes for the better which the committee made in this measure.

In the original bill presented there was a national coal reserve established, which provision contained all the seeds of possible corruption if the administration of the bill fell into unworthy hands. Very wisely has that title been stricken from the bill.

Again, the bill in its first shape contained a provision for a 25-percent tax on the selling price of coal. That provision was working toward the ultimate rejection of the bill, but with prudence and foresight the committee reduced the tax from 25 percent to 15 percent.

Another very radical change was the reduction in the personnel of the National Coal Commission and in the salary to be paid the commissioners. This new provision inserted by our Committee on Ways and Means materially helps the bill. It reduces the costs of administration very considerably and reflects sound thinking on the part of the committee. It assists in brightening the prospects of augmented support for the whole proposition.

The last fundamental and effective change which I shall refer to in this connection is the addition of a consumers' counsel to protect the public interest and the pocketbook of the consumer of all kinds of bituminous coal. That alteration was a most fortunate act of prudence by the committee. By that fundamental and material alteration, the fears of the consuming public will be allayed, and a guaranty of fair dealing, fair prices, and fair markets is provided.

So, I say, Mr. Chairman, in all sincerity to this House, that these and other highly important changes made by the House Ways and Means Committee in the form and contents of the bill as originally presented have in every respect improved and amended it in a most favorable, safe, and satisfactory manner.

I shall conclude by a brief reference to the question of the constitutionality of the whole proposition.

Mr. Chairman, if we as Congressmen, legislating for the Nation as a whole, were asked to vote for a bill plainly in contravention of the Constitution of our country, certainly none of us would be likely to respond affirmatively. If, for instance, we were confronted with a bill of attainder, a bill to abridge the freedom of speech or of the press or of the right of free assembly to petition for redress of grievances, if we were faced with a demand to suspend the writ of habeas corpus or to confiscate property without due process of law, if we were asked to do any one of a number of things which the organic law of the land plainly prohibits, certainly it would not enter into the minds or the contemplation of any sane man in this House to commit himself to such a course of action.

But this is no such proposal. It does not seek to abolish rights, but to establish and confirm them. It seeks betterment, helpfulness, and social, economic, and industrial improvement. Its purpose is to build up, to re-create, to upbuild. It is not abridgement, destruction, nor confiscation.

If it will achieve only a part of what the coal miners, the coal operators, and the public and those of us who are most nearly concerned and most vitally interested in it desire and hope that it will, then by its passage we shall have accomplished something worthy and unforgettable in this session of Congress.

Representing the largest single bituminous-coal producing congressional district in the country; representing 35,000 coal miners and several hundred coal operators, representing nearly a half million people in that district, I give this bill my whole-hearted support and ask for it not only your serious consideration but your vote as a national legislator.

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MORITZ].

Mr. MORITZ. Mr. Chairman, we have learned this great lesson in Congress, that the rules of the House are laid down for the protection of the minority. Now, if we put in force a rule to help and protect the minority in the world like the poor miners and the small operators, then we will get somewhere. To my mind, that is just what President Roosevelt is trying to do. The greatest argument in favor of this bill is that the greatest corporation in Pittsburgh, the Pittsburgh Coal Co., owned by Mellon, is against this bill. I wish the gentleman from Minnesota [Mr. KNUTSON] were present to hear this.

Mr. GRAY of Pennsylvania. And they were in favor of this bill prior to revision by the Committee on Ways and Means?

Mr. MORITZ. They turned turtle overnight. They want monopolistic control over the coal. That is all.

Mr. WOOD. And also the Captive mine of the United States Steel Corporation is opposed to it.

Mr. MORITZ. They are opposed to it. They are for anything that is against the small man. We ought to protect the common man.

Mr. Chairman, this is an administration of action.

The people of America will no longer stand for a "do nothing administration." Ordinary common sense and psychology tell us that they are fed up to the point of sickness with administrations like Presidents Harding, Coolidge, and Hoover. The people of America are not merely content to have an administration that flows along peacefully and quietly. They want action and will keep demanding action until they get an administration that will at least try to give them some wholesome betterments that they are entitled to.

No people in justice can demand an overnight radical reform, and the people of America least of all want a revolutionary change, but they do want some change for the better, no matter how slight it may be.

Our President fully understands this and has given us an administration of action—all legislation tending toward the betterment of the "forgotten man." The conservatives, as would be expected, are howling. However, when you think back and see how long and how many years it took to get some trivial improvements for the miner who is truly the unseen and forgotten man, we should not be surprised if the reform that he is asking for in this Snyder-Guffey bill cannot be gotten without a bitter fight.

I remember years ago, in 1902, it took Theodore Roosevelt's intervention to pacify the then intense strike. I remember not so many years ago it was taken as a matter of course that the poor miner be cheated openly as to the credit he received for the amount of work he produced. In other words, when the miner filled a coal car and it weighed so many pounds, the coal operators just arbitrarily lessened the weight. Now the miners have an impartial weighmaster on the tipple who gives him the correct weight of the amount of work that he does. I remember when a miner filled the car and if it did not have a "hump" on it, which means the surplus coal (over and above the amount to fill the car), the operator sent the car back to the mine and told the miner to put a "hump" on it for which the miner received no pay.

At this time we are horrified to be aware of this downright heartless cheating, but it took many years of strenuous effort and even bloodshed to get these ordinary reforms. Now we are confronted with a bill that gives the least of these forgotten men another ray of sunshine.

We are asked, with the approval of President Franklin Delano Roosevelt, to enact this law which will guarantee these hard-working miners a living wage so that they can properly take care and educate their children as against putting the miners on starvation wages. At the same time, we are asked to enact this law which will guarantee the operator a square deal as against his fellow operator who might be in the position through his greater wealth to chisel the small operator out of existence.

This law has been thoroughly discussed in committee and, as I understand, parts of it have been eliminated so as to be assured that it is constitutional. But suppose for the sake of argument that the constitutionality now is in doubt. Surely nobody on this green earth can tell what the Supreme Court will do with a law until it is before it. History has proven that some laws which were expected to be declared unconstitutional even by such eminent men as ex-President Taft were declared constitutional. And laws that were considered by able lawyers to be considered constitutional have been declared unconstitutional when they were up for review before the Supreme Court.

No Congressman wants to deliberately pass a law in violation of the United States Constitution. But no Congressman can be expected to be a prophet and foretell what a fallible Supreme Court will do.

One thing is sure that the United States Constitution was composed and adopted about 150 years ago when the whole United States had not the population of one of our large cities. The yardstick of justice that governed the necessities of the Thirteen Colonies with a population of 3,000,000 cannot measure adequately the needs of the 48 States with a population of 125,000,000 without retarding the Nation's progress.

Whether this act is passed in this session or not, one thing is assured; that is, no group of men can stem the tide of reform when once the people are aroused. And in the present case, an army of 500,000 men are asking for just a little bit of sunshine before they descend to the bowels of the earth to continue working like beasts of burden. [Applause.]

Mr. TREADWAY. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I desire this time so that I may ask some questions with reference to the practical application of this bill.

In the first place, I should like to ask the gentleman from Kentucky [Mr. VINSON] or the gentleman from Pennsylvania [Mr. FADDIS] what provisions there are in this bill to protect coal which has been delivered on a contract on which there is yet coal to be delivered, which contract is canceled by certain provisions of this bill. Let us assume that coal was purchased at a price below the minimum price that will be set up by this bill. We will say it is 50,000 tons, and that 25,000 tons have been delivered and 25,000 tons still remain to be delivered. I understand that the 25,000 tons yet to be shipped shall take not less than the minimum price. What happens to the 25,000 tons which have already been delivered?

Mr. VINSON of Kentucky. I should not think there is anything in this bill that would affect that. The provisions of this bill cannot become effective until its passage and until it has been signed by the President. Those things which have happened in the way of delivery of coal prior to the effective date of the act, it seems to me, are wholly without the provisions of the bill.

Mr. CRAWFORD. On page 20 there is quite a bit of reference to contracts that are not yet filled.

Mr. VINSON of Kentucky. In regard to contracts for coal below the minimum price, page 40 of the bill, it is a question of the time when that contract was entered into. As I understood the gentleman's question it was: What would be the effect of this bill on coal that had been delivered prior to the effective date of the act? My answer is that so far as I can see, this act would not affect coal that had been delivered prior to the effective date of the act.

Mr. CRAWFORD. Then would the gentleman's interpretation be that where a contract is affected by the language of this bill, where part of the coal has been delivered and part has not been delivered, the part that has not been delivered will take the minimum price, although higher than the contract price?

Mr. VINSON of Kentucky. That is my understanding.

Mr. CRAWFORD. While that which has been delivered will not be affected in any way?

Mr. VINSON of Kentucky. That is, if the contract comes within the purview of section 12.

Mr. CRAWFORD. With reference to the code of fair-trade practices, page 22, line 16, reference is made to those who purchase coal for resale. Let us assume that I make a contract for 100,000 tons of coal, as a consumer of coal, for use for steam purposes, and I buy it for a seasonal operation, and I find that my crop of vegetables, for instance, is short and that I will only need 80,000 tons. Am I, as a consumer-purchaser, permitted to go into the market and sell that extra 20,000 tons under what might be termed a "second-hand dealer", without coming under the provisions of this act?

Mr. VINSON of Kentucky. Would the gentleman sell it in carload lots?

Mr. CRAWFORD. In carload lots. Remember, I did not purchase the coal for sale, but I find the coal on my hands,

which will be delivered to me under contract, and the operator naturally will not have the privilege of canceling the contract under this code. If I store the coal it deteriorates and probably burns up through spontaneous combustion, but I must sell it.

Mr. VINSON of Kentucky. All I can say is that the provision to which the gentleman refers applies only to persons who purchase coal for resale. If I were a member of the Commission, my present impression would be to exclude the transaction to which the gentleman refers, as coming under lines 15 to 19, on page 22.

Mr. CRAWFORD. Of course, that is not under the code. Now, if this language applies only to those who purchase this coal for sale, if I, as a second-hand seller, may enter the market and if I do not thus come under the provisions of this code, I can wreck any kind of a coal market which this code of fair competition may set up in that given area.

Mr. VINSON of Kentucky. I want the gentleman to get what I said, distinctly.

I said that the language in lines 15 to 19, on page 22 of the bill H. R. 9100, is, by its terms, applied only to those persons who purchase coal for resale; that is the particular language in lines 15, 16, 17, 18, and 19, page 22.

Mr. CRAWFORD. In the case I cited, the man is not in any way regulated.

Mr. VINSON of Kentucky. I would not say that. I am saying that the language to which the gentleman refers could apply only to persons who purchase coal for resale.

Mr. CRAWFORD. Mr. Chairman, I yield back the balance of my time.

Mr. TREADWAY. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I have requested this time for the purpose of asking several questions of the gentlemen on the committee who are sponsoring this bill. One question I have asked repeatedly is what direct benefit there is to labor under this bill? The gentleman from Missouri attempted to answer the question, but instead discussed the situation of the miners in the State of Missouri under N. R. A. and subsequent to N. R. A. That, of course, was no answer to my question. I therefore go to the report, and notice on page 18 the statement with respect to labor provisions. Now, I ask the gentlemen on the committee whether or not any of these provisions which they say are now being given to labor and which they advance as the finest which have been extended to labor, are not guaranteed to labor under the Wagner Labor Disputes Act?

Mr. VINSON of Kentucky. Some of them are and some of them are not.

Mr. MARCANTONIO. May I say to the gentleman that as a member of the Committee on Labor and as one of the Members of the House who helped sponsor the Wagner labor-disputes bill, after having read the labor provisions as printed on page 18 in the report, it is my opinion that as a matter of fact these miners are given more rights under the Wagner labor-disputes bill than under the pending bill.

Mr. VINSON of Kentucky. This bill does not take any of those rights away from them.

Mr. MARCANTONIO. I am asking what it does.

Mr. VINSON of Kentucky. For instance, in the second paragraph of the labor provisions they are allowed the right of collective bargaining.

Mr. MARCANTONIO. They already have the right of collective bargaining under the Wagner labor-disputes bill.

Mr. VINSON of Kentucky. It will be effective under this act.

Mr. MARCANTONIO. It will be more effective, from the standpoint of enforcement, under the Wagner Labor Disputes Act. It is not my intention to detract from this legislation, but I do not see that mine labor has anything more under this act than it has under the Wagner Labor Disputes Act or that it has the right to do anything that it does not already have the right to do under the Wagner Labor Disputes Act. That is the question I propound to the committee.

Mr. VINSON of Kentucky. The gentleman is making a statement.

Mr. MARCANTONIO. Will the gentleman differentiate between the right given the miners under this bill and those they already have under the Wagner Labor Disputes Act.

Mr. VINSON of Kentucky. I do not have a copy of the Wagner bill in front of me, but it would be a very easy matter to compare their rights under this bill with their rights under the Wagner bill.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, there are five fundamental questions which occur to me in connection with the constitutionality of this bill. I have prepared these questions and my answers thereto, and I ask unanimous consent that I may extend my remarks in the RECORD by inserting them at this point.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. TREADWAY. Mr. Chairman, the first question to be considered is whether the mining of coal is "in" interstate commerce.

It seems to be generally conceded, even by the proponents of the bill, that the answer to this question must be in the negative. The following quotation from the decision of the United States Supreme Court in the case of *United Mine Workers* v. *Coronado Coal Co.* (259 U. S. 344) is in point:

> Coal mining is not interstate commerce, and the power of Congress does not extend to its regulation as such. In *Hammer* v. *Dagenhart* (247 U. S. 251, 272), we said: "The making of goods and the mining of coal are not commerce, nor does the fact that these things are to be afterward shipped or used in interstate commerce, make their production a part thereof. *Delaware, Lackawanna & Western Railroad Co.* v. *Yurkonis* (238 U. S. 439)." Obstruction to coal mining is not a direct obstruction to interstate commerce in coal, although it, of course, may affect it by reducing the amount of coal to be carried in that commerce.

In the case of *Heisler* v. *Thomas Colliery Co.* (260 U. S. 245), the Supreme Court had under consideration a statute of Pennsylvania which imposed a tax on anthracite coal when prepared and ready for shipment. The act was contested on the ground that it burdened interstate commerce, inasmuch as Pennsylvania had a virtual monopoly in anthracite. The Court upheld the tax on the ground that the coal had not yet commenced to move in interstate commerce, and as regards the foregoing contention said:

> If the possibility, or, indeed, certainty of exportation of a product or article from a State determines it to be in interstate commerce before the commencement of its movement from the State, it would seem to follow that it is in such commerce from the instance of its growth or production, and in the case of coals, as they lie in the ground. The result would be curious. It would nationalize all industries, it would nationalize and withdraw from State jurisdiction and deliver to Federal commercial control the fruits of California and the South, the wheat of the West and its meats, the cotton of the South, the shoes of Massachusetts, and the woolen industries of other States, at the very inception of their production or growth, that is, the fruits unpicked, the cotton and wheat ungathered, hides and flesh of cattle yet on the hoof, wool yet unshorn, and coal yet unmined, because they are in varying percentages destined for and surely to be exported to States other than those of their production.

In the case of *Oliver Iron Co.* v. *Lord* (262 U. S. 172), the Supreme Court had to consider whether a Minnesota statute placing a tax on the mining of ore was a burden on interstate commerce. In upholding the act, the Court said:

> Mining is not interstate commerce, but, like manufacturing, is a local business subject to local regulation and taxation. * * * Its character in this regard is intrinsic, is not affected by the intended use or disposal of the product, is not controlled by contractual engagements, and persists even though the business be conducted in close connection with interstate commerce.

The case of *Champlin Refining Co.* v. *Corporation Commission* (286 U. S. 210) involved the constitutionality of an Oklahoma statute prorating the production of crude petroleum. The oil company contended that the proration orders of the commission operated to burden interstate commerce in crude oil. A three-judge Federal court refused to enjoin the enforcement of the Commission's orders, Fifty-first Federal, second, page 829, saying:

> The principle is too well settled to require citation, that the congressional power of regulation attaches only when interstate transportation has begun.

On the appeal, the Supreme Court of the United States affirmed the holding of the district court in denying the injunction, and in a unanimous decision said:

> Plaintiff contends that the act and the proration orders operate to burden interstate commerce in crude oil and its products in violation of the commerce clause. * * * Such production is essentially a mining operation and therefore is not a part of interstate commerce even though the product obtained is intended to be and in fact is immediately shipped in such commerce.

The foregoing quotations seem to dispose of the question as to whether the mining of coal is interstate commerce.

II

If the mining of coal is not interstate commerce, does it directly burden and affect such commerce so as to bring it within the scope of Federal regulation? This question, it appears, must also be answered in the negative.

In its recent decision in the Schechter case (decided May 27, 1935), involving the constitutionality of the National Recovery Act, the Supreme Court said:

> In determining how far the Federal Government may go in controlling intrastate transactions upon the ground that they "affect" interstate commerce, there is a necessary and well-established distinction between direct and indirect effects. * * * Direct effects are illustrated by the railroad cases we have cited * * *. But where the effect of intrastate transactions upon interstate commerce is merely indirect, such transactions remain within the domain of State power. If the commerce clause were construed to reach all enterprises and transactions which could be said to have an indirect bearing upon interstate commerce, the Federal authority would embrace practically all the activities of the people and the authority of the State over its domestic concerns would exist only by sufferance of the Federal Government. Indeed, on such a theory, even the development of the State's commercial facilities would be subject to Federal control.

It appears that the only cases where the Supreme Court has held intrastate activities to directly affect interstate commerce have been those relating to common carriers (e. g., *The Shreveport Case* (234 U. S. 342); *Wisconsin R. R. Commission* v. *C., B. & Q. R. R. Co.* (257 U. S. 563)); those in which there was a combination or conspiracy to restrain interstate commerce by such means (e. g., *Coronado Coal Co.* v. *United Mine Workers* (268 U. S. 295); *Bedford Co.* v. *Stonecutters' Association* (274 U. S. 37); *Local 167* v. *United States* (291 U. S. 293)); and those where such intrastate activities interrupted the "current" or "flow" of interstate commerce (*Swift & Co.* v. *United States* (196 U. S. 375); *Lemke* v. *Farmers' Grain Co.* (258 U. S. 50); *Stafford* v. *Wallace* (258 U. S. 495); *Chicago Board of Trade* v. *Olsen* (262 U. S. 1); *Tagg Bros. & Moorhead* v. *United States* (280 U. S. 420)). These several types of cases were all referred to by the Supreme Court in the Schechter case, and were differentiated from the question there under consideration.

So far as the railroad cases are concerned they are in a class by themselves. Railroads, of course, are instruments of commerce; or, as the Supreme Court said of them in the Schechter case, they are the "highways of both interstate and intrastate commerce." In order for Congress to make effective its control over interstate carriers it must necessarily exercise certain control over intrastate carriers. The direct effect which the one may have upon the other is apparent.

Even in dealing with railroads, however, the Court has only permitted the regulation of intrastate traffic upon specific findings of discrimination against interstate traffic. It has never held that Congress could regulate all intrastate activities of railroads simply because it has permitted regulation in certain instances. (See *Wisconsin Railroad Commission* v. *C., B. & Q. R. R. Co.*, supra.)

Referring to the conspiracy cases, the Court in the Schechter case, said:

> The distinction between direct and indirect effects has been clearly recognized in the application of the Antitrust Act. Where a combination or conspiracy is formed with the intent to restrain interstate commerce or to monopolize any part of it, the violation of the statute is clear (*Coronado Coal Co.* v. *United Mine Workers*, 268 U. S. 295, 310). But where that intent is absent and the objectives are limited to intrastate activities, the fact that there may be an indirect effect upon interstate commerce does not subject the parties to the Federal statute, notwithstanding its broad provisions.

In the conspiracy cases the sole question is whether the defendants conspired to restrain interstate commerce, and it matters not that to accomplish that purpose they used as an instrument activities purely intrastate in character. Such cases do not involve any conflict between the Federal and State Governments over the right to regulate a purely intrastate activity, since that question is not at issue. Hence the conspiracy cases really have no bearing upon the question of whether a local activity such as the mining of coal directly burdens or affects interstate commerce.

In its decision in the Schechter case the Supreme Court drew a distinction between the conspiracy cases and the question there at issue. It said:

> The instant case is not of that sort. This is not a prosecution for a conspiracy to restrain or monopolize interstate commerce in violation of the Antitrust Act. Defendants have been convicted, not upon direct charges of injury to interstate commerce or of interference with persons engaged in that commerce, but of violations of certain provisions of the live-poultry code and of conspiracy to commit these violations. Interstate commerce, if brought in only upon the charge that violations of these provisions—as to hours and wages of employees and local sales—"affected" interstate commerce.

Referring now to those cases in which the Supreme Court upheld the right of Congress to regulate certain intrastate activities which interrupted the "current" or "flow" of interstate commerce, it is submitted that they have no bearing whatever upon the power of Congress to regulate the production of coal. The mining process precedes the flow of coal in interstate commerce, and hence does not bear the same relation to such commerce as the activities regulated in the decisions referred to. It does not follow that, because Congress may regulate activtiies bearing upon and affecting a commodity while moving in interstate commerce, that it can also regulate an activity dealing with that or any other commodity before its movement in interstate commerce begins.

In the Schechter case the Court referred to the fact that, so far as the poultry there in question was concerned, "the flow in interstate commerce had ceased." It then went on to say:

> Hence decisions which deal with a stream of interstate commerce—where goods come to rest within a State temporarily and are later to go forward in interstate commerce—and with the regulations of transactions involved in that practical continuity of movement, are not applicable here. (See *Swift & Co.* v. *United States* (196 U. S. 375, 387, 388); *Lemke* v. *Farmers Grain Co.* (258 U. S. 50, 55); *Stafford* v. *Wallace* (258 U. S. 495, 519); *Chicago Board of Trade* v. *Olsen* (262 U. S. 1, 35); *Tagg Bros. & Moorhead* v. *United States* (280 U. S. 420, 439).)

If decisions which deal with a stream of interstate commerce have no relevancy in a case where interstate commerce has ended, then it would seem that they would have no relevancy in a case where interstate commerce has not begun.

Let us analyze briefly the cases referred to by the Supreme Court in the foregoing quotation from its opinion in the Schechter case. The Swift & Co. case involved a conspiracy on the part of certain packers to eliminate competition in the purchase of cattle in the different livestock markets of the United States. They were prosecuted under the Antitrust Act, and one of the questions was whether their activity burdened or restrained interstate commerce. The Court held that since the cattle were in a "current of commerce among the States", the purchase of the cattle was a part and incidence of such commerce. This case, of course, would not be any authority for giving Congress the right to regulate the production of cattle on the farm, nor the production of coal at the mine.

In the case of Lemke against Farmers Grain Co., supra, the grain company sought to enjoin the State of North Dakota from enforcing a State statute requiring purchasers of grain to obtain a license. The company was engaged in the purchase of grain within the State, which it stored in its elevator and loaded on freight cars for shipment to other States. It contended that the State statute was a burden on interstate commerce, and the Supreme Court agreed. The Court said:

> Nor will it do to say that the State law acts before the interstate transaction begins. It seizes upon the grain and controls its purchase at the beginning of interstate commerce.

Here again interstate commerce had begun, and the case is therefore no authority for contending that Congress would have the right to regulate the production of grain on the farm, or the production of coal at the mine.

The case of Stafford against Wallace, supra, involved the constitutionality of the Packers and Stockyards Act of 1921, insofar as it provided for the supervision by the Federal Government of the business of the commission men and livestock dealers in the stockyards throughout the country. The question before the Court was whether the business done in the stockyards between the receipt of the livestock and their reshipment was a part of interstate commerce or was so associated with interstate commerce as to bring it within the scope of Federal regulation. In upholding the act, the Court said:

> The stockyards are but a throat through which the current flows, and the transactions which occur therein are only incident to this current from the West to the East, and from one State to another. Such transactions cannot be separated from the movement to which they contribute and necessarily take on its character.

Again, in this case, the Court was dealing with a local activity which affected a stream of commerce in its flow. Hence, it also is no authority for holding that Congress may regulate the production of coal at the mine.

The case of Chicago Board of Trade against Olsen, supra, involved the validity of the Future Trading Act, which sought to prevent obstructions and burdens upon interstate commerce by regulating transactions on grain-futures exchanges. The Court upheld the act, and among other things, said:

> It is impossible to distinguish the case at bar, so far as it concerns the cash grain, the sales to arrive, and the grain actually delivered in fulfillment of future contracts, from the current of stock shipments declared to be interstate commerce in *Stafford* v. *Wallace* (258 U. S. 495).

This case is no authority for Federal regulation of a commodity before interstate commerce has begun.

The case of Tagg Bros. against United States, supra, like the case of Stafford against Wallace, involved the Packers and Stockyards Act of 1921. One of the questions before the Court was whether a regulation of the Secretary of Agriculture fixing maximum tariffs for commission men in the Omaha stockyards was a proper regulation of interstate commerce. The Court held that the commission men performed an indispensable service in the interstate commerce in livestock, and sustained the regulation on the ground that its purpose was to prevent their action in eliminating rate competition from being an undue burden on that commerce. The holding in this case, therefore, is based on practically the same grounds as the holdings in the Stafford and Olsen cases.

The conclusion seems inescapable that the foregoing group of cases may be relied upon as precedents for congressional regulation only where commodities are actually in the current or flow of interstate commerce. In each case, interstate commerce in a commodity had begun, and the question presented was whether a certain local activity in connection with the commodity while it was in the stream of commerce burdened or affected interstate commerce. In no case did the activity regulated deal with the commodity before it entered into the flow of interstate commerce.

While three groups of cases have been eliminated as precedents, the question still remains whether the production of coal burdens or affects interstate commerce. To return for a moment to the Schechter case, it will be recalled that the Court stated that interstate commerce was brought in only upon the charge that the violation of the provisions of the poultry code as to hours and wages of employees and local sales affected interstate commerce. After pointing to the distinction between direct and indirect effects, the Court said:

> The persons employed in slaughtering and selling in local trade are not employed in interstate commerce. Their hours and wages have no direct relation to interstate commerce.

Since it is also true that persons employed in the mining of coal are not employed in interstate commerce, it must necessarily follow that their wages and hours likewise can have no direct relation to interstate commerce.

The same contention may be made with respect to the other factors involved in the production of coal, such as costs, prices, trade practices, etc. They relate wholly to the mining of coal before interstate commerce begins, and hence cannot possibly have any direct effect upon such commerce. While their indirect effect may be conceded, this is not sufficient to bring the coal-mining industry within the scope of Federal regulation. The Supreme Court clearly stated in the Schechter case that where the effect was indirect, the transactions remain within the domain of State power.

III

If the mining of coal is not in interstate commerce, and does not in fact directly affect such commerce, can Congress nevertheless bring the industry within the scope of Federal regulation by declaring as a matter of law that the effect of the production of coal upon interstate commerce is direct? This question must be answered in the negative.

The proponents of the Guffey bill rely upon a line of decisions of the Supreme Court—notably *Stafford* v. *Wallace* (258 U. S. 495), and *Chicago Board of Trade* v. *Olsen* (262 U. S. 32)—in which the Court has indicated that Congress may regulate certain recurring practices, not in and of themselves a part of interstate commerce, if it regards them as likely to burden or obstruct such commerce. Particular reliance is placed upon the following statement of the Court in the Stafford case:

> This Court will certainly not substitute its judgment for that of Congress in such a matter unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent.

Of course, the broad language of the Court here quoted must be read in connection with the remainder of the decision, but in any event it is limited in its application to cases involving a similar state of facts. In this connection it should be kept in mind that the line of decisions exemplified by the Stafford case all dealt with commerce in its flow and with activities which tended to obstruct and burden the free movement of that commerce. This being true, it follows that the doctrine which they lay down cannot be extended to cases where the activity sought to be regulated is not directly associated with the actual flow of interstate commerce, and cannot be regarded as a precedent for the regulation of an activity, such as the mining of coal, which either precedes or follows such commerce. It so happens that in the Schechter case the Court referred to this very line of decisions and drew the same distinction that has just been made.

In the case of *Chastleton Corporation* v. *Sinclair* (264 U. S. 543), the Supreme Court expressly stated that so far as legislative declarations were concerned, it was not at liberty to shut its eyes to an obvious mistake, when the validity of the law depends upon the truth of what is declared. While the language used in the Stafford case would seem to indicate that the Court would not question the judgment of Congress that certain activities operated to burden or obstruct interstate commerce, if it found that there was at least a slight relation between the two, any such construction would permit the utter nullification of the well-established distinction between direct and indirect effects which the Court has so often reiterated, and there would be absolutely no limit to the Federal power over industry and commerce. As was said in the Schechter case:

> If the commerce clause were construed to reach all enterprises and transactions which could be said to have an indirect effect upon interstate commerce, the Federal authority would embrace practically all the activities of the people, and the authority of the State over its domestic concerns would exist only by sufferance of the Federal Government.

The following statement, taken from the same decision, is also significant:

> Our growth and development have called for wide use of the commerce power of the Federal Government in its control over the expanded activities of interstate commerce, and in protecting that commerce from burdens, interferences, and conspiracies to restrain and monopolize it. But the authority of the Federal Government may not be pushed to such an extreme as to destroy the distinc-

tion, which the commerce clause itself establishes, between commerce among the several States and the internal concerns of a State.

IV

Does the declaration of Congress that the mining of bituminous coal and its distribution by the producers thereof in and throughout the United States are affected with a national public interest bring the industry within the scope of Federal regulation?

This question is somewhat related to the previous one, and must also be answered in the negative.

In the first place, such a declaration by Congress would not be binding upon the courts. In the case of *Wolff Packing Co.* v. *Court of Industrial Relations* (262 U. S. 522), which involved a Kansas statute declaring the preparation of food, the manufacture of clothing, and the mining of coal to be affected with a public interest, the United States Supreme Court said, page 536:

It is manifest from an examination of the cases cited under the third head that the mere declaration by a legislature that a business is affected with a public interest is not conclusive of the question whether its attempted regulation on that ground is justified. The circumstances of its alleged change from the status of a private business and its freedom from regulation into one in which the public have come to have an interest are always a subject of judicial inquiry.

In the same case, the Court indicated that the mining of coal could not be said to be affected with a public interest by saying, page 537:

It has never been supposed, since the adoption of the Constitution, that the business of the butcher, or the baker, the tailor, the woodchopper, the mining operator, or the miner was clothed with such a public interest that the price of his product or his wages could be fixed by State regulation.

If a State, under its police power, may not regulate a particular activity in the public interest, then a fortiori the Federal Government, which possesses no inherent police power, may not do so. As was said by the Supreme Court in the case of *Kansas* v. *Colorado* (206 U. S. 46):

But the proposition that there are legislative powers affecting the Nation as a whole which belong to, although not expressed in, the grant of powers, is in direct conflict with the doctrine that this is a Government of enumerated powers.

To which may well be added the recent expression of the Court in the Schechter case:

We are told that the provision of the statute authorizing the adoption of codes must be viewed in the light of the grave national crisis with which Congress was confronted. Undoubtedly, the conditions to which power is addressed are always to be considered when the exercise of power is challenged. Extraordinary conditions may call for extraordinary remedies. But the argument necessarily stops short of an attempt to justify action which lies outside the sphere of constitutional authority. Extraordinary conditions do not create or enlarge constitutional power. The Constitution established a National Government with powers deemed to be adequate, as they have proved to be both in war and peace, but these powers of the National Government are limited by the constitutional grants. Those who act under these grants are not at liberty to transcend the imposed limits because they believe that more or different power is necessary. Such assertions of extraconstitutional authority were anticipated and precluded by the explicit terms of the tenth amendment—"the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

In connection with the foregoing, it may be added that the declaration in the Guffey bill that the general welfare of the Nation requires that the bituminous-coal industry be regulated adds nothing to its validity. It is well settled that the general welfare clause in the preamble to the Constitution does not constitute a grant of power to the Federal Government. This matter was touched upon by the Supreme Court in the case of *Jacobsen* v. *Massachusetts* (196 U. S. 11), in which the Court said:

Although that preamble indicates the general purposes for which the people obtained and established the Constitution, it has never been regarded as the source of any substantive power conferred on the Government of the United States or any of its departments.

Nor can the taxing clause of the Constitution, which gives Congress the power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States be regarded as conferring upon Congress not alone the power to tax but also the express power to provide for the general welfare. (See 1 Story on the Constitution, secs. 907–908; Willoughby on the Constitution, sec. 22.)

V

If Congress may not directly regulate the production of coal under the commerce power, may it do so indirectly under the guise of the taxing power?

Again the answer must be in the negative.

Under the Guffey bill a tax of 15 percent is levied upon the sale of all bituminous coal at the mine, but any producer who has accepted the regulatory provisions of the bituminous-coal code as prescribed by the bill is entitled to a drawback of 90 percent of the tax. It becomes necessary to determine whether these provisions constitute a valid exercise of the taxing power or are simply a penalty to compel submission to regulations which the Federal Government otherwise has no power to impose.

It is freely admitted by the proponents of the bill that the object of these tax and drawback provisions is not to raise revenue but to impose a penalty on mine operators who do not accept and comply with the provisions of the proposed bituminous-coal code. They contend, however, that the power of Congress to lay such taxes is full and complete and cannot be thwarted because the tax also results in regulation. (See brief of Judge Warrum, counsel for United Mine Workers, hearings, p. 147.)

In support of this contention the proponents cite the decisions of the Supreme Court upholding the prohibitory tax on currency issued by State banks (*Veazie Bank* v. *Fenno*, 8 Wall. 533); the discriminatory tax on colored oleomargarine (*McCray* v. *United States*, 195 U. S. 27); the regulatory tax on narcotics (*United States* v. *Doremus*, 249 U. S. 86); and so on. They also cite the tariff laws as an example of taxation for purposes other than revenue.

It is quite true that the courts have upheld various taxing statutes which had objects and purposes other than the raising of revenue. However, the taxes there upheld are easily distinguishable from that sought to be imposed under the Guffey bill. In the Veazie and McCray cases, the Court simply held that it would not limit the discretion of Congress in exercising its power of taxation merely because it might deem the incidence of the taxes oppressive or even destructive. In the Narcotics case, the Court held that it would not declare the taxing statute invalid just because another motive, not shown on its face, might have contributed to its passage. Practically the same thing was said by the Court in upholding the protective tariff (*Hampton & Co.* v. *United States*, 276 U. S. 406).

Merely calling a thing a tax does not make it a tax. This was made clear by the Supreme Court in the case of *United States* v. *One Ford Coupe Automobile* (272 U. S. 321), in which the Court said:

The use of the word "tax" in imposing a financial burden does not prove conclusively that the burden imposed is a tax.

Where a taxing statute on its face shows that its purpose is not to raise revenue but to impose indirectly regulations and restraints not otherwise within the domain of the taxing authority, the courts have never hesitated to inquire into its true character. (See *Bailey* v. *Drexel Furniture Co.*, 259 U. S. 20; *Hill* v. *Wallace*, 259 U. S. 44.)

No one could successfully deny the power of Congress to lay an excise tax on the production or sale of coal. The Guffey bill, however, does not stop with levying such a tax. It goes much further, and couples with the tax a drawback feature, as a consequence of which the tax falls in a substantial manner only on coal which has not been produced by operators who have assented to and complied with the Bituminous Coal Code. Therefore, the tax on its face shows that it is not a tax in the constitutional sense, but a penalty to compel submission to Federal regulation which cannot be required directly. As such, it is not a valid exercise of the taxing power of Congress.

This tax, it seems, falls squarely within the decisions of the Supreme Court in the Child Labor Tax case (*Bailey* v.

Drexel Furniture Co., supra), and the Grain Futures case (*Hill* v. *Wallace, supra*). In the Bailey case, the Court had under consideration an act of Congress imposing a tax of 10 percent on the profits of employers who knowingly employed child labor. Two years before, Congress had sought, under its commerce power, to prohibit the transportation in interstate commerce of goods produced by child labor, but this act was held unconstitutional on the ground that it was a regulation of production and not of commerce (*Hammer* v. *Dagenhart*, 245 U. S. 251). Congress then turned to its taxing power and attempted to accomplish the same purpose by taxing the entire profits of employers of child labor at a flat rate, regardless of the number of children employed. The Court, by an 8 to 1 majority, held the tax unconstitutional.

In the course of its opinion, which was rendered by Mr. Chief Justice Taft, the Court said:

> Does this law impose a tax with only that incidental restraint and regulation which a tax must inevitably involve? Or does it regulate by the use of the so-called "tax" as a penalty? If it were an excise on a commodity or other thing of value we might not be permitted, under previous decisions of this Court, to infer solely from its heavy burden that the act intends a prohibition instead of a tax. But this act is more. It provides a heavy exaction for a departure from a detailed and specified course of conduct in business.

Having thus justified its inquiry into the real nature of the tax the Court refers to the details of the statute and adds:

> In the light of these features of the act, a court must be blind not to see that the so-called "tax" is imposed to stop the employment of children within the age limits prescribed. Its prohibitory and regulatory effect and purpose are palpable. All others can see and understand this. How can we properly shut our minds to it?

Pointing to its duty under the circumstances, the Court goes on:

> It is the high duty and function of this Court in cases regularly brought to its bar to decline to recognize or enforce seeming laws of Congress, dealing with subjects not entrusted to Congress but left or committed by the supreme law of the land to the control of the States. We cannot avoid the duty even though it require us to refuse to give effect to legislation designed to promote the highest good. The good sought in unconstitutional legislation is an insidious feature, because it leads citizens and legislators of good purpose to promote it without thought of the serious breach it will make in the ark of our covenant or the harm which will come from breaking down recognized standards. In the maintenance of local self-government, on the one hand, and the national power, on the other, our country has been able to endure and prosper for near a century and a half.

The Court then comes to its holding:

> Out of a proper respect for the acts of a coordinate branch of the Government this Court has gone far to sustain taxing acts as such, even though there has been ground for suspecting them from the weight of the tax it was intended to destroy its subject. But in the act before us the presumption of validity cannot prevail, because the proof of the contrary is found on the very face of its provisions. Grant the validity of this law, and all that Congress would need to do, hereafter, in seeking to take over to its control any one of the great number of subjects of public interest, jurisdiction of which the States have never parted with, and which are reserved to them by the tenth amendment, would be to enact a detailed measure of complete regulation of the subject and enforce it by a so-called "tax" upon departures from it. To give such magic to the word "tax" would be to break down all constitutional limitation of the powers of Congress and completely wipe out the sovereignty of the States.

Referring to the distinction between a tax and a penalty, the Court adds:

> The difference between a tax and a penalty is sometimes difficult to define, and yet the consequences of the distinction in the required method of their collection often are important. Where the sovereign enacting the law has power to impose both tax and penalty the difference between revenue production and mere regulation may be immaterial, but not so when one sovereign can impose a tax only, and the power of regulation rests in another. Taxes are occasionally imposed in the discretion of the legislature on proper subjects with the primary motive of obtaining revenue from them and with the incidental motive of discouraging them by making their continuance onerous. They do not lose their character as taxes because of the incidental motive. But there comes a time in the extension of the penalizing features of the so-called "tax" when it loses its character as such and becomes a mere penalty with the characteristics of regulation and punishment. Such is the case in the law before us.

The Court makes mention of its decision in the first child labor case, Hammer against Dagenhart, supra, by saying:

> The congressional power over interstate commerce is, within its proper scope, just as complete and unlimited as the congressional power to tax, and the legislative motive in its exercise is just as free from judicial suspicion and inquiry. Yet when Congress threatened to stop interstate commerce in ordinary and necessary commodities, unobjectionable as subjects of transportation, and to deny the same to the people of a State in order to coerce them into compliance with Congress' regulation of State concerns, the Court said this was not in fact regulation of interstate commerce, but rather that of State concerns and was invalid. So here the so-called "tax" is a penalty to coerce people of a State to act as Congress wishes them to act in respect of a matter completely the business of the State government under the Federal Constitution.

In the case of Hill against Wallace, supra, Congress, under the Futures Trading Act of 1921, undertook to regulate grain exchanges by imposing a tax of 20 cents per bushel on all contracts for the sale of grain for future delivery, and excepting from the tax sales made on boards of trade which submitted to regulation by the Secretary of Agriculture.

In a decision rendered the same day as that in the Child Labor Tax case, the Court unanimously held the act to be unconstitutional on the ground that it imposed a penalty and not a tax. Again speaking through Mr. Chief Justice Taft, the Court said:

> It is impossible to escape the conviction from a full reading of this law that it was enacted for the purpose of regulating the conduct of business of boards of trade through supervision of the Secretary of Agriculture and the use of an administrative tribunal consisting of that Secretary, the Secretary of Commerce, and the Attorney General. * * * The manifest purpose of the tax is to compel boards of trade to comply with regulations, many of which can have no relevancy to the collection of the tax at all. * * * The act is in essence and on its face a complete regulation of boards of trade, with a penalty of 20 cents a bushel on all futures to coerce boards of trade and their members into compliance. When this purpose is declared in the title to the bill, and it so clear from the effect of the provisions of the bill itself, it leaves no ground upon which the provisions we have been considering can be sustained as a valid exercise of the taxing power.

The Court then refers to its decision in the Child Labor Tax case, and after quoting certain passages therefrom, adds:

> This has complete application to the act before us, and requires us to hold that the provisions of the act we have been discussing cannot be sustained as an exercise of the taxing power of Congress conferred by section 8, article I.

The decisions of the Supreme Court in these two cases—Child Labor Tax case and the Grain Futures case—indicate conclusively that the Court cannot possibly sustain the taxing provisions of the Guffey bill as a valid exercise of the taxing power in view of the fact that the bill, on its face, shows that these provisions are for the purpose of compelling submission to regulations not within the authority of Congress to impose directly.

Mr. Chairman, I yield to the Chair the remainder of my time.

Mr. VINSON of Kentucky. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DRISCOLL].

Mr. DRISCOLL. Mr. Chairman, it was not my intention to take the floor at this time, and I would not have done so had it not so happened that the gentleman from Arkansas [Mr. FULLER], when I rose to propound a question this afternoon, suggested that I make a speech myself. I only wanted to ask him a question. He stated that the Attorney General of the United States declined to say to the subcommittee of the Ways and Means Committee whether or not this bill was constitutional. The gentleman from Kentucky [Mr. VINSON] this afternoon reminded us of what happened to a former Attorney General of the United States who advised President Taft that the Webb-Kenyon bill was unconstitutional and thereupon President Taft vetoed it. The House pased it over his veto by a vote of 96 to 245 and the Senate passed it over his veto by a vote of 21 to 63. Several District Courts of the United States sustained the constitutionality of the act. Then it went to the Supreme Court of the United States where it was twice sustained.

Perhaps the reason Attorney General Cummings did not want to commit himself was because of the fact President Taft in that famous veto message of his, which our friends on the other side have quoted so often (but only in part), used these words:

I am sustained in the view I have taken by the judgment and opinion of the Attorney General which contains an elaborate discussion of the question and considers in detail the issues that have been raised in the congressional debates and elsewhere.

President Taft attached to his veto message the opinion of the Attorney General which covers almost four pages of fine print in the RECORD. The Attorney General concluded his opinion to President Taft thus:

I am compelled to the conclusion that it is not only of doubtful constitutionality but that unless the Supreme Court shall recede from a well-settled line of decisions extending over a long period of years, it would most certainly declare this legislation to be without the constitutional power of Congress.

The gentleman from Arkansas thinks that Attorney General Cummings should have appeared before the Ways and Means Committee and stated positively whether or not this bill is constitutional. Why, all the reports of the Supreme Court of the United States are filled with briefs filed by the most eminent lawyers in the land, and one-half of all those arguments are based on mistaken theories of the law; and, of course, those positions of counsel are rejected by the Supreme Court in its decisions.

I feel, Mr. Chairman, that too many gentlemen appeal to the Constitution of the United States when there is nothing in that great document to sustain their opinion or to warrant any appeal. I agree thoroughly with our distinguished colleague from Virginia [Mr. FLANNAGAN] who said here a week ago last Wednesday that during the short time he had been in Congess he had heard more talk about the Constitution and learned less about it than during any other similar period of his life. He summed it up very nicely when he said: "I am afraid that constitutional Congressmen, to the public, are becoming more or less of a joke."

Mr. Chairman, I yield to no man in or out of this Chamber in my respect and devotion to the Constitution of the United States. The Members who favor this bill, myself included, have just as high regard for our oaths of office as anybody else.

Like the distinguished gentleman from Kentucky [Mr. VINSON] who rose in his place and stated his position on the question a few days ago in response to a challenge from someone on the other side, I have no doubt of the constitutionality of this measure.

Seventy-four years ago the fourth day of last March Abraham Lincoln took his oath of office on the front steps of this Capitol, and immediately upon taking that sacred obligation this is what Abraham Lincoln said with reference to decisions of the Supreme Court of the United States:

At the same time, the candid citizen must confess that if the policy of the Government, upon vital questions affecting the whole people, is to be irrevocably fixed by decisions of the Supreme Court, the instant they are made, in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having to that extent resigned their Government into the hands of that eminent tribunal. Nor is there in this view any assault upon the Court or the judges. It is a duty from which they may not shirk to decide cases properly brought before them, and it is no fault of theirs if others seek to turn their decisions to political purposes.

Mr. Chairman, we agree with Lincoln that our position is not to be taken as an assault upon that Court or its Judges.

I would like to answer for a minute the gentleman from Arkansas [Mr. FULLER] in connection with another part of his speech. He said, as I recollect, that this was a piece of hastily considered legislation, the work of what he was pleased to call "brain trusters." I for one am willing to entrust the Government of the United States to the people of the United States who can and will exercise their brains. Will the gentleman name some other organ of the body which should be exercised in connection with questions involving the Government of the United States? This bill is of no mushroom growth and it did not spring up overnight from the consciousness of the distinguished author here [Mr. SNYDER] or the author at the other end of the Capitol. Senator GUFFEY, who introduced the bill in the other Chamber, is one of the best-informed men on the coal business in the United States. The author of the bill in the House has spent all his life in the largest coal county of Pennsylvania.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. DRISCOLL. I yield to the gentleman from Kentucky.

Mr. VINSON of Kentucky. I saw a very interesting excerpt there in an anthracite coal hearing. I would like to have the gentleman be certain to develop this matter, showing the attitude of the gentleman from Massachusetts [Mr. TREADWAY] toward the anthracite coal business and its regulation.

Mr. DRISCOLL. The attitude of the gentleman at that time, if I remember right, had to do not only with anthracite but with bituminous coal.

A coal commission was created away back in 1914. The Senate of the United States appointed the so-called "Kenyon committee", which went to the coal fields of southern West Virginia and made an investigation. All the facts disclosed by that investigation and all the conclusions that were reached were before the committee in the framing of the present bill.

The Senate of the United States in 1921 appointed another committee which made an investigation of the coal industry in West Virginia. All the facts gathered by that committee and the report of the committee based upon such facts were likewise before the framers of the present bill.

Finally a measure was introduced into the Congress of the United States, known as "H. R. 3980", of the Sixty-ninth Congress, entitled "A bill authorizing the President to declare a national emergency in case of a stoppage or threatened stoppage of a steady supply of coal and to take over and operate mines during such emergency, and for other purposes."

Its author was the distinguished Member from Massachusetts, who still adorns the House with his presence and whose devotion to his party and its policies we all admire.

This is what the bill provided in its second section:

A steady supply of coal is a public necessity, since it is a necessity of life to the people of all the States of the United States for use in homes, offices, schools, hospitals, and public buildings, for the operation of their public utilities, and of the mills and factories on which they depend for occupation so that the stoppage or serious interference with the supply of this necessity has caused in the past and will cause in the future wide-spread suffering by the lack of coal to heat the homes, schools, hospitals, and work places of the people with resultant serious consequences to their health by the break-down of public service of transportation, light, heat, and power.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DRISCOLL. Then I ask you to compare that with the first section of the present bill and say that this is hasty legislation.

Let me read to you section 3 of the bill introduced in the Sixty-ninth Congress by our distinguished colleague from Massachusetts [Mr. TREADWAY].

Whenever, in the opinion of the President, there is immediate danger of cessation of production of coal to such extent as to create a national emergency, or when such cessation of production has taken place, the President shall issue a proclamation declaring such national emergency, and may thereafter requisition and take over the plant, business, and all appurtenances used in the production and preparation for and marketing of coal and used by the operator in connection with any mine in which operation has ceased or cessation is threatened, and may operate or cause to be operated during the continuance of such national emergency any property so requisitioned and taken over in such manner and through such agency as he may direct.

Yet they say this is hasty and ill-considered legislation. Why, there was a hearing on this bill before the Committee on Interstate and Foreign Commerce on the 30th day of March 1926, wherein the distinguished author of the bill said:

I hold to that statement, Mr. Chairman, that the outrageous prices charged for bituminous coal during the strike is ample evidence of the need of control and regulation by the Federal Government of bituminous producers and dealers.

But he added, agreeing with a colleague who had previously spoken, that his general statement was largely confined to anthracite. In response to a question from Mr. RAYBURN, who asked him "What legislation would you recommend to carry out the recommendations of the President?" Mr. TREADWAY answered:

I think that we all recognize that, do we not, Mr. RAYBURN? There are two distinct features, one an emergency situation that may develop as it did last year, and a situation that exists now when there is no disagreement between the producing factors, the employees and the owners.

In direct answer to your question, I would say this: Place every authority possible in the hands of the President of the United States to deal with the emergency as it may arise. Do not hamstring him in any way, shape, or manner. Give him such authority that there cannot be a cessation of production of anthracite or bituminous coal.

He said further in response to a question by Mr. RAYBURN:

I do not believe in price fixing by the Government nor in Government ownership. But in an emergency such as we have been through in the past 5 months, and such as we had but 2 years previous to that time, you cannot give the President too much authority, in my opinion.

I wonder, Mr. Chairman, whether it makes any difference in the attitude and expressions of the gentleman from Massachusetts [Mr. TREADWAY] to what party the President belongs when the matter of coal control is under discussion, or when the question of giving authority to the President is under consideration.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. DRISCOLL. I yield.

Mr. BOLAND. I wonder if the gentleman is sufficiently familiar with the situation in Massachusetts and New England, so far as coal is concerned, to know that there is a quantity of Russian coal being unloaded at the port of Boston, mined by forced labor in the Donets coal fields of Russia, which may be one of the reasons why their textile workers are not being paid properly. I wonder if it is realized that the people of Boston are substituting this Donets coal from the Donets coal fields in Russia for the anthracite coal from Pennsylvania that they have talked so much about during the consideration of this bill.

Mr. DRISCOLL. I will say to my colleague from Pennsylvania [Mr. BOLAND] that while I have not an intimate knowledge of the situation in New England, I have heard that conditions such as he states exist there. The gentleman is much better informed on the anthracite situation than I, and I willingly accept his statement as made with knowledge of the subject.

For the purpose of showing the regulation of coal production is no new idea in the American Congress, and to make plain my references to that bill, I am adding to my remarks a copy of the bill introduced by Mr. TREADWAY and known as "H. R. 3980", Sixty-ninth Congress, first session.

It is as follows:

[H. R. 3980, 69th Cong., 1st sess.]

A bill to authorize the President to declare a national emergency in case of a stoppage or threatened stoppage of a steady supply of coal, and to take over and operate mines during such emergency, and for other purposes

Be it enacted, etc., That this act may be cited as the "Coal Emergency Act, 1924."

SEC. 2. A steady supply of coal is a public necessity since it is a necessity of life to the people of all the States of the United States for use in homes, offices, schools, hospitals, and public buildings, for the operation of their public utilities, and of the mills and factories on which they depend for occupation so that the stoppage or serious interference with the supply of this necessity has caused in the past and will cause in the future wide-spread suffering by the lack of coal to heat the homes, schools, hospitals, and work places of the people with resultant serious consequences to their health, by the break-down of public service of transportation, light, heat, and power. Experience has shown that a labor disturbance in the coal industry is accustomed to spread to all mines or to such a large proportion of them as to seriously hamper, if not to completely cut off the supply of coal to widely spread communities in many or all the States of the Union, thus causing a Nation-wide emergency and the possibility of great disaster.

SEC. 3. Whenever, in the opinion of the President, there is immediate danger of cessation of production of coal to such extent as to create a national emergency, or when such cessation of production has taken place, the President shall issue a proclamation declaring such national emergency, and may thereafter requisition and take over the plant, business, and all appurtenances used in the production and preparation for and marketing of coal and used by the operator in connection with any mine in which operation has ceased or cessation is threatened, and may operate or cause to be operated during the continuance of such national emergency any property so requisitioned and taken over, in such manner and through such agency as he may direct.

SEC. 4. (a) Any operator whose plant, business, and appurtenances shall have been requisitioned and taken over by the President shall be paid a just compensation for the use thereof during the period that the same may be requisitioned and taken over as aforesaid, which compensation the President shall fix or cause to be fixed.

(b) Such compensation shall be paid annually or more frequently as the President may provide, and shall be paid pro rata for any part of a year of his operation.

(c) Any operator not satisfied with the compensation fixed by the President or under his authority may file a petition with the Court of Claims for the purpose of determining the amount of such just annual compensation. Proceedings in the Court of Claims under this section shall be given precedence and expedition in every possible way.

(d) Such just compensation shall be regularly paid to those employed in the mines as the President may provide. The method of payment shall be in accordance with such regulations as may be established by the President.

SEC. 5 (a) The President may fix prices for which and conditions under which coal shall be sold at wholesale or retail, and may require all dealers to whom coal is sold to agree to sell at prices and under conditions so fixed or to be so fixed, and may refuse to sell coal to dealers not so agreeing or who fail to keep such agreement.

(b) Any dealer who does any act which is a breach of such agreement shall be liable in a civil penalty equal to 25 percent of the value of the coal involved in the transaction constituting the breach, or $500, whichever is the greater, to be recovered in a civil action or debt for the benefit of the United States.

SEC. 6. All taxes assessed under Federal or any other governmental authority for the period of operation by or under the authority of the President, whenever levied or payable, shall be paid by the operator out of his or its own funds or shall be charged against or deducted from the just compensation.

SEC. 7. If any provision of this act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

Mr. VINSON of Kentucky. Mr. Chairman, out of deference to the gentleman from Massachusetts who has so graciously yielded back the remainder of his time, I yield 2½ minutes to the gentleman from Kansas [Mr. GUYER].

Mr. GUYER. Mr. Chairman, I wish to address myself to the constitutional aspect of this measure. Not so much as to details of this measure but as to the general attitude expressed on the floor of the House relative to the power and authority of the Supreme Court and other Federal courts to pass upon the legality of statutes that arise under the acts of Congress and the Constitution of the United States, in common parlance, as to the right to decide upon the constitutionality of acts of Congress or, as we hear it expressed, to annul acts of Congress.

Several gentlemen recently have denied that our Federal courts ever possessed or of right should possess the power to pass upon the legality of acts of Congress in suits which are brought in the Federal courts.

During this session of Congress there has been an unusually large proportion of legislation regarding the constitutionality of which there has been grave doubt. This arose partly on account of the decision of the Supreme Court relative to the National Industrial Recovery Act and the National Recovery Administration, and partly by reason of the doubts which members of the legal profession serving in Congress entertained concerning the legality of many laws proposed. Recently the gentleman from New York [Mr. SISSON] introduced the following resolution which was duly referred to the Committee on the Judiciary of the House, of which I am a member:

Whether the legislative power of the Congress does or does not extend to the enactment of laws making provision for the general welfare of the United States and to insure the domestic tranquillity.

Whether the authority of the courts of the United States, including the Supreme Court, extends to the annulment of statutes duly enacted by the Congress to provide for the general welfare of the United States and insure the domestic tranquillity.

On June 29, 1935, Hon. DAVID J. LEWIS, of Maryland, delivered a speech in the House on this resolution which is a very exhaustive review of both the history of the authority and power of the Federal courts to declare laws of Congress

unconstitutional, and the theory and philosophy of such assumption of power.

At another time the gentleman from Illinois [Mr. SABATH] delivered an address on the floor of the House on this same subject.

The gentleman from New York [Mr. SISSON] had inserted in the CONGRESSIONAL RECORD a radio address which he delivered in support of his resolution and against the power of the Federal courts to pass upon the legality and constitutionality of acts of Congress. I quote the following excerpts from the speech of the gentleman from New York [Mr. SISSON]:

> My first point is that the Supreme Court has no power either under the expressed or implied powers of the Constitution to adjudge unconstitutional a law passed by the legislative branch, the Congress, or in any suit between private litigants to pass upon the constitutionality thereof.
>
> It is equally demonstrable that no such power to the Supreme Court is implied in the Constitution or was so intended by the makers thereof or was so understood by the Thirteen Original States when in their several conventions they ratified the Constitution and entered into the Federal Union.
>
> That its exercise (judicial nullification) by the Supreme Court has resulted not in protecting the States or the people in their rights, but, on the contrary, has been harmful to our scheme of Government and has lessened the respect of our people for their Government and Constitution.

From the speech of the gentleman from Illinois [Mr. SABATH] I quote the following:

> If there are any abuses, Mr. Speaker, of usurpation of powers, it is by our courts who have assumed power that was never given or contemplated by the framers of the Constitution (CONGRESSIONAL RECORD, p. 11712.)

The gentleman from Maryland [Mr. LEWIS] joins in expressing disapproval of the power of the Federal courts to decide the constitutionality of acts of Congress and denies that such courts ever had any such power, express or implied, in the Constitution.

Before examining the remarks of these gentlemen I want to call attention to some facts concerning the Supreme Court with regard to its relationship to the other branches of the Government. The Justices of the Supreme Court, while seeming to exercise supreme power over legislation enacted by the Congress, are, after all, at the mercy of the Congress. No one may be a member of the United States judiciary unless and until he is confirmed by the Senate. This is of grave importance, especially with regard to the Supreme Court, because when a Justice of the Supreme Court is nominated for a position on that Court his record, his private and political pedigree, is raked over with a fine-tooth comb in executive sessions of the Senate, where everything in his education, political, and private life which might possibly influence him in arriving at a decision is gone into in the minutest detail; and until a majority of the Senate of the United States confirms the appointee he is not permitted to enter upon his high duties.

Then, if the Justices of the Supreme Court attempt to declare laws unconstitutional without right or reason they can be summarily impeached by the House and convicted by the Senate. This is a government of checks and balances, and under that system each department has some of the powers of the other departments; but in the end the legislative branch of the Government is supreme if any one of the so-called "independent and equal" departments of government has precedence over the others. Congress can expel from office not only the President but also the Justices of the Supreme Court. Thus, we find that these so-called "three departments", independent and separate, yet share with each other some of the powers of all the others.

These departments are separate and independent so long as they properly perform their peculiar functions in accord with the provisions of the Constitution which imposes certain limits upon each beyond which it shall not pass. If the Congress passes laws which violate the Constitution, the Supreme Court can call it to account. If the Executive oversteps the limitation which the people placed upon his powers, which are quite plainly defined and described in the Constitution, both the Court and the Congress will interfere. Not that one department or the other is a usurper of unwarranted powers, but that by overzeal or other causes might overstep the bounds set by the people in the Constitution.

Who but the courts could possibly pass upon these fine matters of law? Even the court is often in doubt. Should the Congress or the Executive be the judge of its own acts? That would be comparable to the folly of putting the defendant who is to be tried for a crime on the jury, or of making him his own prosecutor.

In fact, courts do not declare statutes unconstitutional and void. If they are contrary to the Constitution the courts treat them as invalid. They never were laws, for the reason that they lack validity. Being void, the courts ignore them in their decisions respecting parties litigant. Being void, they never had any validity, so no court could in fact declare them invalid—they were void ab initio.

The Constitution was framed by the greatest group of statesmen, judged by what they wrought, that ever surrounded the council tables of any nation in human history. We must remember that they belonged to a century which was prolific of statesmen and statesmanship—a century which no doubt produced a greater galaxy of statesmen than any other before or since. In England they had Pitt and Fox, Erskine and Burke, and a score of others who would have added glory to the statesmanship of any age or any country. In Germany they had Frederick II, Frederick the Great, who was not only a great military leader but also a superlatively great statesman. It was Frederick who laid the foundations for the Hohenzollern Empire which sank in the blood and fire of the World War. In France they had Napoleon, who was not only a military genius of the highest order but also a correspondingly great and far-seeing statesman.

The cession of Louisiana to the United States by Napoleon was one of the master strokes of statecraft, and by it he dealt a staggering blow to British prestige on this hemisphere. Had Louisiana still belonged to France and Napoleon in 1815, after Waterloo, the whole history of this continent would have been altered, and my State, Kansas, would have been under the same flag as flies over the Dominion of Canada; for, after Waterloo, there can be no doubt who would have had the Louisiana Territory. The United States of America would have been confined to that territory east of the Mississippi River. After all the heroic deeds of Napoleon's mighty sword are forgotten it will be remembered that he forever bound the Atlantic and the Pacific together in the embrace of our great Republic.

There was good reason for that eighteenth century producing statesmen, and particularly statesmen who were devoted to the cause of liberty. At that time, and for centuries before, men were trying to solve the problem of the rights of man. How far could the individual disregard the rights of society, and how far could governments trample upon the rights and privileges of the individual? For centuries men had thought on this problem and rivers of blood had been shed in the struggle for a determination. Then one day a tall, tawny-haired Virginian sat down at an old colonial table in Philadelphia and in 4 hours wrote into the Declaration of Independence all the conclusions of a thousand years of thinking, and the problem of the rights of man was forever settled. The Constitution is the practical crystallization of the principles enunciated in the Declaration of Independence into a workable system of government; and the miracle of it is that the work was so perfect. For the first time in history the people of a great nation had undertaken to write down upon parchment a charter which would secure liberty to themselves and their posterity.

It has been contended upon this floor that at the time of the adoption or ratification of the Constitution it was not understood that the judiciary should have the power to pass upon the constitutionality of acts of Congress.

At that time great opposition developed to the ratification of the Constitution, and those, like Washington, Marshall, Hamilton, Jay, and Madison, who devoutly wished to see it adopted as the country's only escape from chaos felt the necessity for acquainting the people with the fundamentals

of the Constitution. Foremost among these were James Madison, Alexander Hamilton, and John Jay, who became the first Chief Justice of the United States.

These three men conceived the idea of publishing a series of articles in the newspapers of New York. This was done, and when the series had been completed they had written the greatest commentary on the Constitution ever published and at the same time the greatest treatise on human government ever penned by the hand of man.

In the Federalist Hamilton wrote the number relating to the judiciary, and, among other things, he said:

> There is no position which depends on clearer principles than that every act of delegated authority contrary to the tenor of the commission is void. No legislative act contrary to the Constitution is valid. To deny this would be to affirm that the deputy is greater than his principal. That the servant is above his master. That the representatives of the people are greater than the people. The interpretation of the laws is the proper and peculiar province of the courts. The Constitution must be regarded as the fundamental law. It must belong to them to ascertain its meaning as well as the meaning of any particular act of the legislature. If there should be an irreconcilable variance between the two, that which has the superior obligation must be sustained. In other words, the Constitution must be preferred to the statute. The intention of the people named in the Constitution must be preferred to a legislative bill.

There is no doubt but that Hamilton's views coincided with those of Madison and Jay, joint authors of the Federalist. Next to Hamilton, James Madison wrote most in the Federalist. He held that in a monarchy the King is the one who is most likely to encroach on other departments of the government and that therefore his power must be jealously guarded, but that in a representative Republic it is the legislative department which is most liable to become tyrannical in its encroachments upon the province of the other coordinate departments and that therefore it should be jealously restrained. Here are his words:

> In a government where numerous and extensive prerogatives are placed in the hands of an hereditary monarch, the executive department is very justly regarded as a source of danger and watched with all jealousy. But in a representative Republic, where the legislative department is limited both in the extent and duration of its powers and where the legislative power is exercised by an assembly which is inspired by a supposed influence from the people, with an intrepid confidence in its own strength which is sufficiently numerous to feel all the passions which actuate the multitude, yet not so numerous as to be incapable of pursuing the objects of those passions, by all reason it is against the enterprising ambition of this department that the people ought to indulge all their jealousy and extend all their precaution. Its constitutional power being at once more exclusive and less susceptible to precise limitation, it can with greater facility mask, under complicated and indirect measures, encroachments that will destroy the coordinate departments of the Government.

It has also been contended that it was not understood at the State conventions that the Supreme Court and the Federal Judiciary should exercise the power to pass upon the legality or constitutionality of the acts of Congress. I want to invite your attention to what was said in some of the States without whose ratification the Constitution would never have become what it is today—the supreme law of this land.

In the Virginia Convention John Marshall, who afterward was for 35 years Chief Justice of the United States, said:

> The Supreme Court of the United States has the power and must exercise the power to declare any law in conflict with the expressed will of the people in this Constitution void.

Edmond Randolph, who presented the Virginia plan to the Constitutional Convention at Philadelphia, declared at the Richmond ratification convention:

> If Congress wish to aggrandize themselves by oppressing the people, the judiciary must first be corrupted.

Madison was not only a member of the Philadelphia Convention but also a member of the Virginia Convention at Richmond in 1788 called to ratify or reject the Constitution. He agreed with John Marshall and those who then fought for ratification; and 48 years later, after he had seen the results of the policy of the Supreme Court under John Marshall, his mature and deliberate judgment is expressed in these words:

> The jurisdiction claimed for the Federal judiciary is truly the only defensive armor of the Federal Government, or rather for the Constitution and laws of the United States. Strip it of that armor, and the door is wide open for nullification, anarchy, and convulsion, unless 24 States, independent of the whole and of each other, should exhibit the miracle of a voluntary and unanimous performance of every injunction of the parchment compact.

So the Virginia Convention knew exactly what was to be expected as to the province of the courts relative to the constitutionality of acts of Congress as well as those of State legislatures.

In Massachusetts, James Otis, one of the greatest of colonial lawyers and a member of the Massachusetts Convention, declared—and his judgment was concurred in by almost the unanimous opinion of the Convention:

> If the reasons that can be given against an act (of Congress) are such as to plainly demonstrate that it is against national equity, the national courts will adjudge it void. This may be questioned by some, though I make no doubt of it, whether they are not bound by their oaths to adjudge it void.

In Pennsylvania James Wilson, a member both of the Philadelphia Convention which framed the Constitution and of the Convention which ratified it, said:

> If a law should be made inconsistent with those powers vested by this instrument in Congress, the judges, as a consequence of their independence, and the particular powers of government being defined, will declare such law to be null and void. For the power of the Constitution predominates; anything, therefore, that shall be enacted by Congress contrary thereto will not have the force of law.

The same thing in substance was said in all the State conventions convened to ratify or reject the Constitution.

For nearly a century and a half the Federal courts have passed upon the constitutionality of acts of Congress, and it may be said both to the credit of the Congress and the courts that in all that period of time the Supreme Court has declared less than 50 laws unconstitutional. So long as the courts regard their oath of office to support and uphold the Constitution, the jurisdiction and powers of these courts should not be limited except by the Constitution. As long as they remain as they are, we will be a free people and under the protection of these courts the immortal rights of the individual will be sheltered and enshrined.

Often I go over to the Library of Congress and bow, uncovered, before those four precious pages upon which the Constitution was written and where Washington, Hamilton, Madison, Franklin, and the others signed their names, for I know that whatever security I possess of life, liberty, and property I owe to what is written on those four pages of parchment.

The Clerk read the bill to line 11 on page 2.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 9100, had come to no resolution thereon.

EXTENSION OF REMARKS—GUFFEY-SNYDER COAL BILL

Mr. GINGERY. Mr. Speaker, all of my life I have lived among the coal producers of Pennsylvania. By that I mean the coal operators and the coal miners. I have in my family members of both branches of this great industry, and, as relatives, I am just as proud of the miners as I am of the operators.

During the past few years I have observed what our industry has suffered from lack of supervision or control. As I see it from time and experience, those in the coal business have not had more than 2 good years in every 10. Two years in every 10 the operator and the miner have a chance to build a solid foundation for old age and the future. In other words, about 8 years in a lifetime to build security for home and family.

My colleagues in Congress, take into consideration what this means to an industry and those connected with it. Consider the odds against these men for peace of mind in the twilight of life.

The coal business, I am sorry to say, with all the big Americans that have been in it, has never yet produced a

leader who could bring the operators and miners together to cover a long period of time. Of course, business conditions, the war, and competition have caused the industry to suffer. Overproduction, price cutting, railroad holdings, and so forth, have caused discontent.

Railroads selling coal at any price to get the freight has been one of the major causes of strife. This has caused the chiseling in price to a point where there is no profit in one of our largest industries. This leads to ruin for the operator and starvation for the miner and his family.

Early in this session we passed the great security bill, which the President has signed. What brought this law to our statute books was just such conditions as are existent in the coal industry today. With all the arguments that some of you Members advance against this bill I feel that you have shown a lack of understanding of the common man and his future, as well as the future of a great industry.

Soft coal has put steam into the engines of our industries for many years.

Soft coal has won every battle we ever fought and saved our Nation.

Soft-coal miners earn every dollar they are paid for their hard toil, and they spend these hard-earned dollars for your fruit, your cotton, your steel, and for every type of merchandise.

Give those in the coal industry only what you have asked for the rest of the citizens of this country—a square deal.

The coal industry needs just what the Guffey-Snyder bill advocates. Give it to us now, for if you do not do it now you will do so in the near future, as this country cannot go on without coal regulation.

Mr. WOLVERTON. Mr. Speaker, the legislation now under consideration seeks to remedy a condition that adversely affects the welfare of thousands of workers, their families and dependents. While there is a difference of opinion as to the constitutionality of the act, yet there is no difference of opinion as to the meritorious purpose of the legislation.

The unfavorable living and working conditions of those who labor in our coal mines has in some localities approached a disgrace. Time and time again the attention of the Nation has been directed to these unwholesome conditions through prolonged efforts of mine workers seeking to correct them. No one in this House can plead ignorance of their existence. Nor will anyone deny the propriety or the duty of Congress to better such conditions by appropriate legislation.

Those who have attacked the proposed legislation and charged that it was unconstitutional do not offer any remedy in its place. I cannot believe that our Constitution, designed "to promote the general welfare", has left us impotent to remedy a condition acknowledged to be detrimental to the welfare of such a large portion of our people.

It is true that eminent constitutional lawyers, both in Congress and out of Congress, have expressed differing views with respect to the constitutional features involved. Some have argued that the proposed legislation is clearly within the purpose and intent of the Constitution, and within the power of Congress to enact. Others have argued with equal sincerity and ability to the contrary. Who is right? Who is wrong? Mere difference of opinion as to its constitutionality does not make it unconstitutional in fact. The binding answer can be made only by that great tribunal, set up by the Constitution, and which through our entire history as a nation has assumed the right to determine the constitutionality of acts of Congress—the Supreme Court of the United States.

Furthermore, the fact that there has been so often a divided opinion in the Court itself when passing upon constitutional questions and the right of Congress to enact certain legislation, inclines me to the opinion that when there is a wrong to be remedied or a right to be asserted there is sufficient justification for Congress to act. If the Supreme Court subsequently upholds the constitutionality of the desired legislation, then the good sought thereby is an accomplished fact. If, however, the Court holds otherwise, it may at least by its decision indicate the course that might constitutionally be followed by Congress in future legislation. The sole duty of Congress is to provide legislation which, to the best of its ability, recognizes established principles previously laid down by the Court. When it is a new path that is being trod the difficulty may be greater, but this does not of itself justify a refusal to act until there is a unanimity of favorable opinion.

Therefore, being convinced of the need of this particular legislation at this time, I shall cast my vote for its enactment. If its constitutionality shall hereafter be questioned and the Court shall find it to have been within the right of Congress to enact such legislation, then I shall be happy in the thought that I have made my contribution to an effort to improve the living and working conditions of a class of workers who are sorely in need. If, however, it should be found otherwise by the Court, then I am conscious that in my effort to help those in need, I have at least done no harm to others.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HAINES, for Saturday, August 17, on account of important business.

THE WINNIE MAE

Mr. LEE of Oklahoma. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3135) to authorize the purchase of the *Winnie Mae* by the Smithsonian Institution.

The Clerk read the bill, as follows:

Be it enacted, etc. That the Smithsonian Institution is hereby authorized and directed to purchase on behalf of the United States the airplane *Winnie Mae*, from Wiley Post, at a price not in excess of $25,000, and cause such airplane to be placed in the Smithsonian Institution.

SEC. 2. There is hereby authorized to be appropriated the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain this and any reason why it should come up tonight?

Mr. LEE of Oklahoma. I will say to the gentleman that we got through a little early, and the Senate passed this bill today and sent it over in order to get it passed on the same day as this tragedy. I ask the gentleman to please withhold his objection to the bill. I have spoken to the minority leader and he has agreed to it. I have spoken to the gentlemen on this side and they have agreed to it.

Mr. KNUTSON. Will the gentleman yield?

Mr. LEE of Oklahoma. I yield.

Mr. KNUTSON. It was not the *Winnie Mae* that was wrecked?

Mr. LEE of Oklahoma. No. It is the plane in which he circled the globe and on which he had put in about $50.000 worth of instruments. It will take its place in the Smithsonian Institution along with the first plane of the Wright brothers and the *Spirit of St. Louis*.

Mr. LUNDEEN. Will the gentleman yield?

Mr. LEE of Oklahoma. I yield.

Mr. LUNDEEN. Where is the plane *Winnie Mae* now located?

Mr. LEE of Oklahoma. I am not sure, but I believe it is in Oklahoma now.

Mr. LUNDEEN. It is in good condition?

Mr. LEE of Oklahoma. It is in good condition.

Mr. LUNDEEN. I favor the gentleman's proposition.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEE of Oklahoma. I offer an amendment, Mr. Speaker.

The Clerk read as follows:

Amendment offered by Mr. LEE of Oklahoma: Page 1, line 5, after the words "*Winnie Mae*", strike out the comma and the word "from", and insert in lieu thereof the words "with the original instruments used in its world trips by."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

H. R. 9100

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. FADDIS. Mr. Speaker, I was reared in the heart of the bituminous-coal fields of Pennsylvania and have been acquainted with the industry all of my life. I have watched its development from the days when its motive power was the pit mule and its illumination the smoky, flickering, dim, and dangerous oil lamp; to the days of electric motors, endless conveyers, and electric lights. I remember when the miner lay on his side on the wet floor of the mine and undercut his own coal with a pick, or bored his own holes with a hand auger and shot the coal out of the solid with black powder.

I have seen the disappearance of the old beehive coke oven, which threw all of the valuable byproducts out into the open air, and the advent of the byproduct oven, which contributes so many valuable synthetic chemical products to our daily life. I have seen the catastrophes which have resulted from insufficient or faulty safety devices and the death and sorrow incident thereto. I have seen the abuse of the miners by the infamous coal and iron police. I have seen the miners and their families live in wintertime in tents during a strike, and know many men who have lost millions and millions of dollars operating mines. The industry has always been faced by overproduction and exposed to cutthroat competition, which has brought ruin to all concerned—the operator, the investor, and the miner.

In my judgment this legislation will eliminate these conditions, in that it will enable the owners of and the investors in bituminous mines to obtain a fair return on their investments. It will benefit those who labor in and about the mines through the payment of fair wages and the granting of improved working conditions. In addition, it will protect the consumers against unreasonable prices and assure them of an ample supply of coal at all times at uniform prices. It will also result in the conservation of bituminous coal resources for the use of future generations and the Nation itself in time of need.

This bill is of no mushroom growth and did not spring overnight from the brain of some pseudo economist. It is the natural result of the findings, reports, and recommendations of various commissions, and of prior legislation formulated by able statesmen. Senator GUFFEY, the author of the present bill, is one of the best-informed men in this Nation upon all phases of the bituminous-coal industry. The United States Coal Commission, appointed during the administration of President Harding, wound up its report with the following statement:

> It is this indispensable service which the coal mines perform that gives the large social service, both to the property and to its product; and in turn that social service, in effect, grants to the public an interest in that use which creates a demand for public control.

In 1928 the bituminous-coal situation became so desperate that an investigation was demanded by the United Mine Workers of America; which was held by the Interstate Commerce Committee of the United States Senate. The deplorable conditions of the industry were exposed and remedial legislation was introduced, but came to naught. In 1932 the Davis-Kelly coal bill was introduced. While it was pending the N. R. A. was passed, which undoubtedly helped the industry. In 1934 President Roosevelt created the National Resources Board. Its findings and reports concerning bituminous coal served to confirm former investigations.

Upon this report, former reports, findings, recommendations, and other similar legislation the Guffey-Snyder coal bill was based. This legislation is the combination of the hopes and desires, the labors and the prayers of the majority of those acquainted by years of intimate association with the bituminous-coal industry; from those who labor in the bowels of the earth to those who market its products in the four corners of the earth. That the mining and distribution of bituminous coal is directly affected with the public interest cannot be denied and the stabilization of the industry is most certainly in the interest of the general welfare of this Nation.

The bituminous-coal-mining industry is perhaps the most overmanned of any of our industries. The labor connected with it comprises almost every known nationality. Coal is an exceedingly bulky commodity, and does not lend itself readily to stocking or storing; and, being generally consumed as mined, is therefore particularly subject to seasonal and economic fluctuations. Those of our commodities produced by mining are the most difficult to procure. Crops, lumber, textiles, and meat are produced with much more ease than is coal. Let it be remembered that the labor item in producing coal is 65 percent of the cost of the product, as against 23 percent in manufacturing. This high labor item, combined with the cutthroat competition, easily explains the labor strife which has always been associated with the industry. With an oversupply of labor and a continual buyers' market, high fixed charges, and enormous initial investment, what chance has the miner in an unregulated industry? No wonder they are the most exploited class of workers in the Nation.

Competition has resulted in cutting safety devices to a minimum and this has resulted in disastrous explosions. In the past, in an endeavor to procure cheap labor, importation of labor from abroad was resorted to; thus labor troubles were intensified because the labor market was glutted.

Our bituminous-coal mines fall under two general classifications—captive mines and independent mines. Captive mines are those owned and operated as integral parts of manufacturing operations or power companies. The owners of the captive mines objected to their mines being included under the provisions of this act. One of the purposes of this legislation is to better the condition of the coal miners. It requires just as much labor to produce a ton of coal in a captive mine as in any other. It costs just as much to maintain a family whether the miner works in a captive or a commercial mine. Commercial mines are those which sell coal on the open market.

Some 40 years ago those interested in bituminous-coal mining acquired extensive acreages of coal lands. The price per acre ran in some instances into several thousands of dollars. Interest and taxes have weighed heavily upon these investments. Coal in the ground can yield no return. The World War created an unusual demand for coal, which encouraged the opening of many new mines with expensive equipment. A coal mine is an expensive plant to maintain in idleness. The sulphurous water causes the equipment to deteriorate rapidly; therefore the mine must be continually pumped. The heavy initial investment and the high overhead have encouraged the opening of new mines and the continued operation of those already open in hopes of at least earning taxes, interest, and overhead. The result has been a highly competitive industry with low wages, poor working and living conditions, financial uncertainty, with much industrial strife as the inevitable consequence.

To anyone acquainted with the conditions surrounding coal mining, it is surprising that there has not been even more turbulence. Certainly the conditions surrounding the life of the average miner are far from being inspiring. The average coal mining town is unlovely, insanitary, and uncomfortable. Row upon row of drab houses, cheaply constructed and similar in design, perched upon bleak hillsides, exposed to the sulphurous smoke of burning slate dumps or open coke ovens; streets unimproved and sidewalks unknown. Sporadic employment in the bowels of the earth, exposed to constant danger. Catastrophes which snuff out hundreds of lives. Frantic crowds of women and children gathered around the mouths of the mines, hoping against reason to see their husbands and fathers alive once more. The later constructed towns are of far better character than were the old, but too many of the old still exist. They are not centers calculated to promote the best attributes of citizenship. In justice to the operators it should be said that the economic condition of the industry could afford no better.

Our coal mining population has made the best of its poor conditions. They have sacrificed and labored in order to educate their children. They have furnished a high percent of their men for the Army in time of war and illustrious statesmen in time of peace. Their leaders, for the most part, are zealous in combatting the spread of communism and similar doctrines. I have spoken on the same platform with P. T. Fagan, president of district no. 5; William Hines, president of district no. 4, and other officials of the United Mine Workers of America many times; and they advocated as fine a brand of Americanism as any speakers to whom I have ever listened. John L. Lewis, president of the United Mine Workers of America, in the hearings on the Guffey coal bill, before the Committee on Interstate Commerce of the United States Senate, made a statement which I believe to be typical of the attitude of the coal miners in this Nation. Speaking of representation for the miners on the proposed national bituminous-coal commission, he said, "We want a minority representation. We are willing to yield to the majority rule, the right of the public interest to govern." Those are the sentiments of a man whose philosophy is to live and let live.

It is worthy of note that those who appeared before the committee, either as proponents or opponents of this legislation, were in accord in their opinion that the N. R. A. had undoubtedly substantially aided in the recovery of the bituminous-coal industry. Let it be remembered that most progressive legislation is violently opposed at first. Quite often those who so bitterly oppose legislation at the outset prove to be enthusiastic supporters after experiencing its effects. I sincerely believe this will be the result of the Guffey-Snyder coal bill.

It is our duty as legislators to enact laws for the benefit of the people of the Nation. Certainly we can only promote the general welfare by improving the working and living conditions of the citizens of this Nation. We who come from the sections where bituminous-coal mining is the chief industry, have gone willingly down the line in support of legislation to benefit other sections and other industries. We supported the A. A. A., although to our miners it meant only a rise in pork chops. We supported the cotton bill, although it meant a rise in shirts and overalls. We supported tobacco bills, Indian bills, and reclamation bills, which to us meant only more taxes. We supported the T. V. A., even though we fear it will result detrimentally to industry in our own districts; because we believe it will improve conditions in the vicinity where it operates.

I therefore ask that the Members of the House look upon this legislation from its most altruistic side and give it the support which it richly deserves as a social, humane, and an economic measure—one which we hope will bring joy and gladness to the hearts of those who have heretofore been the worst-exploited class of American workers. This bill is justified and necessary, in order to promote the welfare of thousands of employees of coal companies, who must have a living wage in order to live decently, support their families, raise their children, and live as American citizens are entitled to live.

As to the constitutional features of the bill, I will leave the discussion of that to those who are more able along this line than I am. My belief is, however, that it is constitutional.

As to the argument that it will raise the price of coal to the consumer, I submit that it will not do so in any appreciable degree. What small rise in prices which may result will be many times overcome by the increase in buying power to the miners, the betterment of their living conditions, and the taking of them from the relief rolls. Let us, by this legislation, make these worthy people once more self-supporting American citizens. We can only raise our national standard of economics by raising the economic standard of each separate group. Here is an opportunity to raise the standard of 2,500,000 people. For the future welfare of this Nation, let us pass this bill.

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I understood that all Members who have spoken on the coal bill would have permission to revise and extend their remarks.

The SPEAKER. The Chair is informed that that applies to those Members who spoke in Committee of the Whole.

RIVER AND HARBOR LEGISLATION—CONFERENCE REPORT

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may have until 12 o'clock midnight tonight in which to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5159. An act to authorize the Postmaster General to contract for air-mail service in Alaska;

H. R. 6914. An act to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes; and

H. R. 7659. An act to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 578. An act authorizing the Secretary of the Interior to permit citizens of Bear Lake County, Idaho, to obtain timber from Lincoln County, Wyo., for domestic purposes;

S. 634. An act to authorize the sale of a portion of the Fort Smith National Cemetery Reservation, Ark., and for other purposes;

S. 2156. An act to extend the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md.;

S. 2556. An act to amend and supplement the steering rules respecting orders to helmsmen on all vessels navigating waters of the United States, and on all vessels of the United States navigating any waters or seas, in section 1 of the act of August 19, 1890, section 1 of the act of June 7, 1897, section 1 of the act of February 8, 1895, and section 1 of the act of February 19, 1895;

S. 2832. An act to provide a preliminary examination of Goldsborough Creek, in Mason County, State of Washington, with a view to the control of its floods;

S. 3058. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and for other purposes;

S. 3123. An act to provide for the relief of public-school districts and other public-school authorities, and for other purposes;

S. 3311. An act to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 221, 223, 226), as amended; and

S. J. Res. 69. Joint resolution for the erection of a suitable memorial to the Fourth Division, American Expenditionary Forces.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 351. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Improved Benevolent and Protective Order of Elks of the World, and for other purposes.

THE AGRICULTURAL ADJUSTMENT ACT

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEHRMANN. Mr. Speaker and fellow Members, the Agricultural Adjustment Act as it is before us certainly has very little, if anything, of value to our Wisconsin dairyman in it.

I am really apprehensive that it will prove to be detrimental to us, because it will give the eastern farmers a chance to build a ring around the markets of the East by curtailing or even prohibiting the shipment of cream and other Wisconsin or Minnesota dairy products into that territory.

The Wisconsin Members offered a substitute amendment for paragraph G that would have made it clear that no such practice was intended or to be tolerated, but the Committee, at the insistence of eastern Members, turned it down and we got only a few votes for it. When the bill came back from the Senate for conference report adoption I had hoped to be allowed to present this amendment to the House when the conference report is up for adoption, but I now find that no amendment will be allowed to be even considered. I therefore wish to make this feeble protest as a Wisconsin dairyman and the prediction that we will lose a large proportion of our eastern markets and that this production control aids in building up the dairy herds of the eastern farmer at the expense of Wisconsin and Minnesota farmers who have been in the dairy business for generations. When the ring that is being built around these eastern markets is completed, the consumer of those markets will be forced to pay a still higher price because of lack of competition and will make still larger profits possible to the barons of the dairy industry.

The original paragraph (G), now found on page 16 of the July 24 draft of H. R. 8492, was adopted by the House on the motion of Mr. ANDRESEN. The Senate committee altered the wording and the meaning and now the conference committee has made additional changes until it does not serve the intent of the amendment which was adopted by the House. The conference draft reads as follows:

No marketing agreement or order applicable to milk and its products in any marketing area shall prohibit or in any manner limit, in the case of the products of milk, the marketing in that area of any milk or product thereof produced in any production area in the United States.

This portion of the bill cannot be enforced. It is vague, full of trick language, so that a Philadelphia lawyer could not decipher its meaning. It opens opportunities for chiselers to violate provisions of marketing agreements. It is my understanding that those who must enforce the bill after it is enacted told the Congress that they would prefer the entire paragraph stricken out rather than to attempt to enforce such hazy phraseology.

It is plainly inconsistent with other portions of the bill. For example, it would vitiate paragraphs (A) and (B) of subsection 7, on page 19, having to do with fair trade practices.

The Senate amendment inserted these words: "in any manner", so as to make it read: "No marketing agreement or order applicable to milk and its products in any marketing area shall prohibit or in any manner limit", and so forth. Most of you gentlemen are lawyers and will readily recognize the validity of the argument attorneys for chiselers will present, that in some manner their sales are limited by subsection 7, whereas paragraph (G) says they shall not be limited.

Intentionally or not, this trick paragraph, as completely changed from the intent and purpose embodied in the language in the House amendment, strikes at the very heart of the milk program of A. A. A. It will render some of the best features of the act unenforceable and inoperative.

As worded, the phrase, "in the case of the products of milk", as set off by commas, would indicate that this would modify both, prohibit and limit, which would make it appear that a marketing agreement or order may prohibit or limit milk. Is it the design of the drafters of this measure that authority be given to prohibit or limit the shipment of milk from Wisconsin into the Chicago market? Certainly, producers and distributors enjoying the inside track on the Chicago market would take advantage of this peculiar, vague, and tricky phraseology to attempt just that. In the past 2 years we have seen too many attempts of similar nature to naively leave the matter to the good will and fair play of our competitors.

Now, then, what was the intent and purpose of this amendment in the first place? The record of the debate at the time it was introduced and adopted clearly shows that western cream shippers and producers were apprehensive, from past experience, of attempts to take advantage of the legal mechanism of A. A. A. to create artificial and economically unsound barriers against their products. Eastern producers were subject to the suspicion of having attempted to create monopoly for the purpose of enjoying unduly high prices at the expense of eastern consumers. A few instances, taken from the records of the Bureau of Agricultural Economics, demonstrate the real grounds for the fears of western farmers.

According to those statistics there was a 75-percent decrease in cream shipments from Wisconsin to the New York City market between 1932 and 1934, the actual drop being from 25,500 cans to 6,100 cans. There was a substantial shrinkage in the shipments to Boston. Shipments from Minnesota to New York decreased 100 percent. In effect, there was an embargo on Minnesota cream.

Even the Federal Trade Commission, in its preliminary report to the Congress on its investigation of the milk industry, criticized as an unfair practice the movement of cream from our territory into the eastern market. This indicates the response of the bureaucrats in Washington to the pressure of the milk producers of the eastern markets as opposed to the milk producers of the Middle West. Members of the Federal Trade Commission appearing before the Senate subcommittee, in seeking further funds for their investigation, expressed criticism of this movement, but on questioning were not aware of the differences in prices paid to farmers nor of the costs of rail transportation of the product. This Congress should specifically provide that any legislation which it may adopt shall not be prejudicial against one group of producers in one region in favor of another group of producers in another region.

This House adopted an amendment designed to prohibit such practices. The language of that amendment may have left something to be desired. But its purpose was clearly stated. After the Senate had amended it and the conferees proceeded still further we have now arrived at language unrecognizable, and which does not mean what was originally intended.

I propose that we return to a clear statement of the principles involved, envisaged in the following substitute paragraph (G):

No marketing agreement or order shall contain any term or provision which will tend to result in preventing or hindering any agricultural commodity or product thereof produced in any region or area of the United States from being brought into or sold in any other such region or area, or shall have the effect of subsidizing the production or sale of any agricultural commodity or produce thereof in any such region or area in such a manner that such commodity or product thereof will tend to be sold in any other such region or area at prices which will tend to depress the prices therein of such commodity or product thereof.

Here in a sentence we have a simple statement of principles by which regional discrimination no longer can be enforced by Federal legislation. First, we have the principle that no marketing agreement or order shall be used to hinder or prohibit the shipment from one region of the country to another region. And, second, and equally important, we have

a recognition of the principle that no marketing agreement or order shall be used as a means of subsidizing production in one region to the detriment of another region. We have discussed sufficiently, I think, the reasons for adoption of an antiembargo clause in the bill. Now this question of production subsidization under marketing agreements with the result of discriminating regionally is worthy of a moment's discussion.

Marketing agreements and licenses in the populous East have applied disproportionately high class I prices. They have applied disproportionately low prices to classes IV, V, and VI, the milk of which is used in the manufacture of butter and cheese. Consumption of class I has decreased, but by holding these high prices on class I the farmer of the eastern market has had a higher average price than has been received in the West. His surplus, or classes IV, V, and VI, has gone into competition with Wisconsin and Minnesota butter and cheese at lower prices than prevailed for those products in the West. It has been estimated that 40,000,000 pounds of butter were made from this type of surplus, or classes IV, V, and VI milk.

In 1934 the States of New York, Pennsylvania, Maryland, and New Jersey produced 40 percent more butter than in 1929. This is an illustration of subsidizing of the eastern milk producer at the expense of the eastern milk consumer and the selling in a region or area—butter or cheese—at prices which tend to depress the prices therein of such commodity or product thereof—Wisconsin and Minnesota butter and cheese.

This same practice applies in other markets, where the class IV, V, or VI milk, purchased at ridiculously low prices, are made into evaporated milk and sold in competition with the evaporated milk purchased and produced in the State of Wisconsin at prices higher than the class IV, V, or VI, but still none too high for the Wisconsin farmer. Surplus milk of the East subsidized by high class I prices should not undermine the markets for and prices of the production in the States of Wisconsin and Minnesota. And by this amendment we propose to prohibit the same.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Saturday, August 17, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

464. A communication from the President of the United States, transmitting schedules of claims allowed by the General Accounting Office, and for the services of the several departments and independent offices (H. Doc. No. 286); to the Committee on Appropriations and ordered to be printed.

465. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1936, in the amount of $10,000, to defray the expenses of the United States Marine Band in attending the United Confederate Veterans' reunion to be held at Amarillo, Tex., September 3 to 6, 1935 (H. Doc. No. 287); to the Committee on Appropriations and ordered to be printed.

466. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State for the fiscal year 1936, amounting to $3,000, for the relief of Blanche L. Gray (H. Doc. No. 288); to the Committee on Appropriations and ordered to be printed.

467. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Civil Service Commission for the fiscal year 1936 (H. Doc. No. 289); to the Committee on Appropriations and ordered to be printed.

468. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Commerce for the fiscal year 1936 (H. Doc. No. 290); to the Committee on Appropriations and ordered to be printed.

469. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year 1936 (H. Doc. No. 291); to the Committee on Appropriations and ordered to be printed.

470. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior for the fiscal year 1936 (H. Doc. No. 292); to the Committee on Appropriations and ordered to be printed.

471. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Labor for the fiscal year 1936 (H. Doc. No. 293); to the Committee on Appropriations and ordered to be printed.

472. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Social Security Board for the fiscal year 1936 (H. Doc. No. 294); to the Committee on Appropriations and ordered to be printed.

473. A communication from the President of the United States, transmitting a schedule of claims allowed by the General Accounting Office, as shown by certificates of settlement forwarded to the Treasury Department for payment, covering judgments rendered by the United States district courts against collectors of customs (H. Doc. No. 295); to the Committee on Appropriations and ordered to be printed.

474. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims (H. Doc. No. 296); to the Committee on Appropriations and ordered to be printed.

475. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay a claim for damages by collision with naval vessels (H. Doc. No. 297); to the Committee on Appropriations, and ordered to be printed.

476. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States District Courts (H. Doc. No. 298); to the Committee on Appropriations, and ordered to be printed.

477. A communication from the President of the United States, transmitting schedules of claims allowed by the General Accounting Office pursuant to certain private acts of the Seventy-fourth Congress (H. Doc. No. 285); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LLOYD: Committee on the Judiciary. H. R. 8293. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act; with amendment (Rept. No. 1807). Referred to the Committee of the Whole House on the state of the Union.

Mr. LLOYD: Committee on the Judiciary. H. R. 8728. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; with amendment (Rept. No. 1808). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULLER: Committee on Ways and Means. H. R. 8846. A bill to amend certain sections of title IV of the Revenue Act of 1932, as amended; without amendment (Rept. No. 1809). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 362. Joint resolution to authorize the selection of a site and the erection thereon of a suitable monument indicating the historical signficance of the first entrance into the city of Washington of a steam railroad, and for other pur-

poses; without amendment (Rept. No. 1810). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLDEN: Committee on Disposition of Executive Papers. House Report 1811. Disposition of useless papers in the Department of the Treasury; ordered to be printed.

Mr. COLDEN: Committee on Disposition of Executive Papers. House Report 1812. Disposition of useless papers in the department of the Veterans' Administration; ordered to be printed.

Mr. COLDEN: Committee on Disposition of Executive Papers. House Report 1813. Disposition of useless papers in the Department of Commerce; ordered to be printed.

Mr. COLDEN: Committee on Disposition of Executive Papers. House Report 1814. Disposition of useless papers in the General Accounting Office; ordered to be printed.

Mr. COLDEN: Committee on Disposition of Executive Papers. House Report 1815. Disposition of useless papers in the War Department; ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 6159) granting a pension to Joseph F. Haynes, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EATON: A bill (H. R. 9155) authorizing the Secretary of War to lend Army tents to the Morris Grange Fair Committee, Troy Hills, N. J.; to the Committee on Military Affairs.

By Mr. MURDOCK: A bill (H. R. 9156) to define the exterior boundary of the Ute Indian Reservation in the State of Utah, and for other purposes; to the Committee on Indian Affairs.

By Mr. RAYBURN: A bill (H. R. 9157) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi; to the Committee on Indian Affairs.

By Mr. RUSSELL: A bill (H. R. 9158) to protect American and Philippine labor and to preserve an essential industry, and for other purposes; to the Committee on Ways and Means.

By Mr. MEAD: Resolution (H. Res. 344) for the investigation of the operating methods of air mail contractors from the standpoint of safety, and for other purposes; to the Committee on Rules.

By Mr. FENERTY: Joint resolution (H. J. Res. 382) to prohibit the export of arms and ammunition and to regulate trade in contraband of war under certain conditions, and to prohibit the extension of credits, and the issuance of loans to the government or national of any nation engaged in armed conflict unless the United States be engaged in such conflict as a temporary associate of such nation; and to regulate the issuance of passports to American citizens in time of war; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GUYER: A bill (H. R. 9159) for the relief of Henry W. Pappe; to the Committee on Military Affairs.

Also, a bill (H. R. 9160) granting a pension to Emma Shinall; to the Committee on Pensions.

By Mr. LAMNECK: A bill (H. R. 9161) for the relief of Walter T. Karshner, Katherine Karshner, Anne M. Karshner, and Mrs. James E. McShane; to the Committee on Claims.

By Mr. DISNEY: A bill (H. R. 9162) granting a pension to Mary W. Lessley; to the Committee on Invalid Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 9163) for the relief of Luther V. Stafford; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9314. By Mr. MURDOCK: Resolution of the Inter-Mountain Grain Cooperative, Inc., urging the passage of a bill to repay those organizations which suffered losses due to overloans created on authority of the old Federal Farm Board; to the Committee on Agriculture.

9315. Also, resolution of the Inter-Mountain Grain Cooperative, Inc., endorsing the so-called "Jones commodity-exchange bill" to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

SATURDAY, AUGUST 17, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Infinite and eternal Spirit, we are grateful that we may still come to the footstool of prayer to breathe our thanksgiving and praise. Draw us near to Thee that we may be strengthened by the purer atmosphere of the better world. We pray that we may more fully understand our Great Teacher and share in His confidence and peace. Amid the rise and fall of things, the dawning and the vanishing of systems, the friction of nations and the collisions of classes, O let us hear Thy reassuring voice: The earth is the Lord's and the fullness thereof, the world and they that dwell therein. He that goeth forth and weepeth, bearing seed for sowing, shall doubtless come again with joy, bringing his sheaves with him. Refresh us, blessed Lord, with Thy presence. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 258. An act for the relief of Emma B. Hine;

H. R. 607. An act for the relief of Florence Overly;

H. R. 616. An act for the relief of Homer J. Williamson;

H. R. 704. An act for the relief of Thelbert Davis;

H. R. 760. An act for the relief of John L. Hoffman;

H. R. 830. An act for the relief of Sanford Madison Strange;

H. R. 1368. An act for the relief of Virden Thompson;

H. R. 1420. An act to provide for the Andrew Johnson Homestead National Monument;

H. R. 1437. An act for the relief of August A. Carminati;

H. R. 1714. An act for the relief of Russell H. Lindsay;

H. R. 1880. An act for the relief of Ivan H. McCormack;

H. R. 2024. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 2118. An act for the relief of John P. Seabrook;

H. R. 2126. An act for the relief of Hugh G. Lisk;

H. R. 2130. An act for the relief of John M. McNulty;

H. R. 2319. An act for the relief of Oswald Orlando;

H. R. 2411. An act for the relief of E. F. Purvis;

H. R. 2432. An act for the relief of the Weis-Patterson Lumber Co., Inc.;

H. R. 2443. An act for the relief of Milton Hatch;

H. R. 2476. An act to grant a patent to Albert M. Johnson and Walter Scott;

H. R. 2555. An act to extend to Sgt. Maj. Edmund S. Sayer, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men;

H. R. 2690. An act for the relief of John B. Grayson;

H. R. 2730. An act for the relief of Thomas Harris McLaughlin;

H. R. 2970. An act for the relief of Jose Munden;

H. R. 3147. An act for the relief of Will A. Helmer;

H. R. 3202. An act for the relief of W. H. Greene;

H. R. 3282. An act for the relief of Nina Drips;

H. R. 3509. An act for the relief of the legal guardian of Nick Vasilzevic;

H. R. 3546. An act for the relief of Sarah Elizabeth Ballentyne;

H. R. 3759. An act for the relief of E. H. Jennings;

H. R. 3965. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Prince Royal, Sr., Kathleen Royal Hayes, Victor A. Royal, Lucile Royal, Prince Royal, Jr., Maggie Fields Ramsey, and R. J. Ramsey;

H. R. 3967. An act for the relief of Raymond Parramore;

H. R. 4513. An act to authorize payment of claims for unauthorized emergency treatment of World War veterans;

H. R. 4568. An act for the relief of Forrest D. Stout;

H. R. 4827. An act for the relief of Don C. Fees;

H. R. 4831. An act for the relief of L. E. Geary;

H. R. 4860. An act for the relief of Judson Stokes;

H. R. 4923. An act for the relief of Maj. E. Leslie Medford, United States property and disbursing officer for Maryland;

H. R. 5099. An act for the relief of Albert Henry George;

H. R. 5122. An act for the relief of R. C. McCoy, J. L. Garner, C. G. Kauffman, W. G. Smiley, R. A. Burks, C. W. Brazzelton, R. F. Brazzelton, Dave Cash, Mrs. A. W. Dykes, Jim Thereldkeld, R. R. Crain, J. B. Tolson, J. C. Rogers, S. K. Broach, Albert Easterling, J. L. Rivers, F. C. Wilson, E. C. Finley, W. W. Mitchell, J. G. Carey, Carl Graves, Jerome Dupree, J. R. Mitchell, J. L. Mitchell, and J. C. Russell;

H. R. 5325. An act for the relief of Ira L. Reeves;

H. R. 5347. An act for the relief of Bertha Moseley Bottoms;

H. R. 5375. An act relating to the compensation of certain charwomen;

H. R. 5415. An act to confer jurisdiction on the District Court of the United States for the Eastern District of North Carolina, to hear, determine, and render judgment upon the claims of the Pamlico Timber Corporation against the United States;

H. R. 5492. An act for the relief of Henry Scipper;

H. R. 5550. An act for the relief of Malachy Ryan;

H. R. 5654. An act to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter;

H. R. 5816. An act for the relief of May C. Gustin;

H. R. 5838. An act to place David J. Fitzgerald on the retired list of the United States Army as a first lieutenant;

H. R. 5971. An act for the relief of Charles Pine;

H. R. 6177. An act for the relief of Brooker T. Wilkins;

H. R. 6267. An act for the relief of Wint Rowland;

H. R. 6268. An act for the relief of W. C. Wright;

H. R. 6269. An act for the relief of W. H. Keyes;

H. R. 6275. An act for the relief of John Livingston and Mrs. John Livingston;

H. R. 6602. An act for the relief of Dr. Ernest B. Dunlap;

H. R. 6869. An act authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims;

H. R. 7099. An act for the relief of Rocco D'Amato;

H. R. 7438. An act to amend the act entitled "An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.", approved June 4, 1934;

H. R. 7520. An act for the relief of David A. Trousdale;

H. R. 7577. An act for the relief of Mrs. William E. Smith and Clara Smith;

H. R. 7938. An act to authorize the transfer of the Otter Cliffs Radio Station on Mount Desert Island in the State of Maine as an addition to the Acadia National Park, and for other purposes;

H. R. 7955. An act to establish a new division of the northern district of Georgia with terms of court to be held at Newnan, Ga.;

H. R. 7998. An act to exempt from taxation official compensation of certain foreign representatives and to provide for the deductibility from income of certain dividends on preferred stock owned by the United States or instrumentalities thereof;

H. R. 8026. An act to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco inspection service, and for other purposes;

H. R. 8519. An act requiring contracts for the construction, alteration, and repair of any public building or public work of the United States to be accompanied by a performance bond protecting the United States and by an additional bond for the protection of persons furnishing material and labor for the construction, alteration, or repair of said public buildings or public work;

H. R. 8580. An act to amend the law with respect to the time for jury service in the police court of the District of Columbia;

H. R. 8581. An act to amend the law providing for exemptions from jury service in the District of Columbia;

H. R. 8668. An act providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Fort Pierce, Fla.;

H. R. 8790. An act to amend section 6 of the act of February 28, 1925;

H. R. 8845. An act to authorize the incorporated town of Cordova, Alaska, to construct, reconstruct, enlarge, extend, improve, renew, and repair certain municipal public structures, utilities, works, and improvements, and for such purposes to issue bonds in any amount not exceeding $50,000, and for other purposes;

H. R. 8991. An act to authorize the Administrator of Veterans' Affairs to exchange certain property rights now vested in the United States at Veterans' Administration facility, Perry Point, Md., for certain property and rights of the Pennsylvania Railroad Co. in that vicinity;

H. J. Res. 129. Joint resolution to amend the joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution;

H. J. Res. 189. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners; and

H. J. Res. 257. Joint resolution to amend a joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, as amended by the Second Deficiency Act, fiscal year 1929, approved March 4, 1929.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 33. An act to encourage travel to and within the United States by citizens of foreign countries, and for other purposes;

S. 164. An act for the relief of Donald L. Bruner;

S. 414. An act to convey certain lands and buildings to the city of Reno, Nev.;

S. 630. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, to provide an interest rate of 3 percent per annum on loans to agricultural improvement districts;

S. 657. An act for the relief of J. R. Osgood;

S. 696. An act for the relief of Sylvan M. Levy;

S. 1124. An act for the relief of Anna Carroll Taussig;

S. 1152. An act relating to the carriage of goods by sea;

S. 1358. An act for the relief of Irene Magnuson;

S. 1440. An act to enroll certain persons on the final citizenship rolls of the Mississippi Choctaw Indians;

S. 1464. An act for the relief of Frank P. Hoyt;

S. 1607. An act to amend section 109 of the Criminal Code so as to except officers of the Naval and Marine Corps Reserve not on active duty from certain of its provisions;

S. 1763. An act to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930;

S. 1827. An act for the relief of Lucille McClure;

S. 1837. An act for the relief of W. W. Cook;

S. 1957. An act for the relief of the George R. Jones Co., a corporation organized under the laws of the State of New Hampshire;

S. 1976. An act to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

S. 2002. An act to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes;

S. 2040. An act to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof;

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2072. An act for the relief of Robert H. Muirhead;

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 2137. An act to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma;

S. 2219. An act for the relief of Lt. D. A. Neumann, Pay Corps, United States Naval Reserve Force;

S. 2303. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented;

S. 2456. An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia;

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes";

S. 2469. An act for the relief of E. L. Hice and Lucy Hice;

S. 2519. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of F. Mansfield & Sons Co., and others;

S. 2617. An act to amend the Judicial Code to permit defendants in criminal cases to waive trial by jury;

S. 2632. An act to provide for the construction of 10 vessels for the Coast Guard designed for ice-breaking and assistance work;

S. 2643. An act to amend section 118 of the Judicial Code to provide for the appointment of law clerks to United States District Court judges;

S. 2673. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

S. 2704. An act for the relief of Clayton M. Thomas;

S. 2712. An act to promote the efficiency of the Bureau of Engraving and Printing;

S. 2845. An act to provide for the retirement and retirement annuities of civilian members of the teaching staffs at the United States Naval Academy and the Postgraduate School, United States Naval Academy;

S. 2849. An act to provide funds for cooperation with Wellpinit School District No. 49, Stevens County, Wash., for the construction of a public-school building to be available for Indian children of the Spokane Reservation;

S. 2868. An act to provide for the reappointment of Harrison S. Markham as a second lieutenant, United States Army;

S. 2897. An act for the relief of Lt. Robert A. J. English, United States Navy;

S. 2910. An act to add certain lands to the Weiser National Forest;

S. 2962. An act for the relief of John Pate, deceased;

S. 2980. An act for the relief of Ruby Rardon;

S. 3035. An act to provide for enforcing the lien of the District of Columbia upon real estate bid off in its name when offered for sale for arrears of taxes and assessments, and for other purposes;

S. 3057. An act for the relief of John B. Jones;

S. 3071. An act providing for the placing of improvements on the areas between the shore and bulkhead lines in rivers and harbors;

S. 3085. An act authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose;

S. 3088. An act for the relief of Mearon Perkins;

S. 3092. An act to provide funds for cooperation with White Bird School District, Sioux County, N. Dak., for extension of public-school buildings to be available for Indian children;

S. 3162. An act to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia relating to offenses against property;

S. 3169. An act for the relief of Charles E. La Vatta;

S. 3175. An act for the relief of Jesse Ashby;

S. 3179. An act to appoint one additional judge of the District Court of the United States for the Eastern, Middle, and Western Districts of Tennessee;

S. 3182. An act authorizing an appropriation to carry out the provisions of section 26 of the agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901;

S. 3184. An act to provide for the immediate settlement of the obligation of the Joe Graham Post of the American Legion arising out of the purchase of the Ship Island Military Reservation;

S. 3195. An act for the relief of Guiry Bros. Wall Paper & Paint Co.;

S. 3258. An act to amend section 304 of the Revised Statutes, as amended;

S. 3268. An act to authorize and direct the Secretary of the Interior to make a lease for the Agua Caliente or Palm Springs Band of Mission Indians of California;

S. 3270. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 3280. An act for the relief of Doris Allen;

S. 3286. An act to abolish the oath required of customs- and internal-revenue employees prior to the receipt of compensation, and for other purposes;

S. 3334. An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

S. 3336. An act to repeal title I and II of the National Prohibition Act, to reenact certain provisions of title II thereof, to amend or repeal various liquor laws, and for other purposes;

S. 3344. An act to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky;

S. 3353. An act providing for the exchange of certain park lands at and near Western Avenue and West Beach Drive for other lands more suitable to the development of Rock Creek Park and the street system of the District of Columbia, and for other purposes;

S. 3374. An act for the relief of the State of Indiana;

S. 3386. An act for the relief of Helen Gallagher Dominian;

S. J. Res. 151. Joint resolution making provision for a national celebration of the bicentennary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence; and

S. J. Res. 164. Joint resolution to authorize the selection of a suitable monument indicating the historical significance of the first entrance into the city of Washington of a steam railroad, and for other purposes.

GOLD-CLAUSE SECURITIES OF THE UNITED STATES

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 348, authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States, withdrawing the right to sue the United States on its bonds and other similar obligations, limiting the use of certain appropriations, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. STEAGALL, GOLDSBOROUGH, REILLY, HOLLISTER, and WOLCOTT.

LEAVE OF ABSENCE

Mr. WEARIN. Mr. Speaker, my colleague the gentleman from Iowa [Mr. GILLETTE] was forced to leave for home day before yesterday on account of illness and asked to be excused for the balance of the session.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

GUFFEY-SNYDER BILL TO REGULATE THE BITUMINOUS COAL INDUSTRY

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent to extend my remarks on the Guffey bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RAMSAY. Mr. Speaker, in the discussions of this bill in the House, we have witnessed a great phenomenon. More than 90 percent of the debate on the bill has been devoted to prophecy and prediction of how the Supreme Court will react in passing upon its terms and conditions.

The need, necessity, and prudence of the bill has not been denied, but it has met the dire threats of its opponents that the Supreme Court will, upon consideration, destroy it and wipe it out from our statute law.

In fact, throughout this entire session, this constant threat has been made by those who opposed every bill, until the people of the country must believe, if they believe anything at all, that the Supreme Court is held in reserve by those who oppose legislation to be brought forth by them at will to invalidate and destroy any legislation they may seek to defeat.

I want to warn those who claim to be the sole lovers of our courts, and the protectors and preservers of our Constitution, that they are not doing our great Court any service by constantly placing the Court in a position of being opposed to any and all legislation the people of this great country are demanding from their Representatives.

What the people of this country really need is that their Representatives shall give more time to careful study of the country's needs and less to mere prophecy of what the Supreme Court may think about its legislation.

My district, like a great part of West Virginia, is largely engaged in coal mining, and I believe that all of us will agree—all who live not only in my district, but in West Virginia—that there is need for some legislation that will tend to stabilize the coal industry.

During the last 10 years the coal industry of America has been prostrate. I have seen in my State various mining towns wither and the inhabitants disappear, because the mines were compelled to shut down. Practically all of our miners and mine owners, too, have been in bankruptcy during the last 10 years.

During 1932, when a miner on Scott's Run in Monongalia County went to work in the morning—whenever he could get a day's work in a week or in a month—he would go to work without anything to eat. He would go in the mine on an empty stomach and load a car of coal—if he was fortunate enough to get one to load, and thus be able to get a little credit at the store and get something to eat. I saw men during that time without shoes, with sacks wrapped around their feet, in these mining towns. It was a deplorable condition. It certainly demonstrated that under competition such as there was in the coal-mining business, you could not run a coal business successfully on rugged individualism. It is necessary, of course, that there must be some control in some way. The only way I know of is proposed in this bill.

I believe that all those who live in a mining State must realize that there should be some permanent law to control the production and the price of coal. We well remember the chaotic conditions that existed in the coal-mining industry before the advent of the codes. I believe if the N. R. A. could point to no other accomplishment but the coal code, it would have justified its existence.

Before the advent of the N. R. A., West Virginia was covered with blanket injunctions, which restrained men from entering into labor organizations or to deal collectively with the operators of the mines. Company stores, where extortionate charges were made for goods sold, was the custom, and the life of a miner had descended to one of degradation and penury. But with the advent of the code, conditions changed as if by magic. Working conditions were improved, collective bargaining was recognized, and mines were then operating for the first time within 10 years at a profit.

I believe, as I have said, that the N. R. A. greatly removed a lot of the troubles of mining. Of course, not all the men who were formerly engaged in mining were at work, but I believe more of them were at work in West Virginia during the N. R. A. than at any other time within the last 10 years.

The coal business was on the rocks long before 1929 and has been struggling and praying for Congress to aid them in stabilization of their business for more than 10 years. I feel that not only the miners themselves but the operators of mines want this Congress to do something to protect the coal business.

Indeed, I believe that any legislator would be derelict in his duty and unmindful of his responsibilities to the people he represents if he would not seek to enact some measure that would prevent the old cutthroat system of prices from again entering into the coal business.

I remember discussing the price of coal in 1932 with one of the receivers of the Consolidated Coal Co., which is, I believe, the largest bituminous-coal organization in America. This receiver informed me that the day before our discussion 30 carloads of West Virginia coal had been sold on the railroad sidings at Cleveland for 89 cents a ton.

While I am not familiar with the railroad rate of shipments from any point in West Virginia to Cleveland, I am certain this price was really below the price of the freight alone. I only mention this to show the chaotic condition the coal business had reached in the United States in 1932. In fact, the coal business of the United States was the first one to feel the effects of overproduction and price cutting after the war, because an overproduction of at least 2 percent of coal will demoralize the industry, while an underproduction of 2 percent causes excessive rates to be charged to the consumer. This is a remarkable thing. Two percent in any other business would not have much effect; but if you produce 2 percent more coal than you consume, the result is cutthroat competition, and every time the operator of a coal mine cuts the price of coal, of course, he must cut the wage of the miner. As a consequence, whenever the price of coal is cut, the wage of the miner is reduced, and the miner is the man who suffers. While such low percentage of production and overproduction does not affect the general run of trade and commerce, it does have a demoralizing effect on the coal business; and when such cutting starts, there is no way the operator can save himself or meet competition other than by cutting the miner.

The object of this bill is to create a level of prices that will give a fair wage and a fair profit. We cannot maintain a fair price if we insist on flooding the market with more coal than can be consumed. If we even try to dump 5

percent more coal on the market than can be consumed, the whole price structure collapses; and when prices collapse, wages collapse, because labor is 70 percent of the cost, and the operator has no other way to shave his price than to take it out of wages.

In this respect, coal mining is far more dependent on a fair price than any other industry, because in manufacturing as a whole, salaries and wages are but 25 percent of the cost. So the first step in the coal business, in order to pay decent wages and to give to the operator a fair profit, is to adjust production to the obvious limitations on demand. Of course, any plan giving operators production quotas to be applied in the United States, must conform to American conditions. It must be flexible, so as to fit the varying needs of the different districts.

To prevent the demoralization of the coal business again to its low standards of 1931 and 1932, and to prevent the return of the yellow-dog contract and the starvation wages for the men employed in the coal business, and to gain a fair return for the operator and enable him to pay fair wages for his workingmen, we must face the problem of the supply of coal in America.

I believe this bill before the House at the present time will perform these functions, and while it is true that some coal operators object to this bill or to any bill that they in any way believe is a control or check on their business, I do not believe it is the attitude of many of them. In my section of the State I think a large preponderance of the operators themselves are in favor of this bill or in favor of some measure that will control the output and regulate the price and sale of coal. I think this is a fair statement. The manufacturers themselves are heartily in favor of it.

The authority of Congress over commerce among the States extends to every part of such commerce and to every instrumentality or agency used to carry on. The full control of Congress on this subject committed by the Constitution to its regulation is not to be denied or defeated by commingling of interstate and intrastate operations. I do not mean by this that Congress may deal with the internal concerns of the States as such, but that Congress is not limited by the fact that intrastate transactions may have become so interwoven with interstate that the acts of a State may or can control such commerce.

This bill, like all other progressive legislation, has been subject to attack by those who oppose the new legislation by the cry of "unconstitutional." When no sound or reasonable objection can be used to oppose proposed legislation, this one objection is always open to those who desire to defeat and destroy it. But to determine this question, let us look for a few moments to the decisions of our courts and the arguments of some of our greatest lawyers relative to the power of Congress to control commerce among the States.

Daniel Webster, in the case of *Gibbons* v. *Ogden* (9 Wheat., p. 12), speaking of the power of Congress over commerce between the States as granted by the Constitution, said:

> We do not find in the history of the formation and adoption of the Constitution that any man speaks of a general concurrent power in the regulation of foreign and domestic trade as still residing in the States. The very object intended, more than any other, was to take away such power. And from the very nature of the case, these powers must be exclusive. And the commerce of the States was to be a unit, and the system by which it was to exist and be governed must necessarily be complete, entire, and uniform. It should be repeated that the words used in the Constitution, "to regulate commerce", are so very general and extensive that they might be construed to cover a vast field of legislation, part of which has always been occupied by State laws, and, therefore, the words must have a reasonable construction, and the power should be considered as exclusively vested in Congress so far, and so far only, as the nature of the power requires.

He further argued in this case that—

> the General Government should not seek to operate where the States can operate with more advantage to the community, nor should the States encroach on ground which the public good, as well as the Constitution, refers to the exclusive control of Congress.

Chief Justice Marshall for the first time defined "commerce" at page 192 in the following language:

> It has been truly said that "commerce", as the word is used in the Constitution, is a unit, every part of which is indicated by the term.

And continuing said, "Commerce among the several States." The word "among" means "intermingled with, a thing which is among, is intermingled with them." "Commerce among the States cannot stop at the external boundary line of each State but may be introduced into the interior."

"It is not intended to say that these words comprehend that commerce, which is completely internal, which is carried on between man and man in a State, or between different parts of the same State, and which does not extend to or affect other States."

"But comprehensive as the word 'among' is, it may be properly restricted to that commerce which covers more States than one, but not to those which are completely within a particular State, which do not affect other States."

Here is direct and binding authority that has stood the test of time and never been reversed, to the effect that if the commerce wholly within a State affects the commerce of other States it may be controlled by act of Congress.

But in supporting this bill it is not even necessary to rely upon the opinion rendered in this first case, because our courts in many later cases have held that contracts and sale of goods in one State to be delivered in another are interstate commerce. Our courts have also held that coal mined in one State under contract to be delivered in another is interstate commerce.

In *United States* v. *Knight* (156 U. S. 13) the Court held that—

> Contracts to buy, sell, or exchange goods to be transported among the several States, the transportation and its instrumentalities, and articles bought, sold, or exchanged for the purpose of such transit among the States, or put in the way of transit, may be regulated, but this is because they form part of interstate trade or commerce.

Again, in the case of *Gloucester Ferry Co.* v. *Pennsylvania* (114 U. S. 204) the Court laid down the exclusive power of Congress to regulate commerce among the States in the following language:

> The power to regulate commerce embraces within its control all the instrumentalities by which commerce may be carried on, and the means by which it may be aided and encouraged.

And in the *Red Jacket Coal Co.* v. *United Mine Workers* (18 Fed. (2d) 840) an injunction was sustained by the United States Court Court of Appeals for the Fourth Circuit, and upon an appeal the Supreme Court later denied a writ of certiorari, thereby affirming the same against 40,000 miners, restraining them from striking, because such a strike would interfere with the mining and producing of 40,000,000 tons of coal a year that would enter into interstate commerce, and in sustaining this injunction the Court held:

> Interference with the production of these mines as contemplated by these defendants would necessarily interfere with the interstate commerce in coal to a substantial degree.

And upon this hypothesis this decision was based; the Supreme Court adopted and sustained this reasoning when it reviewed the writ issued in this case and denied an appeal.

Can it, or will it, be said that the law as applied to interstate commerce can be changed at will by our courts and that if the decision will affect the miners of coal adversely that mining and producing of coal is interstate commerce? But, on the other hand, if the decision would result to the benefit of those engaged in mining and producing coal, then the courts should and would hold such mining is intrastate commerce.

I cannot think, nor will I believe, that our courts would so hold. Nor am I convinced or influenced by those who constantly cry that all proposed new legislation is unconstitutional, because I know they do not know, nor can they know, what the Supreme Court will say about this bill, for the power to so determine is the power to make the Constitution, whether such Constitution be written or otherwise.

Before closing, I want to call attention of all the constitutional objectors of this House to the closing paragraph of

John Marshall in the case of Gibbons against Ogden, where he said:

"Powerful and ingenious minds, taking, as postulates, that the powers expressly granted to the Government of the Union, are to be contracted by construction into the narrowest possible compass, and that the original powers of the States are retained if any possible construction will retain them, may, by a course of well-digested but refined and metaphysical reasoning, founded on these premises, explain away the Constitution of our country, and leave it a magnificent structure, indeed, to look at, but totally unfit for use."

VACANCY IN THE HOUSE OF REPRESENTATIVES FROM OHIO

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. YOUNG. Mr. Speaker, the blistering heat of Washington must have affected Henry P. Fletcher, Republican National Committee chairman. His statement challenging Governor Davey, of Ohio, to call a special election to select a successor to my late colleague, Congressman Charles V. Truax, is idiotic and asinine. Congressman-at-large Michael L. Igoe, of Illinois, resigned June 2, 1935. There has been no demand from Fletcher and other Republican leaders for a special election in Illinois. Governor Horner very properly declined to call a special election, stating that this would cost the taxpayers of his State seven hundred thousand to a million dollars. Ohio board of election officials and the secretary of state estimate that for a special primary and a special election to select another Congressman at Large, the cost will approximate $600,000.

Ohio citizens, Republicans and Democrats alike, I am sure, would earnestly oppose the expenditure of five hundred thousand or six hundred thousand dollars in a special primary and a special election. If the taxpayers of any State are to be imposed upon because of Chairman Fletcher's blatant demands, I suggest that the State-wide test be made at the expense of the citizens of Illinois instead of the citizens of Ohio whom I represent.

My colleague and I were elected by pluralities approaching 160,000. Fletcher is not fooling anyone. He knows that voters of Ohio would not support the old deal and vote to return the Government to the thieving forces of Republicanism and reaction which brought about the collapse of the financial structure of the United States in February and early March of 1933. He figures that there would be a light vote and that the successful Democratic nominee would win by a reduced majority. There are 322 Democrats and only 102 Republican Congressmen. Gov. Martin L. Davey, 2 days before coming to Washington, announced in Ohio that he would not call a special election. There is such a disparity in numbers that one more Democrat in Congress could hardly be worth half a million dollars to his constituency or country. There could be no justification nor excuse for saddling on our already overburdened taxpayers an expense of half a million dollars. Governor Davey deserves commendation for his decision, not censure.

Every Ohio congressional district is represented by a sitting Congressman. I represent the State at large. Citizens of Ohio, regardless of politics, repudiate the clamor of Fletcher and other reactionary "old dealers" that an experimental "squeeze play" be inflicted upon our taxpayers for an unnecessary election. One Congressman costing half a million dollars is too much of a luxury for our taxpayers.

There are six Republican Representatives representing Ohio congressional districts. They are men of judgment, intelligence, and ability, and I am sure not one of them would second Chairman Fletcher's demand that public money in Ohio be squandered in this futile manner.

The facts are Governor Davey, of Ohio, talked with the President's secretary, Mr. McIntyre, on the Wednesday prior to the death of my friend and colleague, Congressman Truax, endeavoring to arrange an appointment with the President, and on Thursday, the day preceding his sudden death, he talked personally with President Roosevelt on the long distance telephone and made the engagement for a conference at the White House for the following Wednesday. The money loaned Ohio and allocated for Ohio as a grant is for construction of State institutions which every individual in Ohio knows are sorely needed.

Chairman Fletcher's statement has no foundation in fact and is silly.

THE GUFFEY-SNYDER BILL AND LABOR'S DILEMMA

Mr. ECKERT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ECKERT. Mr. Speaker, the bill under consideration is intended to bring order, efficiency, and stability to an industry that for decades has been chaotic, inefficient, and unsettled. The bituminous-coal industry of the United States affects the economic welfare of thousands of operators, tens of thousands of workers, and millions of consumers. It is one of the major industries in the Nation and a very vital factor in all the activities that go to make up the economic life of the Nation. When the magnitude and importance of the bituminous-coal industry is reviewed in perspective, the place it occupies in our economic life is self-evident. An industry that bears such a vital relation to the well-being, happiness, and prosperity of all the people must be kept in a healthy and efficient state of production and distribution.

The objects of the bill, as stated by Senator GUFFEY, one of the coauthors, is:

First. To stabilize the bituminous-coal mining industry and promote interstate commerce in bituminous coal;

Second. To provide for cooperative marketing of bituminous coal;

Third. To levy a tax on bituminous coal and provide for a drawback under certain conditions;

Fourth. To declare the production, distribution, and use of bituminous coal to be affected with a national public interest;

Fifth. To conserve the bituminous-coal resources of the United States and to establish a national bituminous-coal reserve;

Sixth. To provide for the general welfare, and for other purposes.

On account of the part bituminous coal plays in all the various activities of human endeavor, it is essential that the industry be efficient, stable, and constant, and it is the hope that this bill will bring about this much-desired result. The hope is that the industry can be brought into a healthy condition by governmental regulation and control. The principle of public regulation and control of certain types of business is a well-settled principle in American law. Until recently, however, the principle of regulation and control was confined to those businesses that were affected with a public use. This limited and restricted regulation and control has been confined to that class of business that could not function without the aid of political power.

For example, none of the public utilities could function without having the power of eminent domain nor without a grant of government for the use of public thoroughfares. Unless a public utility—whether railroads, telephone, electric power, gas, water, or any other public-utility service is vested with the power of eminent domain and granted permanent use of streets and highways, it cannot function at all. And because public utilities that are operated either by a natural or artificial person are delegated the sovereign power of the people, public regulation and control is imperative. In the absence of such control and regulation, public-utility companies, being engaged in a monopolistic business, would have a free hand to plunder the consuming public without stint or mercy.

As stated above, the principle of public regulation and control in this field of business is accepted and recognized as sound law; but the coal industry is not within this class. The business of producing and distributing coal is not monopolistic in character. It is highly competitive and therefore this bill, as others that have been enacted into law as

a part of the new-deal program, is a distinct departure from the principle involved in Hale's rule, to wit:

Any business affected with a public use is subject to public regulation and control.

It must be remembered, however, that coal is a natural resource limited in quantity and therefore a very proper subject for conservation by the Government. It is the principal source for light, heat, and power and, as has been said, goes into every home, every business, and every industry. No one in America can escape its effects and influence. This, coupled with the fact that coal is a natural resource limited in quantity, the Government is within its right and power to jealously guard and conserve it for this and future generations.

There are those who are loathe to extend the scope of Hale's rule. It was the common belief in the early history of our country and a cardinal tenet of the Democratic Party that any business that is competitive in character should be left in private hands, free and removed from governmental interference. Upon this theory the production and distribution of coal was recognized as a distinctly private business and has been so conducted from the time when the first black diamond was quarried in America to the present day.

At the turn of the century economic forces and questionable practices began to disturb the equilibrium of the coal business and chaos and disorder have been the result. It is highly probable that this unsatisfactory and disordered condition of the coal business could have been avoided if sound economic principles had been recognized and applied during the development of our economic system. And the hope is being entertained that, with the removal of the basic wrongs in our economic order, not only the coal business but all other businesses in the competitive field will in due time, under the supervision and regulation of the Government, make such healthy recovery that public regulation and control will be unnecessary.

But be that as it may, the fact is that here is a condition and not a theory with which the producers, miners, and consumers are confronted, and hence the present legislation. This bill ought to be enacted into law and it is to be hoped that the proposed legislation will be a boon to the industry, to the miners, and the consuming public.

This legislation is an indication of the economic trend of the times. As one makes a survey of the character of the legislation now demanded by many business interests of the country, one is not only reminded of the change that is taking place, but also of the fact that many types of business are pleading for governmental regulation and control. There is common complaint that the Government is going into business, when, as a matter of fact, it is business that is forcing the Government to take a hand in the management of the affairs of business.

A few days ago this House had under consideration a bill that provided for the Federal Government to grade and supervise in general the sale of the produce of the tobacco farmer. The debate on that bill revealed the fact that the tobacco growers are frequently imposed upon by the tobacco buyers and that, in dealing with the more astute and alert representatives of the tobacco manufacturers they are helpless, and for protection the tobacco farmers called upon Uncle Sam to set up a governmental agency that will help them to grade, classify, and supervise in general the sale of their tobacco. This is in line with the demands of many other kinds of business. For example, milk producers in various parts of the country have been appealing for governmental regulation. In several States milk-control boards have been set up at the request of milk producers, for the purpose of umpiring the milk business.

In the State of New York, under a Democratic Governor and a Republican legislature, a milk-control board has been established. In Pennsylvania, under a Republican administration, a milk-control board has been set up. This indicates that the program of regulation is not confined to one political party. Democratic administrations and Republican administrations are simply responding to the demands of various business interests for help, regulation, and control.

In many other lines of human endeavor relating to the production and distribution of goods, the same demands have been made. Uncle Sam, as well as State governments, have been implored by ever so many groups of producers and distributors to extend a helping hand so that the Government finds itself directing, umpiring, and regulating business to such an extent that many new bureaus have come into existence and many more employees—both Federal and State—have been added to the pay rolls. Many citizens, alarmed at the trend of events, are crying aloud for retrenchment. All this, of course, is natural, but quite inconsistent in view of the fact that it is not the Government that is reaching out for greater control of business, but is forced and pushed into the task of doing all these unusual things in many instances, by the the persons who are complaining of too much interference with business on the part of the Government. In fact, those who are making the most noise about the modern trend of events are the very ones who years ago subtly and furtively importuned and inveigled Government to become a partner in business.

The protective tariff, aside from its economic merits or demerits, is a striking example of government in business. The development of the railroads in the middle of the last century is another illustration of how government has been used and abused by those who sought to engage in a public-utility service. Millions of acres of Uncle Sam's great western domain were granted to the railroads as bounty under the pretext that the railroad companies needed governmental aid. During all the years since the birth and growth of the various public utilities, financial aid and other concessions were granted by government—municipal, State, and Federal—to public-utility companies. When the industrial and financial collapse came in 1929, the railroad companies, as well as other companies engaged both in public and private business, came to Uncle Sam entreating and imploring for help and assistance, and now the small producers—even the farmers, small merchants, and manufacturers—are clamoring for help, aid, and assistance at the hands of the Federal Government.

It is an ominous sign. It ought to put the country on inquiry as to why the change from the stalwart, independent, self-reliant farmer, manufacturer, and merchant of the old days to the crying, dependent, and helpless individual of today. Surely there must be something radically out of place in the present economic set-up. If farmers, manufacturers, and merchants today enjoyed equal economic opportunities, it is reasonable to conclude that our people would still be strong, independent, and self-reliant.

In line with the cry of business for governmental help and assistance, labor in many instances feels compelled to join the army of business supplicants. This is illustrated in the demands of a resolution passed by the Workers Progressive Association of New Castle, Pa., on August 9, 1935, which reads as follows:

Whereas the present President of the United States has declared that those now unemployed are without employment through no fault of their own; and

Whereas those now unemployed are disposed to accept no responsibility whatever for conditions that render employment impossible; and

Whereas all workers, unemployed and employed, are in general agreement with the statement of the preamble to the constitution of the American Federation of Labor, that "A struggle is going on * * * a struggle between the capitalist and the laborer, which grows in intensity from year to year, and will work disastrous results to the toiling millions if they are not combined for mutual protection and benefit; and

Whereas the present Federal Administration stands committed to approval of the principle of collective bargaining; and

Whereas recent press dispatches have emanated from the office of the Federal Relief Administrator purporting to indicate that where organization of workers exists, rates of pay and working conditions will conform to demands of such organizations; and

Whereas there is no hope whatever of the slightest improvement in employment opportunities in ordinary private industry until buying power in the form of money gained by wages in excess of mere subsistence requirements is made available to the large percentage of the population of the country now unemployed. Now, therefore, be it

Resolved, By the Workers' Progressive Association, that vigorous protest be made against the establishment of wage schedules on work-relief projects by Presidential order without any pretense of collective bargaining; and, be it further

Resolved, That specific protest be made against the publicly announced $19 to $94 a month scale provided in the President's original order and $12 per week rate purported to apply under this order in local territory.

Any fair-minded person must approve the general spirit of the resolution. Every friend of social justice appreciates the fact that labor is cheated of a large portion of the fruits of its toil. It is only too true that opportunities for employment in private industry will be limited until the buying power of the producing class—whether employed or unemployed—will be materially increased. But while this is true, yet the deplorable feature of the situation is the fact that the hope of increasing the people's purchasing power is from the Government. According to the American theory, our Government was set up for the purpose of securing to the citizen his inalienable rights and, with his rights secure, economic freedom and opportunity for making an honest and decent living were to be assured. Of course, everyone knows that such is not the case in the Nation today. And consequently both business and labor are constrained to implore and beseech the Government for aid and assistance. And under the deplorable conditions that have developed in our country during the years gone by, there is no other recourse. This fact ought to put labor as well as industry on inquiry as to why the present insecurity, instability, and helplessness not only on the part of business but of labor as well. Edmund Burke, a century ago, made an observation that both business and labor ought to consider thoughtfully and prayerfully. Burke said:

> In a state of nature it is an invariable law that a man's acquisitions are in proportion to his labor; in a state of artificial society it is a law as constant and invariable that those who labor most enjoy the fewest things; and that those who labor not at all have the greatest number of enjoyments.

This observation of the great English statesman was made at a time when the machine age was in its infancy. It is an observation that conforms absolutely to the facts of history. During all the years of human civilization the many have been exploited by the few. And it would seem that as long as this condition prevails there can be no hope for the abolition of poverty or permanent prosperity for those who labor and do the world's work. Passing of resolutions will not solve this problem. It can only be solved by the establishment of a social order based upon sound economic principles. Until industry and labor will learn their true relations and ascertain the right answer to the observation of Burke, the producers of wealth from generation to generation will continue to enjoy the fewest things, while those who labor not will have the greatest number of enjoyments.

Industry and labor are in a deplorable plight. Government aid and Government regulation will ease the pangs of their misery and distress but the freedom and prosperity of industry and labor, which is theirs by natural right, can only be achieved by the establishment of an order of human affairs that conforms to the spirit of our Declaration of Independence. There is no special Providence for labor and industry. They can only find their way to freedom and prosperity by taking thought. Well has it been said that:

> Social reforms are not secured by noise and shouting; by complaints and denunciation; by the formation of parties or the making of revolutions; but by the awakening of thought, by the progress of ideas. Until there is correct thinking, there cannot be right action, and when there is correct thought, right action will follow.

Let us get a mental picture of the actual condition of industry and labor. An eminent American, profound thinker and social philosopher, introducing a remarkable book that came from his pen, used these words in describing the condition of the laboring masses:

> Near the window by which I write, a great bull is tethered by a ring in his nose. Grazing round and round, he has wound his rope about the stake until now he stands a close prisoner, tantalized by rich grass he cannot reach, unable even to toss his head to rid him of the flies that cluster on his shoulders. Now and again he struggles vainly, and then, after pitiful bellowings, relapses into silent misery.
>
> This bull, a very type of massive strength, who, because he has not wit enough to see how he might be free, suffers want in sight of plenty, and is helplessly preyed upon by weaker creatures, seems to me no unfit emblem of the working masses.
>
> In all lands, men whose toil creates abounding wealth are pinched with poverty, and, while advancing civilization opens wider vistas and awakens new desires, are held down to brutish levels by animal needs. Bitterly conscious of injustice, feeling in their inmost souls that they were made for more than so narrow a life, they, too, spasmodically struggle, and cry out. But until they trace effect to cause, until they see how they are fettered and how they may be freed, their struggles and outcries are as vain as those of the bull. Nay, they are vainer. I shall go out and drive the bull in the way that will untwist his rope. But who shall drive men into freedom? Till they use the reason with which they have been gifted, nothing can avail. For them there is no special providence.

Because of our failure to think and think right, because of industry and labor's failure to analyze the economic problem intelligently and scientifically, because of their failure to trace effect to cause, they find themselves today, as in all the ages past, the prey of the cunning and the privileged. Victor Hugo, in his preface to Les Miserables, says:

> So long as there shall exist, by reason of law and custom, a social condemnation which, in the face of civilization, artificially creates hells on earth and complicates a destiny that is divine with human fatality; so long as the three problems of the age—the degradation of man by poverty, the ruin of women by starvation, and the dwarfing of childhood by physical and spiritual might—are not solved; so long as in certain regions social asphyxia shall be possible; so long as ignorance and misery remain on earth, books like this cannot be useless.

And so let me say that so long as conditions prevail such as exist in the bituminous-coal industry of Pennsylvania and other States, laws such as the Guffey-Snyder bill cannot be useless.

THE NAVY

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement from the Navy and a certain comment from a newspaper thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAVERICK. Mr. Speaker, every good American believes in national defense. Not so long ago I spoke to an organization of youths whom I was told, just as I walked in, that they had signed an agreement never to bear arms in any war, defensive or offensive. I put it up to them this way: If there is a real necessity for their fighting for the preservation of their own country, would they voluntarily bear arms?

Every single one of them held up their hands and said they would be willing to do so, but others told me that they did not want to fight in useless, imperialistic and foreign wars. That sounded sensible. Personally, however, I am willing to say that our citizens should be ready to fight for their country in all wars; but I certainly believe that discussion of war should be permitted and we should all try to avert war, if possible.

Also, I believe that we should have an efficient Army and Navy. As a Congressman, I am willing to give our arms of defense adequate appropriations for that purpose. I am willing to help them in their morale, in their efficiency, and in their discipline. I am not, however, willing to make huge appropriations and permit the efficiency of our fighting arms to go down, nor to let the military run the civilian population, meddle in internal affairs, and stick their noses in foreign affairs.

NAVY SHOULD NOT DICTATE GOVERNMENTAL POLICIES

The duty of a soldier or sailor is to fight for his own government. It is none of their business whether the Democrats, the Republicans, or, in their opinion, even the Progressives or radicals or liberals, control the Government. In other words, a regular military man owes his country unquestioning obedience, and to meddle in affairs that do not

concern him is a gross breach of discipline, which should be met by dismissal from the service.

Yet we find our Navy meddling in foreign affairs; and secretly and in every way, by underhanded methods and by intimidation, trying to push through the "military disaffection bill", which will take away the liberties of the people, set up press censorship, and make the military supreme as they were in Germany just before the war. I maintain that it is none of their business and that they should stay out of these things. Our admirals seem to want to emulate a certain German admiral of war and pre-war fame; and to imitate mentally and culturally the British admirals.

My purpose, however, is to bring to you certain facts concerning the United States Navy. I shall put this in four sections:

FIRST SECTION

HITLERISTIC TENDENCIES OF SOME NAVAL OFFICERS

I offer the following literary efforts of the United States Navy, signed by the name of a man who appears to be an officer:

MEMORANDUM—COMMUNIST-AFFILIATED AND COMMUNIST-AIDING ORGANIZATIONS IN THE UNITED STATES

APRIL 1, 1935.

From a comprehensive survey of Communist activities in the United States at the present time a classification of organizations active for the Communist cause is as follows:

A. Organizations directly related to the Communist International, and a part of it, such as the Communist Party of the United States, the Young Communist League, and the Young Pioneers.

B. Organizations directly affiliated with the Communist Party, by reasons of having been organized and controlled by the party, and those which, although organized by non-Communist personnel, are guided and controlled by Communists. There are 222 organizations in this category. Some of the strongest are:

(a) American League Against War and Fascism. This organization has a youth section which is active in the schools and colleges in cooperation with the National Student League and the Student League for Industrial Democracy.

(b) Friends of the Soviet Union.

(c) International Labor Defense. This is a defense organization used by the Communist Party. It is districted in the United States much as is the Communist Party. Its districts are the same geographically. The International Labor Defense immediately sends representatives to the defense of any Communist who may be brought to trial for an offense.

(d) The National Student League. While some of the members of this league are not Communists, the organization keeps the Communist Party in touch with its activities and receives advice and guidance from the party through liaison by party members.

(e) Trade Union Unity League. A Communist affiliated organization which has general supervision over the "red" or "industrial" unions. As those unions are dissolved by placing their membership in the American Federation of Labor and other regular labor unions, as required by the Central Committee Plenum (C. P. U. S. A.) of January 15–16, 1935, its place will be taken by a commission called the Trade Union Commission, which will take over the duties of the Trade Union Unity Committee, the governing body of the T. U. U. L. Only those which have been active on the Pacific coast are listed. * * *

(f) Workers' Libraries: "These, of course, are not organizations, but as they are being used as a means of spreading propaganda a word should be said about them. In all Communist headquarters offices "book shops" have been established for the purpose of selling the Daily Worker, Western Worker, the Communist, and other Communist official publications, as well as innumerable propaganda publications. This is a Communist Party activity. In connection with these "book shops" there have been set up in many places "workers' libraries." These libraries contain copies of Communist publications, which are thus made available to members of the Communist Party and affiliated organizations and to sympathizers. Some of these libraries are operated as circulating libraries. In some regular "forums" are operated. That is the case in the library in Los Angeles at 230 South Spring Street."

(g) Workers' schools: These schools are set up at practically every section headquarters in the United States. They are direct activities of the Communist Party. They teach the "theory and practice of communism" and many other subjects which are expected to aid the party in carrying out its objectives. They do not touch general educational subjects. During strikes the pupils are given practical demonstration of how the principles taught in the school should be applied by sending them into the picket lines. While the majority of the students are probably members of the Young Communist League, admissions are not restricted to them or to members of the Communist Party. The San Francisco school is at 463 Hayes Street; Los Angeles, 230 South Spring Street; Oakland, 645 Twenty-second Street; Sacramento, 1529 Eighth Street; San Diego, 852 Eighth Avenue. Most of these schools carry on "open forums" in connection with the courses.

C. Organizations which while not openly advocating the "force and violence" principles of the Communists, give aid and comfort to the Communist movement and party. Among the strongest of these organizations are:

(a) American Civil Liberties Union: This organization is too well known to need description. The larger part of the work carried on by it and its various branches does undoubtedly materially aid Communist objectives.

(b) The Federal Council of Churches of Christ in America: This is a large radical, pacifist organization. It probably represents 20,000,000 Protestants in the United States. However, its leadership consists of a small radical group which dictate its policies. It is always extremely active in any matter against national defense.

(c) The National Council for the Prevention of War. A very radical pacifist organization with headquarters in Washington, D. C. Frederick J. Libby, director. Through their publications they reach every part of the country, disseminating radical, pacifist propaganda through churches, schools, and libraries.

(d) Women's International League for Peace and Freedom. A women's radical, pacifist organization. It is closely affiliated with the American Civil Liberties Union, and the American League Against War and Fascism.

There are 144 organizations in this category.

Communist-mindedness. A major problem confronting the world today is not only the actual Communist with his philosophy of hatred, destruction, and revolt; but individuals, supposedly intelligent, occupying positions above the average in life, whose names and works carry with them a certain amount of prestige, and who, although themselves not subscribing to the Communist program, philosophy, and doctrines, pick certain sections of the Communist program to promote, uphold, and espouse. Such individuals we term as "Communist-minded."

These Communist-minded individuals, each with a certain more or less extensive following, who are blindly led because of lack of individual intelligence and intellect, and devoid of the very necessary quality of being able to think and determine things for themselves, form an ever-growing, highly organized, vociferous minority that is wholly misrepresentative of mass public opinion, but carries considerable weight because of its blatant noisiness. This moral and financial interest brought to bear in behalf of communism, based upon humanitarianism and many other varieties of "isms", is undoubtedly the most potent influence for disruption, discontent, and unrest that we must contend with today. By this we do not mean that contentment means stopping of all progress, but we do mean that discontentment should be expressed in terms of constructiveness and not destructiveness.

Therefore, the Robert Morss Lovetts, Roger Baldwins, Clarence Darrows, Arthur Fishers and a long string of Communist-minded intellectuals (Harry F. Wards, Jane Addamses, Frederick J. Libbys, Dorothy Detzers, Kirby Pages, Corliss Lamonts, George S. Counts, Sherwood Eddys, and William Kilpatricks) that are busily engaged in spreading the philosophy of discontent destructively, not constructively, are the primary factors in the situation which loyal Americans must contend with for the preservation of American ideals, traditions, institutions, and Government. These are the "fringe revolutions" too lacking in intestinal fortitude to go all the way with communism, but who stand by and urge the Communist to do his worst, and provide him with protection, sympathy, and defense while he commits the overt act they have not had the courage to commit themselves.

(Signature.)

INTELLIGENCE DEPARTMENT OF NAVY

I desire to call attention to the fact that the Navy has what they call an "Intelligence" department. It is however, in fact an espionage service, as the foregoing document would indicate. These documents are distributed in certain red-baiting organizations; which, of course, is an act of espionage on the part of the Navy and a secret incitement to disorder and domestic disturbance among citizens by the Navy; and is, of course, indirect persecution. The Navy also imposes its stuff by various methods on unsuspecting citizens.

SECOND SECTION

EFFICIENCY OF NAVY

I also desire to offer the following book review from Sunday, August 11, 1935, from the New York Herald Tribune, which we all know to be one of the most conservative papers in America:

[From the New York Herald Tribune of Aug. 11, 1935]

IS THE AMERICAN NAVY REALLY EFFICIENT?—IS THE NAVY READY?

By F. Russell Bichowsky

Usually the strength of a navy is measured by the number of its ships, the size of its guns, and total tonnage. Under the theories of the Jellicoe school which dominated the admiralty before the war, the British Navy would never have to fight a battle so long as it maintained a material superiority over neighboring fleets. Under the naval theories which today prevail in the United States, the only thing that matters is to have a fleet equal in tonnage, gun power, and ships to that of Great Britain and superior to that of Japan.

The present volume, written by a scientist at one time connected with the Naval Research Laboratory, is a temperate but convincing reminder that these tests of sea power are illusory. The real strength of a navy depends upon its capacity to fight

and to win battles. Such a capacity depends primarily upon officers who can work out methods of grand strategy and tactics and who know how to design and construct ships which are powerful and efficient from the standpoint of science. Judged by these standards the American Navy, according to Dr. Bichowsky, is woefully lacking. There can be little question, he asserts, but that of the "three navies today the German is the most efficient, the British next, and the United States the least." He quotes a German expert, Professor Flamn, to the effect that the Japanese navy is superior to the American in everything but its air force.

Dr. Bichowsky is not writing a pacifist tract; he is not even pleading for the reduction in the Navy or for the conclusion of a new naval agreement. Neither is he pleading for increased naval appropriations. He is merely arguing that if we are going to expend half a billion dollars a year upon our fleet, we ought to make sure that it is a good one and that the money is not being thrown away.

In advancing these contentions that the Navy is unprepared for war, he does not rely upon his own theories or upon any confidential information. But he builds up his case by dozens of quotations from articles by widely respected naval officers, published usually in the United States Naval Proceedings, and from similar expert testimony before congressional committees. One of the best friends of the Navy, Representative CARL VINSON, recently stated that "the administrative organization of the Naval Establishment needs a complete modernization from top to bottom. I measure my words when I say that the administrative organization is at present, in my opinion, archaic, clumsy, and confused." Dr. Bichowsky's volume constitutes the most serious criticism of the American Navy from the technical point of view that has yet appeared. If President Roosevelt is really interested in sea power, he will defer further requests for new naval appropriations until after he has undertaken a searching investigation of the present Naval Establishment. The author rightly insists that such an investigation must be undertaken in complete independence of the naval bureaucracy. For experience repeatedly has demonstrated that the Navy cannot be reformed from within.

The root of the difficulty lies in the present system of training and assigning naval officers. Today if a young man wishes to become a lawyer, doctor, scientist, or engineer, he is usually required to obtain a thorough liberal education before he is allowed to specialize in a professional school. The situation is quite different in the Navy. A high-school graduate enters the academy at Annapolis, where he receives an intensive "practical" course in the mechanics of the profession but omits the general theoretical and cultural training required by American education of other professional students. Moreover, instruction in the Naval Academy is in the hands of rotating officers without experience in teaching or with any greater amount of knowledge than that secured as students at the academy or from "practical" experience. Under this type of instruction, emphasis is inevitably placed upon memory and discipline rather than upon reason and a capacity to think. Recently 20 postgraduate naval officers were sent to the University of California to obtain the master's degree, but only 5 succeeded in obtaining it.

The second major defect in American naval administration is the system of rotating naval officers from ship to shore. About half of his time the officer spends on shore duty where he may be required to perform highly technical work which has no direct connection with warships, and for which he has no special training. Today the average line officer is held responsible for the specifications under which naval articles, no matter how technical, are purchased; while he also may be required to undertake technical design.

Imagine the predicament in which a young officer finds himself when suddenly ordered to duty in Washington with the "desk" having cognizance over optical instruments. Ten or fifteen years ago he had an elementary course in range finders, upon the basis of which he is now supposed to write the specifications for a modern instrument. Often the result is that he is an easy prey to the high-pressure salesman of the large industrial companies. As a result of this procedure the author insists that there has been a remarkable increase in the number of "gadgets" aboard ship; the quality of naval material is inferior, and the cost of ships is increasing rapidly.

Under a system which assumes that a line officer can be assigned to the most technical duties, the tendency is to follow precedent whenever possible and to minimize the importance of research. Admiral Bradley Fiske patented the essentials of the director fire-control system as early as 1890. But the American Navy ignored it until after a similar idea was adopted by the British Admiralty in 1912. The attitude of the Navy toward the internal-expansion system of making guns was similar; and it has continued to neglect the possibilities of the Diesel engine. Apart from cracked castings, the tendency to roll so badly in moderate seas that it is difficult to use guns, and the absence of armor on certain turrets, the new cruisers being laid down by the United States are, according to Mr. Bichowsky, obsolete before their keels are laid down because of the backwardness of design. The dirigible *Akron* went down to an unnecessary death, he insists, because it was commanded by an untrained naval officer and carried inadequate navigational material owing to the lack of progressiveness of the Navy material bureaus. * * * It would be almost suicidal to nationalize munitions manufacture if this meant that such function would be intrusted to the unprogressive, inefficient, and wasteful Navy organization.

To correct this state of affairs, the author makes a number of sweeping proposals, which include a comprehensive investigation of the entire Naval Establishment, the reform of the curriculum of the Naval Academy so as to include cultural subjects taught by trained civilian professors; the restoration of the Naval Consulting Board, and the revivification of the Naval Research Laboratory; the expansion of the Naval War College and the abolition of the present system of rotating officers in favor of the selection of certain officers for command.

Both preparedness advocates and pacifists will find much food for thought in this book.

THIRD SECTION

DISCIPLINE AND EDUCATION

Heretofore I spoke on the subject of the boys who attend the United States Naval Academy at Annapolis and the educational system of the Navy. It is undoubtedly a fine school; but I call attention to the fact that boys go there when they are 17 years of age; by the time they get to be admirals, say when they are 50 or more, some thirty-odd years later—having received a pay check on the first of every month; never having had to get out in the world and work for a living; never having had a financial worry; never having missed a meal; and with free dog robbers to do their personal services, they feel as though they are entitled to all such services and emoluments interminably, and that by that time they have a right to dictate to the civilian population what they must think and do.

I also insert the following from New York Times of Tuesday, August 20, 1935:

[From the New York Times of Aug. 20, 1935]

SIMS CHARGES NAVY IS LOSING MORALE—HIGH OFFICERS HAVE BEEN "NOTORIOUSLY INEFFICIENT", RETIRED WAR ADMIRAL WRITES—BLAMES PROMOTION PLAN—STANDLEY RETORTS THAT FORMER COMMANDER IS NOT IN A POSITION TO JUDGE THE CONDITIONS

BOSTON, August 19.—Charges that naval morale was "continuously declining" and that high ranking officers in the fleet and Navy Department have been "notoriously inefficient" were made today by Rear Admiral William S. Sims in the Atlantic Monthly.

The conditions, he asserted, resulted from the present system of promotion under which "injustice" was "inevitable."

Declaring "a fleet that is not ready for war is of no use, and one that is under a commander known to the whole service as incompetent is a positive danger", Admiral Sims, war-time commander, asserted:

"It is enough to make one's hair stand on end to contemplate the results of an unexpected outbreak of war at a time when the fleet and the Navy Department happened to be in the hands of officers who lacked the essential confidence of the service."

The remedy, he suggested, lay in placing the issue of promotions before competent authorities for study, criticism, and constructive proposals, with, if a revision were indicated, congressional action to follow.

SAYS BOARDS LACK INFORMATION

Under the system today, the admiral declared, while the Service "believes the selection boards do the best they can under present conditions", it "likewise believes, however, that they (the boards) do not have sufficient information or a just estimate of those officers whom they do not know, even by reputation."

Alleging that there was a lack of confidence in the manner in which men reached high commands in the Service, Admiral Sims declared that "at present Navy officers have not the reasonable security of position necessary to efficiency; the naval career has ceased to be a life profession and become only a temporary job."

One consequence, he warned, might be that "less desirable boys will apply for admission to the Naval Academy."

"If", he recommended, "the President of the United States or the Secretary of the Navy should initiate the practice of calling upon all the active admirals of the Navy to indicate the officers whom they would like to see in chief command in time of war, and should assign these officers to train our fleet in time of peace, the Navy would be much better prepared for any emergency. And the feeling of confidence in the leaders thus chosen would do more for the morale of the service than any other measure possible."

FOURTH SECTION

UNITED STATES MILITARY AND NAVAL EXPENDITURES

(Approximate figures)

Year	War Department	Navy Department
1936	$401,998,000	$459,000,000
1935	351,998,000	287,000,000
Increase	50,000,000	172,000,000

Average annual Navy expenditures $300,000,000.

Special allotments by Public Works Administration and other emergency offices of the Government

Year	War Department	Navy Department
1935	$3,721,205	[1] $318,092,364
1936	1,920,317	

[1] Total as of Apr. 1, 1935.

If the P. W. A. allotment is considered for works completed in 1936, to which would be added the 1936 appropriation, the total for the Navy would be $777,092,364.

It is only fair to state, however, that the over three hundred extra million from the P. W. A. covers over one year, although I am informed most of the work will be finished in 1936. In my opinion there has been much more money allocated by emergency branches, but I am unable to get the figures.

CONCLUSION

My conclusions are that there should be a dignified investigation of the United States Navy, not a publicity hunting affair where naval officers are brought in to be humiliated or embarrassed, where sensational charges are made and where a circus is held for the edification of the public. This congressional investigation should be made by well-selected men, probably two from the Senate and three from the House of Representatives, and they should be selected upon the basis of their education and qualifications. It is not necessary that they have served in the Navy, upon the Naval Affairs Committee, or to know anything about the Navy from a technical viewpoint.

It might be better that they know nothing about the Navy so that they will not be subject to the usual pressure put upon people interested in the Navy by their social lobby. It should be composed of men that will not be "teaed" down by the admirals; it might be a good idea if some of the men on the committee should have served as enlisted men; in any event, in asking for testimony, enlisted men should also be consulted and everything should not be left to prejudiced officers.

NAVY OFFICERS PATRIOTIC BUT HAVE STRAIT-JACKET MINDS

I have no doubt of the patriotism of the officers of the Navy. They have, however, by long training, obtained what phychologists call the "Navy mind"—if you know what I mean. I think the Navy originated that naive expression "intellectual insulation", which they say is necessary to maintain discipline in the Navy. That is the reason for the Navy's support of the naval-military gag or "disaffection" bill, which is supposed to "insulate" the minds of the enlisted men. It appears, however, that our officers have insulated their own minds and have done a better job on themselves than on the enlisted men. In fact, though delightful fellows socially, at least a few have strait-jacket minds—heads strait-jacketed with real thick insulation against reasonable thought. In fact, I think that a congressional investigation should not hurt the Navy in any way, but might benefit it; in any event, the people are entitled to have a good and efficient Navy; to know that there is discipline, and that we have a Navy that can protect us from foreign invasions.

Therefore, I believe it necessary that we have such an investigation and I am, therefore, making these insertions in the RECORD, set out in cold type. Possibly someone will read this matter over—a newspaperman, any individual, any friend of the Navy, any good American who believes in national defense, any Congressman, or any citizen—and after reading this, should any demand for a real investigation be made, it can be done next session.

If the investigation is held, I believe it should include the following points:

First. Peace-time espionage of Navy, including activities with organizations run by professional "patriots", in which the strings are pulled by higher-ups who are interested more in munitions than they are in the safety of the country.

Second. Interference in foreign affairs and the duties of the State Department.

Third. Connection of Navy or of any officer socially or otherwise with munitions makers and shipbuilding lobbies.

Fourth. Educational policies of Navy. Curricula of Annapolis and possibility of benefit of outside educated youths from higher institutions of learning such as Massachusetts Institute of Technology, Harvard (similar institutions) and State universities and agricultural and mechanical colleges.

Fifth. Discipline, particularly among officers.

Sixth. Number of officers on duty in Washington; lobbying of officers; explanation of officers' distaste and nonwearing of uniform.

Seventh. Character of mechanical and fighting equipment.

Eighth. The "Navy mind."

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the White House press release on the subject of the Spanish veterans' pension bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, the subject which I propose to discuss is one of paramount importance to the future welfare of the United States, and, in my opinion, it demands our immediate attention, in justice to those who will come after us.

We cannot afford to permit the agricultural wealth of our Nation to be destroyed through greed or indifference on the part of the present-day citizens. If we are honest and sincere with ourselves, we will endeavor to make the United States a better place in which to live, and we will earnestly endeavor to pass this heritage on to posterity. With this objective, we cannot permit our agricultural wealth to be dissipated through the medium of soil erosion.

SOME EXAMPLES OF SOIL EROSION

I have seen soil erosion and am well acquainted with its devastating effects. I live at the base of the Sierra Madre Mountains, in the fertile San Gabriel Valley. These mountains are covered with a dense growth of chaparral, often referred to as the "Elfin Forest." When our rains come in the winter, the interlacing root system of the chaparral admirably retains the water and prevents the movement of the soil down into the valley.

Occasionally, during the hot, arid summer months, a thoughtless smoker throws a lighted cigarette into the dry chaparral which catches fire like tinder. Often the fire spreads into a major conflagration, completely denuding a large area of vegetation. When the winter rains come, the water, no longer retained by vegetation, flows rapidly off the burned-over area, carrying the valuable forest humus and topsoil down the washes, which run furiously and in great volume down their courses. The high velocity and volume of these washes enables them to carry large boulders, which roll along the bottom, giving rise to rumbling and roaring noises. The waters rise with express-train rapidity after a rain, and often overflow the banks of the washes, flooding residential sections and depositing tons of mud in the city streets. The Montrose, Calif., flood, last year, which followed a major summer forest fire in the highlands, came so suddenly that many people were trapped in their homes and automobiles and drowned, while a great deal of damage was done to property. Other sections, where the watersheds were covered with chaparral, suffered almost no damage from the torrential rains which precipitated the Montrose disaster.

Thus we see how important vegetation is to the conservation of our soil and how soil erosion can be prevented by the renewal of vegetation as the Soil Erosion Service proposes. However, even in the case of burned-over lands, where the renewal of plant growth is slow, the resultant erosion can be greatly controlled by check dams and terracing methods employed by the Soil Erosion Service. These methods were indeed used in the Montrose section last year.

China is a classic example of the devastation that soil erosion can bring upon a country. Years ago Chinese woodcutters stripped the highlands of their timber and as a result the soil began to erode. No effort was made to retimber the lands nor even to prevent, by physical means,

the movement of the valuable soils down the rivers. Once the topsoil was eroded to bedrock it was too late to plant trees for control purposes. The back country was cut into a series of deep, barren gullies which quickly concentrated all of the rain water into the main river channels which were wholly inadequate for the accommodation of these waters.

Today, when the rains come in China the muddy Yangtze Kiang (Yellow River) overflows its banks and does immense damage to life and property. In between rains, the highlands become parched and dry, for there is little plant growth to control and conserve the water—blinding sand storms rage over the waste lands. Far out at sea the ocean water is tinged a dirty yellow from the precious burden of soil the Yangtze Kiang carries—thus was derived the name for the Yellow Sea.

Sleepy China has erred; erosion control is practically impossible; it is too late to repair the damages, and the entire country suffers from floods, droughts, poverty, and famine. We do not want our rivers to become Yellow Rivers, nor our farm lands to become Gobi Deserts. We must stop this erosion in time with scientific methods.

ECONOMIC ASPECTS OF SOIL EROSION

It requires approximately 400 years for the elements to form only 1 inch of soil. Very conservative estimates show that 500,000,000 tons of this valuable, slow-forming soil are being washed annually from the land area of the United States down the rivers into the sea, thus filling our harbors and rivers and rendering navigation difficult. Since the white man first invaded the United States, one-fourth of our soil has been eroded away. It is estimated that the soil eroded annually contains at least 126,000,000 pounds of plant food, which very conservatively is equivalent in value to $2,000,000,000 worth of fertilizers. Thus we may say that each year $2,000,000,000 worth of valuable soil is forever lost in the ocean because of the uncontrolled erosion of the soil. And, remember, this $2,000,000,000 does not include the untold millions of dollars of damage erosion causes annually in filling rivers, roads, canals, and harbors, excavating roads and fields, gullying or flooding the land, and producing general discomfort, drought, famine, disease, and death among men and animals.

GENERAL ASPECTS AND CONSEQUENCES OF SOIL EROSION

I have already mentioned how vast areas of soil are washed away from burned-over lands which lack the water-storing root system of the forested slopes. Erosion may also start in an improperly constructed dirt road bed. Often a mere wagon rut or a plow furrow has been enlarged by erosion to become a deep, yawning abyss—a miniature Grand Canyon. I recall my own experience in driving an automobile in the Sierra Madre Mountains of California where the road was practically impassable and positively dangerous, all due to the erosion following a small rut or cut in the road.

Overgrazing of stock animals often removes the vegetation to such an extent that the plants fail to retain water and the resultant erosion changes cattle paths into deep gullies, which eat back into the good soil like a cancerous growth and destroy excellent land and even homes. Erosion often starts as the result of the removal of vegetation during mining operations. Sterility produced in overcropped farm land results in a scanty plant growth which cannot adequately conserve water and soil; in such an instance the resultant erosion may become very serious. Similarly, periods of aridity diminish the plant growth and the soil thus becomes more vulnerable to the attack of wind and water erosion.

Wind erosion, similar to that experienced last spring in western Kansas and vicinity, removes a great deal of valuable topsoil, buries buildings and roads, deposits filth and dirt in homes, causes much discomfort among man and animals, and even induces disease and death.

Water erosion, besides removing the valuable humous and topsoil, creates difficulties in transportation by forming gullies, excavating or burying roads, blocking rivers, canals, and harbor entrances and filling reservoirs. The swamps often formed as the result of water erosion are breeding grounds for disease-carrying insects and moreover render the land unfit for use. Floods arising from mud-choked rivers take their annual toll of life, and drought arising in soil-eroded farm lands, due to a lack of plant growth to conserve the moisture, causes famine and poverty among the farmers.

The Soil Erosion Service combats erosion chiefly by planting hardy shrubs and trees on denuded lands, by terracing eroded slopes, by building small check dams of brush or concrete in gullies, by ploughing so that the furrows follow horizontal contour lines, and by controlling grazing and forest fires. Also, scientific studies are also being made on a small scale to study the mechanics and chemistry of soil erosion, which research will undoubtedly prove to be very valuable in the future. Erosion surveys are also being made in certain important localities.

APPROPRIATIONS FOR THE SOIL EROSION SERVICE NECESSARY

The Soil Erosion Service was made a permanent Government agency by Public Act No. 48 of the Seventy-fourth Congress. This year an application for $69,000,000 was submitted to the National Emergency Council for the purpose of soil-erosion control. An appropriation of $25,000,000 was finally granted with the proviso that 90 percent of this money must be spent only on relief labor at a maximum annual salary of $1,080 a year. At the same time an application for $14,172,000 was made to the Acting Director of the Budget for the purpose of administering the $25,000,000 allotment and for providing the additional services required in Public Act No. 46 which could not be financed out of relief funds. Such services included personal services with animal-drawn and motor-propelled vehicles, erection of buildings, scientific research work, technical aid, and some general administration. Only $2,500,000 of the requested $14,172,000 was granted by the Advisory Committee on Allotments with the recommendation that the remaining amount be considered for allotment after study by a subcommittee headed by Morris L. Cooke. On July 8 this subcommittee recommended that $11,039,379 should be granted to the Soil Erosion Service for the coordination and direction of all activities with relation to soil erosion carried on by other branches of the Government during the fiscal year beginning with July 1935. The erosion-control funds allotted other agencies, aggregating $189,746,000, when added to the immediate allotments to the Soil Erosion Service, will aggregate $222,246,000.

Further study has indicated the need of making some provision for the employment of farmers not technically eligible for relief, and accordingly, $1,760,621 has been added for this purpose, making the requested appropriation total $13,000,000.

This $13,000,000 will be used mainly to maintain a permanent overhead organization to erect buildings and hire equipment, to provide technical services for the Soil Erosion Service and for other agencies, to make erosion surveys and to carry on scientific research. It will either directly or indirectly be used in the administration of erosion projects aggregating $222,246,000. It should be noted that the $13,000,000 requested amounts to less than 5 percent of the money involved in the soil-erosion projects which it will permit to be administered.

SCIENTIFIC RESEARCH IN EROSION CONTROL URGENTLY NEEDED

It is expected that the Congress will shortly be asked to vote upon the $13,000,000 appropriation, and I sincerely hope that at least this amount will be allotted. In fact, in view of the benefits that are inherent in scientific research, I would even suggest that this appropriation be raised to at least $15,000,000, and that this additional $2,000,000 will be allotted over a period of 2 years for research work on soil-erosion problems. Research work is necessarily slow, and consequently the scientists engaged in this work should be given ample time to solve their problems.

Research work on soil-erosion control should be started immediately in order to obtain results before the vast erosion-control program is in full swing. In other words, in the interest of economy it is better to be right to the fullest degree before spending too much money in control work. Furthermore, this additional money will provide work for many of

the thousands of well-trained unemployed scientists and engineers, thus utilizing their education and training to increase our meager knowledge of the chemistry and mechanics of soil erosion and thus pave the way for economies in the future control of the devastating onslaught of the water and winds.

EROSION CONTROL IS VITAL AND SHOULD BE BEGUN IMMEDIATELY

In voting on this appropriation we must think not only of the immediate needs for erosion control but of the devastation uncontrolled erosion may bring upon future generations. We must think of erosion control as a conservation measure—a conservation of soil and water; a conservation of food, power, and health. The elements work unceasingly in the destruction of our land, and their damage can never be effectively repaired if permitted to continue for too long a period. In my opinion, we should not delay in our fight in the interest of soil conservation. There is no investment thus far made in the new deal which will repay the Nation in such admirable proportions as will the investment of the funds authorized in the appropriation bill now pending for the conservation of water and soil, which, when carried to full fruition, will insure mankind against future droughts, devastation, disease, and death.

THE SNYDER-GUFFEY COAL BILL

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9100) to stabilize the bituminous-coal mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a draw-back under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous-coal resources of the United States; to provide for the general welfare, and for other purposes; and providing penalties.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9100, with Mr. McREYNOLDS in the chair.

The Clerk read the title of the bill.

Mr. SAMUEL B. HILL. Mr. Chairman, I ask unanimous consent that the bill may be read in its entirety and then be open for amendments to each section numerically.

Mr. TREADWAY. Mr. Speaker, reserving the right to object, I assume that it is the general understanding on the part of the gentleman making the motion that no Member will be cut off from offering an amendment as the sections are reached in their numerical order. In other words, we have just the same right to offer amendments as though the bill were read section by section.

Mr. SAMUEL B. HILL. That is a correct statement of the purpose, Mr. Chairman.

The CHAIRMAN. The Chair so understands. The bill is to be read, and then amendments may be offered to any section of the bill as it is reached in numerical order.

Mr. TREADWAY. That request is agreeable to me.

Mr. KVALE. Mr. Chairman, reserving the right to object, I do so to offer the observation that no good purpose will be served by taking the time to read the bill. Copies of the bill are available.

Mr. Chairman, I ask unanimous consent that the bill may be considered as having been read.

Mr. TREADWAY. Mr. Chairman, I do not think that is quite proper, because then we shall not know when we are coming to a given numerical position.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that the bill may be read in its entirety and then be open for amendment to each section numerically. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That it is hereby recognized and declared that the mining of bituminous coal and its distribution by the producers thereof in and throughout the United States are affected with a national public interest; that the service of bituminous coal in relation to the industrial activities, the transportation facilities, the health and comfort of the people of the United States; the conservation of bituminous-coal deposits in the United States by controlled production and economical mining and marketing; the maintenance of just and rational relations between the public, owners, producers, and employees; the right of the public to constant and ample supplies of coal at reasonable prices; and the general welfare of the Nation require that the bituminous-coal industry be regulated as herein provided.

It is further recognized and declared that all production of bituminous coal and distribution by the producers thereof bear upon and directly affect its interstate commerce and render regulation of all such production and distribution imperative for the protection of such commerce and the national public service of bituminous coal and the normal governmental revenues derivable from such industry; that the excessive facilities for the production of bituminous coal and the overexpansion of the industry have led to practices and methods of production, distribution, and marketing of such coal that waste such coal resources of the Nation, disorganize the interstate commerce in such coal and portend the destruction of the industry itself, and burden and obstruct the interstate commerce in such coal, to the end that control of such production and regulation of the prices realized by the producers thereof are necessary to promote its interstate commerce, remove burdens and obstructions therefrom, and protect the national public interest therein; that practices prevailing in the production of bituminous coal directly affect its interstate commerce and require regulation for the protection of that commerce, and that the right of mine workers to organize and collectively bargain for wages, hours of labor, and conditions of employment should be guaranteed in order to prevent constant wage cutting and the establishment of disparate labor costs detrimental to fair competition in the interstate marketing of bituminous coal, and in order to avoid those obstructions to its interstate commerce that recur in the industrial disputes over labor relations at the mines.

NATIONAL BITUMINOUS COAL COMMISSION

SEC. 2. (a) There is hereby established in the Department of the Interior a National Bituminous Coal Commission (herein referred to as "Commission"), which shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, for a term of 4 years or until the prior termination of this title. The Commission shall annually designate its chairman, and shall have a seal which shall be judicially recognized. Any person appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor in office. The Commission shall have an office in the city of Washington, D. C., and shall convene at such times and places as the majority of the Commission shall determine. The members of the Commission shall have no financial interest, direct or indirect, in the mining, transportation, or sale of, or manufacture of equipment for, coal, oil, or gas, or in the generation, transmission, or sale of hydroelectric power, or in the manufacture of equipment for the use thereof, and shall not engage in any other business, vocation, or employment. Any Commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. The Commission shall, without regard to the provisions of the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation and duties of a secretary and necessary clerical and other assistants. The members of the Commission shall each receive compensation at the rate of $10,000 per year and necessary traveling expenses. Such Commission shall have the power to make and promulgate all reasonable rules and regulations for carrying out the provisions of this act, and shall annually make full report of its activities to the Secretary of the Interior for transmission to Congress. Upon all matters within its jurisdiction coming before it for determination, it shall have the power and duty of hearing evidence and finding facts upon which its orders and action may be predicated, and its findings of fact supported by any substantial evidence shall be conclusive upon review thereof by any court of the United States.

(b) (1) There shall be an office in the Department of the Interior to be known as the office of the Consumers' Counsel of the National Bituminous Coal Commission. The office shall be in charge of a counsel to be appointed by the President, by and with the advice and consent of the Senate. The counsel shall have no financial interest, direct or indirect, in the mining, transportation, or sale of, or the manufacture of equipment for, coal, oil, or gas, or in the generation, transmission, or sale of hydroelectric power, or in the manufacture of equipment for the use thereof, and shall not engage in any other business, vocation, or employment. The counsel shall receive compensation at the rate of $10,000 per year and necessary traveling expenses.

(2) It shall be the duty of the counsel to appear in the interest of the consuming public in any proceeding before the Commission and to conduct such independent investigation of matters relative to the bituminous-coal industry and the administration of this act as he may deem necessary to enable him properly to represent the consuming public in any proceeding before the Commission. In any proceeding before the Commission in which the counsel has entered an appearance the counsel shall have the right to offer any relevant testimony and argument, oral or written, and to examine and cross-examine witnesses and parties to the proceeding, and

shall have the right to have subpena or other process of the Commission issue in his behalf. Whenever the counsel finds that it is in the interest of the consuming public to have the Commission furnish any information at its command or conduct any investigation as to any matter within its authority, then the counsel shall so certify to the Commission, specifying in the certificate the information or investigation desired. Thereupon the Commission shall promptly furnish to the counsel the information or promptly conduct the investigation and place the results thereof at the disposal of the counsel.

(3) Within the limitations of such appropriations as the Congress may from time to time provide, the counsel is authorized, without regard to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation and duties of such assistants and clerks, and is authorized to make such expenditures as may be necessary for the performance of the duties vested in him.

TAX ON BITUMINOUS COAL

SEC. 3. There is hereby imposed upon the sale or other disposal of all bituminous coal produced within the United States an excise tax of 15 percent on the sale price at the mine, or in the case of captive coal the fair market value of such coal at the time, such tax, subject to the later provisions of this section, to be payable to the United States by the producers of such coal, and to be payable monthly for each calendar month, on or before the first business day of the second succeeding month, and under such regulations, and in such manner, as shall be prescribed by the Commissioner of Internal Revenue: *Provided*, That in the case of captive coal produced as aforesaid, the Commissioner of Internal Revenue shall fix a price therefor at the current market price for the comparable kind, quality, and size of coals in the locality where the same is produced: *Provided further*, That any such coal producer who has filed with the National Bituminous Coal Commission his acceptance of the code provided for in section 4 of this act, and who acts in compliance with the provisions of such code, shall be entitled to a drawback in the form of a credit upon the amount of such tax payable hereunder, equivalent to 90 percent of the amount of such tax, to be allowed and deducted therefrom at the time settlement therefor is required, in such manner as shall be prescribed by the Commissioner of Internal Revenue. Such right or benefit of drawback shall apply to all coal sold or disposed of from and after the day of the producer's filing with the Commission his acceptance of said code in such form of agreement as the Commission may prescribe. No producer shall by reason of his acceptance of the code provided for in section 4 or of the drawback of taxes provided in section 3 of this act be held to be precluded or estopped from contesting the constitutionality of any provision of said code, or its validity as applicable to such producer.

BITUMINOUS-COAL CODE

SEC. 4. While this act is in effect, and for 60 days thereafter, the provisions of the antitrust laws of the United States shall not apply to any producer of bituminous coal who has accepted and obligated himself to comply, and who complies with the provisions of this section, or to any marketing agency or board created under and operating in compliance with this section. The provisions of this section shall be formulated by the Commission into a working agreement, to be known as the "Bituminous-Coal Code", and herein referred to as the "code." Producers accepting and operating under its provisions are herein referred to as "code members."

For the purpose of carrying out the declared policy of this act, the code shall contain the following conditions, provisions, and obligations which will tend to regulate interstate commerce in bituminous coal and transactions directly affecting interstate commerce in bituminous coal:

PART I—ORGANIZATION AND PRODUCTION

(a) Twenty-three district boards of coal producers shall be organized. Each district board shall consist of not less than 3 nor more than 17 members. The number of members of the district board shall, subject to the approval of the Commission, be determined by the majority vote of the district tonnage during the calendar year 1934 represented at a meeting of the producers of the district called for the purpose of such determination and for election of such district board; and all known producers within the district shall be given notice of the time and place of the meeting. All but one of the members of the district board shall be producers or representatives of producers truly representative of all the mines of the district. One such producer member shall be elected by the majority in number of the producers of the district represented at the aforesaid meeting. The other producer members shall be elected by votes cast in the proportion of the annual tonnage output for the preceding calendar year of the producers in the district, with the right on the part of the producers to vote their tonnage cumulatively: *Provided*, That not more than one officer or employee of any producer within a district shall be a member of the district board at the same time. The remaining member of each district board shall be selected by the national organization of employees representing the preponderant number of employees in the industry. The term of district board members shall be 2 years and until their successors are elected.

In case any marketing agency comprising a substantial number of code members in any producing field within a district establishes, to the satisfaction of the Commission, that it has no representation upon the district board and that it is fairly entitled thereto, the Commission may, in its discretion, after hearing, increase the membership of such district board so as to provide for such representation.

Marketing agencies may be established or maintained within any district by a voluntary association of producers within any producing field therein, as such producing field may be defined by the district board, and function under such general rules and regulations as may be prescribed by the district board, with the approval of the Commission, for the purpose of marketing their coal with due respect for the standards of unfair competition as defined in this act. Each such marketing agency shall impose no unreasonable or inequitable conditions of membership and shall be truly representative of at least one-third of the tonnage of any producing field or group of producing fields.

The term "marketing agency" or "agencies" as used in this act shall include any trade association of coal producers complying with the requirements of a marketing agency and exercising the functions thereof.

The district boards and marketing agencies shall each have power to adopt bylaws and rules of procedure, subject to approval of the Commission, and to appoint officers from their own membership, to fix their terms and compensation, to provide for reports, and to employ such committees, employees, arbitrators, and other persons necessary to effectuate their purposes. Members of the district board shall serve, as such, without compensation, but may be reimbursed for their reasonable expenses. The territorial boundaries or limits of such 23 districts are set forth in the schedule entitled "Schedule of districts" and annexed to this act: *Provided*, That the territorial boundaries or limits of any district or districts may be changed, or said districts may be divided or consolidated, after hearing, by the Commission.

(b) The expense of administering the code by the respective district boards shall be borne by those subject to the jurisdiction of such boards, respectively, each paying his proportionate share, as assessed, computed on a tonnage basis, in accordance with regulations prescribed by such boards with the approval of the Commission. Such assessments may be collected by the district board by action in any court of competent jurisdiction.

(c) Nothing contained in this act shall constitute the members of a district board partners for any purpose. Nor shall any member of a district board be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the district board. Nor shall any member of a district board, exercising reasonable diligence in the conduct of his duties under this act, be liable to anyone for any action or omission to act under this act, except for his own willful misfeasance, or for nonfeasance involving moral turpitude.

PART II—MARKETING

The district boards and code members shall accept and be subject to the jurisdiction of the Commission to approve or to fix minimum and maximum prices, as follows:

(a) All code members shall, in their respective districts, report all spot orders to the district board and shall file with it copies of all contracts for the sale of coal, copies of all invoices, copies of all credit memoranda, and such other information concerning the preparation, cost, sale, and distribution of coal as the Commission may authorize or require. All such records shall be held by the district board as the confidential records of the code member filing such information.

Each district board may set up and maintain a statistical bureau, and the district board may require that such reports and other information in this subsection described shall be filed with such statistical bureau in lieu of the filing thereof with the district board.

Each district board shall, from time to time on its own motion or when directed by the Commission, establish minimum prices free on board transportation facilities at the mines for kinds, qualities, and sizes of coal produced in said district, with full authority, in establishing such minimum prices, to make such classification of coals and price variations as to mines and consuming market areas as it may deem necessary and proper. In order to sustain the stabilization of wages, working conditions, and maximum hours of labor, said prices shall be established so as to yield a return per net ton for each district in a minimum price area, as such districts are identified and such area is defined in the subjoined table designated "Minimum-price area table", equal as nearly as may be to the weighted average of the total costs, per net ton, determined as hereinafter provided, of the tonnage of such minimum price area. The computation of the total costs shall include the cost of labor, supplies, power, taxes, insurance, workmen's compensation, royalties, depreciation, and depletion (as determined by the Bureau of Internal Revenue in the computation of the Federal income tax) and all other direct expenses of production, coal operators' association dues, district board assessments levied under the code, the cost of selling and the cost of administration.

MINIMUM-PRICE-AREA TABLE

Area 1: Eastern Pennsylvania, district 1; western Pennsylvania, district 2; northern West Virginia, district 3; Ohio, district 4; Michigan, district 5; Panhandle, district 6; Southern no. 1, district 7; Southern no. 2, district 8; West Kentucky, district 9; Illinois, district 10; Indiana, district 11; Iowa, district 12; that part of Southeastern, district 13, comprising Van Buren, Warren, and McMinn Counties in Tennessee.

Area 2: Southeastern, district 13, except Van Buren, Warren, and McMinn Counties in Tennessee.

Area 3: Arkansas-Oklahoma, district 14.

Area 4: Southwestern, district 15.

Area 5: Northern Colorado, district 16; southern Colorado, district 17; New Mexico, district 18.
Area 6: Wyoming, district 19; Utah, district 20.
Area 7: North Dakota and South Dakota, district 21.
Area 8: Montana, district 22.
Area 9: Washington, district 23.

The minimum prices so established shall reflect, as nearly as possible, the relative market value of the various kinds, qualities, and sizes of coal, shall be just and equitable as between producers within the district, and shall have due regard to the interests of the consuming public. The procedure for establishment of minimum prices shall be in accordance with rules and regulations to be approved by the Commission.

A schedule of such minimum prices, together with the data upon which they are computed, including, but without limitation, the factors considered in determining the price relationship, shall be submitted by the district board to the Commission, which may approve, disapprove, or modify the same to conform to the requirements of this subsection, and such approval, disapproval, or modification shall be binding upon all code members within the district, subject to such modification therein as may result from the coordination provided for in the succeeding subsection (b): *Provided*, That all minimum prices established for any kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable as between producers within the district: *And provided further*, That no minimum price shall be established that permits dumping.

As soon as possible after its creation, each district board shall determine the weighted average of the total costs of the ascertainable tonnage produced in the district in the calendar year 1934. The district board shall adjust the average costs so determined, as may be necessary to give effect to any changes in wage rates, hours of employment, or other factors substantially affecting costs, exclusive of seasonal changes, so as to reflect as accurately as possible any change or changes which may have been established since January 1, 1934. Such determination and the computations upon which it is based shall be promptly submitted to the Commission by each district board in the respective minimum-price area. The Commission shall thereupon determine the weighted average of the total costs of the tonnage for each minimum-price area in the calendar year 1934, adjusted as aforesaid, and transmit it to all the district boards within such minimum-price area. Said weighted average of the total costs shall be taken as the basis for the establishment of minimum prices to be effective until changed by the Commission. Thereafter, upon satisfactory proof made at any time by any district board of a change in excess of 2 cents per net ton of 2,000 pounds in the weighted average of the total costs in the minimum-price area, exclusive of seasonal changes, the Commission shall increase or decrease the minimum prices accordingly. The weighted average figures of total cost determined as aforesaid shall be available to the public.

Each district board shall, on its own motion or when directed by the Commission, establish reasonable rules and regulations incidental to the sale and distribution of coal by code members within the district. Such rules and regulations shall not be inconsistent with the requirements of this section and shall conform to the standards of fair competition hereinafter established. Such rules and regulations shall be submitted by the district board to the Commission with a statement of the reasons therefor, and the Commission may approve, disapprove, or modify the same, and such approval, disapproval, or modification shall be binding upon all code members within the district.

(b) District boards shall, under rules and regulations established by the Commission, coordinate in common consuming market areas upon a fair competitive basis the minimum prices and the rules and regulations established by them, respectively, under subsection (a) hereof. Such coordination, among other factors, but without limitation, shall take into account the various kinds, qualities, and sizes of coal, and transportation charges upon coal. All minimum prices established for any kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable, and not unduly prejudicial or preferential, as between and among districts, and shall reflect, as nearly as possible, the relative market values, at points of delivery in each common consuming market area, of the various kinds, qualities, and sizes of coal produced in the various districts; to the end of affording the producers in the several districts substantially the same opportunity to dispose of their coals upon a competitive basis as has heretofore existed. The minimum prices established as a result of such coordination shall not, as to any district, reduce or increase the return per net ton upon all the coal produced therein below or above the minimum return as provided in subsection (a) of this section by an amount greater than necessary to accomplish such coordination, to the end that the return per net ton upon the entire tonnage of the minimum price area shall approximate and be not less than the weighted average of the total costs per net ton of the tonnage of such minimum price area. Such coordinated prices and rules and regulations, together with the data upon which they are predicated, shall be submitted to the Commission, which may approve, disapprove, or modify the same to establish and maintain such fair competitive relationship, and such approval, disapproval, or modification shall be binding upon all code members within the affected districts. No minimum price shall be established that permits dumping. On the petition of any district board or other party in interest or on its own motion, after notice to the district boards, the Commission may at any time conduct hearings to determine whether the foregoing method of fixing minimum prices under subsection (a) is prejudicial to any district with respect to the fair opportunity of such district to market its coal. Should the Commission so find, and further find that the prejudice cannot be removed through the coordination of minimum prices as provided for in this subsection (b), then the Commission may establish a different basis for determining minimum prices in such district, to the end that fair and competitive prices shall prevail in the marketing of the coal produced in such district: *Provided*, That the minimum prices so established as to any such district shall yield a return, per net ton, not less than the weighted average of the total costs, per net ton, of the tonnage of such district.

(c) When, in the public interest, the Commission deems it necessary to establish maximum prices for coal in order to protect the consumer of coal against unreasonably high prices therefor, the Commission shall have the right to fix maximum prices free on board transportation facilities for coal in any district. Such maximum prices shall be established at a uniform increase above the minimum prices in effect within the district at the time, so that in the aggregate the maximum prices shall yield a reasonable return above the weighted average total cost of the district: *Provided*, That no maximum price shall be established for any mine which shall not return cost plus a reasonable profit.

(d) If any code member or district board shall be dissatisfied with such coordination of prices or rules and regulations, or by a failure to establish such coordination of prices or rules and regulations, or by the maximum prices established for him or it pursuant to subsection (c) of this section, he or it shall have the right, by petition, to make complaint to the Commission, and the Commission shall, under rules and regulations established by it, and after notice and hearing, make such order as may be required to effectuate the purpose of subsections (b) and (c) of this section, which order shall be binding upon all parties in interest. Pending final disposition of such petition, and upon reasonable showing of necessity therefor, the Commission may make such preliminary or temporary order as in its judgment may be appropriate, and not inconsistent with the provisions of this act.

(e) Subject to the exceptions provided in section 12 of this act, no coal shall be sold or delivered at a price below the minimum or above the maximum therefor approved or established by the Commission, and the sale or delivery of coal at a price below such minimum or above such maximum shall constitute a violation of the code.

Subject to the exceptions provided in section 12 of this act, a contract for the sale of coal at a price below the minimum or above the maximum therefor approved or established by the Commission at the time of the making of the contract shall constitute a violation of the code, and such contract shall be invalid and unenforceable.

From and after the date of approval of this act, until prices shall have been established pursuant to subsections (a) and (b) of part II of this section, no contract for the sale of coal shall be made providing for delivery for a period longer than 30 days from the date of the contract.

While this act is in effect no code member shall make any contract for the sale of coal for delivery after the expiration date of this act at a price below the minimum or above the maximum therefor approved or established by the Commission and in effect at the time of making the contract.

The minimum prices established in accordance with the provisions of this section shall not apply to coal sold by a code member and shipped outside the domestic market. The domestic market shall include all points within the continental United States and Canada, and car-ferry shipments to the island of Cuba. Bunker coal delivered to steamships for consumption thereon shall be regarded as shipped within the domestic market. Maximum prices established in accordance with the provisions of this section shall not apply to coal sold by a code member and shipped outside the continental United States.

(f) All data, reports, and other information in the possession of the National Recovery Administration in relation to bituminous coal shall be available to the Commission for the administration of this act.

(g) The price provisions of this act shall not be evaded or violated by or through the use of docks or other storage facilities or transportation facilities, or by or through the use of subsidiaries, affiliated sales or transportation companies or other intermediaries or instrumentalities, or by or through the absorption, directly or indirectly, of any transportation or incidental charge of whatsoever kind or character, or any part thereof. The Commission is hereby authorized, after investigation and hearing, and upon notice to the interested parties, to make and issue rules and regulations to make this subsection effective.

(h) All sales and contracts for the sale of coal shall be subject to the code prices herein provided for and in effect at the time of the making of such sales and contracts. The Commission shall prescribe the price allowance to and receivable by persons who purchase coal for resale, and resell it in not less than cargo or railroad carload lots; and shall require the maintenance by such persons, in the resale of coal, of the minimum prices established under this act.

UNFAIR METHODS OF COMPETITION

(i) The following practices shall be unfair methods of competition and shall constitute violations of the code:

1. The consignment of unordered coal, or the forwarding of coal which has not actually been sold, consigned to the producer or his agent: *Provided, however*, That coal which has not actually been

sold may be forwarded, consigned to the producer or his agent at rail or track yards, tidewater ports, river ports, or lake ports, or docks beyond such ports. Such limitations on the consignment of coal shall not apply to the following classes: Bunker coal, coal applicable against existing contracts, coal for storage (other than in railroad cars) by the producer or his agent in rail or track yards or on docks, wharves, or other yards for resale by the producer or his agent.

2. The adjustment of claims with purchasers of coal in such manner as to grant secret allowances, secret rebates, or secret concessions, or other price discrimination.

3. The prepayment of a freight charges with intent to or having the effect of granting a discriminatory credit allowance.

4. The granting in any form of adjustments, allowances, discounts, credits, or refunds to purchasers of sellers of coal, for the purposes or with the effect of altering retroactively a price previously agreed upon, in such manner as to create price discrimination.

5. The predating or postdating of any invoice or contract for the purchase or sale of coal, except to conform to a bona fide agreement for the purchase or sale entered into on the predate.

6. The payment or allowance in any form or by any device of rebates, refunds, credits, or unearned discounts, or the extension to certain purchasers of services or privileges not extended to all purchasers under like terms and conditions, or under similar circumstances.

7. The attempt to purchase business, or to obtain information concerning a competitor's business by concession, gifts, or bribes.

8. The intentional misrepresentation of any analysis or of analyses, or of sizes, or the intentional making, causing, or permitting to be made, or publishing, of any false, untrue, misleading, or deceptive statement by way of advertising, invoicing, or otherwise concerning the size, quality, character, nature, preparation, or origin of any coal bought, sold, or consigned.

9. The unauthorized use, whether in written or oral form, of trade marks, trade names, slogans, or advertising matter already adopted by a competitor, or any deceptive approximation thereof.

10. Inducing or attempting to induce, by any means or device whatsoever, a breach of contract between a competitor and his customer during the term of such contract.

11. Splitting or dividing commissions, broker's fees, or brokerage discounts, or otherwise in any manner directly or indirectly using brokerage commissions or jobbers' arrangements or sales agencies for making discounts, allowances, or rebates, or prices other than those determined under this act, to any industrial consumer or to any retailers, or to others, whether of a like or different class.

12. Selling to, or through, any broker, jobber, commission account, or sales agency, which is in fact or in effect an agency or an instrumentality of a retailer or an industrial consumer or of an organization of retailers or industrial consumers, whereby they or any of them secure either directly or indirectly a discount, dividend, allowance, or rebates, or a price other than that determined in the manner prescribed by this act.

13. Violations of the provisions of the code.

(j) The Commission shall have jurisdiction to hear and determine written complaints made charging any violation of the code specified in this part II. It shall make and publish rules and regulations for the consideration and hearing of any such complaint, and all interested parties shall be required to conform thereto. The Commission shall make due effort toward adjustment of such complaints and shall endeavor to compose the differences of the parties, and shall make such order or orders in the premises, from time to time, as the facts and the circumstances warrant. Any such order shall be subject to review as are other orders of the Commission.

PART III—LABOR RELATIONS

To effectuate the purposes of this act, the district boards and code members shall accept the following conditions which shall be contained in said code:

(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; and no employee and no one seeking employment shall be required as a condition of employment to join any company union.

(b) Employees shall have the right of peaceable assemblage for the discussion of the principles of collective bargaining, shall be entitled to select their own check-weighmen to inspect the weighing or measuring of coal, and shall not be required as a condition of employment to live in company houses or to trade at the store of the employer.

(c) A Bituminous Coal Labor Board, hereinafter referred to as "Labor Board", consisting of three members, shall be appointed by the President of the United States by and with the advice and consent of the Senate, and shall be assigned to the Department of Labor. The chairman shall be an impartial person with no financial interest in the industry, or connection with any organization of the employees. Of the other members, one shall be a representative of the producers and one shall be a representative of the organized employees, each of whom may retain his respective interest in the industry or relationship to the organization of employees. The Labor Board shall, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation and duties of a secretary and necessary clerical and other assistants. The members shall serve for a period of 4 years or until the prior termination of this act, and shall receive compensation at the rate of $10,000 per annum and necessary traveling expenses. Any person appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor in office. Decisions of the Labor Board may be made by a majority thereof.

(d) The Labor Board shall sit at such places as its duties require, and may appoint an examiner to report evidence for its finding in any particular case. It shall notify the parties to any dispute of the time and place of the taking of evidence, or the hearing of the cause, and its finding of facts supported by any substantial evidence shall be conclusive upon review thereof by any court of the United States. It shall transmit its findings and order to the parties interested and to the Commission. The Commission shall take no action thereon for 60 days after the entry of the order of the Labor Board; and if within such 60 days an appeal is taken under the provisions of section 16 of this act, no action on such finding and order shall be taken by the Commission during the pendency of the appeal.

(e) The Labor Board shall have authority to adjudicate disputes arising under subsections (a) and (b) of this part III, and to determine whether or not an organization of employees has been promoted, or is controlled or dominated by an employer in its organization, management, policy, or election of representatives; and for the purpose of determining who are the freely chosen representatives of the employees the Board may order and under its supervision may conduct an election of employees for that purpose. The Labor Board may order a code member to meet the representatives of its employees for the purpose of collective bargaining.

(f) The Labor Board may offer its services as mediator in any dispute between a producer and its employees where such dispute is not determined by the tribunal set up in a bona fide collective contract; and upon the written submission by the parties requesting an award on a stated matter signed by the duly accredited representatives of the employer and employees, the Labor Board may arbitrate the matter submitted.

(g) Whenever the maximum daily and weekly hours of labor are agreed upon in any contract or contracts negotiated between the producers of more than two-thirds the annual national tonnage production for the preceding calendar year and the representatives of more than one-half the mine workers employed, such maximum hours of labor shall be accepted by all the code members. The wage agreement or agreements negotiated by collective bargaining in any district or group of two or more districts between representatives of producers of more than two-thirds of the annual tonnage production of such district or each of such districts in a contracting group during the preceding calendar year and representatives of the majority of the mine workers therein shall be filed with the Labor Board and shall be accepted as the minimum wages for the various classifications of labor by the code members operating in such district or group of districts.

ORGANIZATION OF THE CODE

SEC. 5. (a) Upon the appointment of the Commission it shall at once formulate said code and assist in the organization of the district boards as provided for in section 4, and shall prepare and supply to all coal producers forms of acceptance for membership therein. Such forms of acceptances, when executed, shall be acknowledged before any official authorized to take acknowledgments.

(b) The membership of any such coal producer in such code and his right to a drawback on the taxes levied under section 3 of this act, may be revoked by the Commission upon written complaint by any party in interest, after a hearing, with 30 days' written notice to the member, upon proof that such member has willfully failed or refused to comply with any duty or requirement imposed upon him by reason of his membership; and in such a hearing any party in interest, including the district boards, other code members, consumers, employees, and the Commissioner of Internal Revenue, shall be entitled to present evidence and be heard: *Provided*, That the Commission, in its discretion, may in such case make an order directing the code member to cease and desist from violations of the code and upon failure of the code member to comply with such order the Commission may reopen the case upon 10 days' notice to the code member affected and proceed in the hearing thereof as above provided.

The Commission shall keep a record of the evidence heard by it in any proceeding to cancel or revoke the membership of any code member and its findings of fact if supported by any substantial evidence shall be conclusive upon any proceeding to review or restrain the action and order of the Commission in any court of the United States.

When an alleged violation of the code relates to the provisions of part III of section 4 of this act, the Commission shall accept as conclusive the certified findings and orders of the Labor Board and inquire only into the compliance or noncompliance of the code member with respect thereto.

(c) Any producer whose membership in the code and whose right to a drawback on the taxes as provided under this act has been canceled, shall have the right to have his membership restored upon payment by him of all taxes in full for the time during which it shall be found by the Commission that his violation of the code or of any regulation thereunder, the observance of which is required by its terms, shall have continued. In making its findings under this subsection the Commission shall

state specifically (1) the period of time during which such violation continued, and (2) the amount of taxes required to be paid to bring about reinstatement as a code member.

(d) Any code member who shall be injured in his business or property by any other code member by reason of the doing of any act which is forbidden or the failure to do any act which is required by this act or by the code, may sue therefor in any district court of the United States in the district in which the defendant resides, or is found or has an agent, without respect to the amount in controversy, and shall recover threefold damages by him sustained, and the cost of suit, including a reasonable attorney's fee.

SEC. 6. (a) All rules, regulations, determinations, and promulgations of any district board shall be subject to review by the Commission upon appeal by any producer and upon just cause shown shall be amenable to the order of the Commission; and appeal to the Commission shall be a matter of right in all cases to every producer and to all parties in interest. The Commission may also provide rules for the determination of controversies arising under this act by voluntary submission thereof to arbitration, which determination shall be final and conclusive.

(b) Any person aggrieved by an order issued by the Commission or Labor Board in a proceeding to which such person is a party may obtain a review of such order in the Circuit Court of Appeals of the United States, within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Commission or Labor Board be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon any member of the Commission or Labor Board, as the case may be, and thereupon the Commission or Labor Board, as the case may be, shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, and enforce or set aside such order, in whole or in part. No objection to the order of the Commission or Labor Board shall be considered by the court unless such objection shall have been urged below. The finding of the Commission or Labor Board as to the facts, if supported by substantial evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Commission or Labor Board, the court may order such additional evidence to be taken before the Commission or Labor Board and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission or Labor Board, as the case may be, may modify its findings as to the facts, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court, affirming, modifying, and enforcing or setting aside, in whole or in part, any such order of the Commission or Labor Board, as the case may be, shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

The commencement of proceedings under this subsection shall not, unless specifically ordered by the court, operate as a stay of the Commission's order.

(c) If any code member fails or neglects to obey any order of the Commission while the same is in effect, the Commission in its discretion may apply to the Circuit Court of Appeals of the United States within any circuit where such code member resides or carries on business, for the enforcement of its order, and shall certify and file with its application a transcript of the entire record in the proceeding, including all the testimony taken and the report and order of the Commission. Upon such filing of the application and transcript the court shall cause notice thereof to be served upon such code member and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the Commission. The findings of the Commission as to facts, if supported by substantial evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper.

The Commission may modify its findings as to the facts or make new findings by reason of the additional evidence so taken, and it shall file such modified or new findings, which if supported by substantial evidence shall be conclusive, and its recommendation, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

(d) The jurisdiction of the Circuit Court of Appeals of the United States or the United States Court of Appeals for the District of Columbia, as the case may be, to enforce, set aside, or modify orders of the Commission or Labor Board shall be exclusive.

Such proceedings in the Circuit Court of Appeals or the United States Court of Appeals for the District of Columbia, as the case may be, shall be given precedence over other cases pending therein, and shall be in every way expedited.

SEC. 7. All provisions of the law, including penalties and refunds, relating to the collection and disposition of internal revenue taxes, shall, insofar as applicable and not inconsistent with the provisions of this act, be applicable with respect to taxes imposed under this act.

SEC. 8. (a) The members of the Commission and of the Labor Board are authorized to administer oaths to witnesses appearing before their respective boards; and, for the purpose of conducting its investigations, said Commission or the said Labor Board shall have full power to issue subpenas and subpenas duces tecum, which shall be as nearly as may be in the form of subpenas issued by district courts of the United States. In case any person shall fail or refuse to obey such subpena it shall be the duty of the Commission, or the Labor Board, through its chairman, to make application to the District Court of the United States setting forth the issue and service of such subpena and the refusal of the person to obey the same and requesting such court to compel such person to appear before such court and show lawful cause for such refusal. Upon the filing of such application with the clerk of such court, it shall be the duty of the judge thereof, either in term time or vacation, to forthwith enter an order of record, requiring such person to appear before such court at a time stated in said order within 3 days from such entry, and show cause why he should not be required to obey such subpena, and upon his failure to show cause it shall be the duty of the court to order such witness to appear before the said Commission or Labor Board and give such testimony or produce such evidence as may be lawfully required by said Commission or Labor Board. The district court, either in term time or vacation, shall have full power to punish for contempt as in other cases of refusal to obey the process and order of such court.

(b) In the investigation of any complaint or violation of the code, or of any rule or regulation the observance of which is required under the terms thereof, the Commission or the Labor Board, as the case may be, shall have power to require such reports from, and shall be given access to inspect the books and records of, code members to the extent deemed necessary for the purpose of determining the complaint.

SEC. 9. Should any producer or producers of bituminous coal not accept and maintain membership under the code set out in section 4 of this act, he or they shall, in addition to the tax herein provided and without the privilege of any drawback thereon, be held subject to other acts of Congress regulating industries and their labor relations or providing for codes of fair competition therein: *Provided*, That the employees of all producers shall have the right of self-organization and collective bargaining through representatives of their own choosing free from the interference, restraint, or coercion of employers or their agents, all as set forth in section 4, part III (a) and (b), of this act.

SEC. 10. (a) The Commission may require reports from producers and may use such other sources of information available as it deems advisable, and may require producers to maintain a uniform system of accounting of costs, wages, operations, sales, profits, losses, and such other matters as may be required in the administration of this act. No information obtained from a producer disclosing costs of production or sales realization shall be made public without the consent of the producer from whom the same shall have been obtained, except where such disclosure is warranted by a controversy with the producer over any order of the Commission and except that such information may be compiled in composite form in such manner as shall not be injurious to the interests of any producer and, as so compiled, may be published by the Commission.

(b) Any officer or employee of the Commission or of any district board who shall, in violation of the provisions of subsection (a), make public any information obtained by the Commission or the district board, without its authority, unless directed by a court, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $500, or by imprisonment not exceeding 6 months, or by both fine and imprisonment, in the discretion of the court.

(c) If any producer required by this act or the code to file a report shall fail to do so within the time fixed for filing the same, and such failure shall continue for 30 days after notice of such default, the producer shall forfeit to the United States the sum of $50 for each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States, brought in the district where the producer has his principal office or in any district in which he shall do business. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of forfeiture.

SEC. 11. State laws regulating the mining of coal not inconsistent herewith are not affected by this act.

SEC. 12. No coal may be delivered upon a contract made prior to the effective date of this act at a price below the minimum price at the time of delivery upon such contract, as established pursuant to part II of section 4 of this act, and such contract shall be invalid and unenforceable: *Provided*, That this prohibition shall not apply (a) to a lawful and bona fide written contract entered into prior to October 2, 1933; nor (b) to a lawful and bona fide written contract entered into subsequent to that date

and prior to May 27, 1935, at not less than the minimum price current as published under the Code of Fair Competition for the Bituminous Coal Industry, pursuant to the National Industrial Recovery Act, at the time of making of such contract; nor (c) to a lawful and bona fide written contract entered into on or after May 27, 1935, and prior to the date of the approval of this act, at not less than the minimum price for current sale as published under said code of fair competition, as at May 27, 1935.

SEC. 13. Any combination between producers creating a marketing agency for the disposal of competitive coals in interstate commerce at prices to be determined by such agency or by the agreement of the producers operating through such agency, shall be unlawful as a restraint of interstate trade and commerce within the provisions of the act of Congress of July 2, 1890, known as the Sherman Act, and acts amendatory and supplemental thereto, unless such marketing agency shall have been approved by the Commission as provided in section 4 of this act.

SEC. 14. (a) No bituminous coal shall be purchased by the United States, or any department or agency thereof, produced at any mine, where the producer has not complied with the provisions of the code set out in section 4 of this act.

(b) Each contract made by the United States, or any department or agency thereof, with a contractor for any public work, or service, shall contain a provision that the contractor will buy no bituminous coal to use on or in the carrying out of such contract from any producer except such producer be a member of the code set out in section 4 of this act as certified to by the National Bituminous Coal Commission.

SEC. 15. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provisions to other persons or circumstances shall not be affected thereby.

OTHER DUTIES OF THE COMMISSION

SEC. 16. The Commission shall study and investigate the matter of increasing the uses of bituminous coal and the problems of its importation and exportation; and shall further investigate—

(1) The economic operations of mines with the view to the conservation of the national coal resources.

(2) The safe operation of mines for the purpose of minimizing working hazards, and for such purpose shall be authorized to employ the services of the Bureau of Mines.

(3) The rehabilitation of mine workers displaced from employment, and the relief of mine workers partially employed. The Commission's findings and recommendations shall be transmitted to the proper agency of the Government for relief, rehabilitation, and subsistence homesteads.

(4) The problem of marketing to lower distributing costs for the benefit of consumers.

(5) The Commission shall, as soon as reasonably possible after its appointment, investigate the necessity for the control of production of bituminous coal and methods of such control, including allotment of output to districts and producers within such districts, and shall hold hearings thereon, and shall report its conclusions and recommendations to the Secretary of the Interior for transmission by him to Congress not later than January 6, 1936.

SEC. 17. Upon substantial complaint that bituminous-coal prices are excessive, and oppressive of consumers, or that any district board or producers' marketing agency is operating against the public interest or in violation of this act, the Commission may hear such complaint, or appoint a committee to investigate the same, and its findings shall be made public; and the Commission shall make proper orders within the purview of this act so as to correct such abuses.

SEC. 18. To safeguard the interests of those concerned in the mining, transportation, selling, and consumption of coal, the Commission is hereby vested with authority to make complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of coal, and to prosecute the same. Before proceeding to hear and dispose of any complaint filed by another than the Commission, involving the transportation of coal, the Interstate Commerce Commission shall cause the Commission to be notified of the proceeding and, upon application of the Commission, shall permit the Commission to appear and be heard. The Interstate Commerce Commission is authorized to avail itself of the cooperation, services, records, and facilities of the Commission.

SEC. 19. The term "bituminous coal" as used in this act shall include all bituminous, semibituminous, and subbituminous coal and lignite. The term "producer" shall include all persons, firms, associations, corporations, trustees, and receivers engaged in mining bituminous coal. The term "captive coal" shall include all coal produced at a mine for consumption by the producer or by a subsidiary or affiliate thereof, or for use in the production of coke or other forms of manufactured fuel by such producer or subsidiary or affiliate.

SEC. 20. Section 3 of this act shall become effective on the 1st day of the third calendar month after the enactment of this act, unless the Commission shall not at that time have formulated the code and forms of acceptance for membership therein, in which event section 3 of this act shall become effective from and after the date when the Commission shall have formulated the code and such forms for acceptance, which date shall be promulgated by Executive order of the President of the United States. All other sections of this act shall become effective on the day of the approval of this act.

SEC. 21. This act shall cease to be in effect and any agencies established thereunder shall cease to exist on and after 4 years from the date of the approval of this act.

SEC. 22. There is hereby authorized to be appropriated from time to time such sums as may be necessary for the administration of this act.

SEC. 23. This act may be cited as the "Bituminous Coal Conservation Act of 1935."

ANNEX TO ACT—SCHEDULE OF DISTRICTS

EASTERN PENNSYLVANIA

District 1. The following counties in Pennsylvania: Bedford, Blair, Bradford, Cambria, Cameron, Centre, Clarion, Clearfield, Clinton, Elk, Forest, Fulton, Huntingdon, Jefferson, Lycoming, McKean, Mifflin, Potter, Somerset, Tioga.

Armstrong County, including mines served by the P. & S. R. R. on the west bank of the Allegheny River, and north of the Conemaugh division of the Pennsylvania Railroad.

Fayette County, all mines on and east of the line of Indian Creek Valley branch of the Baltimore and Ohio Railroad.

Indiana County, north of but excluding the Saltsburg branch of the Pennsylvania Railroad between Edri and Blairsville, both exclusive.

Westmoreland County, including all mines served by the Pennsylvania Railroad, Torrance, and east.

All coal-producing counties in the State of Maryland.

The following counties in West Virginia: Grant, Mineral, and Tucker.

WESTERN PENNSYLVANIA

District 2. The following counties in Pennsylvania: Allegheny, Beaver, Butler, Greene, Lawrence, Mercer, Venango, Washington.

Armstrong County, west of the Allegheny River and exclusive of mines served by the P. & S. R. R.

Indiana County, including all mines served on the Saltsburg branch of the Pennsylvania Railroad north of Conemaugh River.

Fayette County, except all mines on and east of the line of Indian Creek Valley branch of the Baltimore & Ohio Railroad.

Westmoreland County, including all mines except those served by the Pennsylvania Railroad from Torrance, east.

NORTHERN WEST VIRGINIA

District 3. The following counties in West Virginia: Barbour, Braxton, Calhoun, Doddridge, Harrison, Jackson, Lewis, Marion, Monongalia, Pleasants, Preston, Randolph, Ritchie, Roane, Taylor, Tyler, Upshur, Webster, Wetzel, Wirt, Wood.

That part of Nicholas County including mines served by the Baltimore & Ohio Railroad and north.

OHIO

District 4. All coal-producing counties in Ohio.

MICHIGAN

District 5. All coal-producing counties in Michigan.

PANHANDLE

District 6. The following counties in West Virginia: Brooke, Hancock, Marshall, and Ohio.

SOUTHERN NO. 1

District 7. The following counties in West Virginia: Greenbrier, Mercer, Monroe, Pocahontas, Summers.

Fayette County, east of the Ansted branch of the Chesapeake and Ohio Railroad, east of White Oak Junction on the Virginian Railroad, east of Pax on the Virginian Railroad.

McDowell County, that portion served by the Dry Fork branch of the Norfolk & Western Railroad and east thereof.

Raleigh County, excluding all mines on the Coal River branch of the Chesapeake & Ohio Railroad.

Wyoming County, that portion served by the Gilbert branch of the Virginian Railroad lying east of the mouth of Skin Fork of Guyandot River and that portion served by the main line and the Glen Rogers branch of the Virginian Railroad.

The following counties in Virginia: Montgomery, Pulaski, Wythe, Giles, Craig.

Tazewell County, that portion served by the Dry Fork branch to Cedar Bluff and from Bluestone Junction to Boissevain branch of the Norfolk & Western Railroad.

Buchanan County, that portion served by the Richland Jewell Ridge branch of the Norfolk & Western Railroad.

SOUTHERN NO. 2

District 8. The following counties in West Virginia: Boone, Clay, Kanawha, Lincoln, Logan, Mason, Mingo, Putnam, Wayne, Cabell.

Fayette County west of the Ansted branch of the Chesapeake & Ohio Railroad, west of White Oak Junction on the Virginian Railroad, west of Pax on the Virginian Railroad.

McDowell County, that portion not served by and lying west of the Dry Fork branch of the Norfolk & Western Railroad.

Raleigh County, all mines on the Coal River branch of the Chesapeake & Ohio Railroad and north thereof.

Nicholas County, that part south of and not served by the Baltimore & Ohio Railroad.

Wyoming County, that portion served by Gilbert branch of the Virginian Railroad lying west of the mouth of Skin Fork of Guyandot River.

The following counties in Virginia: Dickinson, Lee, Russell, Scott, Wise.

Buchanan County, except that portion served by the Richland Jewell Ridge branch of the Norfolk & Western Railroad.

Tazewell County, except portions served by the Dry Fork branch of Norfolk & Western Railroad and branch from Bluestone Junction to Boissevain of Norfolk & Western Railroad.

The following counties in Kentucky: Bell, Boyd, Breathitt, Carter, Clay, Elliott, Floyd, Greenup, Harlan, Jackson, Johnson, Knott, Knox, Laurel, Lawrence, Lee, Letcher, Leslie, McCreary, Magoffin, Martin, Morgan, Owsley, Perry, Pike, Rockcastle, Wayne, Whitley.

The following counties in Tennessee: Anderson, Campbell, Claiborne, Cumberland, Fentress, Morgan, Overton, Roane, Scott.

The following counties in North Carolina: Lee, Chatham, Moore.

WEST KENTUCKY

District 9. The following counties in Kentucky: Butler, Christian, Crittenden, Daviess, Hancock, Henderson, Hopkins, Logan, McLean, Muhlenberg, Ohio, Simpson, Todd, Union, Warren, Webster.

ILLINOIS

District 10. All coal-producing counties in Illinois.

INDIANA

District 11. All coal-producing counties in Indiana.

IOWA

District 12. All coal-producing counties in Iowa.

SOUTHEASTERN

District 13. All coal-producing counties in Alabama.

The following counties in Georgia: Dade, Walker.

The following counties in Tennessee: Marion, Grundy, Hamilton, Bledsoe, Sequatchie, White, Van Buren, Warren, McMinn, Rhea.

ARKANSAS-OKLAHOMA

District 14. The following counties in Arkansas: All counties in the State.

The following counties in Oklahoma: Haskell, Le Flore, Sequoyah.

SOUTHWESTERN

District 15. All coal-producing counties in Kansas. All coal-producing counties in Texas. All coal-producing counties in Missouri.

The following counties in Oklahoma: Coal, Craig, Latimer, Muskogee, Okmulgee, Pittsburg, Rogers, Tulsa, Wagoner.

NORTHERN COLORADO

District 16. The following counties in Colorado: Adams, Arapahoe, Boulder, Douglas, Elbert, El Paso, Jackson, Jefferson, Larimer, Weld.

SOUTHERN COLORADO

District 17. The following counties in Colorado: All counties not included in northern Colorado district.

The following counties in New Mexico: All coal-producing counties in the State of New Mexico, except those included in the New Mexico district.

NEW MEXICO

District 18. The following counties in New Mexico: Grant, Lincoln, McKinley, Rio Arriba, Sandoval, San Juan, San Miguel, Santa Fe, Socorro.

WYOMING

District 19. All coal-producing counties in Wyoming.

UTAH

District 20. All coal-producing counties in Utah.

NORTH DAKOTA-SOUTH DAKOTA

District 21. All coal-producing counties in North Dakota. All coal-producing counties in South Dakota.

MONTANA

District 22. All coal-producing counties in Montana.

WASHINGTON

District 23. All coal-producing counties in Washington.

Mr. SNELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been interested in the statement that has been made several times by the proponents of this legislation that 90 percent of the operators were in favor of this bill. I have tried to get some information on this subject, and a gentleman whom I called up has furnished me with what he says is an absolute check-up made on Tuesday of this week of the producers of coal in this country, and I can be assured it is correct.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. VINSON of Kentucky. I have never heard anyone suggest that 90 percent of the operators were in favor of the bill.

Mr. SNELL. That statement was made on the floor here yesterday, and I think more than once.

Mr. VINSON of Kentucky. The chances are they used the word "operators" but intended to say "mine workers."

Mr. SNELL. I do not doubt that 90 percent of the mine workers are in favor of this bill, but the statement, I think, was made by the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Yes; I made that statement yesterday.

Mr. SNELL. I understood it was made several times.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield further?

Mr. SNELL. Certainly.

Mr. VINSON of Kentucky. The figures before the committee when the proponents of the bill were being heard was that 60 to 65 percent of the operators favored the bill. Then, when the opponents of the bill were heard they said that from 60 to 65 percent of the operators were opposed to the bill. Adding these two figures together, of course, give 120 percent or 130 percent of operators.

Mr. SNELL. I have a check here which shows that the total production is 358,000,000 tons.

Mr. VINSON of Kentucky. That is correct.

Mr. SNELL. And a detailed check made on Tuesday of this week shows 214,000,000 tons production opposed to this bill. That is about 60 percent of the total production, which is entirely different from many statements made by the proponents of the bill.

About 18 percent were in favor of it and the balance were noncommittal.

Mr. VINSON of Kentucky. May I say to the gentleman that I have received information this week that large operators in West Virginia, in the New River and the Winding Gulch fields, who have been opposing the bill, came out sponsoring the bill. I want to say further to the gentleman that I have in my file letters and telegrams from a number of coal operators throughout the country stating that they favor the bill, but because of the powerful influences from the railroad and large industrial purchasers they cannot afford to let their position be known publicly.

Mr. SNELL. The New River people have withdrawn, but no one else up to this minute. I do not yield further to the gentleman to make a speech. I have in my hand, Mr. Chairman, a statement based on a check made on Tuesday of this week which gives in detail where the various operators are located and corroborates my statement in every detail. I ask unanimous consent to extend my remarks in the RECORD at this point and to include this statement together with a statement in opposition to this bill made by the opponents of this legislation.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. FULLER. Mr. Chairman, reserving the right to object, may I say that in addition to what the gentleman from New York has, I have names in my file which I offered to produce here yesterday, every one of whom are opposed to this bill. The number constitutes 60.8 percent of the total.

Mr. SNELL. The gentleman who furnished me the information told me he could furnish individual names also. He has this information from all over the country, and I have every reason to believe it is correct, and do not intend to let these extravagant statements of the proponents go unchallenged.

Mr. RANDOLPH. Mr. Chairman, reserving the right to object, I may say to the gentleman from New York that in southern West Virginia, where the great coal fields are, on Wednesday of this week a check was made and it was found that four of the larger companies in that area that were opposing the legislation up to this time are now in favor of it. I can also state authoritatively for the counties in my district that 80 percent of the operators and 98 percent of the workers in those counties are for this legislation.

Mr. SNELL. I am speaking of the operators of the whole country. I want to put in this statement, which gives the definite localities, together with a complete statement on the whole situation.

Mr. FADDIS. Will the gentleman tell us who made the check?

Mr. SNELL. Mr. H. R. Hawthorne, chairman of the committee that is against the bill. I want to put this statement in the RECORD for the information of the Members.

Mr. FADDIS. Reserving the right to object, may I ask the gentleman if that is based on tonnage or on the number of operators?

Mr. SNELL. This is based on tonnage, of course, as that is the only fair way to judge the situation.

Mr. FADDIS. That is exactly why it does not reflect the true situation. It is not based upon the number of operators. When I made my statement it was based on the number of operators and not the tonnage.

Mr. SNELL. Does the gentleman mean to say he would base an estimate on the number of operators? He would not put a man with a production of 1 ton up against a man with a production of a million tons?

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Chairman, the statement referred to is as follows:

GUFFEY-SNYDER BILL, H. R. 9100

Statement of Congressman Snyder, August 13	*The facts*
1. Facts now reveal that the increased cost of bituminous coal to the consumer under the Guffey-Snyder coal bill over and above what it was when the N. R. A. was in official operation will be $0.0275, or 2.75 cents a ton instead of 6 cents a ton, as I said in a former statement.	1. The claim that the Guffey-Snyder coal bill will increase the cost of coal to the consumer only 2¾ cents per ton is absurd. The cost of administration, district code expense, inter- and intra-district price fixing, coordination of prices and accounting methods, amount to an increase of over $1 per ton, not including the proposed wage increase of 28 percent, or 45 cents per ton.
2. About 75 percent of all of the operators of bituminous-coal mines in the United States are favorable to this bill, and more than 95 percent of all labor groups are favorable.	2. The attached statement, entitled "Unfair Practices", shows 214,227,177 tons, or 59.8 percent of the national coal production, actively opposing this bill. At least 60,000,000 tons have not expressed themselves or are noncommittal. This leaves only about 84,000,000 tons, or about 24 percent of the operators, favoring the bill. This is less than one-third of Mr. SNYDER'S claim. The measure contemplates control of the coal business by the Mine Workers' Union, with a further increase of today's $4.60 and $5 wage, and the leaders of about 90 percent of the mine workers are willing to favor this bill as a temporary makeshift, even though it creates further unemployment.
3. The amended bill as reported out by the Ways and Means Committee on August 12 (Snyder, H. R. 9100) eliminates practically all controversial items that were in the Guffey-Snyder bill when originally introduced in January.	3. The amended bill contains no fundamental or material change from the original bill except the elimination of title II, providing for a coal reserve. The elimination of title II leaves no provision for rehabilitation of the additional unemployed miners that must inevitably result from this bill. The unworkable and inequitable provisions for control of the coal industry by Government bureaus remain.
4. Both Republicans and Democrats who did not know these and other facts are now favorable to the bill, because they realize that the 79,000 lives lost in 30 years due to the cut-throat practices in marketing bituminous coal prior to the N. R. A. could be mostly saved with this stabilization procedure at a cost of no more than 2¾ cents a ton to the customer.	4. Bureau of Mines statistics show that during the year of lowest wages and prices of coal—1932—there were lost 958 men, or the lowest for 7 years. There were lost 2,065 men in the prosperous year of relatively higher prices in 1926. Experience has proven that the 7-hour day of high-speed operation has increased accidents. We fear the proposed 6-hour day will further increase this.
5. Congressmen are always fair when they know the facts. They now know that approximately 500,000 miners will have their work stabilized. They know that 2,500,000 men, women, and children depend on the stabilization of this business. They know that the steel industry and other industries depend on the stabilization of bituminous coal. They know, after reading the Taft decisions of the Supreme Court, that this bill is constitutional.	5. Congressmen do not want the facts distorted. The unconstitutional Guffey-Snyder bill can only result in further confusion and demoralization pending court decision. Mine workers are among the best paid, with the lowest living cost. A very large percent own their own automobiles and other evidences of prosperity and happiness. The steel industry is opposed to this measure. The Taft decisions referred to are not at point. The overwhelming opinion of the legal profession affirms that the bill is unconstitutional, and the Attorney General is unwilling to give it his approval.
6. I ask you in the name of humanity and good government to give us your support on this bill.	6. We know of no reason why the coal industry, with its competition and loss of business to oil, gas, private, and proposed Government-owned hydroelectric plants, should be burdened, demoralized, and confused with such unconstitutional legislation. Coal should not be subjected to highly experimental legislation.

COMMITTEE AGAINST GUFFEY COAL BILL,
Washington Hotel, Washington, D. C.,
H. R. HAWTHORNE, *Chairman.*

UNFAIR PRACTICES

It has come to our attention that the red stickers attached to H. R. 9100 for distribution to Congressmen state that the bill has been rewritten, its objectionable provisions eliminated, and that 75 percent of producers and 95 percent of mine workers now favor it. These are not facts!

The committee against the Guffey bill deplores this and other last-minute efforts to fasten such experimental legislation on a basic industry, and once again makes the definite statement that as of August 13 its survey of tonnage recorded opposed to the bill is as follows:

N. R. A. code areas

Pennsylvania	43,902,245
Maryland-Upper Potomac	1,913,000
Ohio	1,643,172
Northern West Virginia	14,105,467
Southern low volatile no. 1 (West Virginia)	29,916,324
Southern high volatile no. 2 (West Virginia, eastern Kentucky, northern Tennessee, and Virginia)	54,122,397
Western Kentucky	7,893,000
Illinois subdivision	8,584,860
Indiana subdivision	13,322,007
Iowa subdivision	2,338,353
Alabama, Georgia, and southern Tennessee	9,589,352
Division IV [1]	8,823,000
Division V [2]	18,069,000
Total	214,227,177
Total United States	358,393,000

Percentage opposed, 59.8

This committee reiterates that its analysis of the revised bill shows it to be definitely unconstitutional, monopolistic, unworkable, unsound in principle, destructive in results, and unmindful of the increased costs to consumers.

COMMITTEE AGAINST GUFFEY COAL BILL,
H. R. HAWTHORNE, *Chairman.*

I had intended to make some general remarks on this bill, but my friend from Massachusetts [Mr. MCCORMACK] has so well expressed my sentiments that I will not take the time of the House to repeat that same argument.

This is another new-deal proposition, where we are trying to lift ourselves by our bootstraps, and, as usual, I am going to vote against it.

Mr. MARTIN of Colorado. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have voted for every recovery, relief, and reform bill or amendment which has come to a vote in the House in the Seventy-third and Seventy-fourth Congresses, and I have voted for them whether national or sectional, whether industrial or agricultural, whether they benefited my State or some other State.

It is a mistaken view to consider these kindred measures separately. The National Industrial Recovery Act and the

[1] Missouri, Kansas, Arkansas, Oklahoma, and Texas.
[2] New Mexico, Colorado, Utah, Wyoming, North Dakota, South Dakota, Montana, Idaho, Washington, Oregon, California, Nevada, and Arizona.

Agricultural Adjustment Act were the two great economic experiments of the Roosevelt administration. They complemented each other. One did for industry what the other did for agriculture. Together they were the heart of the new deal and embodied a new and better system of relationships in the economic life of this Nation.

I have noted a tendency on the part of representatives of agricultural constituencies to condemn and oppose various phases of the industrial program, and upon the part of representatives of industrial constituencies to condemn and oppose various phases of the agricultural program, and that tendency seems to be growing. I commend this development to the serious thought of those who harbor the hope of the formation of a Farmer-Labor political party in the United States.

The Guffey coal bill furnishes me with a hard spot. I am not so happily situated as Representatives from the eastern coal States. There is one company in my district which owns more coal lands than there are in the entire State of Pennsylvania. Sentiment is divided there over this bill. If it is true, as stated by Emerson, that consistency is the mark of small minds, it at least has the compensation of helping a man over a hard spot. All he has to do is to be consistent.

Mr. Chairman, in my brief time I want to read just two short sentences from the majority report on this bill. The first is:

> The provisions of the bill follow in a general way those contained in the Bituminous Coal Code under the National Industrial Recovery Act.

The report then sets out a list of unfair trade practices, and the second sentence I wish to quote is:

> That they—
>
> These practices—
>
> may be corrected is demonstrated by the experience of the Government and the soft-coal industry with the Bituminous Coal Code under the National Industrial Recovery Act.

So N. R. A. benefited the great coal industry of the United States. A few days ago Congress passed and the President signed a motor-transportation-regulation bill, and on that bill I quote from the report of the Committee on Interstate and Foreign Commerce of the House:

> The motor carriers had excellent codes of fair competition under which they were operated prior to May 27, 1935. Considerable progress in self-regulation was made under these codes, which provides the same principles as contained in S. 1629. Now the bus and truck operators recommend the enactment of this legislation to relieve the present chaotic conditions.

So the N. R. A. benefited the great motor-transportation industry of the country. And the returns are not yet all in.

A few weeks ago the Congress passed and the President signed an extension of a skeletal N. R. A. The meat of it has been interred in a volume of court decisions.

Mr. CONNERY. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Massachusetts.

Mr. CONNERY. May I remark to the gentleman that since the N. R. A. has gone out of existence, a man applied for a position down here at an employment office. He was a first-class chef, pastry cook, and so forth; in other words, a first-class chef. He was offered a job working 84 hours a week at a salary of $13.

Mr. MARTIN of Colorado. May I say in reply to the gentleman's statement that I have a letter from a constituent of mine saying that his hours of labor since the destruction of the N. R. A. have been increased from 40 to 70 per week. So that you may say of that man in the language of Vic Berger, here on this floor many years ago, "He has no time to thank God and nothing to thank Him for." You can bet your life against a thin dime he is not thanking God for the Supreme Court decision on the N. R. A. [Laughter.]

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, on the N. R. A. extension resolution I was mentioning when interrupted I quote from the minority report of the House Committee on Ways and Means filed against it:

> The minority feel that, in spite of its many faults, the N. R. A. has a number of beneficent and commendable features which might well be preserved by permanent legislation within constitutional limitations.

What these beneficent and commendable features are is specifically indicated in the minority report, as follows: Provisions against unfair methods of competition, unfair and destructive trade practices, the employment of child labor, provisions for maximum hours of employment, minimum rates of pay, and the guaranty to employees of the right to bargain collectively by representatives of their own choosing.

Part of these beneficent and commendable features of N. R. A., for whose death the minority thanked God, it will be noted, were for the benefit of capital, part of them for labor, part of them for the childhood of the country, and taken as a whole, for the mutual benefit of all. So it is with the whole program.

Mr. Chairman, we should be for all of these measures or against all of them. They are all of a pattern and there is no middle ground. [Applause.]

[Here the gavel fell.]

Mr. MAVERICK. Mr. Chairman, in speaking today I would remind the Members of the House that I am classified as a "southern Democrat", although I come from the great State of Texas. [Laughter.] As a southern Democrat, I rise to speak in favor of this bill, which is similar to many of the bills—most of the bills—that have benefited the southern part of the United States. We have considered and voted upon the potato-control bill. I did not know a great deal about it, because I do not come from what is called a "potato State"; at least, the sale of potatoes in my State is not a major industry or endeavor; but I voted for the bill because I had faith in the intelligence and character of the gentleman from North Carolina, Mr. LINDSAY WARREN, and for the various delegations that favored the potato bill. The necessity of the bill was ably explained by Mr. WARREN and others. I voted for the Tennessee Valley Authority and took an active part in the debate on that bill. It was a part of the administration plan, although some of the coal Congressmen did not do so well on that measure. Some of them thought the T. V. A. would hurt coal; I said it would not. Also, I think, if coal is conserved and protected, it will not hurt T. V. A. Prosperity begets prosperity. However, the Pennsylvania delegation went down the line almost 100 percent.

Mr. RANDOLPH. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I may say that I come from a coal State and voted for the T. V. A.

Mr. MAVERICK. I thank the gentleman for his observation, and I am glad to know that he not only works for the best interests of his State but for others as well. The Pennsylvania delegation did not vote for the Tennessee Valley Authority as a trading proposition, but because they felt it was a conservation measure and a part of the Democratic program. The T. V. A. is fundamental legislation, and although it was not popular in Pennsylvania that delegation voted for the T. V. A. amendments. They had intelligence enough to vote for the interests of a great project benefiting six Southern States, knowing it would benefit all of America. Let us do the same and conserve, control, and protect the coal interests of many States.

I am going to support this bill, and I hope the southern delegations, as well as the rest of the Democratic Party, will be for it, because the northerners have been mighty good to the South [applause], and anybody who can vote for the Bankhead bill and for the A. A. A., its amendments, and a

great deal of the other legislation we southern Democrats have asked for and gotten can certainly vote for this measure, and I hope they will do so.

Let us talk just briefly about the necessity for the Snyder-Guffey bill before we get into the intricacies of the Constitution. There are 500,000 working people dependent on the coal industry and there are 2,500,000 when you include the men, women, and children, and how many million more are involved in the various trades connected with the industry I do not know. Therefore, from the viewpoint of necessity, we need this legislation, whether it is Democratic or Republican. We need it for the preservation of the industry and labor and to follow the policies of conservation of the Democratic Party.

These people have lived under hard conditions. They have had their industrial and coal police knock their doors down and take away their civil liberties, they have lived in poverty and the children have been denied an education and a fair chance in life; and if anybody needs help, the people who work in the coal mines need it, and I hope we will give help to them. [Applause.]

When we talk about the constitutionality of this bill, I will say frankly that I have not given it a great deal of consideration from that point of view. But I will say this—that there is a lot of hypocrisy about it. Some people blat and roar about the Constitution for their own benefit; when it is human liberty at stake, these reactionaries keep quiet. In other words, when the Constitution protects a doubtful property right, they are very pious; but these reactionaries ask us to pass laws such as the military-naval gag bill and the Kramer bill, twin bills specifically taking away civil rights. I believe in the Constitution as much as the holier-than-thou's; and on that score I am satisfied on this bill.

You see I have read the report of DAVID J. LEWIS, of Maryland, and I admire DAVID J. LEWIS, of Maryland more than any other Member of this House. When he was 9 years old he went into a coal mine, he has worked faithfully all his life; he has risen to an eminence because of his character and learning and intelligence. He is now a student of the Constitution, and if DAVID J. LEWIS says this is constitutional, and if he wants this bill, I am for it. I say again his word is good with me; Maryland should be proud of him, and so should America. [Applause.]

Others say it is not constitutional. Well, well, it has not been passed on yet, you know. It has not gone to the Supreme Court, and I cannot tell you in advance whether it is constitutional or not, but I think it is, and I am going to vote for it.

I am making this final plea in this brief statement as a southern Democrat and a free-born American interested in the whole country. I have voted for measures like the Tennessee Valley Authority and the northern Democrats have gone down the line, and we need some Democratic solidarity here. We know that all the Republicans are going to vote against this measure, with the possible exception of those who are close to some of the mining districts, and even some of them are against it, and we know that the Republican Party is against it. Only one remark would I make here: The Republicans have always had sense enough to stick together. Let us do it, too, on this bill.

The Democratic Party has adopted certain principles. These principles are involved in nearly all the legislation we have passed, and this is not in violation of the principles we acted on; and therefore I advocate the passage of the bill, not only for the good of the coal-mining States but for all the States of the United States of America. What helps one part of the United States helps another part. Let us conserve the whole United States. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. Yes.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. MAY. The gentleman, of course, understands that in opposing the Tennessee Valley Authority measure I had in mind the preservation of the coal industry that is vital to my district, and all through the session and all during the Congress I voted for the Bankhead cotton bill, I voted for the sugar bill, I voted for potato regulation, and I voted for flood control of the Mississippi River to keep from drowning some good southern Democrats, and I am pleased that my colleague from Texas is going along and appreciating our votes along that line.

Mr. MAVERICK. I may say that the gentleman is not a 100-percent sinner and he is officially forgiven. [Laughter and applause.]

Mr. LUNDEEN. Mr. Chairman, I rise in opposition to the pro forma amendment. I ask unanimous consent to revise and extend my remarks in the RECORD to include certain information and data.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LUNDEEN. Mr. Chairman, Government ownership of all light and power in America is fundamental. I have just heard the Tennessee Valley referred to and I want to say to the Members of the House that I voted for the original Muscle Shoals bill back in '17–'18.

Mr. MAVERICK. Did the gentleman say 1718?

Mr. LUNDEEN. No; 1917–1918. In those days of the World War we referred to that period as "'17–'18". I think the majority leader, the able gentleman from Colorado [Mr. TAYLOR], will recall that, because I had the honor of serving here with him at that time.

I have voted for the Tennessee Valley since that time in its entirety and was pleased to do it.

The gentleman from Colorado [Mr. MARTIN] spoke of a Farmer-Labor Party, and that distinguished gentleman seems to think that farmers and workingmen are hostile and cannot cooperate and work together. That is what the old party conservatives told us in Minnesota, but in the North Star State farmers and labor do work together politically, and we have conquered the political power of that State by cooperating. What better proof do you gentlemen want? When the toilers by hand and by brain stand together we conquer—we are invincible. In Minnesota we have the veterans of all wars with us. We have never failed the veterans and they know that we are true blue, and so in our great State farmers and labor and veterans march together to victory. What has been done in Minnesota can be done in America.

FARMER-LABOR PARTY OF MINNESOTA

We hear a lot about great measures brought in by the old parties, the Republican Party and the Democratic Party, and after listening to the able discussion on this floor I may possibly vote for this bill hoping it will do some good. I come from the great State of Minnesota, sent here to represent in this Congress a labor party and its platform, and I venture the assertion that the problems of labor in this country will never be solved until labor has its own party founded on the great labor organizations and the great farm organizations of this country, and when we bring that program to the floor of the House we may then look for a real solution of these problems.

LABOR PARTY MUST BE NATIONAL

American producers, industrial, clerical, and professional, farmers and agricultural workers, are keenly interested in the policies and actions of the National Government. More and more the realization grows that the immediate welfare of the entire population depends almost entirely upon the policy of the National Government. The National Government can determine the amount and kind of food, clothing, shelter, and other essentials the people shall have. Congress by its legislation and the executive division of Government by its orders can determine how the wealth of this

country shall be divided. The President in his recent tax message to Congress stated:

Social unrest and a deepening sense of unfairness are dangers to our national life which we must minimize by rigorous methods. People know that vast personal incomes come not only through the effort or ability or luck of those who receive them, but also because of the opportunities for advantage which government itself contributes.

THE DEMANDS OF LABOR

In 1932 an overwhelming majority of the population demonstrated by their vote that they were discontented with conditions under the Republican administration. The large majority piled up by the Democratic Presidential candidate in 1932 was an expression of this discontent. More than a Democratic victory—it was a Republican defeat.

What did labor ask from the Federal Government? What had the Republican administration failed to give the people? First, they wanted security of livelihood—a chance to work in their chosen occupation or profession at wages or salaries that would assure them of the essentials of existence in accordance with modern standards. The unemployed wanted jobs or unemployment insurance. Those employed wanted employment at adequate wages and security in their jobs. The farmers wanted protection from exploitation. They wanted security of land, of homes, and means of livelihood. They wanted at least cost of production for their crops and a decent American standard of living for themselves and their families. The small merchant asked safeguards against the destructive competition of billion-dollar corporations. The veterans demanded immediate cash payment of their adjusted-service certificates.

These were moderate demands. They represented a natural desire to preserve their existence. The people of this country have a right to ask and expect life, liberty, and the pursuit of happiness. The wealth and natural resources of this Nation are ample for all this and more than enough. These demands conform to the purposes for which our forefathers declared government is instituted among men. The failure of both Republican and Democratic administrations to provide these needs accounts for the vast and growing discontent in America and the growing demand for a labor party.

UNEMPLOYMENT CONTINUES

The greatest single cause of wide-spread unrest in the country today is the continued existence of unemployment. How many are unemployed after 6 years of depression? No complete official Government statistics exist on this subject. Although the Government has gathered all sorts of statistics on other subjects, neither the former nor the present administration has collected accurate figures on unemployment—and this, though we face permanent unemployment for increasing millions of our fellow citizens.

Had there been a powerful Labor Party in power we would not now be dependent upon private estimates of unemployment. We would now have accurate, scientific, official unemployment figures.

The most frequently used private estimates of unemployment are conservative. An employers' research agency, the National Industrial Conference Board, reported 9,804,000 unemployed in May 1935. The Alexander Hamilton Institute reports 12,838,000 unemployed in May 1935, a difference of more than 3,000,000. Labor Research Association, Inc., of New York City, found 14,307,000 totally unemployed in November 1934. In addition to these millions of totally unemployed, there are unestimated millions of part-time workers, whose weekly earnings on part-time work are scarcely enough to give them anything like a living wage.

ONE-SIXTH OF OUR POPULATION ON RELIEF

The Federal Emergency Relief Administration reports 22,000,000 people dependent upon relief, more than one-sixth of our population. Schools also have been hard hit, and more than 3,000,000 children are affected by the closing of schools or shortening of terms because of lack of funds. Two hundred thousand certified teachers are unemployed.

THE POWER OF A LABOR PARTY

The programs offered by both Republican and Democratic administrations have been obviously inadequate to meet the needs of our country. Our people have been misled. False hopes have been created. Labor and farm organizations must realize that they must put their own party in power. They cannot expect the enactment of their programs by a party which they do not control. The exploiters of labor will not support a party which they cannot control. They will not finance a party without controlling it. With the control of funds rests the control of power. Labor must place its own party in the field, support it, and control it.

Certain measures that have been introduced in the present Congress, the first session of the Seventy-fourth Congress, are of the type that would bring real relief to labor and the farmers of America. They are measures that would have been advanced with vastly more force if we had a labor party to back them up, a party springing directly out of the grass roots.

THE LUNDEEN WORKERS' UNEMPLOYMENT, OLD AGE, AND SOCIAL INSURANCE BILL, H. R. 2827

An example of the type of legislation which would be backed by a national labor party is the Lundeen workers' unemployment, old age, and social insurance bill, H. R. 2827. This bill would provide for real unemployment insurance to those now unemployed. It has received powerful support from thousands of local labor unions and other organizations. Hearings on this bill brought forward distinguished testimony from labor and welfare experts. The testimony provides a body of evidence that is a real textbook in economics and sociology. It received 52 votes in the House when it was offered as an amendment to the administration social-security bill. With a strong labor party in the field, we may be certain that we would have had many more Representatives in Congress to support genuine, adequate social insurance.

SAVE THE AMERICAN FARM AND HOME

A labor party would have passed adequate legislation for the refinancing, at low interest rates, of the homes and farms of America. We would not only prevent foreclosures and evictions. We would insure the farmer and small-home owner against the loss of his home or farm so long as he is willing to contribute his share of labor, by hand or by brain, necessary to produce the Nation's wealth. We would give the home owner and the farm owner at least as much consideration as we give to large banks and industrial corporations, and the kings and emperors of Europe. We have financed too many foreign and domestic scoundrels; from now on we must finance the workers of America—the farmers and labor who produce our wealth.

A LABOR PARTY IS THE VETERANS' PARTY

We would provide immediately for the cash payment of the World War Veterans' adjusted-service certificates. And when the veterans come to Washington to petition us for their rights, we would greet them as our fellow citizens and comrades, and be proud to be their fellow citizens and comrades. No more gas and bullets then to greet them on Pennsylvania Avenue. Their demands will then be enacted into law, without evasion or delay.

SOURCE OF FUNDS FOR THE PROGRAM OF LABOR

A labor party would finance its program by placing the burden on the strongest and broadest shoulders where it belongs. There is plenty of money to finance a farmer-labor program by the taxation of gifts, inheritances, and incomes over $5,000. It is absurd to think that a Nation which claims to be the richest in the world cannot provide genuine, adequate social security for all of its citizens.

LABOR PARTY MUST BE BASED ON LABOR ORGANIZATIONS

Such is the program of legislation that a labor party could immediately put into effect. In the future, its policy would depend upon the wishes of the labor and farm organizations responsible for its existence. It is my belief that a new or labor party cannot successfully rise in this country without being based on strong labor-union organizations, farm cooperatives, and their affiliated organizations. Such a party must come up from the grass roots. There must be a demand for such a party from the rank and file of the American people. No party can be built from

the top down. Foundations must be laid first, and foundations must rest on the cooperatives and labor organizations. This is the way to insure the party from passing into the control of enemies.

No mere progressive or liberal party will command this labor and farm support. We passed that milepost 25 years ago. The public demands a strong, militant, aggressive National Labor or Farmer-Labor Party.

NO OLD PARTY AFFILIATIONS

While the invitation should extend to all liberal and progressive elements and all groups who think along labor lines to join with the new organization, there must be no "all-party" or old-party appointees in office. These appointees will turn upon the party and rend it in every crisis. Only those who are tried and true must be on guard in the hour of trial.

While leadership is necessary and we welcome leadership, nevertheless the party must be supreme over any individual. Discipline must be imposed by labor organizations and farm cooperatives whose combined strength must insure performance of their commands. It is also exceedingly important that leadership be placed in the hands of students of political and economic questions—men who are able not only to talk, but also to understand the fundamental principles of a new order.

THE POPULIST PARTY ELECTION OF 1892

These are the general characteristics of a new National Labor or Farmer-Labor Party, and the principles which such a labor party would follow. What chance has a labor party of coming into being in 1936? What similar movements in this country have preceded it?

As far back as 1892 the Populist Party Presidential candidate received over a million votes. The total vote for President was:

Grover Cleveland (Democrat)	5,556,543
Benjamin Harrison (Republican)	5,175,582
James B. Weaver (Populist)	1,040,886

(A History of the Presidency, by Edward Stanwood, 1898, p. 513.)

POPULIST PARTY PLATFORM OF 1892

The first national convention of the People's Party was held at Omaha on July 2, 1892. H. L. Loucks, of South Dakota, my native State, was the permanent president of the convention. The platform, reported and adopted on July 4, 1892, is a model even to this day.

[From A History of the Presidency, by Edward Standwood, 1898, pp. 509–512]

Assembled upon the one hundred and sixteenth anniversary of the Declaration of Independence, the People's Party of America, in their first national convention, invoking upon their action the blessings of Almighty God, puts forth, in the name and on behalf of the people of this country, the following preamble and declaration of principles:

The conditions which surround us best justify our cooperation. We meet in the midst of a nation brought to the verge of moral, political, and material ruin. Corruption dominates the ballot box, the legislature, the Congress, and touches even the ermine of the bench. The people are demoralized; most of the States have been compelled to isolate the voters at the polling places to prevent universal intimidation or bribery. The newspapers are largely subsidized or muzzled; public opinion silenced; business prostrated; our homes covered with mortgages; labor impoverished; and the land concentrating in the hands of the capitalists. The urban workmen are denied the right of organization for self-protection; imported pauperized labor beats down their wages; a hireling standing army, unrecognized by our laws, is established to shoot them down, and they are rapidly degenerating into European conditions. The fruits of the toil of millions are boldly stolen to build up colossal fortunes for a few, unprecedented in the history of mankind; and the possessors of these, in turn, despise the Republic and endanger liberty. From the same prolific womb of governmental injustice we breed the two great classes of tramps and millionaires.

The national power to create money is appropriated to enrich bondholders; a vast public debt, payable in legal-tender currency, has been funded into gold-bearing bonds, thereby adding millions to the burdens of the people. Silver, which has been accepted as coin since the dawn of history, has been demonetized to add to the purchasing power of gold by decreasing the value of all forms of property as well as human labor; and the supply of currency is purposely abridged to fatten usurers, bankrupt enterprise, and enslave industry. A vast conspiracy against mankind has been organized on two continents, and it is rapidly taking possession of the world. If not met and overthrown at once, it forebodes terrible social convulsions, the destruction of civilization, or the establishment of an absolute despotism.

We have witnessed for more than a quarter of a century the struggles of the two great political parties for power and plunder, while grievous wrongs have been inflicted upon the suffering people. We charge that the controlling influences dominating both these parties have permitted the existing dreadful condition to develop without serious effort to prevent or restrain them. Neither do they now promise us any substantial reform. They have agreed together to ignore in the campaign every issue but one. They propose to drown the outcries of a plundered people with the uproar of a sham battle over the tariff, so that capitalists, corporations, national banks, rings, trusts, watered stock, the demonetization of silver, and the oppressions of the usurers may all be lost sight of. They propose to sacrifice our homes, lives, and children on the altar of mammon; to destroy the multitude in order to secure corruption funds from the millionaires.

Assembled on the anniversary of the birthday of the Nation, and filled with the spirit of the grand general chief who established our independence, we seek to restore the Government of the Republic to the hands of the plain people, with whose class it originated. We assert our purposes to be identical with the purposes of the National Constitution, "to form a more perfect Union and establish justice, insure domestic tranquillity, provide for the common defence, promote the general welfare, and secure the blessings of liberty for ourselves and our posterity." We declare that this Republic can only endure as a free government while built upon the love of the whole people for each other and for the Nation; that it cannot be pinned together by bayonets; that the Civil War is over, and that every passion and resentment which grew out of it must die with it; and that we must be in fact, as we are in name, one united brotherhood of freemen.

Our country finds itself confronted by conditions for which there is no precedent in the history of the world; our annual agricultural productions amount to billions of dollars in value, which must, within a few weeks or months, be exchanged for billions of dollars of commodities consumed in their production; the existing currency supply is wholly inadequate to make this exchange; the results are falling prices, the formation of combines and rings, the impoverishment of the producing class. We pledge ourselves, if given power, we will labor to correct these evils by wise and reasonable legislation, in accordance with the terms of our platform. We believe that the powers of government—in other words, of the people—should be expanded (as in the case of the Postal Service) as rapidly and as far as the good sense of an intelligent people and the teachings of experience shall justify, to the end that oppression, injustice, and poverty shall eventually cease in the land.

While our sympathies as a party of reform are naturally upon the side of every proposition which will tend to make men intelligent, virtuous, and temperate, we nevertheless regard these questions—important as they are—as secondary to the great issues now pressing for solution, and upon which not only our individual prosperity but the very existence of free institutions depends; and we ask all men to first help us to determine whether we are to have a republic to administer before we differ as to the conditions upon which it is to be administered; believing that the forces of reform this day organized will never cease to move forward until every wrong is remedied, and equal rights and equal privileges securely established for all the men and women of this country.

We declare, therefore—

First. That the union of the labor forces of the United States this day consummated shall be permanent and perpetual; may its spirit enter all hearts for the salvation of the Republic and the uplifting of mankind.

Second. Wealth belongs to him who creates it, and every dollar taken from industry without an equivalent is robbery. "If any will not work, neither shall he eat." The interests of rural and civic labor are the same; their enemies are identical.

Third. We believe that the time has come when the railroad corporations will either own the people or the people must own the railroads; and, should the Government enter upon the work of owning and managing all railroads, we should favor an amendment to the Constitution by which all persons engaged in the Government service shall be placed under a civil-service regulation of the most rigid character, so as to prevent the increase of the power of the national administration by the use of such additional Government employees.

We demand—

First. A national currency, safe, sound, and flexible, issued by the General Government only, a full legal tender for all debts, public and private, and that, without the use of banking corporations, a just, equitable, and efficient means of distribution direct to the people, at a tax not to exceed 2 percent per annum, to be provided as set forth in the subtreasury plan of the Farmers' Alliance, or a better system; also, by payments in discharge of its obligations for public improvements.

(a) We demand free and unlimited coinage of silver and gold at the present legal ratio of 16 to 1.

(b) We demand that the amount of circulating medium be speedily increased to not less than $50 per capita.

(c) We demand a graduated income tax.

(d) We believe that the money of the country should be kept as much as possible in the hands of the people, and hence we demand that all State and National revenues shall be limited to the necessary expenses of the Government economically and honestly administered.

(e) We demand that postal savings banks be established by the Government for the safe deposit of the earnings of the people and to facilitate exchange.

Second. Transportation: Transportation being a means of exchange and a public necessity, the Government should own and operate the railroads in the interest of the people.

(a) The telegraph and telephone, like the post-office system, being a necessity for the transmission of news, should be owned and operated by the Government in the interest of the people.

Third. Land: The land, including all the natural sources of wealth, is the heritage of the people, and should not be monopolized for speculative purposes, and alien ownership of land should be prohibited. All land now held by railroads and other corporations in excess of their actual needs, and all lands now owned by aliens, should be reclaimed by the Government and held for actual settlers only.

Subsequently the committee on resolutions made a supplementary report, submitting a series of resolutions which were not a part of the platform but expressive of the opinion of the party. These resolutions were:

[Stanwood: A History of the Presidency, pp. 512–513]

Whereas other questions have been presented for our consideration, we hereby submit the following, not as a part of the platform of the People's Party but as resolutions expressive of the sentiment of this convention.

1. *Resolved*, That we demand a free ballot and a fair count in all elections, and pledge ourselves to secure it to every legal voter without Federal intervention, through the adoption by the States of the unperverted Australian or secret ballot system.

2. *Resolved*, That the revenue derived from a graduated income tax should be applied to the reduction of the burden of taxation now resting upon the domestic industries of this country.

3. *Resolved*, That we pledge our support to fair and liberal pensions to ex-Union soldiers and sailors.

4. *Resolved*, That we condemn the fallacy of protecting American labor under the present system, which opens our ports to the pauper and criminal classes of the world, and crowds out our wage earners; and we denounce the present ineffective laws against contract labor, and demand the further restriction of undesirable immigration.

5. *Resolved*, That we cordially sympathize with the efforts of organized workingmen to shorten the hours of labor, and demand a rigid enforcement of the existing 8-hour law on Government work, and ask that a penalty clause be added to the said law.

6. *Resolved*, That we regard the maintenance of a large standing army of mercenaries, known as the "Pinkerton system", as a menace to our liberties, and we demand its abolition; and we condemn the recent invasion of the Territory of Wyoming by the hired assassins of plutocracy, assisted by Federal officials.

7. *Resolved*, That we commend to the favorable consideration of the people and the reform press the legislative system known as "the initiative and referendum."

8. *Resolved*, That we favor a constitutional provision limiting the office of President and Vice President to one term, and providing for the election of Senators of the United States by a direct vote of the people.

9. *Resolved*, That we oppose any subsidy or national aid to any private corporation for any purpose.

FUSION MEANT DEATH TO POPULIST PARTY

This declaration and platform polled 1,040,886 votes in November 1892—44 years ago. The magnificent results of that campaign were lost to America by fusion with the Democratic Party in 1896.

THE FAMOUS WAR DECLARATIONS OF THE SOCIALIST PARTY AT ST. LOUIS APRIL 1917

We hear much about neutrality legislation these days, and impending war in many lands. Uncle Sam is once more urged to get in and mix in the quarrels of Europe, Africa, and Asia. Let us pause and take stock of the World War to end war and to make the world safe for democracy and similar propaganda. The Socialist Party made certain declarations in April 1917, which we include (from "Labor and Farmer Parties in the United States", by Nathan Fine, pp. 310–316):

MAJORITY REPORT

The Socialist Party of the United States in the present grave crisis solemnly reaffirms its allegiance to the principle of internationalism and working-class solidarity the world over, and proclaims its unalterable opposition to the war just declared by the Government of the United States.

Modern wars as a rule have been caused by the commercial and financial rivalry and intrigues of the capitalist interests in the different countries. Whether they have been frankly waged as wars of aggression or have been hypocritically represented as wars of defense, they have always been made by the classes and fought by the masses. Wars bring wealth and power to the ruling classes, and suffering, death, and demoralization to the workers.

They breed a sinister spirit of passion, unreason, race hatred, and false patriotism. They obscure the struggles of the workers for life, liberty, and social justice. They tend to sever the vital bonds of solidarity between them and their brothers in other countries, to destroy their organizations and to curtail their civic and political rights and liberties.

The Socialist Party of the United States is unalterably opposed to the system of exploitation and class rule which is upheld and strengthened by military power and sham national patriotism. We, therefore, call upon the workers of all countries to refuse support to their governments in their wars. The wars of the contending national groups of capitalists are not the concern of the workers. The only struggle which would justify the workers in taking up arms is the great struggle of the working class of the world to free itself from economic exploitation and political oppression, and we particularly warn the workers against the snare and delusion of so-called "defensive warfare." As against the false doctrine of national patriotism we uphold the ideal of international working-class solidarity. In support of capitalism we will not willingly give a single life or a single dollar; in support of the struggle of the workers for freedom we pledge our all.

The mad orgy of death and destruction which is now convulsing unfortunate Europe was caused by the conflict of capitalist interests in the European countries.

In each of these countries the workers were oppressed and exploited. They produced enormous wealth, but the bulk of it was withheld from them by the owners of the industries. The workers were thus deprived of the means to repurchase the wealth which they themselves had created.

The capitalist class of each country was forced to look for foreign markets to dispose of the accumulated surplus wealth. The huge profits made by the capitalists could no longer be profitably reinvested in their own countries, hence they were driven to look for foreign fields of investment. The geographical boundaries of each modern capitalist country thus became too narrow for the industrial and commercial operations of its capitalist class.

The efforts of the capitalists of all leading nations were therefore centered upon the domination of the world markets. Imperialism became the dominant note in the politics of Europe. The acquisition of colonial possessions and the extension of spheres of influence became the object of diplomatic intrigues and the cause of constant clashes between nations.

The acute competition between the capitalist powers of the earth, their jealousies and distrusts of one another, and the fear of the rising power of the working class forced each of them to arm to the teeth. This led to the mad rivalry of armament, which years before the outbreak of the present war had turned the leading countries of Europe into armed camps with standing armies of many millions, drilled and equipped for war in times of peace.

Capitalism, imperialism, and militarism had thus laid the foundation of an inevitable general conflict in Europe. The ghastly war in Europe was not caused by an accidental event nor by the policy or institutions of any single nation. It was the logical outcome of the competitive capitalist system.

The 6,000,000 men of all countries and races who have been ruthlessly slain in the first 30 months of this war, the millions of others who have been crippled and maimed, the vast treasures of wealth that have been destroyed, the untold misery and sufferings of Europe have not been sacrifices exacted in a struggle for principles or ideals, but wanton offerings upon the altar of private profit.

The forces of capitalism which have led to the war in Europe are even more hideously transparent in the war recently provoked by the ruling class of this country.

When Belgium was invaded the Government enjoined upon the people of this country the duty of remaining neutral, thus clearly demonstrating that the dictates of humanity and the fate of small nations and of democratic institutions were matters that did not concern it. But when our enormous war traffic was seriously threatened, our Government calls upon us to rally to the defense of democracy and civilization.

Our entrance into the European war was instigated by the predatory capitalists in the United States who boast of the enormous profits of $7,000,000,000 from the manufacture and sale of munitions and war supplies and from the exportation of American foodstuffs and other necessaries. They are also deeply interested in the continuance of war and the success of the allied arms through our huge loans to the Governments of the Allied Powers and through other commercial ties. It is the same interests which strive for imperialistic domination of the Western Hemisphere.

The war of the United States against Germany cannot be justified even on the plea that it is a war in defense of American rights or American honor. Ruthless as the unrestricted submarine war policy of the German Government was and is, it is not an invasion of the rights of the American people as such, but only an interference with the opportunity of certain groups of American capitalists to coin cold profits out of the blood and sufferings of our fellow men in the warring countries of Europe.

It is not a war against the militarist regime of the central powers. Militarism can never be abolished by militarism.

It is not a war to advance the cause of democracy in Europe. Democracy can never be imposed upon any country by a foreign power by force of arms.

It is cant and hypocrisy to say that the war is not directed against the German people, but against the Imperial Government of Germany. If we send an armed force to the battlefields of Europe, its cannon will mow down the masses of the German people and not the Imperial German Government.

Our entrance into the European conflict at this time will serve only to multiply the horrors of the war, to increase the toll of death and destruction and to prolong the fiendish slaughter. It will bring death, suffering, and destitution to the people of the

United States, and particularly to the working class. It will give the powers of reaction in this country the pretext for an attempt to throttle our rights and to crush our democratic institutions, and to fasten upon this country a permanent militarism.

The working class of the United States has no quarrel with the working class of Germany or of any other country. The people of the United States have no quarrel with the people of Germany or any other country. The American people did not want and do not want this war. They have not been consulted about the war and have had no part in declaring war. They have been plunged into this war by the trickery and treachery of the ruling class of the country through its representatives in the national administration and National Congresses, its demagogic agitators, its subsidized press, and other servile instruments of public expression.

We brand the declaration of war by our Government as a crime against the people of the United States and against the nations of the world.

In all modern history there has been no war more unjustifiable than the war in which we are about to engage.

No greater dishonor has ever been forced upon a people than that which the capitalist class is forcing upon this Nation against its will.

In harmony with these principles the Socialist Party emphatically rejects the proposal that in time of war the workers should suspend their struggle for better conditions. On the contrary, the acute situation created by war calls for an even more vigorous prosecution of the class struggle, and we recommend to the workers and pledge ourselves to the following course of action:

1. Continuous, active, and public opposition to the war, through demonstrations, mass petitions, and all other means within our power.

2. Unyielding opposition to all proposed legislation for military or industrial conscription. Should such conscription be forced upon the people, we pledge ourselves to continuous efforts for the repeal of such laws and to the support of all mass movements in opposition to conscription. We pledge ourselves to oppose with all our strength any attempt to raise money for payment of war expense by taxing the necessaries of life or issuing bonds which will put the burden upon future generations. We demand that the capitalist class, which is responsible for the war, pay its cost. Let those who kindled the fire furnish the fuel.

3. Vigorous resistance to all reactionary measures, such as censorship of press and mails, restriction of the rights of free speech, assemblage, and organization, or compulsory arbitration and limitation of the right to strike.

4. Consistent propaganda against military training and militaristic teaching in the public schools.

5. Extension of the campaign of education among the workers to organize them into strong, class-conscious, and closely unified political and industrial organizations, to enable them by concerted and harmonious mass action to shorten this war to establish lasting peace.

6. Wide-spread educational propaganda to enlighten the masses as to the true relation between capitalism and war, and to rouse and organize them for action, not only against present war evils but for the prevention of future wars and for the destruction of the causes of war.

7. To protect the masses of the American people from the pressing danger of starvation which the war in Europe has brought upon them, and which the entry of the United States has already accentuated, we demand—

(a) The restriction of food exports so long as the present shortage continues, the fixing of maximum prices, and whatever measures may be necessary to prevent the food speculators from holding back the supplies now in their hands;

(b) The socialization and democratic management of the great industries concerned with the production, transportation, storage, and the marketing of food and other necessaries of life;

(c) The socialization and democratic management of all land and other natural resources now held out of use for monopolistic or speculative profit.

These measures are presented as means of protecting the workers against the evil results of the present war. The danger of recurrence of war will exist as long as the capitalist system of industry remains in existence. The end of wars will come with the establishment of socialized industry and industrial democracy the world over. The Socialist Party calls upon all the workers to join in its struggle to reach this goal, and thus bring into the world a new society in which peace, fraternity, and human brotherhood will be the dominant ideals.

MINORITY REPORT

Congress has declared that a state of war exists between this Nation and Germany. War between the two nations is a fact.

We opposed the entrance of this Republic into the war, but we failed. The political and economic organizations of the working class were not strong enough to do more than protest.

Having failed to prevent the war by our agitation, we can only recognize it as a fact and try to force upon the Government, through pressure of public opinion, a constructive program.

Our aim now must be to minimize the suffering and misery which the war will bring to our own people, to protect our rights and liberties against reactionary encroachments, and to promote an early peace upon a democratic basis, advantageous to the international working class.

Furthermore, we must seize the opportunity presented by war conditions to advance our program of democratic collectivism. Every one of the other belligerent nations has discovered through the war that capitalism is inherently inefficient. To secure a maximum of efficiency, whether for military or civil needs, it has been found necessary to abandon the essential principle of capitalist industry. The warring nations have had to give up the organization and operation of industry and primary economic functions for profit, and to adopt the socialist principle of production for use. Thus the war has demonstrated the superior efficiency of collective organization and operation of industry.

Guided by this experience, we would so reorganize our economic system as to secure for our permanent domestic needs the greatest possible results from the proper utilization of our national resources.

In furtherance of these aims we propose the following:

1. We propose that the Socialist Party shall establish communication with the socialists within the enemy countries, to the end that peace may be secured upon democratic terms at the earliest possible moment.

2. We demand that there be no interference with freedom of speech, freedom of the press, and freedom of assemblage.

3. We demand that dealings between the Government and the workers in all of the industries and services taken over and operated by the Government shall be conducted through their organizations with due regard to the right of organization of those not yet organized.

4. We demand that conscription, if it comes at all, shall begin with wealth. All annual incomes in excess of $5,000 should be taken by the Government and used to pay the current expenses of the war. If it is just to conscript a human being, it is just to conscript wealth. Money is not as sacred as human life.

5. We demand that there shall be no conscription of men until the American people shall have been given the right to vote upon it. Under the British Empire the people of Australia were permitted to decide by ballot whether they should be conscripted. We demand for the American people the same right.

6. We demand that the Government seize and operate for the benefit of the whole people the great industries concerned with production, transportation, storage, and marketing of the food and other necessities of the people.

7. We demand that the Government seize all suitable vacant land and have the same cultivated for the purpose of furnishing food supplies for the national use.

8. We demand that the Government take over and operate all land and water transport facilities; all water powers and irrigation plants; mines, forests, and oil fields; and all industrial monopolies; and that this be done at once, before the Nation shall suffer calamity from the failure of their capitalist direction and management under war pressure.

THE SOCIALIST PLATFORM FOR CONGRESSIONAL CANDIDATES DURING THE WORLD WAR

("Congressional Platform of the Socialist Party", national office, 803 W. Madison St., Chicago, Ill., 1918.)

CONGRESSIONAL PLATFORM OF THE SOCIALIST PARTY (UNITED STATES)

Before the war the industrial life of every great nation was controlled by private individuals for private gain. A rapidly increased cost of living, wide-spread poverty among the wage workers, meager incomes for the professional class, and the concentration of immense wealth in the hands of a comparative few—these were the natural results of a world run in the interest of big business.

Every civilized nation was split into two warring camps—the nonproducers who owned, and the producers who served.

Then war came. It has challenged the domination of our economic life by private enterprise. Private operation and competition are being found totally unequal to the strain of war. The interests of the State become supreme.

Underlying all the problems of international reconstruction is the greatest of all issues with which the world stands faced. The state is dominating industry. Who shall dominate the state? On the answer to this question depends the future of mankind.

Already the lines are forming.

In every belligerent country, friend and foe alike, the men of power in commerce and industry are laying their plans openly to capture the trade of the world.

Already these men seek to enlist the active support of their governments in these schemes of conquest to follow peace. The future of the world for them is a superstruggle for wealth and power; but in that game no mere individuals but nations and governments themselves would be the pawns.

Opposed to this the ranks of labor are taking form. Within the belligerent nations the mass of the workers are gathering strength. The toilers, of hand and brain alike, are building a new brotherhood in the unity of their demands.

No forcible annexations, no punitive indemnities, self-determination of all nations. To the famous formula is now added: "No economic nationalism, no war after the war."

True to its historic mission, the Socialist Party of the United States seeks to prepare the workers of America to take their part in the new fraternity of labor.

The Socialist Party comes before the people pledged to the service of democracy. Democracy in government, democracy in industry, democracy in education—during the war as well as after the war, the state, the industries, and education, all three must be owned and managed by the people, with no thought of profit.

In the achievement of these aims the candidates of the Socialist Party in the congressional campaign stand pledged to the following principles and demands:

A. INTERNATIONAL RECONSTRUCTION

1. Peace aims

In all that concerns the settlement of this war the American Socialist Party is in general accord with the announced aims of the Inter-Allied Conference. We reaffirm the principles announced by the Socialist Party in the United States in 1915; adopted by the Socialist Republic of Russia in 1917; proclaimed by the Inter-Allied Labor Conference in 1918, and endorsed by both the majority and minority Socialists in the Central empires; no forcible annexation, no punitive indemnities, and the free determination of all peoples.

The Socialist Party believes that the foundations for international understanding must be laid during the war, before the professional diplomats begin to dictate the world's future as they have in the past.

It therefore supports the demand of the Inter-Allied Conference for a meeting with the German workingmen, convinced that such a meeting will promote the cause of democracy, and will encourage the German people to throw off the military autocracy that now oppresses them. We join our pledge to that of the Inter-Allied Conference that, this done, as far as in our power, we shall not permit the German people to be made the victims of imperialistic designs. We protest against the refusal of various allied governments to permit the free exchange of opinion between the labor groups of the allied nations, and we demand that passports be granted to bona fide representatives of labor groups regardless of their political and economic affiliations.

2. Federation of peoples

We call for a federation of the peoples of the world, neutral as well as present belligerents, and that this federation be organized at the time of the peace conference.

Under the control of capitalist nations such a federation would, of course, be used mainly for the purpose of making rules to govern the international struggle for the markets of the world and to aid the capitalist powers of different nations to keep down their own working classes, whereas the Socialist Party desires a federation of socialized nations for the purpose of coordinating the affairs of the world and establishing universal brotherhood.

To minimize this danger, we demand, as a first requisite to success, an adequate representation of labor and socialist groups, women, and suppressed races and nationalities in each belligerent nation at the peace conference and in all departments of the permanent federation of peoples.

We further demand that in the organization of such a federation there be adequate provision for the exercise of legislative and administrative as well as judicial functions. The federation should prevent international disputes rather than try merely to settle them after they arise.

We propose that this federation develop a uniform monetary system and an adequate international control of credit and exchange, as well as such a regulation of the movement of trade as will best meet the needs of the various nations of the world.

Under the authority of this federation must come all those matters which transcend national boundaries, especially those concerned with colonization and foreign investment.

We demand that the federation take measures looking to the reduction of armaments to the point of eventual elimination. If the will to peace is there, economic pressure will be an adequate weapon against recalcitrants. And, finally, we demand that this federation shall give international recognition to the union principles of the minimum wage, systematic reduction of the hours of labor based on the development of machinery, and the abolition of child labor.

The keeping of the peace must be placed in the hands of those to whose interest it is to keep the peace—the workers of the world—and we therefore urge upon them the necessity of seeking continually and aggressively to secure control of their respective governments to the end that these policies be officially adopted by all the nations concerned.

B. INTERNAL RECONSTRUCTION

1. Industrial control

The private domination of industry for private gain has brought such disastrous consequences both among and within the nations of the world as to make public ownership for public service the first necessity in any forward-looking plan of reconstruction both national and international.

The Socialist Party, therefore, demands that all public utilities and basic industries of the United States be taken over by the people, and that this process shall be undertaken as speedily as is consistent with public order and security, and allowing for the utmost possible degree of local autonomy.

In the accomplishment of these ends the Socialist Party demands that compensation, if any, paid to the owners in no case exceed the original cost of the physical property taken by the people; that such compensation be paid as far as possible out of taxation and operating revenues; that the unit of ownership—Federal, State, or city—should coincide as closely as possible with the scope of the industry concerned; and that the operation of all public services be on a strictly cost basis after allowing suitable reserves for depreciation, retirement of debts, and new construction.

The Socialist Party candidates for Congress stand pledged to the support of the following specific proposals:

(1) Railroads and express service: The full and permanent nationalization of the railroads and other means of transportation. The canals, waterways, and all essential means of transportation should be developed as rapidly as possible and coordinated with the other means of transport into one unified, efficient, and adequate system under public ownership.

In the taking over of some 260,000 miles of railways by the United States Government, the correctness of the principles for which the Socialist Party stands has been sustained. The guaranteed highest profits to the companies and the method of administration, however, have proven the futility of all sham schemes of government control based on profits instead of a truly cooperative basis. So long as the ownership of the roads is left in private hands, the Government, and through the Government, the people, must continue to bear a vast burden of unearned income of over a billion dollars a year that represents nothing but the tribute paid to private capital.

(2) Steamships and steamship lines: The Socialist Party demands full and permanent nationalization of the existing American steamship lines and the permanent ownership and operation by the Government of all merchant vessels under the jurisdiction of the United States Shipping Board.

The vast additions now being made to our merchant marine should never be permitted to become the weapons of private interest in a struggle for trade supremacy. The sea-going vessels of the Nation should be owned and operated by the Government.

(3) Telegraph and telephone: The telegraph and the telephone are as much essential parts of a national system of communication as the railroads. Every consideration which has demanded a national railroad system demands also the nationalization of the wire service of the United States.

The Socialist Party, therefore, urges the immediate nationalization of the telegraph and the telephone as an absolute social necessity and the operation of these lines as part of the postal system.

(4) Power: The coordination of coal mines, water power, and the generation of electricity under national ownership and control has already been proposed by the English Ministry of Reconstruction as the only possible policy for the British Nation. The establishment of immense superpower electrical plants in the vicinity of mines and waterfalls for the purpose of supplying current to large areas of consumers, including the railroads, offers unparalleled advantages in economy and efficiency of public service and the prevention of fuel famine. By such a system the cost of electricity could be so reduced and the service so extended that every household in the Nation, as well as every industrial establishment and farm, could be supplied with electrical energy at almost incredibly low rates. This is the inevitable future of electricity.

The Socialist Party demands the immediate appointment of a Federal power commission with adequate representation of labor to make an exhaustive investigation into this subject and to recommend legislation to Congress which will embody a comprehensive power development policy, as well as proposals for the immediate nationalization of the coal mines and the reclamation and conservation of all the great sources of water power.

(5) Large-scale industry: Like the British Labor Party, we believe that the people will not tolerate any reconstruction or perpetuation of the disorganization, waste, and inefficiency involved in the abandonment of industry to a jostling crowd of separate private employers, with their minds bent, not on the service of the community but by the very law of their being—only on the utmost possible profiteering.

Every large-scale, essential industry whose operations extend beyond the borders of a single State must eventually be owned and operated by the Federal Government at cost, for the benefit of the people as a whole.

As immediate means to this end the Socialist Party demands a coordination and extension of functions now exercised by the Government War Industrial Board, the War Trade Board, the Federal Trade Commission, and the Federal Food and Fuel Administrations so that there may be built up a democratized and unified system of public regulation and control over all phases of large-scale industry in the interest of all the people.

2. Democratic management

Government ownership without democratic management may become a greater menace to the world than the system of private ownership and exploitation which is passing away. Without the control of industry a democratic government may be a menace to the liberty of the individual. The addition of the immense power over public policy, and over the happiness of the masses, incident to industrial domination, intensifies the menace a thousandfold.

Self-government in industry is the first essential of a truly democratic nation, and the only guarantee of real freedom for the workers. The Socialist Party, therefore, demands that the right to organize be a fundamental right of all Government employees; and that the right to strike be in no case denied or abridged.

In all industries controlled by the Government, there shall be established principles of democratic management of the conditions of employment by shop committees, elected by the workers.

To prevent the use of the immensely increased number of Government positions for purposes of political patronage, we demand that the merit system of appointment to civil service be extended to every plant or industry as it is taken over by the Government, but the political rights of such employees must be safeguarded.

As a means of strengthening the working class in its everyday struggle and fit it for this complete emancipation, we endorse the principle of industrial unionism.

3. Demobilization

With the problem of the returned soldier, and the cessation of war industries imminent, there is urgent necessity for a national policy in the field of employment.

The Socialist Party demands that the present efforts at coordination by the Department of Labor of Federal and State employment agencies be developed into a permanent system to supplant private agencies, as follows:

(a) The use of present labor-union organizations as far as possible as bases for a service conducted under union conditions;

(b) The rapid development of a system of vocational education;

(c) The organization of a construction service, under proper standards of labor, to carry on the various Government works and to provide apprenticeship to returning soldiers and other workers for permanent employment in developing the land and natural resources of the Nation;

(d) The acquisition and permanent holding by the Government of tracts of agricultural lands needed by returning soldiers and other workers.

(e) Guaranteed employment for all willing workers.

4. The structure of government

The present structure of government is totally inadequate to assume the additional burden of industrial control.

Organized on the theory of a separation of powers and constrained by a rigid Constitution, the President, two Houses of Congress, and the courts have been checks and balances upon one another that have destroyed efficiency and made ineffective the will of the people. Only by the domination of the Executive and the servility of Congress has any effective action been secured. But the loss to democracy has been immense.

The dictates of both efficiency and democracy demand a flexible Constitution and a unified form of government. The President and the courts must be responsible to Congress and its Members elected by the people without regard to sex and subject to their continual control.

The Socialist Party, therefore, demands:

1. That amendments to the United States Constitution be made upon the recommendation of a majority vote of Congress and ratification by a majority of the voters of the Nation or by initiative of the people.

2. The abolition of the Senate and the election of Members of Congress by proportional representation subject to recall. Democratization of congressional procedure, the terms of Congressmen to begin soon after their election. The election of Federal judges by the people, subject to recall.

3. The direct election of the President and the Vice President, subject to recall, and the abolition of the veto power.

4. The abolition of the usurped power of the courts to declare acts of Congress unconstitutional.

5. Responsibility of the President and his Cabinet to Congress through the power of interpellation.

6. Self-government for the District of Columbia.

7. The initiative and referendum applied to Federal legislation.

8. The immediate passage of the amendment to the Constitution of the United States establishing the right of women to the franchise, and adequate representation of women in legislative, judicial, and administrative fields of government, that the interests of women may be the better safeguarded.

5. Civil liberties

The war has brought restrictions on our constitutional rights of freedom of speech, press, and assemblage, which are not only unnecessary but which menace the whole future of democratic institutions and individual liberty.

Mob violence, spurred on by the utterances of the conservative press and of many men well known in public life, challenges the orderly processes of democratic institutions. Exploiting business interests are deliberately using these restrictive measures to crush radical labor. Under the cloak of patriotism, they rob the consumer with one hand and pile up huge war profits with the other.

The vague language of the Espionage Act is being used, not so much to deal with enemy spies as to suppress all independent expression of opinion, particularly in relation to war policies and the class struggle. The post-office censorship, under which scores of papers have been deprived of their second-class mailing privileges, is destroying the freedom of the press.

The Socialist Party, therefore, demands the literal interpretation of the liberties provisions of the Constitution during war as well as peace.

2. That mob violence be suppressed through the power of the Federal Government.

3. The immediate repeal of those clauses in the Federal statutes which give the Postmaster General powers of censorship over periodicals and printed matter. It should be the business of the Post Office Department only to transmit mail matter; not to pass upon its mailability. The administration of sedition laws is the function of the Department of Justice.

4. The immediate reversal of the arbitrary acts of censorship by the Post Office Department and the readmission to second-class privileges of all newspapers and periodicals suppressed during the war for criticizing the conduct of the war, the acts of Government officials, or economic and social conditions, or for discussing terms of peace.

5. The amendment of existing espionage legislation which will restrict its application to actual agents or supporters of the enemy and which will render impossible its further use as a weapon of the Government against political opposition.

6. The immediate repeal of all legislation restricting freedom of speech and of the press and the immediate unconditional pardon of all political prisoners.

6. Taxation

The war has brought to the very forefront of importance the question of taxation. The colossal expenditures already made in this war, of which, against the protests of the Socialists, but a small proportion has been raised through taxation, place a heavy burden of debt upon the future. After the war is over, capital will be needed for many social enterprises and the resources of the Government must be vastly greater than ever before. Meanwhile colossal fortunes are being made overnight, developing new and powerful spheres of financial influence. Means must be found to discharge our huge public debt, raise the revenue necessary for the rapidly increasing functions of government, and at the same time solve the ever-menacing problem of wealth concentration.

To this end we favor:

1. The imposition of an excess-profits tax approximately 100 percent. No one should be permitted to secure profit from this war while others are enduring untold sacrifice.

2. A progressive income tax, aiming at the abolition of all incomes above the needs of a comfortable and secure livelihood.

3. A progressive inheritance tax, rising to 100 percent in large estates.

4. Taxation of the unearned increment of land; all lands held out of use to be taxed at full rental value.

5. A more adequate corporations tax.

7. Credit

During the past few decades we have witnessed the creation of a huge empire of finance, dominated by a few financial masters. This control has led to the creation of great unearned fortunes, to the making and unmaking of gigantic businesses, to the manipulation of national policy for the benefit of the few.

The United States is rapidly becoming the greatest investing nation of the world. If private interests still control the Nation's credit, a policy of economic imperialism following the war will be inevitable.

If this disastrous policy is to be avoided and the community relieved of the burden of billions of dollars now exacted by private financiers, the Government must completely and democratically control its banks and credit system.

In the direction of such control, the Socialist Party demands:

1. That all banks essential to the conduct of business and industry be acquired by the Government and incorporated in a unified public banking system.

2. As the Government acquires ownership of industries, it shall substitute for metallic money and the present form of paper money an increasing proportion of notes redeemable in the service and commodities furnished by the Government, thereby ultimately eliminating entirely the necessity of maintaining a gold reserve, except for international trade relations.

8. Agriculture

Exploited by those in control of the railroads, the grain elevators, the creameries, the packing houses, cold-storage plants, banks, agricultural machinery, as well as by other owners of land, capital, and life's necessities, many farmers have been reduced to a condition of poverty.

Their ultimate interest and that of society at large may lie in the public or voluntary cooperative corporation of farms supplied with the most improved machinery and the services of scientific experts—free scope being given to those farmers so desiring to continue individual operation. Immediately, however, the workers on the farms should be relieved of the oppression of big business which fixes the prices. Especially designed to afford relief in this direction, the Socialist Party pledges itself to the following:

1. Collective ownership of elevators, warehouses, flour mills, stockyards, packing houses, creameries, cold-storage plants, and factories for the production of agricultural implements.

2. Public insurance against diseases of animals, diseases of plants, insect pests, hail, flood, drought, storm, and fire.

3. The leasing of farm machinery by public bodies at cost.

4. The encouragement of cooperative societies for agricultural purposes.

5. The application of the land-values tax to land held for speculation and exploitation; exemption of farm improvements from taxation.

6. The retention by the national, State, and local government of all land owned by them, and the continuous acquirement of other land by reclamation, purchase, condemnation, taxation, or otherwise, such land to be organized as rapidly as practicable into socially operated farms.

7. Encouragement of unions of agricultural workers.

8. Extension of labor laws to agriculture and the securing to agricultural laborers of minimum standards requisite for a healthy life and worthy citizenship.

9. We also call attention to the fact that the elimination of farm tenantry and the development of socially owned and operated agriculture resulting from the foregoing measures will open new opportunities to the agricultural wageworker and free him from dependence on the private employer.

9. Conservation of natural resources

The steadily increasing concentration of natural resources in private hands has led to untold exploitation and to ruthless wastage of the Nation's raw material. If industrial democracy is to be secured, and if the material heritage of America is to be utilized in the interests of the entire people, all natural resources—in-

cluding mines, quarries, oil wells, forests, and water power—must be brought under public ownership and operation. As immediate measure toward this end, the Socialist Party urges:

1. The retention by the Federal Government of all remaining public lands and of all powers over public streams.

2. Development by the Government of a comprehensive system of national river regulation for the storage of flood waters and their use for irrigation, hydroelectric power, and navigation.

3. The acquisition and permanent holding by the Government of all mountain and other lands necessary for the protection of storage reservoirs and the conducting on such lands of timber operations, under forestry principles, to secure a continuous yield of lumber.

4. The mining by the Government, and sale at cost, of mineral resources and of coal from the public domain.

5. A comprehensive system of reclamation of waste and arid lands.

10. Labor legislation

We believe that the intellectual and manual producers cannot obtain equality of opportunity in the struggle of life until they democratically control the fundamental industries of the country. But as a means of strengthening them in their struggle for industrial democracy, we advocate:

1. The reenactment of legislation prohibiting the employment of child labor.

2. Legislation securing absolute freedom of labor to organize, to strike, to picket, and to boycott.

3. Special legislation for women providing for equal pay for equal work, restriction of hours, and proper guards to health and safety.

4. The securing to every worker of a rest period of not less than a day and a half in each week.

5. The enactment of a minimum wage for men and women workers.

6. Legislation providing for social insurance against sickness, injury, old age, and unemployment.

7. Legislation providing for a more effective system of inspection of workshops, factories, and mines.

11. Prisons

Our penal system, conceived in barbarity and maintained through the callous indifference of those who frame and execute our laws, is a disgraceful survival of the feudal attitude toward life. With rare exceptions, our prisons continue to be, as they have always been, breeding places of depravity and sources of moral and physical contamination.

We demand that the entire system be replaced by a system governed by humanity and intelligence.

To this end we pledge our best efforts through Federal and State action to the following specific proposals:

1. To substitute for punishment such methods of treatment as may, by the shortest possible time, restore delinquents as useful members of society.

2. The extended use of the suspended sentence and probation to the end that the benefits of the system may be applied to the poor and friendless as well as those who have social or political influence.

3. The application of the indeterminate sentence to all who may be committed to penal, correctional, or reformatory institution, with adequate provision for parole and aftercare of such persons.

4. The abolition of the death penalty.

5. The abolition of the present system of arbitrary and barbarous prison discipline and the substitution therefor of a system combining humanity, honor, and self-government, with increasing emphasis on productive industry, education, and vocational training.

6. The immediate and complete abolition of the contract system in prison labor.

12. The Negro

The Negroes are the most oppressed portion of the American population, of which they form one-ninth. They are the victims of lawlessness, including hanging and burning, wide-spread political disfranchisement, and loss of civil rights. They are especially discriminated against in economic opportunity.

We therefore demand:

1. That the Negroes be accorded full benefits of citizenship, political, educational, and industrial.

2. That Congress shall enforce the provisions of the fourteenth amendment by reducing the representation in Congress of such States as violate the letter or spirit of the amendment.

CONCLUSION

In offering the above program the Socialist Party warns the masses that it has reference to a dying social order. Our program is designed to assist in the passing of this bankrupt system of capitalism, not as a final substitute for it. No security can be had from imperialism, trade and investment rivalries, reactionary diplomacy, intrigues against backward lands and peoples, militarism and exploitation of the masses without a complete transformation of capitalistic society. Anything short of this complete transformation, any program that leaves industry, finance, transportation, and natural resources in the hands of exploiting groups will perpetuate the causes of international discord and lead to another world tragedy. The main struggle of the masses is to secure control of these basic institutions, and this requires an education of the people to the necessity of such control.

In this work of education we invite the cooperation of all who recognize the opportunities for rebuilding the world on a basis of equity, democracy, and fraternity for all.

(Issued by the national office, Socialist Party, 803 West Madison Street, Chicago, Ill., 1918.)

INDEPENDENT LABOR PARTY OF 1919

The Independent Labor Party, representing all the labor organizations of Chicago, adopted a platform in December 1918, which I placed in the CONGRESSIONAL RECORD on February 28, 1919, when I was a young Member of Congress representing the left-wing Labor-La Follette group in the Republican Party. The Independent Labor Party of 1918 had a forward-looking program.

THE INDEPENDENT LABOR PARTY PLATFORM

RIGHT TO ORGANIZE

1. The unqualified right of workers to organize and to deal collectively with employers through such representatives of their unions as they choose.

DEMOCRATIC CONTROL OF INDUSTRY

2. Democratic control of industry and commerce for the general good by those who work with hand and brain and the elimination of autocratic domination of the forces of production and distribution, either by selfish private interests or bureaucratic agents of government.

EIGHT-HOUR DAY AND MINIMUM WAGE

3. An 8-hour day and a 44-hour week in all branches of industry, with minimum rates of pay which, without the labor of mothers and children, will maintain the worker and his family in health and comfort and provide a competence for old age, with ample provision for recreation and good citizenship.

ABOLITION OF UNEMPLOYMENT

4. Abolition of unemployment by the creation of opportunity for steady work at standard wages through the stabilization of industry and the establishment, during periods of depression, of Government work on housing, road building, reforestation, reclamation of desert and swamp, and the development of ports and waterways.

EQUAL RIGHTS FOR MEN AND WOMEN

5. Complete equality of men and women in government and industry, with the fullest enfranchisement of women, and equal pay for men and women doing similar work.

STOP PROFITEERING

6. Reduction of the cost of living to a just level immediately and as a permanent policy by the development of cooperation and the elimination of wasteful methods, parasitical middlemen, and all profiteering in the creation and distribution of the products of industry and agriculture in order that the actual producers may enjoy the fruits of their toil.

DEMOCRACY IN EDUCATION

7. Democratization of education in public schools and universities through the participation of labor and the organized teachers in the determination of methods, policies, and programs in this fundamental field.

EXTENSION OF SOLDIERS' AND SAILORS' INSURANCE TO ALL WORKERS

8. Continuation after the war of soldiers' and sailors' insurance; extension of such life insurance by the Government, without profit, to all men and women; and the establishment of governmental insurance against accident and illness and upon all insurable forms of property.

TAX INHERITANCE, INCOMES, AND LAND VALUES TO PAY WAR DEBT AND GOVERNMENT EXPENSES

9. Liquidation of the national debt by the application of all inheritances above a hundred thousand dollars, supplemented as may be necessary by a direct capital tax upon all persons and corporations where riches have been gained by war or other profiteering, and payment of the current expenses of government by graduated income taxes, public profits from nationally owned utilities and resources, and from a system of taxation of land values which will stimulate rather than retard production.

PUBLIC OWNERSHIP OF PUBLIC UTILITIES—NATIONALIZATION AND DEVELOPMENT OF NATURAL RESOURCES TO FURNISH EMPLOYMENT FOR RETURNING SOLDIERS AND SAILORS AND DISLOCATED WAR WORKERS

10. Public ownership and operation of railways, steamships, stockyards, grain elevators, terminal markets, telegraphs, telephones, and all other public utilities, and the nationalization and development of basic national resources, water power, and unused land, with the repatriation of large holdings, to the end that returning soldiers and sailors and dislocated war workers may find an opportunity for an independent livelihood.

RESTORATION OF FREE SPEECH, FREE PRESS, AND FREE ASSEMBLAGE

11. Complete restoration, at the earliest possible moment, of all fundamental political rights—free speech, free press, and free assemblage; the removal of all war-time restraints upon the interchange of ideas and the movement of people among communities and nations; and the liberation of all persons held in prison or indicted under charges due to their championship of the rights of labor or their patriotic insistence upon the rights guaranteed to them by the Constitution.

LABOR REPRESENTATION IN ALL DEPARTMENTS OF GOVERNMENT AND ALL GOVERNMENTAL AGENCIES OF DEMOBILIZATION AND RECONSTRUCTION

12. Representation of labor in proportion to its voting strength in all departments of Government and upon all governmental commissions and agencies of demobilization and reconstruction, and recognition of the principles of trade-unionism in the relocation of soldiers, sailors, and war workers in peace pursuits, with adequate provision for the support and extension of the Department of Labor as the principal agency therefor.

LABOR REPRESENTATION IN PEACE CONFERENCE

13. Representation of the workers, in proportion to their numbers in the armies, navies, and workshops of the world, at the peace conference and upon whatever international tribunals may result therefrom, with the labor of this Nation represented by the president of the American Federation of Labor and such other delegates as the workers may democratically designate.

AN END TO KINGS AND WARS

14. Supplementing the League of Nations, and to make that instrument of international democracy vitally effective for humanity, a league of the workers of all nations pledged and organized to enforce the destruction of autocracy, militarism, and economic imperialism throughout the world, and to bring about world-wide disarmament and open diplomacy, to the end that there shall be no more kings and no more wars.

THE COMMITTEE OF FORTY-EIGHT, 1920

In 1920 the Convention of the Committee of Forty-eight met at the Morrison Hotel, Chicago, under the leadership of Hopkins, McCurdy, Record, and Amos Pinchot. For 3 days and nights a platform was discussed. The work done by that committee is described by Robert Morss Lovett, one of the committee, writing in the New Republic for July 24, 1935:

* * * our committee toiled 3 days and nights to bring our platform into line with that of the labor convention over in the Ashland Auditorium. When the happy result was 90 percent achieved, we grew impatient and voted to join the workers, anyway. Then, in the fight over the rival platforms, labor crushed us with oratory and votes and behaved as if it had won a national victory over a truculent and crafty foe. Shocked and saddened, we returned to the Morrison Hotel, and in the next day or two brought forth several little third parties. We left behind us our peerless chairman, Parley Christensen, who first bore the name Farmer-Labor in the campaign of 1920.

Two years later the Chicago trade unionists, John Fitzpatrick and Ed Nockels, tried to revive the movement, but the Communists were then on deck, and the adroit management of William Z. Foster gave such a slant to the proceedings that the A. F. of L. leaders withdrew, under threats of short shrift from Samuel Gompers. William Mahoney, at St. Paul, led another effort only to meet the same fate at Foster's hands. Then Mr. Johnson, of the Machinists' International, took a lead and assembled a third-party conference at Cleveland, preliminary to the Progressive convention which nominated La Follette in 1924.

BOB LA FOLLETTE, SR., AND THE PRESIDENTIAL ELECTION OF 1924

In the Presidential election of 1924 Bob La Follette, Sr., running on an Independent ticket, received nearly 5,000,000 votes. The totals were:

Calvin Coolidge (Republican)	15,718,789
John W. Davis (Democrat)	8,378,962
Robert M. La Follette (Independent)	4,822,319

In Wisconsin La Follette had a plurality of 142,064 (official returns of November 1924 election from New York Times, Dec. 24, 1924).

NEW PARTY ORGANIZATIONS OF TODAY

Today there are many State and national new party organizations. There are labor parties, farmer-labor parties, progressive parties, commonwealth parties, and many others. Some have gained political strength, and others are better described as educational societies rather than political organizations.

THE FARMER-LABOR PARTY OF MINNESOTA

Among the State organizations, the Farmer-Labor Party of Minnesota is undoubtedly the strongest and most firmly established. The present Farmer-Labor Governor, Floyd B. Olson, of Minnesota, is now serving his third term. The party is represented in Congress by one Senator, Henrik Shipstead, and three Representatives, Paul John Kvale, R. T. Buckler, and Ernest Lundeen.

BIRTH OF THE FARMER-LABOR PARTY OF MINNESOTA

The Farmer-Labor Party of Minnesota was born in the travail of war. Prior to the war, William Lemke, now Congressman from North Dakota, and A. C. Townley, of North Dakota, and their associates, brought the Nonpartisan League into Minnesota. The Nonpartisan League was the product of a crisis then facing our farmers in consequence of the financial manipulations by bankers, speculators, and farm-machinery manufacturers, and of an economic crisis which destroyed the purchasing power of the masses in the cities. Because of its activities along progressive lines, and because many of its outstanding leaders opposed America's entry into the World War, it was denominated "socialist", "radical", and "unpatriotic." The Nonpartisan League organized the farmers of Minnesota into a militant political movement, and played a large part in preparing the public mind for the entry of a Farmer-Labor Party.

After war was declared on April 6, 1917, the old parties of Minnesota laid down oppressive rules of so-called "patriotic conduct." Their leaders were narrow and intolerant in the extreme. Furthermore, they were war mongers.

MINNESOTA'S "REIGN OF TERROR" DURING THE WORLD WAR

Under the direction of the Republican Governor, J. A. A. Burnquist, a public-safety commission was set up, headed by one Judge McGee. This commission of public safety instituted a reign of terror in Minnesota. The result was that meetings were broken up, speakers railroaded out of town, and numerous atrocities were committed against liberal and progressive-minded men who were opposed to the policies of the administration and the dominant parties. The chief issue of this insurgent group was that America should stay out of the quarrels of Europe and adhere to the policies of Washington and the founders of the Republic.

THE FIRST FARMER-LABOR TICKET

In the spring of 1918 these persecuted groups, rallying around former Congressman Charles A. Lindbergh for Governor within the Republican Party, were defeated in the primary by the incumbent Republican candidate, J. A. A. Burnquist.

In the fall of 1918 they placed on the ticket the first list of Farmer-Labor candidates to run for office in Minnesota, headed by David H. Evans, of Tracy. These candidates, after a brief campaign supported by the Nonpartisan League and other affiliated farm and labor organizations, rolled up an astonishingly large vote. The vote for Governor was:

David H. Evans (Farmer-Labor)	111,966
J. A. A. Burnquist (Republican)	166,611
Fred E. Wheaton (Democrat)	76,838
Olaf W. Stageberg (National)	6,649
L. P. Berot (Socialist)	7,795

THE POWER OF THE NAME "FARMER-LABOR"

Many politicians predicted at that time that the Farmer-Labor ticket would receive less than 25,000 votes. When the total showed four and a half times as many, mistaken prophets were astounded at the political power of the name "Farmer-Labor."

ELECTION OF 1920

In the spring of 1920 these same groups again endeavored to capture the Republican Party in the primaries and failed. Some of the Farmer-Labor candidates again appeared on the ticket in the fall for State offices, this time designated "Independent." The Independent candidate for Governor again polled a surprisingly large vote of 281,402 as against 415,805 polled by the Republican candidate, J. A. O. Preus; 81,293 by the Democratic candidate, L. C. Hodgson; and 5,124 by the Socialist, Peter J. Samson. A few Farmer-Labor candidates were placed on the ticket merely to preserve a place on the 1922 ballot. No effort was made to elect them, yet their great vote again astounded the State and ended all further thought of running our candidates as Republicans or Independents.

THE DECISIVE CAMPAIGN OF 1922

This led to a general assault on the old parties by militant Farmer-Labor people in 1922, resulting in the election of the first Farmer-Labor Senator, HENRIK SHIPSTEAD, who polled a vote of 325,372 as against 241,833 by Frank B. Kellogg, Republican, his nearest opponent. That same year Magnus Johnson, the Farmer-Labor candidate for Governor, came within 15,000 votes of defeating the Republican victor, J. A. O. Preus. O. J. KVALE was elected Representative in Congress on an Independent ticket from the Seventh Con-

gressional District, and Knud Wefald was elected as our first Farmer-Labor Representative, from the Ninth Congressional District.

(All election statistics given here for Minnesota are taken from the Legislative Manuals of Minnesota.)

Subsequent campaigns are a matter of political history. Minnesota's first Farmer-Labor Governor, Floyd B. Olson, easily won the State election in 1930, was overwhelmingly reelected in 1932, and again in 1934.

FARMER-LABOR PLATFORM OF 1932

The Farmer-Labor Party of Minnesota is primarily a State party. Its platform of 1932, however, contained both State and national planks. These Farmer-Labor platforms caused quite a commotion throughout the country. The press indulged in their usual hysterics and predicted the end of the Farmer-Labor Party for all time. However, it still seems to be with us, more vigorous than ever.

FARMER-LABOR PLATFORM OF MINNESOTA, 1932

[From the Farmer-Labor Leader, St. Paul, Minn., Mar. 30, 1934]

PREAMBLE

The Farmer-Labor Party, in convention assembled, reiterates its faith in the producing classes of our people, and we believe that the common people will eventually be able to work out their own salvation.

The capitalistic system is on trial for its life, and the common people must work out a new order of things, set up a new social system under which every man and woman will be guaranteed the right to work and produce that he may enjoy the fruits thereof. We believe that this Nation cannot endure half fed and half starved, half employed and half idle, and that every worker shall be guaranteed the right to enjoy the fruits of his or her own labor.

That the Farmer-Labor Party of Minnesota might do its share toward the working out of a new and just social order, we adopt as our platform for 1932 the following proposals:

1. We demand the passage of the Frazier bill, now pending in Congress, which provides for the liquidation and the refinancing of the farmers' debt at the rate of 1½-percent interest and 1½-percent amortization payment.

We believe that agriculture is entitled to at least as much consideration at the hands of the Federal Government as has already been extended by the Republican administration to banking groups and foreign nations.

2. We endorse the Agricultural Marketing Act and demand its retention. We also demand that Congress make available as a part of the Marketing Act the debenture and the equalization fee in dealing with the exportable surplus of farm products.

3. We renew our loyalty to the principle of home rule and declare, among other things, for the immediate repeal of the iniquitous Brooks-Coleman law.

4. Notwithstanding a clear mandate from the people that the remaining natural resources of this State be conserved under the jurisdiction of a conservation commission, certain Republican State officers are retaining the control of those affairs and sacrificing the public interest in order to perpetuate political and selfish appointments. One of the results of this is that our undeveloped resources are rapidly being taken from the people and exploited by a gigantic lumber industry, and millions of idle acres of delinquent lands are being left from useful, tax-producing uses.

If given control of the government of Minnesota, we pledge the people of this State to submit to them an amendment to our constitution that will permit the introduction of the Ontario system of development and administration of electric power and light, thus making electricity—the source of power of the future—man's servant and helper, and not his oppressor and master, as is now the case.

We also pledge our farming population and electrical consumers to enact legislation permitting cities, towns, and villages now owning power and light plants to sell current freely to farms, smaller towns, and villages.

5. The communities of the North, dependent upon the iron-mining industry, are under the heel of an oppressive steel corporation that has foisted iniquitous per capita limitation laws upon those laboring classes who are dependent upon the mines and communities for their subsistence.

We declare unalterably for the repeal of all such per capita limitation laws and to safeguard against future legislation that destroys that sacred prerogative of home rule.

6. We deplore the unnecessary delays in the construction of the St. Lawrence waterway and the proper development of the inland rivers touching this State.

We demand immediate constructive action on the part of our Government to develop these inland waterways and to bring the ocean to our land-locked harbors.

7. We favor the establishment and operation of a State-owned printing plant.

8. Big business today seeks to control the nomination of candidates of various political parties through a campaign of fear and coercion, resulting from the voter having to call for his primary ballot.

We declare again for the consolidated primary ballot law that will prevent these abuses, so that the names of all primary candidates of all parties may appear on one uniform ballot.

9. Millions of industrial employees are out of employment, due to no fault of their own.

We demand laws that will provide adequate Federal and State unemployment insurance. Rapidly merging industrial corporations that have benefited tremendously through labor-saving machinery must bear the burden of this protection.

10. Because of the present inadequate protection of the aged and infirm, we hereby demand that legislation be enacted providing for an adequate State-wide old-age pension.

11. We advocate a graduated progressive income tax and demand that the proceeds of such tax be used to reduce the present tax burden of the farmer and the small-home owner.

12. The farmers of this State must have legislation that will provide an adequate tax upon the manufacture and sale of oleomargarine, and we declare as a part of our agricultural policy for the speedy enactment of such legislation.

13. We will renew our efforts to enact legislation that will impose a graduated tax and special license upon those chain institutions that are destroying the business of thousands of our Minnesota merchants and independent bankers.

14. The service men who defended this country in the trying days of war are not being given fair consideration at the hands of a reactionary national administration.

We demand the immediate cash payment of all soldier-bonus claims, to be financed by the issuance of Treasury notes and not to be dependent upon a bond issue.

15. We submit to Minnesotans that the declaration of the last Republican State convention to reduce State expenditures in the amount of $5,000,000 is utterly unwarranted and demagogic in the light of the Republican Party's control of all of the agencies of the State government for a period of nearly 75 years, which control, for political reasons, imposed necessary expenditures upon the present administration in order to care for feeble-minded and other unfortunate wards of the State.

We declare that the present taxes for State purposes are based on appropriations made by a Republican legislature and that under the law as now constituted the Governor is without authority to reduce any such appropriations. We further advocate as a remedy for this condition that a law be enacted granting the Governor the power to reduce appropriations, subject to a review by the legislature in seasonable time.

16. Special interests are fast influencing the activities of some of our legislators. We advocate a law that will compel the registration and regulation of all lobbyists having occasion to attend legislative sessions.

17. Until the time comes when farm loans will be taken over by the Federal Government, under a law like the one proposed in the Frazier bill, we believe that the State funds which have heretofore been invested in State highway bonds and big banking investments should be preferably used for the purpose of financing loans to farmers through the Rural Credit Bureau, the retention of which we demand. We favor restoring State-owned farms to the tax rolls of the communities wherein they are situated.

18. We favor the principle of the initiative and referendum, believing that this Government should again be returned to the people.

19. The Government must meet its responsibility in caring for the millions of unemployed laborers in industry who walk the streets of our cities and smaller towns vainly seeking for a chance to eke out an honest livelihood. A protracted and deplorable unemployment crisis, which is the creature of a regime of governmental blundering and reactionary distortion, reflects itself in the earning power of every farmer and laborer in the State of Minnesota. The emergency must be met, and no superficial construction of governmental post offices alone will return these millions into paths of permanent prosperity. We believe that in meeting this emergency a unified and adequate plan of reduced working hours should be undertaken to help alleviate this present deplorable condition.

To the accomplishment of which we urge the support of the entire State ticket and the election of progressive representatives in Congress and the lower house of our legislature.

1934 FARMER-LABOR PLATFORM

In 1934 the Farmer-Labor Party of Minnesota struck out boldly with a virile and forward-looking program:

FARMER-LABOR PLATFORM, ADOPTED MARCH 28, 1934

[From the Farmer-Labor Leader, St. Paul, Minn., Mar. 30, 1934]

PREAMBLE

The Farmer-Labor Party of Minnesota recognizes that the United States has the most wonderful resources, great factories, machinery of production, steam power, and electric power, and millions of capable workers and farmers ready and able to produce food, clothing, and shelter in great abundance for all. At this time when all of us could live in prosperity and happiness we find that there are millions of working men and women in poverty, want, and degradation, and that there are also hundreds of thousands of farmers, business and professional people who have become poverty stricken and bankrupt, and millions of people in all walks of life are compelled to eat the bread of charity.

Palliative measures will continue to fail. Only a complete reorganization of our social structure into a cooperative commonwealth will bring economic security and prevent a prolonged period of further suffering among the people.

We therefore declare that capitalism has failed and immediate steps must be taken by the people to abolish capitalism in a

peaceful and lawful manner and that a new, sane, and just society must be established; a system where all the natural resources, machinery of production, transportation, and communication shall be owned by the Government and operated democratically for the benefit of all the people and not for the benefit of the few.

In order to bring about this cooperative commonwealth and for the purpose of adopting legislation for the immediate relief of the people, the Farmer-Labor Party adopts as its platform the following proposals:

I. AGRICULTURE

Adequate legislation to insure security of tenure on the land for those who farm it. To this end we demand that Congress pass the Frazier bill for refinancing agriculture loans and the Swank-Thomas bill or other legislation to exempt from taxation of homesteads in the city and on the farms to the value of $4,000.

Legislation extending the present moratorium 2 years from the date of expiration and that no action may be brought within the 2 years on any obligation secured by a mortgage.

II. MARKETING

The greatest problem of the farmers being to find markets for their products, we advocate building and maintaining adequate cooperative marketing and purchasing agencies in all the large industrial centers of the State, to be correlated by some State-supervised central head.

III. INDUSTRIAL PROGRAM

To protect our citizens from exploitation through industrial profits, we demand public ownership of all mines, water power, transportation and communication, banks, packing plants, factories, and all public utilities. However, this shall not apply to bona fide, cooperative enterprises.

The immediate passage of a Minnesota reconstruction act with full power to regulate hours and wages and carry on useful public projects.

IV. REEMPLOYMENT

The State to take over sufficient idle industrial plants to furnish employment for idle citizens and to distribute the products to the needy.

V. SOCIAL INSURANCE

That all insurance including workmen's compensation, unemployment, accident, sickness, maternity, old-age pension, fire, cyclone, hail, and life insurance to be taken over by the State and operated without profit.

VI. CONSERVATION

An intelligent and comprehensive plan for the conservation of the natural moisture of the State with arrangements made to retain the greatest possible benefits of the snow and rainfall of the State and restoration as far as practicable of the lake and river levels, and the encouragement of similar projects in the adjacent States.

VII. REFORESTATION

Reforestation to restore and protect the timber wealth and to prevent and retard erosion.

VIII. ST. LAWRENCE WATERWAY

Ratification of the treaty with Canada affecting the construction of the St. Lawrence-Great Lakes waterway.

IX. EDUCATION

Fullest educational opportunities for all, with security of tenure and freedom of expression to teachers. Textbooks to be published by the State and free to all the students. Military training at all educational institutions supported wholly or in part by State funds to be optional.

X. TAXATION

Restoration of unearned wealth to the State and community by graduated taxes effectively administered on large incomes, gifts, and inheritance.

XI. SOLDIERS' BONUS

Immediate payment of the soldiers' bonus by Treasury notes, and repeal of the National Economy Act.

XII. TAX-EXEMPT SECURITIES

We oppose the issuance of tax-exempt securities.

XIII. ELECTIONS

All candidates for the State legislature to be elected with party designation.

XIV. CONSUMERS' COOPERATIVES

The powers of government to allow consumers to freely organize on a cooperative basis, unrestricted by discriminatory laws.

XV. MONEY AND BANKING

Nationalization of banking with Government monopoly of money and credit operated without profit.

Until we attain nationalization of banking, we advocate the establishment of a central State bank of deposit to be wholly owned by the State of Minnesota.

That the bank act as the fiscal agent for the State in all matters.

That it be the only legal depository in Minnesota for State funds or the funds of any subdivision of the State.

That it be permitted to purchase the securities of the United States Government, the State of Minnesota, and other securities designated by laws.

That it be permitted to loan money to correspondent State banks and deposit with correspondent State banks, and that it not be permitted to loan money to private enterprises.

That the deposits or loans to the Minnesota State banks be a preferred claim.

And that the deposits in the bank of Minnesota be guaranteed by the State.

The issue of money is a governmental function and all money should be issued directly by the Government and made a legal tender in payment of all debts.

All money permitted by law to be issued against the gold now in the United States Treasury should be put in circulation by the payment of all Government bonds due, or soon to become due, and for all public works constructed.

If given control of the government of Minnesota we pledge the people of this State to submit to them an amendment to our constitution that will permit the introduction of the Ontario system of development and administration of electric power and light, thus making electricity—the source of power of the future—man's servant and helper, and not his oppressor and master, as is now the case.

We also pledge our farming population and electrical consumers to enact legislation permitting cities, towns, and villages now owning power and light plants to sell current freely to farms, smaller towns, and villages.

ANALYSIS OF 1934 FARMER-LABOR PLATFORM

Later an analysis of the Farmer-Labor platform was published by the Farmer-Labor Association of Minnesota.

ANALYSIS OF THE FARMER-LABOR PLATFORM

To clarify the intent and purposes of the Farmer-Labor platform, and to state those purposes free from the mass of misinformation and deliberate misrepresentation of capitalist newspapers and capitalist politicians, the State committee of the Farmer-Labor Association of Minnesota has prepared this analysis. It sets forth clearly what parts of the platform can be enacted by the State legislature, what parts must go to the people on referendum, and what portions are recommendations to the National Government.

There has been a studied and deliberate attempt on the part of reactionary forces to confuse voters as to the intent of the Farmer-Labor platform and the kind of government Minnesota can expect under Farmer-Labor administration. They seek to make the voter believe that the State is about to embark on a campaign of public ownership that will take factories away from their owners, throw all insurance companies out of business, put the State into every form of business, and create a soviet State.

The preamble of the Farmer-Labor platform embodies two distinct programs; one which can be attained by voluntary action and without legislative procedure—a "cooperative organization"; the other which may be enacted when the people adopt it by a referendum vote—"public ownership."

COOPERATIVE SOCIETY IN ACTION

Sweden, Norway, and Denmark have been scarcely affected by the world-wide collapse of the existing order of economics because each has closely approached a cooperative commonwealth. In these nations industries dealing with necessities are owned by the people through cooperative societies. Transportation, communication, and power utilities are state owned. Capital is held in check by this combination of state and cooperative ownership. It is toward such a system that the Farmer-Labor platform urges that immediate steps be taken.

The Farmer-Labor Party is opposed to state ownership and operation of small businesses, such as grocery stores, meat shops, department stores, millinery establishments, drug stores, and similiar enterprises. On the contrary, it seeks to protect small business from destructive competition of monopolistic institutions; it has done this through the passage of the most drastic chain-store tax enacted by any State in the Union. Unless the program of the Farmer-Labor Party is carried out, the independent merchant will be destroyed by the trusts and monopolies which control the policies of the Republican Party.

The careful political observer can readily detect that Minnesota is to provide the test for the new campaign strategy of the Republican Party. Hence the red scare and an intense waving of the flag.

RED SCARE OF G. O. P.

This red-scare attack against the Farmer-Labor Party is part and parcel of the Republican campaign against the Roosevelt administration. A few months ago Republican leaders in Washington began whispering "communism" in their criticism of President Roosevelt. The whispers have been becoming more audible until today the criticism is quite bold and outspoken.

The Farmer-Labor constitution provides that no person shall be admitted to membership who advocates any political or economic change by means of force or revolution or who advocates any other than a representative form of government. Thus Communists are barred from the Farmer-Labor Party. In the eyes of the party, communism is merely an inverted capitalism.

But the tie-up of the campaign against the National Democratic Party and the Farmer-Labor Party was revealed in the keynote address of one of the Republican candidates for United States Senate. He said: "There is a growing tendency in both our State and Nation to sweep this country on to communism and to bring about the regimentation of industry and business."

CAPITALISM HAS NO FLAG

Just why these international capitalists who control the affairs and destinies of the Republican Party have any claim to the American flag is a question. But let Minnesota voters not be deceived. The Farmer-Labor Party does not oppose private ownership of property; on the contrary, it believes that the average man and the average woman do not possess enough private property.

What it is opposed to is a system of wealth distribution under which a comparatively few individuals have obtained possession of the great share of the Nation's wealth, and impoverished those who are the real producers of wealth. The abuses of the system are fast making us a race of slaves, destroying the liberties of the individual, and removing all opportunity of success from our boys and girls.

PLIGHT OF AMERICAN YOUTH

The young folks today have been most cruelly injured; they are bewildered and discouraged; their individual initiative is gone; their plight is pathetic. This is one of the tragedies of the ages. The rugged individual today is the one who finds himself at the head of the breadline instead of at the rear.

THREE DIVISIONS OF PLATFORM

The platform that the Farmer-Labor Party presents falls under three categories: The State legislative program; amendment to the Constitution to be submitted to the people for decision; recommendations to the National Government for consideration as matters of national policy. In addition, the party is committed to a policy of municipal ownership of public utilities, the beneficial results of which have been proven by scores of municipalities which have adopted it.

The reactionary press and reactionary politicians appear quite exercised because the Farmer-Labor Party proposes to submit certain questions to the people for decision. Why should they object to such procedure? Are they afraid to trust the people? That is precisely the case.

STATE LEGISLATIVE PROGRAM

The State to take over idle factories, operate these factories by unemployed, and distribute the products to relieve destitution among the needy.

This meets eye to eye with the newly announced plan of the Roosevelt administration. The Federal plans provide for the leasing by the Government of idle factories in order to relieve unemployment and supply food and clothing to those in destitute circumstances. These factories would not be in competition with private industry. Most economists are agreed that under the present system unemployment on a large scale will be a more or less permanent problem. Until a permanent solution for the problem is found, measures such as the above are necessary.

EXTENSION OF THE MORTGAGE MORATORIAM LAW 2 YEARS

This law was passed by the last legislature, despite most vigorous pressure to defeat it from reactionaries. The law was declared constitutional by the United States Supreme Court in a decision which held that the courts and the law must take cognizance of modern progress and the economic needs of the people. It marked a triumph of the doctrine that human rights take precedence over property rights. The Court in its decision said: "The question is no longer merely that of one party to a contract as against another, but of the use of reasonable means to safeguard the economic structure upon which the good of all depends."

EXEMPTION OF HOMESTEADS IN THE CITY AND FARM FROM TAXATION TO THE VALUE OF $4,000

The Farmer-Labor administration was instrumental in securing the passage of the homestead-tax law. This measure reduced taxes on all homesteads and particularly upon the homesteads of the small-home owner and farmer. Taxes are now levied upon 20 percent of the first $4,000 of valuation of such farms instead of the previous 33⅓ percent, and upon 25 percent of the first $4,000 of valuation of small homes as against a former basis of 40 percent. This relief is not sufficient. All homesteads, in the city and the farm, should be exempt from taxes for the first $4,000 of valuation.

A GRADUATED INCREASE IN TAXES ON LARGE INCOMES, GIFTS, AND INHERITANCES

In this way we can make up the reduction in tax receipts from exemption of homesteads from taxation for the first $4,000 of valuation. Furthermore, it has complete justification. Seventy-six percent of the people—the great mass—possesses less than 6 percent of our wealth, while 1 percent possesses 59 percent of our wealth. Those who have the power to consume the products of the farm and factory have not the power to purchase these commodities. Taxation is one of the means of effecting a redistribution of wealth.

ESTABLISHMENT OF A CENTRAL STATE RESERVE BANK TO BE OWNED WHOLLY BY THE STATE OF MINNESOTA

This bank could act as the fiscal agent for the State in all matters and be the only legal depository in Minnesota for State funds or the funds of any subdivision of the State. It would be permitted to purchase the securities of the United States Government, the State of Minnesota, and other securities designated by law. It also would be permitted to loan money to correspondent State banks, but not to private enterprises. A State reserve bank, owned, controlled, and operated cooperatively by all the State banks, would liberate credits from monopolistic control and serve most of the purposes of the above proposed law, or would protect the independent banks. The only opposition to such a law comes from the chain banks.

A LAW TO PERMIT CITIES, TOWNS, AND VILLAGES NOW OWNING AND OPERATING POWER AND LIGHT PLANTS TO SELL CORRENT FREELY TO OTHER COMMUNITIES

A bill was introduced at the last legislature giving municipalities which own and operate power and light plants authority to extend their lines to neighboring villages and towns within a radius of 25 miles. The bill was enacted into law only after reactionary legislators tacked on an amendment which prohibits the sale of electrical current to towns and villages.

For example: The net electric rate at the city of Virginia, where there is in operation a municipal plant owned by the people, is 2 cents per kilowatt-hour. The net electric rate at Eveleth, a next-door neighbor, supplied by a private company, is 7.5 cents per kilowatt-hour. The people of Eveleth are anxious to be served from the publicly owned plant at Virginia.

A MINNESOTA RECONSTRUCTION ACT, WITH FULL POWER TO REGULATE HOURS AND WAGES AND CARRY ON USEFUL PUBLIC-WORKS PROJECTS

We cannot close our eyes to the serious unemployment problem. Also, in attempting its solution, we must guard against lowering of the American standard of living; on the contrary, we must seek to raise this standard. The undertaking of useful public works is one of the methods of meeting the unemployment situation during a period of transition until a more permanent solution of the problem is found.

TEXTBOOKS FOR THE USE OF OUR SCHOOLS TO BE PRINTED BY THE STATE AND DISTRIBUTED FREE TO ALL STUDENTS

This is purely an economic measure, due entirely to the operation of what is virtually a Textbook Trust. Education for the poor should be made more easy of attainment rather than more difficult. The State would not select nor gather the material for these books nor interfere with such work, but would only provide a printing plant for printing the school books designated by the same authorities as now designate, and without any violation of the principle of home rule. An increase in inheritance taxes on estates amounting to over $100,000 could defray the cost of printing the textbooks.

SECURITY OF TENURE AND FREEDOM OF EXPRESSION FOR TEACHERS IN OUR PUBLIC SCHOOLS

The present teachers' tenure law does not go far enough. Academic freedom for teachers is essential if we are to maintain an educational system free from interference from interested groups who attempt to control, for selfish reasons, the course of public instruction. In that regard, the activities of the Power Trust to influence our public instruction may be cited. It was revealed in the Federal investigation of the trust that money was spent to spread private-power propaganda in the schools, which included the University of Minnesota.

UNEMPLOYMENT INSURANCE

The producers of our wealth live in a perpetual nightmare, the constant fear that the morrow may find them in the ranks of the unemployed and their families in want of food and clothing and shelter. Our workers do not receive sufficient compensation while working to enable them to maintain an American standard of living and at the same time permit them to save enough money to carry them over periods of economic depression. The question of unemployment insurance is a matter now under consideration by the Roosevelt administration. Enactment of a Federal unemployment-insurance law will make it possible for the State to adopt a law which will not discriminate against Minnesota employers of labor in their competition with employers in other States.

SICKNESS, ACCIDENT, AND WORKMEN'S COMPENSATION INSURANCE

The States of Washington, Ohio, North Dakota, and others are now operating their own workmen's compensation insurance. The present workmen's compensation set-up in Minnesota does not give the worker in industry the needed protection. There are now approximately $400,000 in unpaid claims before the Minnesota Industrial Commission, the result of insurance companies becoming insolvent in the past few years. Although legal responsibility for these claims rests on the employers, there is little doubt but that a large part of these claims never will be paid. Sickness and accident insurance are matters of social import in which the State can legitimately engage as important social activity. We believe that under encouragement by the State other forms of insurance may be handled by mutual companies operating in a purely cooperative manner.

MATERNITY INSURANCE

This would make it unnecessary for married women who were expectant mothers engaged in industry to continue working. It would apply only to those families where mothers-to-be require relief from financial worries.

AN ADEQUATE OLD-AGE PENSION

The last legislature passed an old-age-pension bill. It provides a pension of not to exceed $1 a day for those who, in their old age, find themselves in want. This marks a forward step, but it is not far enough. We now create wealth with the greatest of ease—so much in fact that we don't know what to do with it. Because we have no intelligent system of distributing this wealth,

we throw men and women out of work, causing hunger and dire suffering. We produce enough to give comfort and security to everybody. By providing this comfort and security to those who in the closing days of their lives find themselves in want, we increase the opportunities for our young folks.

Candidates for the State legislature to be elected with party designation.

In voting for a candidate the people have the right to know what the group and party affiliation of that person will be.

A LAW TO GIVE SOME DESIGNATED PUBLIC BODY CONTROL AND JURISDICTION OVER PUBLIC WORKS

This will make possible a water-conservation policy and program, impossible under existing laws. With our lakes and streams drying up because of the continued drought, the water supplies of communities threatened, and pollution of our streams a menacing problem, water-conservation legislation is a matter of imperative need. Minnesota has water resources unequaled by any other State, but we are among the very backward States in the Union as regards water-conservation laws. There is no public body at present which has control and jurisdiction over public works for the conserving of our water resources.

QUESTION TO BE SUBMITTED TO THE PEOPLE

The State to build and operate electric power plants and to sell electricity thereby generated to municipalities and to individuals.

The Ontario system could well be used as a model. The average cost of resident electricity in Ontario is one and a half cents per kilowatt-hour, while in the United States, where we live under the blessings of utility-controlled government, it is 7 cents. The Federal Government under the Tennessee Valley Authority is today establishing in this great valley a publicly owned power system that will supply light and power to all the inhabitants of that area. Not only will the power of Muscle Shoals be utilized but another great dam on the Clinch River in the eastern part of Tennessee is being constructed. This dam has been named in honor of Senator GEORGE W. NORRIS whose indefatigable efforts for public ownership have borne such splendid fruit in this great project. The Federal Government has gone even further than developing and supplying power and light at actual cost to the fortunate Americans who live within the scope of this project. It is making it possible through Federal loans for people to purchase full electrical equipment and appliances from the Tennessee Valley Authority at prices much below market figures and upon long terms of payment. This project is the most inspiring example of the duty and service by Government to its people that is taking place on the American continent today.

RECOMMENDATIONS TO THE FEDERAL GOVERNMENT

Passage of the Frazier bill and the Swank-Thomas bill, or legislation of a similar nature.

The Frazier bill proposes to use the Federal land banks as machinery whereby mortgages on farms may be transferred to these banks, which will assume them at an interest rate of 1½ percent and an additional 1½ percent to be paid each year on principal. This will amortize the loan and make it possible to pay off the mortgage in a little more than 30 years. This can be accomplished by the issuance of currency. The farmer will again become a freeholder instead of a tenant and a slave to the bond and mortgage holder. The Swank-Thomas bill is designed to give the farmer a fixed minimum price for his farm products based upon the cost of production. Prosperity to the farmer (and this means prosperity to the Nation) cannot be restored until the price of farm products is based upon production cost.

Construction of the St. Lawrence-Great Lakes waterway.

An outlet to the sea is essential to the industrial life of the Northwest. To date local selfish interests and the influence of the Power Trust have effectively prevented progress toward bringing about this vital improvement.

Federal Government ownership and operation of transportation and communication systems, packing plants, iron mines, and factories which are part of any key industry.

Public ownership of railroads has proven successful in Canada and in Europe. There is no more reason why telephone and telegraph systems should be in private hands than there is for the mails being in private hands. The people of this country have paid untold millions in exorbitant rates based on watered stock. The Federal Government should take over the packing plants and operate them in the interest of the farmer and the consuming public. During the time when the farmers were going bankrupt because of the ruinous prices of farm products, the packing plants were making tremendous profits. As regards public ownership of the iron mines, the State now owns approximately 10 percent of the mines under the trust fund. Iron ore, being vital to the life of the Nation, the ownership and operation of the Minnesota mines, not owned by the State, which produce the great bulk of the supply for this country, should be taken over by the Federal Government.

The Farmer-Labor Party does not believe that any State can operate a so-called "key industry" because the activities of a key industry are always interstate in character. It, therefore, does not propose that factories shall be owned and operated by the State, but that they shall be taken over by the Federal Government. While the National Industrial Recovery Act does not now authorize the President to acquire ownership of factories in the name of the Federal Government, it does empower him to take them under the direct jurisdiction of the Government and operate them.

REPEAL OF THE NATIONAL ECONOMY ACT

We cannot restore prosperity by lowering wages and reducing the standard of living. Purchasing power must be increased rather than decreased.

IMMEDIATE PAYMENT OF THE SOLDIERS' BONUS BY TREASURY NOTES

The least the country can do for its veterans is to pay in full and at once this moral obligation. Profiteers were permitted to enjoy their ill-gotten gains, but the man who shed his blood for his country has been neglected in the interest of economy.

NO TAX-EXEMPT SECURITIES SHOULD BE ISSUED

It is through tax-exempt securities that those of great wealth in this country escape their legitimate share of taxation. This subterfuge of the rich to escape their proper share of taxes is not only unjust but places the tax burden on those who cannot afford to carry it.

NATIONALIZATION OF BANKING, WITH GOVERNMENT MONOPOLY OF MONEY AND CREDIT

The large chain banks have worked a hardship on the small business man, who has been treated by them in a dog-in-the-manger fashion. Government control of money and credit will assure the average businessman fair treatment. At the present time, he is being discriminated against and is at the mercy of greedy and selfish interests. The Federal Government is fast approaching nationalization through the operation of the R. F. C. and the guaranty of bank deposits.

All money should be issued directly by the Government and made full tender in payment of all debts; all money permitted by law to be issued against the gold now in the United States Treasury should be put in circulation by the payment of all Government bonds due, or soon to become due, and in payment for all public-works construction; there shall be no further issue of interest-bearing bonds.

The issuance of bonds is in essence the issuance of money, since it represents a Government guarantee to pay. In effect, it means that the people are paying interest on their own money.

GOVERMENT SHOULD TAKE OVER ALL WAR MUNITION PLANTS

Private ownership of munition plants is one of the causes for war. It is in the interest of private owners that there are wars, and many a war has been plotted and encouraged by these internationalists posing as superpatriots. Congress is undertaking an investigation of the subversive activities of war-munitions manufacturers which should receive universal moral support.

PROGRAM SQUARES WITH PLATFORM

The above program squares with the ideals and principles of the Farmer-Labor Party as espoused in the 1934 platform. It squares also with the most advanced progressive thought of the day.

We cannot go back to the old forms which fit Republican doctrine. The old system has been tried and tested and found wanting. It is pagan and opposed to all religious teachings. Its fruits are millionaires and paupers, hunger in the midst of plenty, wars and pestilence. To return to it is nothing short of insanity.

"CO-OPS" LEAD IN MINNESOTA

The cooperative movement has nowhere in America made greater strides than it has made in Minnesota. We have here the largest single cooperative in the world. The Farmer-Labor Party is committed to the cooperative movement, both producer and consumer. It is committed to a policy whereby government is used as an instrument to aid in the growth of the movement. The party advocates building and maintaining adequate cooperative marketing and purchasing agencies in all the large industrial centers of the State. The cooperative movement has now reached the point where the commissioner of agriculture, under existing laws, can act as an agency for correlating efforts in the direction of marketing.

LIFE INSURANCE NOT INVOLVED

In the foregoing program, no reference is made to life, fire, cyclone, hail, and similar forms of insurance. These fields are effectively covered by the operation of such mutual insurance companies as the true cooperatives. The party is definitely opposed to engaging in governmental activities in competition with cooperatives. When the companies fail to cover this field, the Government can step in. When the cooperatives finally step into all fields, our Government withdraws.

SPECIAL INTERESTS OPPOSE PROGRAM

We warn the voter against being misled by false and malicious propaganda against the Farmer-Labor platform, disseminated by special interests who are concerned not in the welfare of the people but in their own selfish aims. Do not again travel the dark and hopeless road to reaction and Government control by predatory wealth, but take the road which leads to security and happiness. Join with all the enlightened people of the Nation who are seeking to build a new order.

PROGRESSIVE PARTY OF WISCONSIN

One of the most successful new party organizations is the Progressive Party of Wisconsin, represented by one Senator and seven Representatives in Congress:

Senator ROBERT M. LA FOLLETTE, Jr.

Representatives THOMAS R. AMLIE, HARRY SAUTHOFF, GARDNER R. WITHROW, GERALD J. BOILEAU, GEORGE J. SCHNEIDER, MERLIN HULL, and B. J. GEHRMANN.

Wisconsin is also fortunate in having a Governor, Philip F. La Follette, representing the same Progressive Party.

PLATFORM OF THE PROGRESSIVE PARTY OF WISCONSIN

The platform of the Progressive Party is printed in each issue of the Progressive, published at Madison, Wis. There are eight planks in this platform:

[From the Progressive, Madison, Wis., May 4, 1935]

THE PROGRESSIVE PLATFORM

1. Public ownership of natural resources and of those activities with a public interest—light, heat, power, and transportation.

2. War profits: Elimination of war profits; Government monopoly on the manufacture and sale of munitions; a plebiscite on wars which would send American soldiers to foreign soil.

3. Income tax: High inheritance and income taxes to be levied on the beneficiaries of monopoly.

4. Cooperatives: Development of a strong farmers' cooperative movement and also consumers' cooperatives.

5. Unions: Development of a strong trades-union movement.

6. Banks: A Government-owned central banking system to break the grip of the Money Trust by carrying out, among other things, the congressional power to coin money and regulate the value thereof.

7. Pensions: Adequate old-age pensions and unemployment insurance.

8. Relief: Adequate poor and unemployment relief and the restoration of purchasing power in the hands of the great masses of the people.

COMPLETE PLATFORM OF WISCONSIN PROGRESSIVE PARTY, 1934

The official 1934 platform of Wisconsin's Progressive Party was adopted at the platform convention held in Madison, Wis., in October 1934. It was on this platform that Wisconsin Progressives in November 1934 elected a Governor, a United States Senator, and seven Representatives in Congress:

[From the Capital Times Publishing Co., Madison, Wis.]

Our economic system has failed.

In the midst of an abundance of everything we suffer from widespread and continued poverty and insecurity. Millions are forced to accept charity and relief for themselves and for their children.

For many centuries our ancestors struggled to get food and shelter. Slowly they invented tools and machinery, thus increasing the store of goods. Yet there was never enough. But the quest for a promised land of plenty was never given up.

NOW HAVE SUFFICIENT

Within the last two decades, the inventive genius of man and the labors and sacrifices of untold generations have suddenly borne fruit. We have moved out of a world in which there was always too little into a world actually where there is sufficient.

This event is momentous.

It is the greatest achievement in man's effort to master material conditions. Can there be wonder that so profound an occurrence should cause equally profound difficulties? Can there be surprise that drastic social changes are called for to prevent our very success from becoming a curse?

There are people who find it hard to think of any other economic world than the one to which they are accustomed, although their world is falling to ruin before their eyes. These are the reactionaries who demand a return to the order of things in which they ruled arrogantly, and by means of which they plunged our country into the most critical condition of its economic history.

NOT GOING BACK

But we are not going back to the old order. That day is gone. We are on the threshold of a new age—for better or for worse. Undisputed facts show that the period ahead can be the greatest in which man has ever lived, or it can be a period of chaos, confusion, and rapid disintegration of civilization itself. Those now living will decide the kind of an age it is to be.

Practical ways and means to deal with this crisis cannot be produced by a miracle. But great as the task is, it can be accomplished if we set our faces in the right direction and pull together. The job is too big for a leader or a group of leaders to do alone. It can only be done with the help of the great mass of the people. With their determined cooperation it can be done.

To this great end we must have a political realinement that will place the exploiting reactionary on the one side and the producer, consumer, independent business, and professional interests on the other. An organized movement is necessary to unite men and women in all walks of life for an aggressive attack on those forces that block the way to plenty for all.

NEED NEW PRINCIPLES

Our times demand more than political strategy—more than outworn political pledges that are to be forgotten. They demand a broad, clear statement of principles, so plain that it cannot be misunderstood. It is not feasible nor is it necessary to elaborate in detail the steps that must be taken in order that economic, social, and political institutions may be made to function for the common good. It is, however, both feasible and necessary that the general direction of the steps be indicated with the utmost clearness.

Accordingly, Progressives in Wisconsin, cutting loose from all connections with the two old reactionary parties in this crisis, have founded a new national party under the name "Progressive Party." This party appears for the first time in Wisconsin to contest the 1934 regular election.

Every Progressive declares his allegiance to certain principles and proposals.

It is his conviction that society exists to establish and to preserve certain human rights. By fighting for these rights the Progressive not only advances his own and his family's welfare but he does his part to build a new order of security and plenty for America.

PRINCIPLES LISTED

The Progressive stands for these principles:

First. The right of every American to worship God according to the dictates of his conscience; to express his opinion through a free press and free assemblage; and to have an effective voice in his political and economic life.

Second. The right of every American on the farm and in the city to earn his living by useful work and to receive for this work an income which the full productive capacity of society can afford.

Third. The right of American youth to develop their talents through public education, adequately supported, and to find a place in the life and work of their country.

Fourth. The right of men and women whose industry has helped to build the Nation to face their declining years free from the fear of want. This right can be guaranteed by a self-respecting system of old-age pensions.

Fifth. The right of every citizen to join with his fellows in cooperative efforts and to bargain collectively through representatives of his own choosing.

Sixth. The right of every American to live under a government strong enough to suppress the lawless, wise enough to see beyond the selfish desires of the moment, and just enough to consider the welfare of the people as a whole.

SOCIETY'S OBLIGATION

It is the obligation of society to safeguard these rights.

It is the obligation of citizenship to serve the State and Nation through the intelligent and fearless discharge of the duties which citizenship involves, so that these rights may be made secure.

In keeping with these fundamental principles, Progressives believe that:

1. Every man and woman able and willing to work should be given a job at a wage which the full productive capacity of society can afford. A shorter work day and a shorter work week are necessary. If private employment fails a public-works program sufficient to make the principle effective should follow. One of the major projects which should be immediately undertaken, notwithstanding the opposition of the bankers and the Power Trust, is the development of the St. Lawrence River for power and navigation.

2. Security for all is a necessary preliminary to plenty for all. Unemployment insurance, old-age pensions, accident insurance, should be established by joint State and National legislation.

Security for the industrious home owner and farmer against the loss of his home or farm should be guaranteed by State and national legislation.

3. The manufacture and sale of munitions and armaments must be placed exclusively in the hands of the Government so that none shall profit from human slaughter.

We favor legislation which would require a popular referendum before our country could enter any war except to repel invasion.

4. Public utilities should be publicly owned. Especially is this necessary in the case of electricity, where private ownership has robbed the investor and deprived the people of the full use of electricity on the farm and in the home.

5. Credit and money should be controlled by the people through a Government-owned central bank which will make the monopoly of credit in private hands impossible.

PAY SOLDIERS' BONUS

6. The soldiers' bonus should be paid immediately. Just benefits to the soldier and his dependents should be restored.

7. Every worker has the right and the duty to join an organization of his own choosing without interference from his employer. Appropriate legislation should be enacted to outlaw the company union and to make it unlawful for any employer to give financial or other aid toward the promotion or maintenance of company unions. Only thus can labor be assured a voice in the management in modern industry—to which it is entitled.

We favor legislation which would deprive the Federal courts of any jurisdiction over labor disputes as defined in the Norris-La Guardia Act; prohibit Federal courts from issuing any injunctions in a labor dispute; and leave such jurisdiction exclusively to State courts.

8. The interests of farmers and labor are fundamentally in harmony. Neither can prosper long while the other is depressed. United there is hardly a limit to what organized farmers and organized labor can accomplish; divided they become an easy prey for their common enemies.

EXTEND CREDIT

The Federal Government should extend to farmers and home owners credit to refinance farm and home mortgages at a rate of interest which farmers and home owners can pay under present economic conditions. The original Frazier bill and similar legislation to aid the home owner should pass.

The La Follette tax program of lowering property taxes to aid farmers should continue.

Lower prices on farm machinery and other materials the farmer purchases are prevented by monopolies, which control the prices of such products. Such industries, where competition cannot be made effective, should be operated by the Government.

The spread between the prices received by farmers and other producers and those paid by consumers should be reduced and stabilized.

The cooperative marketing of farm products and the organization of consumers' cooperatives should be vigorously encouraged.

REGULATE EXCHANGES

Livestock and grain exchanges should be under strict Government regulation.

The distribution of milk should be a public utility. Profits in such distribution should be strictly regulated by the Government.

The destruction of food products while people are in need is wrong and stupid.

The farmer is entitled to his cost of production, and Progressives pledge their party to the foregoing program to obtain this result.

9. Taxation must be based upon ability to pay.

Progressives oppose the various tax exemptions for the rich promised by the Republican and Democratic Parties.

Progressives oppose the sales tax advocated by the Wisconsin Democrats and other reactionary groups throughout the Nation.

Progressives oppose tax-exempt securities.

In Wisconsin, Progressives oppose the present tax exemption of dividends.

In Wisconsin, Progressives favor reducing property taxes for the home owner, the farmer, and the business man by resuming the La Follette plan of 1931–32, which, according to the tax commission's reports, lowered property taxes in Wisconsin $26,500,000 in 2 years, the greatest property-tax reduction in the history of Wisconsin or in the history of any other State.

AID FOR EDUCATION

We favor increased State and Federal aids to maintain educational standards and reduce property taxes. When the schools of the country are financed mainly by the income tax and the roads mainly by the gasoline tax, very little property-tax problems will remain.

In Wisconsin, Progressives favor a thorough revision of the unfair sections of the ton-mile tax law.

In Wisconsin, Progressives are opposed to the policy of the Democratic State administration in diverting to other purposes gas-tax money and license-plate money raised for highway purposes to avoid taxing dividends. Nearly three-fourths of the benefits to such dividend-tax exemptions made possible by diverting highway funds goes to less than 10,000 taxpayers. The only other benefit from such tax exemption is in the raising of campaign funds for the party that grants it. Progressives also oppose the drastic cutting of local highway aids to grant tax exemption for dividends, because this policy merely increases local property taxes.

GIVE ADEQUATE RELIEF

10. Until employment is available, the unemployed must be provided with adequate relief, justly administered. While relief is now primarily a Federal problem, Progressives favor adequate cash relief. This aids local business. It restores self-respect to those who, through no fault of their own, are receiving relief. It eliminates thousands of political jobs and prevents a growth of a relief bureaucracy.

11. In Wisconsin, Progressives condemn the solid Democratic vote in the 1933 legislature favoring the spoils system and for the repeal of the Wisconsin civil-service law.

12. In Wisconsin Progressives condemn the policy of the Wisconsin Democrats in crippling the public-school system by cuts in educational appropriations.

Progressives favor increased State and Federal aid to maintain elementary and high-school educational standards.

HURTS SCHOOL SYSTEM

The policy of the Wisconsin Democrats not only injures the public-school system but also forces excessive and very unequal property taxation in school districts.

13. In Wisconsin, Progressives favor support for State institutions adequate to insure safety for the public, respectable working conditions for the attendants, and humane treatment for the wards of the State.

14. In Wisconsin, Progressives pledge their party to the further expansion of the broadened conservation program begun by Gov. Philip F. La Follette in 1931, which will insure for us and our children—

Intensive forest protection.

Extension of the erosion program to save agricultural soil values.

Reestablishment of water levels in those areas necessary to successful agriculture; reestablishment of water levels in the unwisely drained marsh, thus recreating the ancient nesting area and home for migratory and upland birds.

A vigorous program to end stream and lake pollution.

REESTABLISH FORESTS

A zoning program by the counties to reestablish our forests, thus restoring the balance nature demands to insure as against drought.

The full development of the State's facilities for the propagation, planting, and protection of fish and game.

15. We declare for Wisconsin-owned business as opposed to chain stores. We favor special taxation of chain stores adequate in degree to at least wipe out the advantage which the chain stores have always enjoyed under the property tax.

16. We favor genuine economy, but we are unalterably opposed to the kind of economy which seeks to cut the other fellow only to grab all available spoils for oneself.

17. We favor a constitutional amendment for the initiative and referendum. A resolution for this purpose was killed by stalwart Democrats and Republicans in the last legislature. We favor local referenda on proposed local consolidations.

DEMAND FREE PRESS

18. Progressives reaffirm their faith in our democratic form of government and demand that the right of free speech, free press, free worship, free assembly, the inviolability of the home, and security against unreasonable searches and seizures be safeguarded; and that equal political, civil, and economic rights be assured for all citizens of the United States.

NEW THIRD PARTY IN OREGON

The press reports that Gov. Charles H. Martin's law-and-order attacks on striking lumber workers proved a boomerang in Oregon. They helped inspire the most militant convention in the history of the Oregon State Federation of Labor. Two resolutions of deep significance were adopted at the recent State Federation of Labor Convention in Oregon:

First, condemning the profit system as immoral as long as any man willing to work is deprived of employment because of the retention of profits by a few privileged individuals.

Second, demanding the establishment of a new political party, State and Nationally, dedicated to the welfare of the producing classes, and denouncing the Republican and Democratic Parties as having betrayed the common people.

[From The Progressive, Madison, Wis., Aug. 31, 1935]

The press also quotes William Green, president of the American Federation of Labor, as stating that the Federation of Labor will adjust itself to a new national party should the establishment of such a party come about.

THE CONNECTICUT LABOR PARTY

A new labor party has been formed in Connecticut. It is the result of a convention held in Hartford, Conn., on June 30, 1935, where there gathered representatives of 150 Connecticut Federation of Labor union locals. The group gathered at the Central Labor Union Hall in Hartford and voted unanimously for the formation of a Connecticut Labor Party. It is reported to be the first State-wide political gathering of American Federation of Labor unions in the United States. More than 41,000 Connecticut trade-unionists were represented by 165 registered delegates from 30 cities and towns. There are 75,000 members in the American Federation of Labor of Connecticut, and more than half of these, it is reported, are supporting the new move. It calls for the support of labor, farmers, and veterans.

PROGRAM OF CONNECTICUT LABOR PARTY

The Connecticut Labor Party has gone on record for a definite program:

1. Fight against wage cuts and company unions.
2. Genuine unemployment insurance at the expense of employers and the wealthy.
3. Payment of the adjusted-service certificates by taxation on wealth.
4. The 30-hour week, without pay reductions.
5. Defense of civil rights of workers.
6. Defense of trade unions against employers' attacks.
7. Against the use of National Guard and the police in strikes.
8. Against taxation of the toilers and farmers and for the taxation of wealthy to meet the needs of the unemployed and labor.
9. Against the threat of fascism and a new world war.

The committee of the Connecticut Labor Party is headed by William E. Kuehnel, of Hartford, Conn., president of the Central Labor Union of that city.

[From The Nation, July 31, 1935]

OTHER NEW PARTIES

There are also Farmer-Labor, or new parties of other names in Iowa, Michigan, Kansas, Pennsylvania, New Jersey, Illinois, and New York, and new party organizations in many States of the Union which have not yet reached the point of national political significance.

THE EPIC PLAN OF CALIFORNIA

Upton Sinclair's "End Poverty In California" plan caused Nation-wide interest in 1934. His plan contained 12 points:

[The Epic Plan for California, Upton Sinclair, p. 10]

THE TWELVE PRINCIPLES OF EPIC

(End Poverty In California)

1. God created the natural wealth of the earth for the use of all men, not of a few.
2. God created men to seek their own welfare, not that of masters.
3. Private ownership of tools, a basis of freedom when tools are simple, becomes a basis of enslavement when tools are complex.
4. Autocracy in industry cannot exist alongside democracy in government.
5. When some men live without working, other men are working without living.
6. The existence of luxury in the presence of poverty and destitution is contrary to good morals and sound public policy.
7. The present depression is one of abundance, not of scarcity.
8. The cause of the trouble is that a small class has the wealth, while the rest have the debts.
9. It is contrary to common sense that men should starve because they have raised too much food.
10. The destruction of food or other wealth, or the limitation of production, is economic insanity.
11. The remedy is to give the workers access to the means of production, and let them produce for themselves, not for others.
12. This change can be brought about by action of a majority of the people, and that is the American way.

AMERICAN COMMONWEALTH POLITICAL FEDERATION

Among the national organizations, the American Commonwealth Political Federation is perhaps the most recent and widely supported among people now holding public office. Although the name "American Commonwealth Political Federation" is new, the organization is an outgrowth of an older group.

After the campaign of 1928 Prof. Paul Douglas called a conference in New York which formed the League for Independent Political Action, of which Prof. John Dewey became chairman and Howard Y. Williams national organizer. In 1933 a conference at Chicago resulted in the formation of the Farmer-Labor Political Federation. It contained practically the same leadership as the League for Independent Political Action, but was primarily designed for the formation of new political parties in the various States. The American Commonwealth Political Federation, formed at Chicago on July 5 and 6, 1935, succeeded the Farmer-Labor Political Federation. The call for the Chicago meeting of July 5 and 6 was signed by five Congressmen, THOMAS R. AMLIE, GEORGE J. SCHNEIDER, BYRON N. SCOTT, VITO MARCANTONIO, and ERNEST LUNDEEN.

PLATFORM OF AMERICAN COMMONWEALTH POLITICAL FEDERATION

The program of the American Commonwealth Political Federation may become the basis for action as a political party in 1936.

[Robert Morss Lovett in the New Republic, July 24, 1935]

1. As a means of transition to an economy of abundance we favor unlimited production for use by and for the unemployed.
2. We declare for the payment of high wages to all those at work. We are opposed to a charity dole or wage for the unemployed on relief or in public works. We favor union wages for the unemployed.
3. We declare for complete economic security to all through abundant provision for needs and emergencies such as maternity, infancy, education, sickness, accident, old age, and unemployment.
4. We declare that every worker shall be protected in the right to join a union of his own choosing, with no interference by his employer. We are opposed to the police or National Guard being used to break farm or labor strikes. We favor outlawing the company union and the yellow-dog contract.
5. We declare that there should be Government regulation of the marketing of farm commodities on a basis of the farmer receiving for that portion of his farm products needed for consumption within the United States a price of not less than the cost of production. We are opposed to the importation of farm products in competition with farm products produced in the United States. We favor Government refinancing of farm indebtedness at 1½ percent interest and 1½ percent on the principal of the indebtedness annually.
6. We favor moratorium legislation to obtain tenure of the land for the farmer and the home for the city homeowner.
7. We favor heavy taxation, effectively administered, on large incomes, including income from all public bonds now tax-exempt, gifts, inheritances, and corporate surpluses, to provide for all necessary Government and social services.
8. We reaffirm our faith in our democratic form of government. We demand that the right of free speech, free press, and free assembly be safeguarded, and that equal political, civil, and economic rights be assured for all citizens of the United States.
9. We favor the immediate payment of the soldiers' bonus.
10. We favor immediate public ownership and operation of natural resources, transportation and communication, public utilities, mines, munition plants, and basic industries.
11. We favor unified Federal ownership and operation of the banking system for the purpose of controlling the issue of currency and credit.
12. We are opposed to war and favor strengthening the international agencies for peace through international cooperation.
13. We favor Federal aid to education to equalize educational opportunities between the States and this Federal aid to be administered by a Federal Department of Education.
14. We favor a constitutional amendment providing that Congress shall have power to make all laws that in its judgment will be necessary to provide for the general welfare of the people.

UTOPIAN SOCIETY

The Utopian Society is another California product. Its purpose and progress are well described by Robert Ordway Foote in the New York Times for July 29, 1934.

Mr. Foote states that the Utopian Society is marching eastward from Los Angeles, where it was incorporated about 18 months ago. The Utopians numbered 250,000 in 1934. They propose to establish a social state within the limits of the Federal Constitution which will provide and guarantee economic security to every man, woman, and child in America. Utopia will be reached by peaceful education, and there will be no racial or religious distinctions.

The society is said to be a blend of the economic ideas of technocracy, with the term "ergs" superseded by "effort money", and of the secrecy of the Ku-Klux Klan.

It is said that all members must take an oath of secrecy as well as of allegiance to the United States Constitution. The purpose is—

To educate the American people along economic lines so that, by the use of reason and the ballot rather than by the use of hate and the bomb, it may bring about a readjustment in national economic thinking, placing human values before bond values, by stressing production for use rather than for profit.

The Utopian Society was originated, according to Ordway Foote, by Eugene J. Reed.

THE TOWNSEND CLUBS

The Townsend plan is primarily an old-age pension program. Originally it called for a pension of $200 a month for everyone over the age of 60. The revised plan cut the $200 down to an amount equal to whatever could be raised by the "transaction taxes" levied under the terms of the McGroarty-Townsend bill.

Townsend clubs throughout the country have placed the Townsend plan on a par with a political-party platform, with one plank. A national convention of the group is scheduled to be called in Chicago in October 1935. The founder of the plan and the Townsend clubs is Dr. F. E. Townsend, of Long Beach, Calif. The Townsend National Weekly is the official paper of the organization.

THE NATIONAL UNION FOR SOCIAL JUSTICE—FATHER COUGHLIN

Father Charles E. Coughlin, of Royal Oak, Mich., has by his writings and chiefly his radio talks gained a large following for his program, sponsored by his National Union for Social Justice. The 16-point program is widely known:

[From the New Republic, Apr. 24, 1935, p. 299]

1. I believe in the right of liberty of conscience and liberty of education, not permitting the state to dictate either my worship to my God or my chosen vocation in life.
2. I believe that every citizen willing to work and capable of working shall receive a just and living annual wage which will enable him to maintain and educate his family according to the standards of American decency.
3. I believe in nationalizing those public necessities which by their very nature are too important to be held in the control of private individuals. By these I mean banking, credit and currency, power, light, oil, and natural gas, and our God-given natural resources.
4. I believe in private ownership of all other property.
5. I believe in upholding the right to private property, yet of controlling it for the public good.
6. I believe in the abolition of the privately owned Federal Reserve Banking System and in the establishing of a Government-owned central bank.
7. I believe in rescuing from the hands of private owners the right to coin and regulate the value of money, which right must be restored to Congress, where it belongs.

8. I believe that one of the chief duties of this Government-owned central bank is to maintain the cost of living on an even keel and the repayment of dollar debts with equal value dollars.

9. I believe in the cost of production plus a fair profit for the farmer.

10. I believe not only in the right of the laboring man to organize in unions but also in the duty of the Government which that laboring man supports to facilitate and to protect these organizations against the vested interests of wealth and of intellect.

11. I believe in the recall of all nonproductive bonds and thereby in the alleviation of taxation.

12. I believe in the abolition of all tax-exempt bonds.

13. I believe in the broadening of the base of taxation founded upon the ownership of wealth and the capacity to pay.

14. I believe in the simplification of government, and the further lifting of crushing taxation from the slender revenues of the laboring class.

15. I believe that in the event of a war for the defense of our Nation and its liberties, there shall be a conscription of wealth as well as a conscription of men.

16. I believe in preferring the sanctity of human rights to the sanctity of property rights. I believe that the chief concern of government shall be for the poor because, as it is witnessed, the rich have ample means of their own to care for themselves.

SHARE THE WEALTH

Everyone has heard of Senator HUEY P. LONG, but not everyone knows just what his share-the-wealth program is. Here it is, officially, as set forth:

[From the office of Senator LONG]

PRINCIPLES AND PLATFORM

1. To limit poverty by providing that every deserving family shall share in the wealth of America for not less than one-third of the average wealth, thereby to possess not less than $5,000 free of debt.

2. To limit fortunes to such a few million dollars as will allow the balance of the American people to share in the wealth and profits of the land.

3. Old-age pensions of $30 per month to persons over 60 years of age who do not earn as much as $1,000 per year or who possess less than $10,000 in cash or property, thereby to remove from the field of labor, in times of unemployment, those who have contributed their share to the public service.

4. To limit the hours of work to such an extent as to prevent overproduction and to give the workers of America some share in the recreations, conveniences, and luxuries of life.

5. To balance agricultural production with what can be sold and consumed according to the laws of God, which have never failed.

6. To care for the veterans of our wars.

7. Taxation to run the Government to be supported, first, by reducing big fortunes from the top, thereby to improve the country and provide employment in public works whenever agricultural surplus is such as to render unnecessary, in whole or in part, any particular crop.

"Go ye into all communities and preach the gospel to every living creature."

NATIONAL POLITICAL PARTY PLATFORMS OF 1932

In the last Presidential election, 1932, there were four major national parties which placed Presidential candidates in the field. These were: Republican, Democrat, Socialist, and Communist. The platforms of these four national parties are interesting to compare. The Republican and Democratic platforms are taken from Platforms of the Two Great Political Parties, 1859–1932, compiled in July 1932 under the direction of the Clerk of the United States House of Representatives.

REPUBLICAN PLATFORM 1932

INTRODUCTION

We, the representatives of the Republican Party, in convention assembled, renew our pledge to the principles and traditions of our party and dedicate it anew to the service of the Nation.

We meet in a period of wide-spread distress and of an economic depression that has swept the world. The emergency is second only to that of a great war. The human suffering occasioned may well exceed that of a period of actual conflict.

The supremely important problem that challenges our citizens and governments alike is to break the back of the depression, to restore the economic life of the Nation, and to bring encouragement and relief to the thousands of American families that are sorely afflicted.

The people themselves, by their own courage, their own patient and resolute effort in the readjustments of their own affairs, can and will work out the cure. It is our task as a party, by leadership and a wise determination of policy, to assist that recovery.

To that task we pledge all that our party possesses in capacity, leadership, resourcefulness, and ability. Republicans collectively and individually in Nation and State hereby enlist in a war which will not end until the promise of American life is once more fulfilled.

LEADERSHIP

For nearly 3 years the world has endured an economic depression of unparalleled extent and severity. The patience and courage of our people have been severely tested, but their faith in themselves, in their institutions, and in their future remains unshaken. When victory comes, as it will, this generation will hand on to the next a great heritage unimpaired.

This will be due in large measure to the quality of the leadership that this country has had during this crisis. We have had in the White House a leader, wise, courageous, patient, understanding, resourceful, ever-present at his post of duty, tireless in his efforts, and unswervingly faithful to American principles and ideals.

At the outset of the depression, when no man could foresee its depth and extent, the President succeeded in averting much distress by securing agreement between industry and labor to maintain wages and by stimulating programs of private and governmental construction. Throughout the depression unemployment has been limited by the systematic use of part-time employment as a substitute for the general discharge of employees. Wage scales have not been reduced except under compelling necessity. As a result there have been fewer strikes and less social disturbance than during any similar period of hard times.

The suffering and want occasioned by the great drought of 1930 were mitigated by the prompt mobilization of the resources of the Red Cross and of the Government. During the trying winters of 1930–31 and 1931–32 a Nation-wide organization to relieve distress was brought into being under the leadership of the President. By the spring of 1931 the possibility of a business upturn in the United States was clearly discernible when suddenly a train of events was set in motion in central Europe which moved forward with extraordinary rapidity and violence, threatening the credit structure of the world, and eventually dealing a serious blow to this country.

The President foresaw the danger. He sought to avert it by proposing a suspension of intergovernmental debt payments for 1 year, with the purpose of relieving the pressure at the point of greatest intensity. But the credit machinery of the nations of central Europe could not withstand the strain, and the forces of disintegration continued to gain momentum until in September Great Britain was forced to depart from the gold standard. This momentous event, followed by a tremendous raid on the dollar, resulted in a series of bank suspensions in this country, and the hoarding of currency on a large scale.

Again the President acted. Under his leadership the National Credit Association came into being. It mobilized our banking resources, saved scores of banks from failure, helped restore confidence, and proved of inestimable value in strengthening the credit structure.

By the time the Congress met the character of our problems was clearer than ever. In his message to Congress the President outlined a constructive and definite program which in the main has been carried out; other portions may yet be carried out.

The Railroad Credit Corporation was created. The capital of the Federal land banks was increased. The Reconstruction Finance Corporation came into being, and brought protection to millions of depositors, policyholders, and others. Legislation was enacted enlarging the discount facilities of the Federal Reserve System; and, without reducing the legal reserves of the Federal Reserve banks, releasing a billion dollars of gold, a formidable protection against raids on the dollar, and a greatly enlarged basis for an expansion of credit. An earlier distribution to depositors in closed banks has been brought about through the action of the Reconstruction Finance Corporation. Above all, the national credit has been placed in an impregnable position by provision for adequate revenue and a program of drastic curtailment of expenditures. All of these measures were designed to lay a foundation for the resumption of business and increased employment. But delay and the constant introduction and consideration of new and unsound measures has kept the country in a state of uncertainty and fear, and offset much of the good otherwise accomplished.

The President has recently supplemented his original program. To provide for distress, to stimulate the revival of business and employment, and to improve the agricultural situation, he recommended extending the authority of the Reconstruction Finance Corporation to enable it—

(a) To make loans to political subdivisions of public bodies or private corporations for the purpose of starting construction of income-producing or self-liquidating projects which will at once increase employment.

(b) To make loans upon security of agricultural commodities so as to insure the carrying of normal stocks of those commodities, and thus stabilize their loan value and price levels.

(c) To make loans to the Federal Farm Board to enable extension of loans to farm cooperatives and loans for export of agricultural commodities to quarters unable otherwise to purchase them.

(d) To loan up to $300,000,000 to such States as are unable to meet the calls made on them by their citizens for distress relief.

The President's program contemplates an attack on a broad front, with far-reaching objectives, but entailing no danger to the Budget. The Democratic program, on the other hand, contemplates a heavy expenditure of public funds, a Budget balanced on a large scale, with a doubtful attainment of at best a strictly limited objective.

We strongly endorse the President's program.

UNEMPLOYMENT AND RELIEF

True to American traditions and principles of government, the administration has regarded the relief problem as one of State and local responsibility. The work of local agencies, public and pri-

vate, has been coordinated and enlarged on a Nation-wide scale under the leadership of the President. Sudden and unforeseen emergencies such as the drought have been met by the Red Cross and the Government. The United States Public Health Service has been of inestimable benefit to stricken areas.

There has been magnificent response and action to relieve distress by citizens, organizations, and agencies, public and private, throughout the country.

To provide against the possible failure of local and State agencies the President has urged the Congress to create an emergency relief fund to be loaned temporarily to any State on a showing of actual need and temporary failure of its financial resources.

The Republican Party endorses this record and policy and is opposed to the Federal Government entering directly into the field of private charity and direct relief to the individual.

PUBLIC ECONOMY

Constructive plans for financial stabilization cannot be completely organized until our National, State, and municipal governments not only balance their budgets, but curtail their current expenses as well to a level which can be steadily and economically maintained for some years to come.

We urge prompt and drastic reduction of public expenditure and resistance to every appropriation not demonstrably necessary to the performance of the essential functions of government, national or local.

THE DOLLAR

The Republican Party established and will continue to uphold the gold standard and will oppose any measure which will undermine the Government's credit or impair the integrity of our national currency. Relief by currency inflation is unsound in principle and dishonest in results. The dollar is impregnable in the marts of the world today and must remain so. An ailing body cannot be cured by quack remedies. This is no time to experiment upon the body politic or financial.

BANKS AND THE BANKING SYSTEM

The efficient functioning of our economic machinery depends in no small measure on the aid rendered to trade and industry by our banking system. There is need of revising the banking laws so as to place our banking structure on a sounder basis generally for all concerned, and for the better protection of the depositing public there should be more stringent supervision and broader powers vested in the supervising authorities. We advocate such a revision.

One of the serious problems affecting our banking system has arisen from the practice of organizing separate corporations under and controlled by the same interests as banks, but participating in operations which the banks themselves are not permitted legally to undertake. We favor requiring reports of and subjecting to thorough and periodic examination all such affiliates of member banks until adequate information has been acquired on the basis of which this problem may definitely be solved in a permanent manner.

INTERNATIONAL CONFERENCE

We favor the participation by the United States in an international conference to consider matters relating to monetary questions, including the position of silver, exchange problems, and commodity prices, and possible cooperative action concerning them.

HOME LOAN DISCOUNT BANK SYSTEM FOR THE BENEFIT OF HOME OWNERS OF THE UNITED STATES

The present Republican administration has initiated legislation for the creation of a system of federally supervised home loan discount banks, designed to serve the home owners of all parts of the country and to encourage home ownership by making possible long-term credits for homes on more stable and more favorable terms.

There has arisen in the last few years a disturbing trend away from home ownership. We believe that everything possible should be done by governmental agencies, national, State, and local, to reverse this tendency; to aid home owners by encouraging better methods of home financing; and to relieve the present inequitable tax burden on the home. In the field of national legislation we pledge that the measures creating a home loan discount system will be pressed in Congress until adopted.

AGRICULTURE

Farm distress in America has its root in the enormous expansion of agricultural production during the war, the deflation of 1919, 1920, and the dislocation of markets after the war. There followed, under Republican administrations, a long record of legislation in aid of the cooperative organization of farmers and in providing farm credit. The position of agriculture was gradually improved. In 1928 the Republican Party pledged further measures in aid of agriculture, principally tariff protection for agricultural products and the creation of a Federal Farm Board "clothed with the necessary power to promote the establishment of a farm marketing system of farmer-owned and controlled stabilization corporations."

Almost the first official act of President Hoover was the calling of a special session of Congress to redeem these party pledges. They have been redeemed.

The 1930 Tariff Act increased the rates on agricultural products by 30 percent, upon industrial products only 12 percent. That act equalized, so far as legislation can do so, the protection afforded the farmer with the protection afforded industry and prevented a vast flood of cheap wool, grain, livestock, dairy, and other products from entering the American market.

By the Agricultural Marketing Act, the Federal Farm Board was created and armed with broad powers and ample funds. The object of that act, as stated in its preamble, was "To promote the effective merchandising of agricultural commodities in interstate and foreign commerce so that * * * agriculture will be placed on the basis of economic equality with other industries. * * * By encouraging the organization of producers into effective association under their own control * * * and by promoting the establishment of a farm-marketing system of producer owned and producer controlled cooperative associations."

The Federal Farm Board, created by the agricultural marketing act, has been compelled to conduct its operations during a period in which all commodity prices, industrial as well as agricultural, have fallen to disastrous levels, a period of decreasing demand and of national calamities such as drought and flood has intensified the problem of agriculture. Nevertheless, after only a little more than 2 years' efforts, the Federal Farm Board has many achievements of merit to its credit. It has increased the membership of cooperative farm marketing associations to coordinate efforts of the local associations. By cooperation with other Federal agencies, it has made available to farm marketing associations a large value of credit which in the emergency would not have otherwise been available. Larger quantities of farm products have been handled cooperatively than ever before in the history of the cooperative movement. Grain crops have been sold by the farmer through his association directly upon the world market.

Due to the 1930 Tariff Act and the Agricultural Marketing Act, it can truthfully be stated that the prices received by the American farmer for his wheat, corn, rye, barley, oats, flaxseed, cattle, butter, and many other products, cruelly low though they are, are higher than the prices received by the farmers of any competing nation for the same products.

The Republican Party has also aided the American farmer by relief of the sufferers in the drought-stricken areas, through loans for rehabilitation and through road building to provide employment, by the development of the inland waterway system, by the Perishable Product Act, by the strengthening of the extension system, and by the appropriation of $125,000,000 to recapitalize the Federal land banks and enable them to extend time to worthy borrowers.

The Republican Party pledges itself to the principle of assistance to cooperative marketing associations, owned and controlled by the farmers themselves, through the provisions of the Agricultural Marketing Act, which will be promptly amended or modified as experience shows to be necessary to accomplish the objects set forth in the preamble of that act.

Tariff and the Marketing Act: The party pledges itself to make such revision of tariff schedules as economic changes require to maintain the parity of protection to agriculture with other industry.

The American farmer is entitled not only to tariff schedules on his products but to protection from substitutes therefor.

We will support any plan which will help to balance production against demand, and thereby raise agricultural prices, provided it is economically sound, and administratively workable without burdensome bureaucracy.

The burden of taxation borne by the owners of farm land constitute one of the major problems of agriculture. President Hoover has aptly and truly said: "Taxes upon real property are easiest to enforce and are the least flexible of all taxes. The tendency under pressure of need is to continue these taxes unchanged in times of depression, despite the decrease in the owner's income. Decreasing prices and decreasing income results in an increasing burden upon property owners * * * which is now becoming almost unbearable. The tax burden upon real estate is wholly out of proportion to that upon other forms of property and income. There is no farm relief more needed today than tax relief."

The time has come for a reconsideration of our tax systems, Federal, State, and local, with a view to developing a better coordination, reducing duplication, and relieving unjust burdens. The Republican Party pledges itself to this end.

More than all else, we point to the fact that, in the administration of executive departments, and in every plan of the President for the coordination of national effort and for strengthening our financial structure, for expanding credit, for rebuilding the rural credit system and laying the foundations for better prices, the President has insisted upon the interest of the American farmer.

The fundamental problem of American agriculture is the control of production to such volume as will balance supply with demand. In the solution of this problem the cooperative organization of farmers to plan production, and the tariff to hold the home market for American farmers, are vital elements. A third element equally as vital is the control of the acreage of land under cultivation as an aid to the efforts of the farmer to balance production.

We favor a national policy of land utilization which looks to national needs, such as the administration has already begun to formulate. Such a policy must foster reorganization of taxing units in areas beset by tax delinquency and divert lands that are submarginal for crop production to other uses. The national welfare plainly can be served by the acquisition of submarginal lands for watershed protection, grazing, forestry, public parks, and game reserves. We favor such acquisition.

THE TARIFF

The Republican Party has always been the stanch supporter of the American system of a protective tariff. It believes that the home market, built up under that policy, the greatest and richest

market in the world, belongs first to American agriculture, industry, and labor. No pretext can justify the surrender of that market to such competition as would destroy our farms, mines, and factories, and lower the standard of living which we have established for our workers.

Because many foreign countries have recently abandoned the gold standard, as a result of which the costs of many commodities produced in such countries have, at least for the time being, fallen materially in terms of American currency, adequate tariff protection is today particularly essential to the welfare of the American people. The Tariff Commission should promptly investigate individual commodities so affected by currency depreciation, and report to the President any increase in duties found necessary to equalize domestic with foreign costs of production.

To fix the duties on some thousands of commodities, subject to highly complex conditions, is necessarily a difficult technical task. It is unavoidable that some of the rates established by legislation should, even at the time of their enactment, be too low or too high. Moreover, a subsequent change in costs or other conditions may render obsolete a rate that was before appropriate. The Republican Party has, therefore, long supported the policy of a flexible tariff, giving power to the President, after investigation by an impartial commission and in accordance with prescribed principles, to modify the rates named by the Congress.

We commend the President's veto of the measure, sponsored by Democratic Congressmen, which would have transferred from the President to the Congress the authority to put into effect the findings of the Tariff Commission. Approval of the measure would have returned tariff making to politics and destroyed the progress made during 10 years of effort to lift it out of logrolling methods. We pledge the Republican Party to a policy which will retain the gains made and enlarge the present scope of greater progress.

We favor the extension of the general Republican principle of tariff protection to our natural-resource industries, including the products of our farms, forests, mines, and oil wells, with compensatory duties on the manufactured and refined products thereof.

VETERANS

Our country is honored whenever it bestows relief on those who have faithfully served its flag. The Republican Party, appreciative of this solemn obligation and honor, has made its sentiments evident in Congress.

Increased hospital facilities have been provided, payments in compensation have more than doubled, and in the matter of rehabilitations, pensions, and insurance, generous provision has been made. The administration of laws dealing with the relief of veterans and their dependents has been a difficult task, but every effort has been made to carry service to the veteran and bring about not only a better and generous interpretation of the law, but a sympathetic consideration of the many problems of the veteran.

We believe that every veteran incapacitated in any degree by reason of illness or injuries attributable to service in defense of his country should be cared for and compensated, so far as compensation is possible, by a grateful Nation, and that the dependents of those who lost their lives in war or whose death since the war in which service was rendered is traceable to service causes, should be provided for adequately. Legislation should be in accord with this principle.

Disability from causes subsequent and not attributable to war and the support of dependents of deceased veterans whose death is unconnected with war have been to some measure accepted obligations of the Nation as a part of the debt due.

A careful study should be made of existing veterans' legislation with a view to eliminating inequalities and injustices and effecting all possible economies, but without departing from our purpose to provide on a sound basis full and adequate relief for our service-disabled men, their widows and orphans.

FOREIGN AFFAIRS

Our relations with foreign nations have been carried on by President Hoover with consistency and firmness but with mutual understanding and peace with all nations. The world has been overwhelmed with economic strain which has provoked extreme nationalism in every quarter, has overturned many governments, stirred the springs of suspicion and distrust, and tried the spirit of international cooperation, but we have held to our own course steadily and successfully. The party will continue to maintain its attitude of protecting our national interests and policies wherever threatened but at the same time promoting common understanding of the varying needs and aspirations of other nations and going forward in harmony with other peoples without alliances or foreign partnerships. The facilitation of world intercourse, the freeing of commerce from unnecessary impediments, the settlement of international difficulties by conciliation and the methods of law, and the elimination of war as a resort of national policy have been and will be our party program.

FRIENDSHIP AND COMMERCE

We believe in and look forward to the steady enlargement of the principles of equality of treatment between nations great and small, the concession of sovereignty and self-administration to every nation which is capable of carrying on stable government and conducting sound and orderly relationships with other peoples, and the cultivation of trade and intercourse on the basis of uniformity of opportunity of all nations.

In pursuance of these principles, which have steadily gained favor in the world, the administration has asked no special favors in commerce, has protested discriminations whenever they arose, and has steadily cemented this procedure by reciprocal treaties guaranteeing equality for trade and residence. The historic American policy known as the "most-favored-nation principle" has been our guiding program, and we believe that policy to be the only one consistent with a full development of international trade, the only one suitable for a country having as wide and diverse a commerce as America, and the one most appropriate for us in view of the great variety of our industrial, agricultural, and mineral products and the traditions of our people. Any other plan involves bargains and partnerships with foreign nations and as a permanent policy is unsuited to America's position.

CONDITIONS ON THE PACIFIC

Events in the Far East, involving the employment of arms on a large scale in a controversy between Japan and China, have caused world-wide concern in the past year and sorely tried the bulwarks erected to insure peace and pacific means for the settlement of international disputes. The controversy has not only threatened the security of the nations bordering the Pacific but has challenged the maintenance of the policy of the open door in China and the administrative and political integrity of that people, programs which, upon American initiation, were adopted more than a generation ago and secured by international treaty. The President and his Secretary of State have maintained throughout the controversy a just balance between Japan and China, taking always a firm position to avoid engtanglement in the dispute, but consistently upholding the established international policies and the treaty rights and interests of the United States, and never condoning developments that endangered the obligation of treaties or the peace of the world. Throughout the controversy our Government has acted in harmony with the governments represented in the League of Nations, always making it clear that American policy would be determined at home, but always lending a hand in the common interest of peace and order.

In the application of the principles of the Kellogg Pact the American Government has taken the lead, following the principle that a breach of the pact or a threat of infringement thereof was a matter of international concern wherever and however brought about.

As a further step the Secretary of State, upon the instruction of the President, adopted the principle, later enlarged upon in his letter to the Chairman of the Committee on Foreign Relations of the Senate, that this Government would not recognize any situation, treaty, or agreement brought about between Japan and China by force and in defiance of the covenants of the Kellogg Pact. This principle, associated as it is with the name of President Hoover, was later adopted by the assembly of the nations at Geneva as a rule for the conduct of all those governments. The principle remains today as an important contribution to international law and a significant moral and material barrier to prevent a nation obtaining the fruits of aggressive warfare. It thus opens a new pathway to peace and order.

We favor enactment by Congress of a measure that will authorize our Government to call or participate in an international conference in case of any threat of nonfulfillment of article 2 of the Treaty of Paris (Kellogg-Briand Pact).

LATIN AMERICA

The policy of the administration has proved to our neighbors of Latin America that we have no imperialistic ambitions, but that we wish only to promote the welfare and common interest of the independent nations in the Western Hemisphere. We have aided Nicaragua in the solution of its troubles, and our marines are remaining in that country in greatly reduced numbers, at the request of the Nicaraguan Government, only to supervise the coming election. After that they will all be returned to the United States. In Haiti, in accord with the recommendations of the Forbes Commission, appointed by the President, the various services of supervision are being rapidly withdrawn, and only those will be retained which are mandatory under the treaties. Throughout Latin America the policy of the Government of the United States has been and will, under Republican leadership, continue to be one of frank and friendly understanding.

WORLD COURT

The acceptance by America of membership in the World Court has been approved by three successive Republican Presidents and we commend this attitude of supporting in this form the settlement of international disputes by the rule of law. America should join its influence and gain a voice in this institution, which would offer us a safer, more judicial, and expeditious instrument for the constantly recurring questions between us and other nations than is now available by arbitration.

REDUCTION OF ARMAMENT

Conscious that the limitation of armament will contribute to security against war, and that the financial burdens of military preparation have been shamefully increased throughout the world, the administration under President Hoover has made steady efforts and marked progress in the direction of proportional reduction of arms by agreement with other nations. Upon his initiative a treaty between the chief naval powers at London in 1930, following the path marked by the Washington conference of 1922, established a limitation of all types of fighting ships on a proportionate basis as between the three great naval powers. For the first time, a general limitation of a most costly branch of armament was successfully accomplished.

In the Geneva Disarmament Conference now in progress America is an active participant, and a representative delegation of our

citizens is laboring for further progress in a cause to which this country has been an earnest contributor. This policy will be pursued.

Meanwhile, maintenance of our Navy on the basis of parity with any nation is a fundamental policy to which the Republican Party is committed. While in the interest of necessary Government retrenchment, humanity, and relief of the taxpayer we shall continue to exert our full influence upon the nations of the world in the cause of reduction of arms, we do not propose to reduce our Navy defenses below that of any other nation.

NATIONAL DEFENSE

Armaments are relative and, therefore, flexible and subject to change as necessity demands. We believe that in time of war every material resource in the Nation should bear its proportionate share of the burdens occasioned by the public need and that it is a duty of government to perfect plans in time of peace whereby this objective may be attained in war. We support the essential principles of the national defense act as amended in 1920 and by the Air Corps Act of 1926, and believe that the Army of the United States has through successive reductions, accomplished in the last 12 years, reached the irreducible minimum consistent with the self-reliance, self-respect, and security of this country.

LABOR AND IMMIGRATION

We believe in the principle of high wages.

We favor the principle of the shorter work week and shorter work day, with its application to Government as well as to private employment, as rapidly and as constructively as conditions will warrant.

We favor legislation designed to stimulate, encourage, and assist in home building.

Immigration.—The restriction of immigration is a Republican policy. Our party formulated and enacted into law the quota system, which for the first time has made possible an adequate control of foreign immigration. Rigid examination of applicants in foreign countries has prevented the coming of criminals and other undesirable classes, while other provisions of the law have enabled the President to suspend immigration of foreign wage earners who otherwise, directly or indirectly, would have increased unemployment among native-born and legally resident foreign-born wage earners in this country. As a result, immigration is now less than at any time during the past 100 years.

We favor the continuance and strict enforcement of our present laws upon this subject.

Department of Labor: We commend the constructive work of the United States Department of Labor.

Labor: Collective bargaining by responsible representatives of employers and employees of their own choice without the interference of anyone is recognized and approved.

Legislation such as laws prohibiting alien contract labor, peonage labor, and the shanghaiing of sailors, the 8-hour labor law on Government contracts and in Government employment; provision for railroad safety devices, of methods of conciliation, mediation, and arbitration in industrial labor disputes, including the adjustment of railroad disputes; the providing of compensation for injury to Government employees (the forerunner of Federal workers' compensation acts); and other laws to aid and protect labor are of Republican origin, and have had and will continue to have the unswerving support of the party.

Employment: We commend the constructive work of the United States Employment Service in the Department of Labor. This service was enlarged and its activities extended through an appropriation made possible by the President with the cooperation of the Congress. It has done high service for the unemployed in the ranks of civil life and in the ranks of the former soldiers of the World War.

Freedom of speech: Freedom of speech, press, and assemblage are fundamental principles upon which our form of government rests. These vital principles should be preserved and protected.

PUBLIC UTILITIES

Supervision, regulation, and control of interstate public utilities in the interest of the public is an established policy of the Republican Party, to the credit of which stands the creation of the Interstate Commerce Commission with its authority to assure reasonable transportation rates, sound railway finance, and adequate service.

As proof of the progress made by the Republican Party in Government control of public utilities we cite the reorganization under this administration of the Federal Power Commission with authority to administer the Federal Water Power Act. We urge legislation to authorize this Commission to regulate the charges for electric current when transmitted across State lines.

TRANSPORTATION

The promotion of agriculture, commerce, and industry requires coordination of transportation by rail, highway, air, and water. All should be subjected to appropriate and constructive regulation.

The public will, of course, select the form of transportation best fitted to its particular service, but the terms of competition fixed by public authority should operate without discrimination so that all common carriers by rail, highway, air, and water shall operate under conditions of equality.

The railroads constitute the backbone of our transportation system and perform an essential service for the country. The railroad industry is our largest employer of labor and the greatest consumer of goods. The restoration of their credit and the maintenance of their ability to render adequate service are of paramount importance to the public, to their many thousands of employees, and to savings banks, insurance companies, and other similar institutions to which the savings of the people have been entrusted.

We should continue to encourage the further development of the merchant marine under American registry and ownership.

Under the present administration the American merchant fleet has been enlarged and strengthened until it now occupies second place among the merchant marines of the world.

By the gradual retirement of the Government from the field of ship operations and marked economies in costs the United States Shipping Board will require no appropriation for the fiscal year 1933 for ship operations.

ST. LAWRENCE SEAWAY

The Republican Party stands committed to the development of the Great Lakes-St. Lawrence seaway. Under the direction of President Hoover, negotiation of a treaty with Canada for this development is now at a favorable point. Recognizing the inestimable benefits which will accrue to the Nation from placing the ports of the Great Lakes on an ocean base, the party reaffirms allegiance to this great project and pledges its best efforts to secure its early completion.

INLAND WATERWAYS

The Republican Party recognizes that low-cost transportation for bulk commodities will enable industry to develop in the midst of agriculture in the Mississippi Valley, thereby creating a home market for farm products in that section. With a view to aiding agriculture in the Middle West, the present administration has pushed forward as rapidly as possible the improvement of the Mississippi waterway system, and we favor a continued vigorous prosecution of these works to the end that agriculture and industry in that great area may enjoy the benefits of these improvements at the earliest possible date.

HIGHWAYS

The Federal policy to cooperate with the States in the building of roads was thoroughly established when the Federal Highway Act of 1921 was adopted under a Republican Congress. Each year since that time appropriations have been made which have greatly increased the economic value of highway transportation and helped to raise the standards and opportunities of rural life.

We pledge our support to the continuation of this policy in accordance with our needs and resources.

CRIME

We favor the enactment of rigid penal laws that will aid the States in stamping out the activities of gangsters, racketeers, and kidnapers. We commend the intensive and effective drive made upon these public enemies by President Hoover, and pledge our party to further efforts to the same purpose.

NARCOTICS

The Republican Party pledges itself to continue the present relentless warfare against the illicit narcotic traffic and the spread of the curse of drug addiction among our people. This administration has by treaty greatly strengthened our power to deal with this traffic.

CIVIL SERVICE

The merit system has been amply justified since the organization of the civil service by the Republican Party. As a part of our governmental system it is now unassailable. We believe it should remain so.

THE EIGHTEENTH AMENDMENT

The Republican Party has always stood and stands today for obedience to and enforcement of the law as the very foundation of orderly government and civilization. There can be no national security otherwise. The duty of the President of the United States and of the officers of the law is clear. The law must be enforced as they find it enacted by the people. To these courses of action we pledge our nominees.

The Republican Party is and always has been the party of the Constitution. Nullification by nonobservance by individuals or State action threatens the stability of government.

While the Constitution makers sought a high degree of permanence, they foresaw the need of changes and provided for them. Article V limits the proposals of amendments to two methods: (1) Two-thirds of both Houses of Congress may propose amendments; or (2) on application of the legislatures of two-thirds of the States, a national convention shall be called by Congress to propose amendments. Thereafter ratification must be had in one of two ways: (1) By the legislatures of three-fourths of the several States; or (2) by conventions held in three-fourths of the several States. Congress is given power to determine the mode of ratification.

Referendums without constitutional sanction cannot furnish a decisive answer. Those who propose them innocently are deluded by false hopes; those who propose them knowingly are deceiving the people.

A Nation-wide controversy over the eighteenth amendment now distracts attention from the constructive solution of many pressing national problems. The principle of national prohibition as embodied in the amendment was supported and opposed by members of both great political parties. It was submitted to the States by Members of Congress of different political faith and ratified by State legislatures of different political majorities. It was not then and is now not a partisan political question.

Members of the Republican Party hold different opinions with respect to it and no public official or member of the party should

be pledged or forced to choose between his party affiliations and his honest convictions upon this question.

We do not favor a submission limited to the issue of retention or repeal. For the American Nation never in its history has gone backward, and in this case the progress which has been thus far made must be preserved, while the evils must be eliminated.

We, therefore, believe that the people should have an opportunity to pass upon a proposed amendment the provision of which, while retaining in the Federal Government power to preserve the gains already made in dealing with the evils inherent in the liquor traffic, shall allow States to deal with the problem as their citizens may determine, but subject always to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses.

Such an amendment should be promptly submitted to the States by Congress, to be acted upon by State conventions called for that sole purpose in accordance with the provisions of article V of the Constitution, and adequately safeguarded so as to be truly representative.

CONSERVATION

The wise use of all natural resources freed from monopolistic control is a Republican policy, initiated by Theodore Roosevelt. The Roosevelt, Coolidge, and Hoover reclamation projects bear witness to the continuation of that policy. Forestry and all other conservation activities have been supported and enlarged.

The conservation of oil is a major problem to the industry and the Nation. The administration has sought to bring coordination of effort through the States, the producers, and the Federal Government. Progress has been made and the effort will continue.

NEGRO

For 70 years the Republican Party has been the friend of the American Negro. Vindication of the right of the Negro citizen to enjoy the full benefits of life, liberty, and the pursuit of happiness is traditional in the Republican Party, and our party stands pledged to maintain equal opportunity and rights for our Negro citizens. We do not propose to depart from that tradition, nor to alter the spirit or letter of that pledge.

HAWAII

We believe that the existing status of self-government which for many years has been enjoyed by the citizens of the Territory of Hawaii should be maintained, and that officials appointed to administer the government should be bona fide residents of the Territory.

PUERTO RICO

Puerto Rico being a part of the United States and its inhabitants American citizens, we believe that they are entitled to a good faith recognition of the spirit and purposes of their organic act. We, therefore, favor the inclusion of the island in all legislative and administrative measures enacted or adopted by Congress or otherwise for the economic benefit of their fellow citizens of the mainland.

We also believe that insofar as possible all officials appointed to administer the affairs of the island government should be qualified by at least 5 years of bona fide residence therein.

ALASKA

We favor the policy of giving to the people of Alaska the widest possible Territorial self-government and the selection so far as possible of bona fide residents for positions in that Territory and the placing of its citizens on an equality with those in the several States.

WELFARE WORK AND CHILDREN

The children of our Nation, our future citizens, have had the most solicitious thought of our President. Child welfare and protection has been a major effort of this administration. The organization of the White House Conference on Child Health and Protection is regarded as one of the outstanding accomplishments of this administration.

Welfare work in all its phases has had the support of the President and aid of the administration. The work of organized agencies, local, State, and Federal, has been advanced and an increased impetus given by that recognition and help. We approve and pledge a continuation of that policy.

INDIANS

We favor the fullest protection of the property rights of the American Indians and the provision for them of adequate educational and health facilities.

REORGANIZATION OF GOVERNMENT BUREAUS

Efficiency and economy demand reorganization of Government bureaus. The problem is nonpartisan and must be so treated if it is to be solved. As a result of years of study and personal contact with conflicting activities and wasteful duplication of effort, the President is particularly fitted to direct measures to correct the situation. We favor legislation by Congress which will give him the required authority.

DEMOCRATIC FAILURE

The vagaries of the present Democratic House of Representatives offer characteristic and appalling proof of the existing incapacity of that party for leadership in a national crisis. Individualism running amuck has displaced party discipline and has trampled underfoot party leadership. A bewildered electorate has viewed the spectacle with profound dismay and deep misgivings. Goaded to desperation by their confessed failure, the party leaders have resorted to "pork barrel" legislation to obtain a unity of action which could not otherwise be achieved. A Republican President stands resolutely between the helpless citizen and the disasters threatened by such measures; and the people, regardless of party, will demand his continued service. Many times during his useful life has Herbert Hoover responded to such a call, and his response has never disappointed. He will not disappoint us now.

PARTY GOVERNMENT

The delays and differences which recently hampered efforts to obtain legislation imperatively demanded by prevailing critical conditions strikingly illustrate the menace to self-government brought about by the weakening of party ties and party fealty. Experience has demonstrated that coherent political parties are indispensable agencies for the prompt and effective operation of the functions of our Government under the Constitution. Only by united party action can consistent, well-planned, and wholesome legislative programs be enacted. We believe that the majority of the Congressmen elected in the name of a party have the right and duty to determine the general policies of that party requiring congressional action, and that Congressmen belonging to that party are, in general, bound to adhere to such policies. Any other course inevitably makes of Congress a body of detached delegates which, instead of representing the collective wisdom of our people, become the confused voices of a heterogeneous group of unrelated local prejudices. We believe that the time has come when Senators and Representatives of the United States should be impressed with the inflexible truth that their first concern should be the welfare of the United States and the well-being of all of its people, and that stubborn pride of individual opinion is not a virtue but an obstacle to the orderly and successful achievement of the objects of representative government. Only by cooperation can self-government succeed. Without it, election under a party aegis becomes a false pretense. We earnestly request that Republicans through the Union demand that their Representatives in the Congress pledge themselves to these principles, to the end that the insidious influences of party disintegration may not undermine the very foundations of the Republic.

CONCLUSION

In contrast with the Republican policies and record, we contrast those of the Democratic as evidenced by the action of the House of Representatives under Democratic leadership and control, which includes:

1. The issuance of fiat currency.
2. Instructions to the Federal Reserve Board and the Secretary of the Treasury to attempt to manipulate commodity prices.
3. The guaranty of bank deposits.
4. The squandering of the public resources and the unbalancing of the Budget through pork-barrel appropriations which bear little relation to distress and would tend through delayed business revival to decrease rather than increase employment.

Generally on economic matters we pledge the Republican Party—

1. To maintain unimpaired the national credit.
2. To defend and preserve a sound currency and an honest dollar.
3. To stand steadfastly by the principle of a balanced Budget.
4. To devote ourselves fearlessly and unremittingly to the task of eliminating abuses and extravagance and of drastically cutting the cost of government so as to reduce the heavy burden of taxation.
5. To use all available means consistent with sound financial and economic principles to promote an expansion of credit, to stimulate business, and relieve unemployment.
6. To a thorough study of the conditions which permitted the credit and the credit machinery of the country to be made available without adequate check for wholesale speculation in securities, resulting in ruinous consequences to millions of our citizens and to the national economy, and to correct those conditions so that they shall not recur.

Recognizing that real relief to unemployment must come through a revival of industrial activity and agriculture to the promotion of which our every effort must be directed, our party in State and Nation undertakes to do all in its power that is humanly possible to see that distress is fully relieved in accordance with American principles and traditions.

No successful solution of the problems before the country today can be expected from a Congress and a President separated by partisan lines, or opposed in purposes and principles. Responsibility cannot be placed unless a clear mandate is given by returning to Washington a Congress and a Chief Executive united in principles and program. The return to power of the Republican Party with that mandate is the duty of every voter who believes in the doctrines of the party and its program as herein stated. Nothing less, we believe, will insure the orderly recovery of the country and that return to prosperous days which every American so ardently desires.

The Republican Party faces the future unafraid.

With courage and confidence in ultimate success, we will strive against the forces that strike at our social and economic ideals, our political institutions.

DEMOCRATIC PLATFORM, 1932

In this time of unprecedented economic and social distress the Democratic Party declares its conviction that the chief causes of this condition were the disastrous policies pursued by our Government since the World War, of economic isolation, fostering the merger of competitive businesses into monopolies and encouraging

the indefensible expansion and contraction of credit for private profit at the expense of the public.

Those who were responsible for these policies have abandoned the ideals on which the war was won and thrown away the fruits of victory, thus rejecting the greatest opportunity in history to bring peace, prosperity, and happiness to our people and to the world.

They have ruined our foreign trade, destroyed the values of our commodities and products, crippled our banking system, robbed millions of our people of their life savings, and thrown millions more out of work, produced wide-spread poverty, and brought the Government to a state of financial distress unprecedented in time of peace.

The only hope for improving present conditions, restoring employment, affording permanent relief to the people, and bringing the Nation back to the proud position of domestic happiness and of financial, industrial, agricultural, and commercial leadership in the world lies in a drastic change in economic governmental policies.

We believe that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe. We hereby declare this to be the platform of the Democratic Party:

The Democratic Party solemnly promises by appropriate action to put into effect the principles, policies, and reforms herein advocated, and to eradicate the policies, methods, and practices herein condemned. We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government, and we call upon the Democratic Party in the States to make a zealous effort to achieve a proportionate result.

We favor maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate Executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

We advocate a sound currency to be preserved at all hazards and an international monetary conference called on the invitation of our Government to consider the rehabilitation of silver and related questions.

We advocate a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference, reciprocal tariff agreements with other nations, and an international economic conference designed to restore international trade and facilitate exchange.

We advocate the extension of Federal credit to the States to provide unemployment relief wherever the diminishing resources of the States make it impossible for them to provide for the needy; expansion of the Federal program of necessary and useful construction affected with a public interest such as adequate flood control and waterways.

We advocate the spread of employment by a substantial reduction in the hours of labor, the encouragement of the shorter week by applying that principle in Government service. We advocate advance planning of public works.

We advocate unemployment and old-age insurance under State laws.

We favor the restoration of agriculture, the Nation's basic industry; better financing of farm mortgages through recognized farm-bank agencies at low rates of interest on an amortization plan, giving preference to credits for the redemption of farms and homes sold under foreclosure.

Extension and development of farm cooperative movement and effective control of crop surpluses so that our farmers may have the full benefit of the domestic market.

The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost.

We advocate a Navy and an Army adequate for national defense, based on a survey of all facts affecting the existing establishments, that the people in time of peace may not be burdened by an expenditure fast approaching a billion dollars annually.

We advocate strengthening and impartial enforcement of the anti-trust laws, to prevent monopoly and unfair trade practices, and revision thereof for the better protection of labor and the small producer and distributor.

The conservation, development, and use of the Nation's water power in the public interest.

The removal of Government from all fields of private enterprise except where necessary to develop public works and natural resources in the common interest.

We advocate protection of the investing public by requiring to be filed with the Government and carried in advertisements of all offerings of foreign and domestic stocks and bonds true information as to bonuses, commissions, principal invested, and interests of the sellers.

Regulation to the full extent of Federal power of—

(a) Holding companies which sell securities in interstate commerce.

(b) Rates of utility companies operating across State lines.

(c) Exchanges in securities and commodities.

We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks, and a more rigid supervision of national banks for the protection of depositors and the prevention of the use of their moneys in speculation to the detriment of local credits.

The severance of affiliated security companies from, and the divorce of the investment banking business from commercial banks, and further restriction of Federal Reserve banks in permitting the use of Federal Reserve facilities for speculative purposes.

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

We advocate a firm foreign policy, including peace with all the world and the settlement of international dispute by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with appending reservations; the pact of Paris abolishing war as an instrument of national policy, to be made effective by provisions for consultation and conference in case of threatened violations of treaties.

International agreements for reduction of armaments and cooperation with nations of the Western Hemisphere to maintain the spirit of the Monroe Doctrine.

We oppose cancelation of the debts owing to the United States by foreign nations.

We advocate independence for the Philippines; ultimate statehood for Puerto Rico.

The employment of American citizens in the operation of the Panama Canal.

Simplification of legal procedure and reorganization of the judicial system to make the attainment of justice speedy, certain, and at less cost.

Continuous publicity of political contributions and expenditures; strengthening of the Corrupt Practices Act and severe penalties for misappropriation of campaign funds.

We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal; we urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

We demand that the Federal Government effectively exercise its power to enable the States to protect themselves against importation of intoxicating liquors in violation of their laws.

Pending repeal, we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue.

We advocate continuous responsibility of government for human welfare, especially for the protection of children.

We condemn the improper and excessive use of money in political activities.

We condemn paid lobbies of special interests to influence Members of Congress and other public servants by personal contact.

We condemn action and utterances of high public officials designed to influence stock-exchange prices.

We condemn the open and covert resistance of administration officials to every effort made by congressional committees to curtail the extravagant expenditures of the Government and to revoke improvident subsidies granted to favorite interests.

We condemn the extravagance of the Farm Board, its disastrous action which made the Government a speculator of farm products, and the unsound policy of restricting agricultural products to the demands of domestic markets.

We condemn the usurpation of power by the State Department in assuming to pass upon foreign securities offered by international bankers as a result of which billions of dollars in questionable bonds have been sold to the public upon the implied approval of the Federal Government.

We condemn the Hawley-Smoot tariff law, the prohibitive rates of which have resulted in retaliatory action by more than 40 countries, created international economic hostilities, destroyed international trade, driven our factories into foreign countries, robbed the American farmer of his foreign markets, and increased the cost of production.

In conclusion, to accomplish these purposes and to recover economic liberty, we pledge the nominees of this convention the best efforts of a great party whose founder announced the doctrine which guides us now in the hour of our country's need: Equal rights to all; special privileges to none.

SOCIALIST PARTY PLATFORM, 1932

(From CONGRESSIONAL RECORD, July 6, 1932, p. 14702, speech of Hon. PAUL JOHN KVALE)

We are facing a breakdown of the capitalist system. This situation the Socialist Party has long predicted. In the last campaign it warned the people of the increasing insecurity in American life and urged a program of action which, if adopted, would have saved millions from their present tragic plight.

Today in every city of the United States jobless men and women by the thousands are fighting the grim battle against want and starvation while factories stand idle and food rots on the ground. Millions of wage earners and salaried workers are hunting in vain for jobs while other millions are only partly employed.

Unemployment and poverty are inevitable products of the present system. Under capitalism the few own our industries. The many do the work. The wage earners and farmers are compelled to give a large part of the product of their labor to the few. The many in the factories, mines, shops, offices, and on the farms

obtain but a scanty income and are able to buy back only a part of the goods that can be produced in such abundance by our mass industries.

Goods pile up. Factories close. Men and women are discharged. The Nation is thrown into a panic. In a country with natural resources, machinery, and trained labor sufficient to provide security and plenty for all, masses of people are destitute.

Capitalism spells not only widespread economic disaster but class strife. It likewise carries with it an ever-present threat of international war. The struggle of the capitalist class to find world markets and investment areas for their surplus goods and capital was a prime cause of the World War. It is today fostering those policies of militarism and imperialism which, if unchecked, lead to another world conflict.

From the poverty, insecurity, unemployment, the economic collapse, the wastes, and the wars of our present capitalistic order only the united efforts of workers and farmers, organized in unions and cooperatives and, above all, in a political party of their own, can save the Nation.

The Republican and Democratic Parties, both controlled by the great industrialists and financiers, have no plan or program to rescue us from the present collapse. In this crisis their chief purpose and desire has been to help the railroads, banks, insurance companies, and other capitalist interests.

The Socialist Party is today the one democratic party of the workers whose program would remove the causes of class struggles, class antagonisms, and social evils inherent in the capitalist system.

It proposes to transfer the principal industries of the country from private ownership and autocratic, cruelly inefficient management to social ownership and democratic control. Only by these means will it be possible to organize our industrial life on a basis of planned and steady operation, without periodic breakdowns and disastrous crises.

It proposes the following measures:

UNEMPLOYMENT AND LABOR LEGISLATION

1. A Federal appropriation of $5,000,000,000 for immediate relief for those in need, to supplement State and local appropriations.
2. A Federal appropriation of $5,000,000,000 for public works and roads, reforestation, slum clearance, and decent homes for the workers, by Federal Government, States, and cities.
3. Legislation providing for the acquisition of land, buildings, and equipment necessary to put the unemployed to work producing food, fuel, and clothing and for the erection of houses for their own use.
4. The 6-hour day and the 5-day week without a reduction of wages.
5. A comprehensive and efficient system of free public employment agencies.
6. A compulsory system of unemployment compensation with adequate benefits, based on contributions by the Government and by employers.
7. Old-age pensions for men and women 60 years of age and over.
8. Health and maternity insurance.
9. Improved systems of workmen's compensation and accident insurance.
10. The abolition of child labor.
11. Government aid to farmers and small-home owners to protect them against mortgage foreclosures, and a moratorium on sales for nonpayment of taxes by destitute farmers and unemployed workers.
12. Adequate minimum-wage laws.

SOCIAL OWNERSHIP

1. Public ownership and democratic control of mines, forests, oil and power resources, public utilities dealing with light and power, transportation and communication, and of all other basic industries.
2. The operation of these publicly owned industries by boards of administration on which the wageworker, the consumer, and the technician are adequately represented; the recognition in each industry of the principles of collective bargaining and civil service.

BANKING

Socialization of our credit and currency system and the establishment of a unified banking system, beginning with the complete governmental acquisition of the Federal Reserve banks and the extension of the services of the Postal Savings banks to cover all departments of the banking business and the transference of this department of the post office to a Government-owned banking corporation.

TAXATION

1. Steeply increased inheritance taxes and income taxes on the higher incomes and estates of both corporations and individuals.
2. A constitutional amendment authorizing the taxation of all Government securities.

AGRICULTURE

Many of the foregoing measures for socializing the power, banking, and other industries, for raising living standards among the city workers, etc., would greatly benefit the farming population.

As special measures for agricultural upbuilding we propose—

1. The reduction of tax burdens by a shift from taxes on farm property to taxes on incomes, inheritances, excess profits, and other similar forms of taxation.
2. Increased Federal and State subsidies to road building and educational and social services for rural communities.
3. The creation of a Federal marketing agency for the purchase and marketing of agricultural products.
4. The acquisition by bona fide cooperative societies and by governmental agencies of grain elevators, stockyards, packing houses, and warehouses, and the conduct of these services on a nonprofit basis. The encouragement of farmers' cooperative societies and of consumers' cooperatives in the cities, with a view of eliminating the middleman.
5. The socialization of Federal land banks and the extension by these banks of long-term credit to farmers at low rates of interest.
6. Social insurance against losses due to adverse weather conditions.
7. The creation of national, regional, and State land utilization boards for the purpose of discovering the best uses of the farming land of the country, in view of the joint needs of agriculture, industry, recreation, water supply, reforestation, etc., and to prepare the way for agricultural planning on a national and ultimately on a world scale.

CONSTITUTIONAL CHANGES

1. Proportional representation.
2. Direct election of the President and Vice President.
3. The initiative and referendum.
4. An amendment to the Constitution to make constitutional amendments less cumbersome.
5. Abolition of the power of the Supreme Court to pass upon the constitutionality of legislation enacted by Congress.
6. The passage of the Socialist Party's proposed workers' rights amendment to the Constitution empowering Congress to establish national systems of unemployment, health and accident insurance, and old-age pensions, to abolish child labor, establish and take over enterprises in manufacture, commerce, transportation, banking, public utilities, and other business and industries to be owned and operated by the Government and generally for the social and economic welfare of the workers of the United States.

(The plank dealing with prohibition has been submitted to a referendum of the party membership.)

CIVIL LIBERTIES

1. Federal legislation to enforce the first amendment to the Constitution so as to guarantee freedom of speech, press, and assembly, and to penalize officials who interfere with the civil rights of citizens.
2. The abolition of injunctions in labor disputes, the outlawing of yellow-dog contracts, and the passing of laws enforcing the rights of workers to organize into unions.
3. The immediate repeal of the espionage law and other repressive legislation, and the restoration of civil and political rights to those unjustly convicted under war-time laws.
4. Legislation protecting aliens from being excluded from this country or from citizenship or from being deported on account of their political, social, or economic beliefs, or on account of activities engaged in by them which are not illegal for citizens.
5. Modification of the immigration laws to permit the reuniting of families and to offer a refuge to those fleeing from political or religious persecution.

THE NEGRO

The enforcement of constitutional guaranties of economic, political, and legal equality for the Negro.

The enactment and enforcement of drastic antilynching laws.

INTERNATIONAL RELATIONS

While the Socialist Party is opposed to all war, it believes that there can be no permanent peace until socialism is established internationally. In the meanwhile we will support all measures that promise to promote good will and friendship among the nations of the world, including:

1. The reduction of armaments, leading to the goal of total disarmament by international agreement, if possible; but, if that is not possible, by setting an example ourselves. Soldiers, sailors, and workers unemployed by reason of disarmament to be absorbed, where desired, in a program of public works, to be financed in part by the savings due to disarmament. The abolition of conscription, of military training camps, and the Reserve Officers' Training Corps.
2. The recognition of the Soviet Union and the encouragement of trade and industrial relations with that country.
3. The cancelation of war debts due from the allied governments as part of a program for wiping out war debts and reparations, provided that such cancelation does not release money for armaments but promotes disarmament.
4. The entrance of the United States into the World Court.
5. The entrance of the United States into the League of Nations under conditions which will make it an effective instrument for world peace and renewed cooperation with the working-class parties abroad to the end that the League may be transformed from a league of imperialist powers to a democratic assemblage representative of the aspirations of the common people of the world.
6. The creation of international economic organizations on which labor is adequately represented, to deal with problems of raw material, investments, money, credit, tariffs, and living standards from the viewpoint of the welfare of the masses throughout the world.
7. The abandonment of every degree of military intervention by the United States in the affairs of other countries. The immediate withdrawal of military forces from Haiti and Nicaragua.
8. The withdrawal of United States military and naval forces from China and the relinquishment of American extraterritorial privileges.

9. The complete independence of the Philippines and the negotiation of treaties with other nations safeguarding the sovereignty of these islands.

10. Prohibition of the sales of munitions to foreign powers.

Committed to this constructive program, the Socialist Party calls upon the Nation's workers and upon all fair-minded and progressive citizens to unite with it in a mighty movement against the present drift into social disaster and in behalf of sanity, justice, peace, and freedom.

COMMUNIST PLATFORM

The Communist platform in the November 1932 national election had six planks:

1. Unemployment and social insurance at the expense of the State and employers.

2. Opposition to President Hoover's wage-cutting policy.

3. Emergency relief for the impoverished farmers without restriction by the Government and banks, and exemption of impoverished farmers from taxes and forced collection of rents or debts.

4. Opposition to capitalistic terror.

5. Against all forms of suppression of political rights of workers, and opposition to imperialistic war.

6. For the defense of the Chinese people and of the Soviet Union.

[Adopted at Chicago Coliseum, May 28, 1932, Washington Star, May 29, 1932]

A NATIONAL LABOR PARTY IS INEVITABLE

The American people will not long permit a nation which can produce all the necessities for the abundant life to remain in control of selfish interests. These interests use that abundance for themselves while they enslave the mass of the people with mortgages and interest until the whole population is trapped in a financial web from which they cannot escape. Farm and labor organizations have capacity for leadership. America is the greatest industrial Nation in the world. All that is produced by our great industries is produced by the application of labor. America has always prided herself on the rise of her great statesmen from the soil. With population now concentrated in large industrial centers we can also expect to see statesmen of the future rise from the mines and the factories of great cities.

In order to carry out a system of planning for the benefit of farmer-labor groups, leadership must come from labor—industrial, agricultural, and professional—by hand and by brain—who have the greatest interest in the adoption of their program.

INTERNATIONAL UNIONS SYMPATHETIC TO NEW PARTY

Many labor unions and State federations of labor are sympathetic to the formation of a new national party. I am reliably informed that the following international unions are favorable to a new party and are ready to depart from the traditional A. F. of L. policy of rewarding friends and punishing enemies within the old parties:

Amalgamated Clothing Workers.
Bakery and Confectionery Workers.
Brewery Workers.
Cloth Hat and Cap Makers.
Fur Workers.
Hotel and Restaurant Workers.
Iron, Steel, and Tin Workers.
Jewelry Workers.
Ladies' Garment Workers.
Lithographers.
Pulp, Sulphite, and Paper Mill.
Pattern Makers.
Quarry Workers.
Railway Clerks.
Journeymen Tailors.
Teachers.
Textile Workers.
Amalgamated Food Workers.
Railroad Trainmen.

"WHITE COLLAR" AND PROFESSIONAL PEOPLE ARE "WORKERS"

From the beginning of Farmer and Labor Parties a large number of people considered it a disgrace to be called "Farmer-Labor." A laborer was considered only a man who worked with a pick and shovel. Doctors, dentists, and hospital staffs were not looked upon as health workers. Lawyers and other professional people were not considered office workers. Those who toiled behind counters in shops and stores seemed to hold themselves aloof from labor. Teachers and professors did not consider themselves educational workers. We have just begun to recognize the dignity of labor in all the broadness of that word.

There is no finer word than "labor." Labor produces everything; it conquers everything; labor—that great class of people who by hand or brain earn their individual shares of the good things of life, and together rightfully own all wealth produced on this earth.

THE MORNING GLOW OF A LABOR PARTY IS ON THE HORIZON

A labor party is essential. The experience gained in the course of the Nation-wide crisis makes growing numbers aware of the need. We have learned that the aristocracy of wealth is geared to exploit the workers and aims to liquidate the middlemen and shopkeepers. We have learned that the two old parties are controlled by this aristocracy. We have learned this from bitter experience, and we have learned that we must hang together or hang separately.

LABOR, WIDE AS THE EARTH, HAS ITS SUMMIT IN HEAVEN

I do not believe in planned scarcity. I voted against the destruction of food and called attention repeatedly to the lesson of Joseph and the seven fat years and the seven lean years as an example of intelligent national planning. As a member of the Minnesota State Legislature during the regular sessions of 1911 and 1913 and the special session of 1912 I supported and sponsored many labor measures. My record is clear and consistent, both in the State legislature and in the National Congress. I have always recognized the dignity and the power of labor.

This crisis demands the leadership of labor, and it is my belief that when enough people have discovered the futility of following old-party leaders, and when national labor leaders recognize the necessity of dropping their affiliations with the old parties, the citizens of America will turn in increasing numbers to a national Farmer-Labor Party. You cannot halt the onward march of labor in America.

Labor, wide as the earth, has its summit in Heaven.

[Applause.]

Mr. MITCHELL of Tennessee. Mr. Chairman and Members of the Committee, I had intended to support this bill, but I do not want my attitude misunderstood. I am anxious to be of every service possible to laboring men in this country.

I am one out of the few Members who have been down in the main shaft with the men to dig coal, to lay the crossties and steel incident to bringing it out to the light of day. I know the hardships of the coal miner and the difficulties that surround him.

I am grateful as a Tennesseean to those of my colleagues from Pennsylvania and West Virginia who have helped to support the Tennessee Valley Association and kindred legislation in my own State in the South.

I rise to suggest to Congress the fact that I question the wisdom of further consideration of this bill until a later session, and for this reason only.

I trust that I may not be misunderstood when I make this statement. As I understand it, we are supposed to adjourn this session sometime next week. It is entirely probable that the other body will not find time to discuss and consider this bill at the present session.

Mr. BOLAND. Will the gentleman yield?

Mr. MITCHELL of Tennessee. Yes; I yield.

Mr. BOLAND. Is it not a fact that Senator WHEELER, Chairman of the Interstate Commerce Committee, has stated that they would take up the bill and report it to the Senate immediately?

Mr. MITCHELL of Tennessee. If the gentleman feels that he has authority to speak for the other body, well and good. What I have in mind is this. Kindred legislation on all fours with this is pending in the highest Court of the land, and I am anxious to go along, anxious to be of service, if this will be of service, to the men connected with the coal industry, but why not await the action of the Supreme Court on similar legislation now before them.

What I have in mind is that instead of helping at this particular time, we are about to do too much for the patient.

I think business ought to be permitted to get stabilized and have a normal flow of commerce before enacting too much legislation.

I am talking about it as a party policy. I want to also call the attention of Members of the House to this fact, that the expenses of the Government are enormous. We are spending a million dollars an hour to run the Government. I see no reason why within the next few months, until we meet 5 months from now—and I anticipate what gentlemen have in mind—you will not find that I am hostile to this legislation, except that I think as a strategic move, as you might call it, we would get better results if we postponed this bill until another session. I want to help the coal miner; I want to see him get better wages.

There is a serious question as to the constitutionality of the act. Many eminent lawyers who have spoken on the floor yesterday and today hold different opinions, some asserting that it is constitutional and others equally emphatic in saying that it is not. I have not gone carefully into the constitutional questions involved, but as Members of this House, if any of us doubt that the act is constitutional, then, of course, we should not support the legislation. It is our duty under our oaths to uphold and defend the Constitution, and not knowingly violate its provisions in anything that we do or say. It is a sacred document to all of us and has been the sheet anchor of our safety throughout the years. It is the guardian of the people's liberty. It is the keystone around which we have constructed this great Republic. Let us strengthen it and not weaken it.

However desirable legislation may be, the people should be permitted to vote upon and amend their Constitution rather than expect those of us who are sent here, sworn to uphold it, should ever be guilty for one moment of overlooking the obligation we take before we are really Members of this House.

It has occurred to me that the passage of this bill at this time and at this session would not help those we seek to benefit. I very much fear that legislation of this kind will lessen the consumption of coal among the people. It is probable that if the costs should be increased to any great extent that substitutes will be used, such as gas, oil, and hydroelectric power, which would, of course, lessen the demand for coal and thereby reduce employment for many, and especially in my own State of Tennessee where the industry is in its infancy and where it is not so well organized or backed up financially as in the States who largely would benefit by this legislation, such as our neighboring States of Pennsylvania and West Virginia. Many messages have come to me from the small operators in the eastern section of my district opposing the bill. These messages are from both the miners and operators, while, of course, on the other hand, I have had strong messages urging upon me the passage of the measure.

I have in mind that it will be better for the Democratic Party to await the convening of the next session, in January 1936, when we will have more time for a full and free discussion of the merits of this bill, than we can possibly have now, in the closing hours of the session, when everybody is worn out and anxious to get home, and when we are assured that the debate must close today—Saturday—and a vote be had not later than Monday morning.

To increase the price of coal on my people means an added hardship during the depression. It means an increase in the price of all manufactured articles to the consumer, especially to the farmer, who buys implements that are manufactured from steel and kindred products, as, of course, the steel mills will be compelled to pay a higher price for coal under the bill than otherwise, and this will increase the cost along all lines to the consuming public. The farmer has enough burdens now, and the home owners must be encouraged and protected. Many people face the winter months without knowing where they can buy their supply of coal or at what price it can be purchased. Those who have discussed this bill on the floor have practically all agreed that the cost of coal will be increased when the bill is put in force. It will do but little good to increase the price of farm products and then turn around and deprive the farmer of the increase by advancing the price of everything he is required to buy.

I will always be anxious to help the coal miners and anxious to forward the interest of the laboring man in industry upon every consistent occasion; but in view of the very serious questions raised, heretofore referred to, with reference to this bill, I think it should have more careful consideration by us, and should await the action of the Supreme Court as indicated before, and we should give business and commerce an opportunity to recover, as they are now doing, without having to carry additional burdens at the present.

I will therefore have to vote against the bill at this time and for these reasons; but, if later on, it should be determined that it is constitutional and that there is a real demand for its enactment, and that those who are proposing it have shared an undue hardship in any way because of its failure of passage, then I will be ready to support it, but I am convinced that we are passing too many bills of an experimental kind and increasing the cost of Government to the taxpayers beyond their ability to pay. These are my reasons, or some of them, for opposing the bill.

[Here the gavel fell.]

Mr. DONDERO. Mr. Chairman, I rise in opposition to the pro forma amendment. No matter what legislation we pass in this House, whether we levy a tax or appropriate money, it is the ultimate consumer who pays and pays. With that in mind, I was somewhat interested in the statements made on the floor yesterday by the proponents of this bill as to what it would cost the ultimate consumer of bituminous coal if this bill is enacted. My good friend from Pennsylvania [Mr. SNYDER], the coauthor of the bill, stood where I now stand and said yesterday, in his opinion, it would not raise the price of coal more than 2¾ cents per ton. That statement challenged my attention, and I undertook this morning to figure out just what that would mean to the coal miners of this country if it is true, because, regardless of where the money comes from, it will be placed eventually on the backs of the consumers to pay it in order that it may go back to the coal miners of the land. I understand there are about 358,000,000 tons of bituminous coal mined in this country every year. Multiplying that figure by 2¾ cents—but I am going to be generous to my friend the gentleman from Pennsylvania [Mr. SNYDER], and call it 3 cents a ton—I find it amounts to $10,740,000 annually. If we divide that among 500,000 coal miners, they will each get about $21.48 a year additional pay. That, divided by 12, gives each miner $1.79 a month, or just about 6 cents a day. I want someone to show to this House how you are going to increase the wages of the coal miners of this land 28 percent, as the claim has been made, when you give them an increase of 6 cents a day. Either that statement deceives the coal miners or it deceives the consuming public of this country. I hope the good gentleman from Pennsylvania [Mr. SNYDER], the coauthor of the bill, will rise in his place and answer that situation and tell us which one is correct.

Mr. FADDIS. Mr. Chairman, will the gentleman yield to me?

Mr. DONDERO. Yes.

Mr. FADDIS. The gentleman will remember that under the N. R. A. the price of coal did not go up, but the miners' wages went up. This is no more than the application of a small N. R. A. to the bituminous coal industry.

Mr. DONDERO. Mr. Chairman, I use about 100 tons of bituminous coal a year. Last winter I objected to the bill that came to me from my coal dealer, because he added a dollar a ton. The answer I got back was that the price had gone up a dollar a ton because of the codes under the N. R. A. I was somewhat surprised yesterday to hear the gentleman say that the price of coal went down under the N. R. A. If that is so, then it never was intended to benefit the laboring man, but was intended to benefit the consumer.

Mr. FADDIS. Your middleman was getting the profit between the operator and the consumer, a thing which this bill is designed to prevent.

Mr. DONDERO. I ask the gentleman whether in his opinion that extra dollar a ton that I was compelled to pay for coal, as all other people were, went to the operator or to the wage earner, the coal miner?

Mr. FADDIS. I could not say, not knowing the conditions and the various channels through which the coal passed before it reached the gentleman.

The CHAIRMAN. The time of the gentleman from Michigan has expired. Are there any other amendments to section 1? If not, we will pass to section 2. Are there any amendments to section 2?

Mr. MAPES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MAPES: Page 4, line 13, after the word "office", strike out the rest of line 13, lines 14, 15, 16, and line 17, up to and including the word "assistants."

Mr. MAPES. Mr. Chairman, the language which my amendment proposes to strike out on page 4, line 13, reads as follows:

The Commission shall, without regard to the provisions of the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation and duties of a secretary and necessary clerical and other assistants.

I realize that to offer this amendment is a good deal like carrying coals to Newcastle, in view of the experiences we have had here in the last 2½ years, but I hate to have a provision of this kind passed over without calling attention to it. The civil service is a matter of gradual development and growth. People interested in it have had to fight to build it up all along the line and have had to be ever on the alert to see that the gains made were not lost. The saying that "eternal vigilance is the price of liberty" has been particularly true as far as the civil service is concerned. During the last 2½ years there has not been an important piece of legislation brought into Congress creating any new agency but that contained a provision similar to this, that the appointees are to be appointed without regard to the civil-service laws and without regard to the Classification Act. I dare say that more has been done in the last 2½ years to tear down the civil service than was accomplished before to build it up in 25 years.

Those of us who have been here know with what satisfaction the Classification Act was passed 10 or 15 years ago, which requires that all employees in the Federal service who are doing the same class of work shall receive the same compensation. The passage of that law was looked upon as the accomplishment of a great piece of constructive legislation. But now we ignore that law and the civil-service laws as well, and we say, in effect, that some political boss or master of patronage can put a man into the Government service without regard to his qualifications and pay him any salary, without any regard to the work that he is doing. That is the practical interpretation of language such as this, which says that appointments shall be made without regard to the civil-service laws and the Classification Act.

Let me say, Mr. Chairman, that the practice is demoralizing the entire governmental service.

Mr. WHITE. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. WHITE. Would the gentleman be willing to apply the rules of the Civil Service to the personnel in his own private organization?

Mr. MAPES. There is no comparison between the two situations. Everybody agrees that a man ought to have a confidential secretary of his own choice, but would the gentleman be willing to have Mr. Farley or any other political boss say to him, as is said to the departments here, "You must put a man into your office whether you want him or not and whether he is qualified to do your work or not, and give him this amount of pay whether you think he is worth it or not."

Mr. WHITE. I have contacted all the departments, and I find the Post Office Department has the best staff and is the most business-like Department of all the departments in Washington.

Mr. MAPES. Because that is not a new Department and because the existing civil-service laws apply to the Post Office Department. However, in all these new organizations which are set up by this administration they do not apply. The gentleman, I am sure, belonging to the majority party, knows that people if they are fortunate enough to get a letter from the right parties can go down to some of these new agencies and get positions without any reference to their qualifications and are given salaries many times beyond what they are worth. People are given salaries of $2,500 and $3,000 that are doing less work than the others under civil service who are only getting $1,650. That condition prevails throughout the departments and throughout all these new bureaus. With all due deference to the gentleman I do not think there is any gainsaying that proposition.

Mr. WHITE. I refer to the appointments made by Farley since he took charge of the Post Office Department. They are the most businesslike men that I have contacted in all the departments, and I do not refer to any patronage matters at all. I refer to doing business.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAPES. Of course, Mr. Farley is not above the law altogether. The law relative to appointments in the Post Office Department requires that they be appointed from the civil service. But in every law passed by this Congress creating a new bureau or agency of the Government a provision similar to this has been inserted in it that appointments shall be made without regard to the civil service and without regard to the Classification Act. These new agencies are the places where Mr. Farley and others get in their work, and not in the Post Office Department, which is already controlled by existing law.

Mr. WHITE. I have contacted people in most all these departments governed by civil-service rules, and I have asked one after another to give me an estimation of the efficiency in their particular department. I have had it given to me as low as 30 percent and never higher than 70 percent.

Mr. MAPES. Permit me to say that I have not tried to contact anybody in regard to this question, but people come into my office and call my attention to conditions such as I have mentioned day after day. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan [Mr. MAPES] has again expired.

Mr. VINSON of Kentucky. Mr. Chairman, I rise in opposition to the amendment. I trust the amendment will be rejected. It is a rather peculiar situation when you deal with mental processes. The distinguished gentleman from Michigan [Mr. MAPES] offers this amendment because this is a new institution. It just occurs to me that because this is a new institution, the Commission ought to have some range in respect to their selection of clerical and other assistants.

Mr. MAPES. Will the gentleman yield?

Mr. VINSON of Kentucky. Yes; I yield.

Mr. MAPES. Of course, I offered the amendment because I believe in the principle of the civil service as well as because it is a new institution. The civil-service law is expected to apply to new institutions and new employees and would apply without some such provision as this expressly exempting them.

Mr. VINSON of Kentucky. I am certain it could operate.

Mr. MAPES. If with all these new institutions you are creating you are going to put people in there without any reference to civil service, then we might as well abolish the civil-service law as far as they are concerned.

Mr. VINSON of Kentucky. I am certain that the Civil Service Commission could operate with a new institution, but it just occurs to me that where we set up a new institution they should have some discretion in respect to their assistants and their clerical help.

Mr. MICHENER. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. MICHENER. I just want to call the gentleman's attention to the fact that many times during this session, after these new agencies and departments have been set up without regard to civil service, I have called attention to the fact that there will be an Executive order covering them into the civil service, or there will be legislation by this Congress before this administration is through placing them under civil service. So after all, we are going to have the civil service, but not until the jobs have been filled by the politically deserving.

Mr. VINSON of Kentucky. There may be something to what the gentleman says, that after this Commission is set up, after they select their assistants and clerical force and get the most competent people they can get, they may take the suggestion of the gentleman from Michigan and cover them into the civil service under Executive order. It has been done. It has been done under many administrations. I am certain it was done under the Harding administration. I am certain it was done under the Coolidge administration. I am certain it was done under the Hoover administration, and really it ought to be done occasionally under this administration.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MAPES].

The amendment was rejected.

Mr. MITCHELL of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. MITCHELL of Tennessee: Page 4, line 17, strike out the period and insert a comma and the following: "none of whom shall be related to any member of the Commission within the third degree of blood or marriage."

Mr. MITCHELL of Tennessee. Mr. Chairman, I hope the committee will not oppose this amendment. I am constrained to believe that if they will read it carefully they will be willing for the amendment to be adopted. It is a remedial provision. It will be helpful. It should be adopted.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield.

Mr. KNUTSON. The gentleman from Tennessee has done some very good work to prevent nepotism. I am wondering whether the gentleman saw a little item in the paper the other day which told of four key men in one of the departments who had all their relatives—wives, sons, daughters, and in-laws—on the pay roll, and they were drawing down $35,000 or $40,000. Does the gentleman wonder that there is so much dissatisfaction amongst the real Democrats because they cannot get positions under this administration?

Mr. MITCHELL of Tennessee. I noticed the article to which my colleague refers. I know my associates here are in accord with the idea that employment of relatives should cease. Others should be given an opportunity in life besides the relatives of those who are doing the appointing. This piece of legislation will be helpful and will favorably influence public opinion for Members of the Congress.

I hold in my hand a statement showing how a member of a commission has abused his privilege of appointment. It is more flagrantly violated in the different departments of the Government than it is in the Congress, by key men in the departments more than by Members of either body of the Congress. Members are unduly criticized sometimes; but my friends, check up what is happening in these departments. The head of one of these bureaus will put his next of kin—his wife, his son, his daughter, or half a dozen in-laws—in good positions; yet the people who honor him and send him here cannot even get a job upon his recommendation.

Mr. KNUTSON. Mr. Chairman, will the gentleman read the item?

Mr. MITCHELL of Tennessee. I shall be pleased to. I do not like to be personal in these matters; it is the principle I seek to have invoked. It is no personal pleasure to get up and make this fight but done in behalf of the taxpayers who send me here to speak for them. I hope that we will clean house, not only here but in every other branch of the Government service; and it is more flagrantly practiced in another body in the Capitol than it is in the one before which I am speaking. Now, let us clean house. Let nepotism cease forever. This amendment is a step in the right direction. If you prevent these Commissioners from appointing as their assistants their sons-in-law, daughters-in-law, brothers-in-law, and other relatives you will increase the respect of the taxpayers of America for this body and afford opportunities for employment to others more in need of our assistance.

Mr. KNUTSON. I suggest the gentleman read the item to which he referred before his time expires.

Mr. MITCHELL of Tennessee. Yes. It reads as follows:

Thomas W. Page, Vice Chairman, Tariff Commission; salary, $11,000 per year.
Daughter, Rose Page, N. R. A.
Daughter, Celeste Page, Federal Home Loan Bank Board; $2,500.
Mrs. Stephen Upson (Celeste Page Upson).
Mr. Stephen Upson, Home Loan Bank Board; $5,000.
Miss Marie Upson, attorney, Home Owners' Loan Corporation, Atlanta; $3,500.
Stephen Upson, Jr., attorney for Federal Home Loan bank; $5,000.

Mr. KNUTSON. What is the total for the Page family?

Mr. MITCHELL of Tennessee. Twenty-six thousand five hundred dollars in one family.

Now, Mr. Chairman, I want to insist that we rid the country of this sort of criticism. Let us stop it. I hope this amendment will be adopted.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I always have opposed and will continue to oppose to the best of my ability the placing of relatives in positions, but I am afraid the gentleman's statement will be misconstrued. We know that very often we are charged with things for which we are not responsible. If these abuses exist they are due to the action of key men in the various departments, and not Members of the House.

Mr. MITCHELL of Tennessee. Mr. Chairman, will my friend yield?

Mr. SABATH. I will in a minute. I want to make just this statement and then I will yield.

I know that very few Members of the House have obtained the appointment of any relative unless they were men who were efficient, capable, and needed in their respective departments. I find, however, that many of the key men who have obtained positions under civil service are no sooner in position than they look for an opportunity to assist their relatives and their friends. I have called attention to many of these abuses, but they are not abuses for which we should be held responsible or with which we should be charged. These abuses are due, as I have stated, to the key men in the different departments and not to Members of the House.

Mr. MITCHELL of Tennessee. Who is responsible for it if we are not? We pass the legislation. The gentleman votes on it and I vote on it.

Mr. SABATH. Yes; we——

Mr. MITCHELL of Tennessee. Why not stop it now?

Mr. SABATH. We cannot stop it by this amendment.

Mr. MITCHELL of Tennessee. Will the gentleman vote for this amendment?

Mr. SABATH. I will say this to the gentleman, his amendment will not cure it.

Mr. MITCHELL of Tennessee. It will be a step in the right direction, will it not?

Mr. SABATH. It might be, but we want to cure it and it should be cured by general legislation. Your amendment only applies to the few that will be appointed under this bill.

Mr. Chairman, to the best of my knowledge, no Member of the House can be pointed out and charged with being guilty of any of these abuses. The gentleman's remarks might and no doubt will be construed and used by the press against all of us. These matters that the gentleman from Tennessee complains of are due to the action of department heads and to key men who have been here many years, protected by civil service. They pay no attention to a Member of Con-

gress. You know and I know that when we make recommendations, or when we ask for assistance or for information, our requests are unheeded or evaded.

Mr. EKWALL. Will the gentleman yield?

Mr. SABATH. I do not yield to the gentleman.

Mr. EKWALL. Why not?

Mr. SABATH. Because the gentleman's question would not mean a thing.

Mr. EKWALL. I just wanted to know if the gentleman would yield.

Mr. SABATH. I cannot answer all the foolish questions that may be asked.

Mr. EKWALL. This was going to be a sensible question.

Mr. SABATH. I appreciate that the gentleman is able to ask a sensible question, but unfortunately he likes to inject politics in all of his queries, and this is not a political question.

Mr. Chairman, I want to protect the Membership of the House from the unfair and unjustifiable charges that are continuously made by the press against us all that we are responsible for the appointment of many of these men. I know the Members of this House have received very few appointments and very few of their recommendations have been taken into consideration by these key men, who are Republicans and in charge of the personnel of most of these departments. I wish the situation could be changed, and I wish that these key men would not have the power of making appointments, as they do, of their friends who are not entitled to any consideration.

[Here the gavel fell.]

Mr. KNUTSON. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. ELLENBOGEN. Mr. Chairman, a point of order. Has not all time expired on this amendment?

The CHAIRMAN. No; the gentleman is mistaken.

Mr. KNUTSON. If the gentleman from Pennsylvania would wake up he would know what was going on. [Laughter.]

Mr. Chairman, I believe the amendment offered by the gentleman from Tennessee should be adopted.

Mr. ELLENBOGEN. Mr. Chairman, a point of order. When the gentleman from Minnesota rose he said he rose in opposition to the amendment.

The CHAIRMAN. When the gentleman rose he stated he rose in support of the amendment. The point of order is overruled.

Mr. KNUTSON. Mr. Chairman, I think the amendment offered by the gentleman from Tennessee should be adopted. There is not a bureau or department in this town but what is filled with whole families, in some cases—fathers, mothers, sons, daughters, and in-laws.

Mr. MITCHELL of Tennessee. And uncles and aunts.

Mr. KNUTSON. Yes; and even sweethearts. The case mentioned by the gentleman from Tennessee is only one of hundreds, and I might say thousands. It is getting so that a Jeffersonian Democrat cannot get a job under this administration. He has to be a "new dealer", and he has to come from New York.

Mr. O'CONNOR. What is that?

Mr. KNUTSON. He has to come from New York and be a protege of Felix Frankfurter.

Mr. O'CONNOR. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from New York.

Mr. O'CONNOR. I can assure the gentleman that if he comes from New York City he has no chance of getting a job.

Mr. KNUTSON. I understand that. They deal from the bottom of the deck in New York City and might be out of place.

Mr. Chairman, I really feel that the amendment offered by the gentleman from Tennessee should be agreed to without a dissenting vote. As unemployment exists in this country now I feel that Government employment should be spread out as far as possible. As it is now, it is being concentrated in the hands of a few families.

Mr. Chairman, for the reasons indicated I hope the amendment offered by the gentleman from Tennessee will be adopted.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the gentleman from Tennessee has specialized in fighting against nepotism. There is much to be said in favor of the position that he takes in this respect. As one who has never had on the pay roll here anyone related to him in any degree, I can say that I sympathize and agree in many respects with what the gentleman says. If you want to do what he wants done, I submit that the bill which the gentleman has introduced in this Congress for the consideration of the House should receive the serious consideration of the committee that has it in its keeping and that a general law should be brought to the floor and considered in the House and Senate.

Mr. Chairman, this is a new commission. I do not believe there is going to be great abuses in this respect, because the gentleman from Tennessee has made a fight, the publicity from which has gone out throughout the Congress and the departments. I do not believe there will be any great abuses in leaving this bill as we have brought it up here for consideration. I therefore trust that the amendment offered by the gentleman from Tennessee [Mr. MITCHELL] will be voted down and that the general bill of this distinguished gentleman from Tennessee will be given the consideration which is hereafter its proper due.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. VINSON of Kentucky and by Mr. SAMUEL B. HILL) there were—ayes 67, noes 26.

So the amendment was agreed to.

Mr. ELLENBOGEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. I am pleased to yield to the gentleman.

Mr. SAMUEL B. HILL. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

Mr. MAPES. Mr. Chairman, reserving the right to object, I have a bona fide amendment that I should like to offer and should like to have 5 minutes on the amendment.

Mr. PIERCE. Mr. Chairman, I should also like to have 5 minutes.

Mr. SAMUEL B. HILL. Mr. Chairman, I withdraw the request for the present.

Mr. ELLENBOGEN. Mr. Chairman, I want to urge my colleagues to vote in favor of H. R. 9100, the Guffey-Snyder coal bill.

We cannot have sound economic conditions in the United States, we cannot have good or prosperous times of some permanence in this Nation, unless the various parts of our economic system are on a sound basis. Even if good times and prosperity would return today, they could not last very long unless commerce, industry, and agriculture would be on an economically sound basis, and unless the various parts of commerce, industry, and agriculture would be on a sound basis.

We have devoted much time and given much attention in the preceding and in this Congress to the depressed state in which we found agriculture. I have voted for the measures which my colleagues from agricultural districts advocated and believed to be necessary, because I feel that unless the farmer is prosperous and making money he cannot buy the goods of industry and our industries cannot be prosperous unless they can sell and fill the needs of our 6,000,000 farmers. If agriculture is suffering from depression, excessive debts, and overproduction, the failure of the farmer to buy industrial goods reduces the demand for the output

of industry and causes wage cuts and unemployment to the industrial worker and loss to the manufacturer.

In the preceding and in this Congress we have done our best to improve the conditions of the farmer and of all those engaged in agriculture pursuits. We endeavor to do the same for industry by the passage of the National Industrial Recovery Act. That act has been declared unconstitutional, not because Congress is lacking in the necessary power, but because of the shortcomings in the drafting of the law.

Mr. Chairman, we cannot have lasting prosperity in the United States unless the various parts and branches of mining and manufacturing are prosperous. Good or bad times in any important branch of an industry vitally affect all other branches of industry and our whole economic life. Bad times in the coal industry adversely affect not only retail trade but industry itself. It affects the automobile industry, the steel industry, and every part and parcel of our economic life. The coal industry presents a typical example of a bankrupt industry. As a whole, it has been losing money since 1921. The reports of the Bureau of Internal Revenue show a net deficit of all corporations in the coal industry of $24,000,000 in 1928, of $12,000,000 in 1929, and of $42,000,000 in 1930. In 1931, 1932, and 1933 the losses were even greater.

The National Resources Board said this of the coal industry:

> Stabilization of the coal industry is needed to protect capital. In 1929, according to the Treasury statistics of income, there were 1,437 bituminous-coal companies producing approximately 46 percent of the total output, that operated at a loss, and their deficits exceeded the income of the companies making a profit, so that the industry as a whole reported a net loss even during that year of boom. Virtually no other business covered by the Treasury's record showed such wide-spread money losses as the mining of bituminous coal.

Overcapacity and overproduction have exercised a constant pressure on the price structure. In order to compete with each other, coal operators have reduced their prices at the expense of labor.

The labor cost of producing coal is about 65 percent of the total cost. Faced with cutthroat competition, the coal operators endeavored to obtain cheaper cost of the coal produced at their mines by cutting the wages of miners. Starvation wages prevailed in the coal industry until the N. R. A. Coal operators endeavored to make a profit by beating down the wages of their miners, by sweating them long hours, by abolishing the checkweighman, and by forcing their employees to trade at company stores and live in company houses.

Even the decent and fair-minded employer, who was anxious to pay a living wage to the miner, was faced with the alternative of following his cutthroat competitors and forcing down the living standards of the miners or go into bankruptcy.

I plead with you to pass this bill and give the miners and the coal industry a chance. If there is any workingman who deserves good wages, it is the miner. He is engaged in one of the most hazardous occupations; indeed, the most hazardous of any industry of its size. The Department of Labor reports that from 1896 to 1933, 79,270 coal miners were killed in mine accidents. During that period of time 1,109,780 were injured. Tens of thousands of them maimed, crippled, and defaced for life. Nearly 80,000 of these miners lost their lives and tens of thousands more lost a leg or hand or had their backs or spines broken or were paralyzed or otherwise crippled for life. Just think of that record of the destruction of human beings. In a period of 37 years nearly 80,000 killed and over a million injured.

Mr. Chairman, I am not making this argument for the purpose of arousing sentiment. This argument goes straight to the question of enacting this bill. This argument goes straight to the question of enacting this bill, because most of the accidents can be prevented. Most of the accidents occurred because the coal operator did not have the money. With losses mounting in his business, he failed to make a proper outlay for safety measures and for adequate machinery and equipment. Struggling hard to avoid receivership or bankruptcy, the coal operator failed to buy a new rope on his hoisting equipment that lowered the men into the mines. Some day that old rope breaks, the cage drops, and finally 6 or 12 men are killed or crippled for life; he failed to install new ventilating equipment, as a result of which an explosion might occur and kill, maim, and deface hundreds of men; or he failed to rebuild his bulkhead in the mine or take other necessary safety measures.

Mr. Chairman, I have been in a mine the day after an explosion occurred which injured over 200 men. I have seen them being carried out on stretchers amidst the wailing and moaning of their wives and children. I plead with you today to pass this bill so that the miners may have a chance.

Mr. Chairman, the coal industry can never return to sound and stabilized conditions until we have some Government regulation.

We now have a chance to put the coal industry on a sound foundation so that the miners may make a decent living, may work under safe conditions, and so that the coal producer may be able to make a profit. Last, but not least, I ask for the passage of this bill in the interest of our entire economic structure, because, as I said in the beginning, we cannot have sound economic conditions in the United States, we cannot have prosperous times, unless industry as a whole is prosperous and unless the coal industry, which is of vital importance in our industrial picture, is placed on a sound footing and on a paying basis. Let us pass this bill so that the coal industry may come back on a paying basis and do its part in creating a sound and economic life in the United States.

Mr. DRISCOLL. Mr. Chairman, will the gentleman yield for a question?

Mr. ELLENBOGEN. I yield.

Mr. DRISCOLL. We are informed that the fatalities per million tons of coal produced in the bituminous coal mines of the United States are four times greater than in any other civilized country in the world. Is that correct?

Mr. ELLENBOGEN. The distinguished gentleman, my dear friend from Pennsylvania, is always correct. He is correct in this case. I may say to my colleague that this is not merely a sentimental argument, but it is an argument that goes to the question of passing this bill, because the coal operator who has no money, who is facing bankruptcy or a receivership, does not have the money to put in safe equipment. He does not have the money to buy new rope that lifts and lowers the cage which goes down into the mine, and sometimes the old rope will snap and 6 or 8 or 10 or 12 men will be killed or injured. He cannot buy the pumping equipment that is necessary and he cannot buy the fans that are necessary in all of these mines. This argument directly goes to the question of passing this bill, and I may say, Mr. Chairman, that I have heard some of my colleagues come into the well of the House and say they are against this bill, but they still protest that they are friends of labor.

[Here the gavel fell.]

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent that I may proceed for 3 more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLENBOGEN. Oh, yes; there is not a man who will come into the well of this House and say he is an enemy of labor. They will all say they are friends of labor but that they are opposed to this bill for this reason or that reason. If they are really friends of labor, here is a chance to prove it, and not only prove their friendship for labor, but here is a chance to prove their friendship and help to establish the coal industry on a sound basis.

We must have regulation of the coal industry. It is a bankrupt industry. It is an industry which is in chaos, and only regulation by an impartial body can save it, and unless the coal industry is sound and the textile industry and the other industries are sound, we cannot have prosperity in the United States.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. I yield.

Mr. BURDICK. Under the terms of the bill we are now considering, what assurance have we that the 90-percent rebate that is coming back to the coal operators will be distributed among the mine diggers?

Mr. ELLENBOGEN. As the gentleman knows, the coal miners' unions have told us and the operators have told us that if we give them a chance to make a living they will sign a decent contract with the miners.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. I yield.

Mr. WHITE. Is it not a fact that the unsatisfactory conditions described by the gentleman are contributed to largely by the general use and the increased use of petroleum and petroleum products in the generation of steam, heat, and so forth, in this country?

Mr. ELLENBOGEN. Does the gentleman mean that the price of coal is affected by the use of petroleum and its products?

Mr. WHITE. Yes.

Mr. ELLENBOGEN. Of course it is, and you cannot have a price of coal that is not sound economically in comparison with the other products.

[Here the gavel fell.]

(Mr. ELLENBOGEN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. PIERCE. Mr. Chairman, there is not a ton of coal mined in my district, a district 300 miles square. I am for this bill and I believe all of us who have benefited by this kind of legislation should be for it. Its object is to regulate the mining of coal. It is believed that the organization set up in this bill will so guard the situation that all of the advance in price is not taken by the men who own the mines or by the railroads, but that a reasonable portion of it will go to the men who really mine it, who dig the coal out of the bowels of the earth.

I am for all this class of legislation. I can see no other solution, if the condition now existing is to continue. World trade has almost ceased. At most 40 percent of what it was in 1929. In this situation America must be largely self-contained, and if it is to be self-contained, production must be largely controlled, whether it be wheat, corn, or coal. It is a situation that we who are democratically inclined do not like to think of, but it is a condition that exists.

I am not seriously worried about the constitutionality of this bill. I do not yield to anyone in this House in my reverence and admiration for those men who met in Philadelphia in the summer of 1787 and drafted our Constitution. Those learned men could not forsee the social and economic conditions that exist today. All conditions are vastly different from what they were when those men drafted this wonderful document, our Constitution. I think the reverence for it is just a bit overdrawn. We have amended this sacred document 21 times. We have changed the Constitution in many particulars, and if conditions demand it we must change or modify again.

If the Constitution does not give the power to do what must be done to maintain ourselves, it must yield to change.

Let this measure go to the Supreme Court, if necessary. We should know what authority we, the Congress, have.

Mr. CHURCH. Will the gentleman yield?

Mr. PIERCE. I yield.

Mr. CHURCH. Does not the gentleman think that we can rely on the Supreme Court quicker than anyone else in interpreting the Constitution?

Mr. PIERCE. Surely we can rely on the Supreme Court.

I hope our colleagues from the West will vote for this bill. We of the West have benefited from similar legislation. [Applause.] We ought not to be selfish. We have had help. Now we from agricultural districts should show our appreciation by our votes in helping the coal industry.

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

I am not and do not claim to be an authority on the economics of the soft-coal industry in this country.

There are, however, certain facts important in the consideration of this bill which I do know, and with which every Member of Congress is charged with notice and knowledge as part of his duty.

The soft-coal industry is now and has been for several years a sick industry. The conditions of overproduction, waste, and loss to the producers directly affect the wage conditions and living conditions of the miners. The majority of the miners and their families are living under conditions which are intolerable and are rapidly slipping back to a state of semistarvation. A great measure of relief was afforded both to the producers and to the miners, under the code provisions of the National Industrial Recovery Act. The benefits afforded through the 2 years of operation of that act were destroyed when that act was stricken down by the Supreme Court. These intolerable conditions of waste and loss for the producers and semistarvation for the miners must be speedily remedied; not only for their sake but because a destruction of this great industry will gradually, but surely, affect the condition of other industries and of all the rest of the people in this country.

I am in favor of this bill. There are no soft-coal mines in my district or in my State, but together with most of my Democratic colleagues from the State of New York, I have tried to look at things in this Congress from a national point of view and I have voted for relief to other sections—the South, the Southwest, the Northwest, and the far West—even where such measures were not directly or immediately needed by the State of New York. I am surprised, therefore, to read in the RECORD statements made in the general debate upon this bill by Members who have all during this session and preceding sessions, and even within the past few days, been advocating measures and voting for measures such as a compulsory potato bill as the gentleman from the Northwest, Mr. KNUTSON, who are now attacking this bill upon the ground of unfairness and unconstitutionality. Most of them who show this inconsistency and this lack of national point of view are on the other side of the House.

I do not intend to support any measure which I know or believe to be unconstitutional, but I have no worry or doubts about the constitutionality of this bill. There is no question but that the production and marketing of soft coal in any of the various regions, even though in its beginning intrastate commerce, eventually gets into the stream of interstate commerce or constitutes an obstruction to interstate commerce. The regulation through tax and drawback provided in this bill clearly come within the powers of Congress, even as set forth within the somewhat more narrow limitations laid down by the Court in even the Schechter case. The power of Congress to do what it proposes to do in this bill may, in my opinion, clearly be upheld under the interstate-commerce power.

In addition to this, it is also amply sustained under the general-welfare clause of the Constitution, as has been so ably set forth by the gentleman from Maryland [Mr. LEWIS] in his supplemental report upon this bill. I hope that those of my Democratic colleagues who are disturbed about the constitutionality of this bill will, before casting their votes against it, read both the committee report, the supplemental report by Mr. LEWIS of Maryland, and some of the very able speeches that have been made in support of this bill, notably those of the gentleman from Washington [Mr. HILL] and the gentleman from Kentucky [Mr. VINSON].

The constitutionality of this bill is attacked because it imposes a tax of 15 percent upon the sales value of all soft coal produced and sold and a tax of 15 percent upon the fair market value of so-called "captive" coal, and then gives a drawback of 90 percent of this to the producers of soft coal who sign an agreement to comply with the code. Those who oppose the bill upon this ground say that it is levying a tax upon all for the benefit of a part. The gentlemen on the other side of the House who make this argument momentarily overlook the protective tariff, which does precisely this.

They overlook more than this: They overlook the fact that the first Congress, in 1789, passed tariff acts which both laid a tax and provided for bounty to various industries to encourage home industry and to promote trade. The merchant-marine drawback is an illustration of this. The tax upon oleomargarine for the benefit of our dairy farmers is an example of this, and this tax imposed upon oleo, applied by Congress, was applied where the oleo was manufactured and sold in purely intrastate commerce and was sustained by the Supreme Court as a proper exercise of the taxing power. All of these have been upheld by the Supreme Court.

While I seldom rely upon Alexander Hamilton as an authority, for the benefit of those who do drink from that source as an authority upon the Constitution, let me point out that Hamilton favored exactly such bounties and drawbacks and said of them:

> They are * * * the most efficacious means of encouraging manufacturers. Their advantages are:
> (a) They are positive and direct.
> (b) They avoid temporary augmentation of price.
> (c) They do not have the tendency to produce scarcity. * * *

The marketing agreement set forth provided for herein is voluntary. It provides no fines or penalties for those producers who do not sign the code. It does provide a drawback for the benefit of those who comply, which is exactly what has been done in all of the cases that I have mentioned and in methods too numerous for me now even to cite.

I do not agree with those who narrowly restrict the welfare clause to the taxing power alone, but even under that construction of the Constitution the powers exercised and delegated within the narrow channels to the commission made by Congress under this bill are sustained by numerous former decisions of the Supreme Court.

Nor is there reason or justification for opposing this bill upon the ground that it would create a monopoly or excessively raise prices. So far as the industrial or commercial uses of soft coal are concerned, the commission has the power to establish a maximum price. So far as the household use of soft coal is concerned, the effect of this stabilization of the price will be to remove from the household users of soft coal a burden which has heretofore been imposed upon them, of paying an excessively high price for that product in order to enable the producers to make up, to some extent, for selling it at a loss to the large industrial and commercial users, who, by reason of being able to buy in advance and buy in large quantities, have been able to take advantage of the disorganization of this industry and the destructive methods of competition existing within it.

I am for this bill because I believe it is necessary to save the industry, because I believe it is necessary to restore employment, because I believe it is necessary to prevent suffering among the miners and their families, and because I believe that it is a great recovery measure. [Applause.]

Mr. TREADWAY. Mr. Chairman, the gentleman from Pennsylvania [Mr. DRISCOLL] yesterday evening paid me the great compliment of going back into ancient history and referring to legislation I favored in the Sixty-ninth Congress. He tried to show that my position on this measure and the attitude I had then on the coal proposition are inconsistent. I rise only to thank him for bringing up the ancient history and having someone find that record of the Sixty-ninth Congress for him to refer to, because instead of being inconsistent, it shows I am absolutely consistent. I am opposing this measure because it means additional cost for fuel to the users of soft coal in New England. I proposed legislation in the Sixty-ninth Congress because there was a strike on that raised the price of anthracite coal in my neighborhood 135 percent.

Now, if the gentleman finds anything inconsistent in an effort to protect the consumers of New England in the price they are paying for their bituminous or anthracite coal, he is welcome to quote anything I have said on this floor. This is what I said on January 3, 1924:

> The cost of coal has become unbearably high. It places a great burden on our industrial and domestic life. The public welfare requires a reduction in the price of coal. With the enormous deposits in existence, failure of supply ought not to be tolerated. Those responsible for the conditions in this industry should undertake its reform and free it from any charge of profiteering.

The bill now before us is a repetition of the N. R. A. It provides for taxation and a compulsory method of getting people into a code system. What I advocated at that time had no tax whatever connected with it. It simply said to the profiteers, "You put an end to this profiteering or the Government will take over your business and run it until such time as you are willing to do the right thing by the consuming public."

Mr. SAMUEL B. HILL. Will the gentleman yield?

Mr. TREADWAY. Yes; I yield.

Mr. SAMUEL B. HILL. Was there any question of constitutionality involved in that measure?

Mr. TREADWAY. Yes; there was, and that was exactly the reason why there was no legislation passed, and that is the reason there should be no legislation passed today or Monday in connection with this matter. The gentleman now interrupting me and the other gentleman who desires to are able lawyers. They are trying to feed it to the House that this bill is constitutional. We know better and all lawyers know better.

Mr. SAMUEL B. HILL. Will the gentleman yield further?

Mr. TREADWAY. Yes.

Mr. SAMUEL B. HILL. What was the attitude of the gentleman from Massachusetts as to the constitutional question in that case at that time?

Mr. TREADWAY. Well, I did not know any more about the Constitution then than I do now. [Laughter.]

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. TREADWAY. No. I would like to complete this statement. I know enough to know when I think a bill is constitutional, but I cannot put up any great constitutional argument in my own right.

Mr. VINSON of Kentucky. I am certain the gentleman knows enough to know when he is in a bad fix.

Mr. TREADWAY. If I felt I were in a bad fix as a result of the position I took in 1926 in relation to the anthracite coal situation I would not be here talking now. I am absolutely consistent in my effort to defend the right of the consuming public to pay a fair price on coal, both bituminous and anthracite.

Mr. VINSON of Kentucky. If the gentleman will allow me to spend 3 or 4 or 5 minutes on the floor after he has concluded, I will show him his inconsistency.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. MILLARD. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. MILLARD. I wish to ask the gentleman with reference to the speech of the gentleman from New York [Mr. SISSON]. The gentleman from New York carefully mentioned the speech made by the gentleman from Kentucky [Mr. VINSON], and the gentleman from Washington [Mr. SAMUEL B. HILL], but he did not mention the remarks made by the gentleman from Tennessee [Mr. COOPER].

Mr. TREADWAY. The real constitutional argument he passed over. We each want to argue from our own standpoint. Of course, the gentleman from New York quoted the speech of the gentleman from Kentucky [Mr. VINSON] and the speech of the gentleman from Washington [Mr. SAMUEL B. HILL], able gentlemen as they are. He also quoted the gentleman from Maryland [Mr. LEWIS]. I notice there was a conspicuous absence of any reference to the speech of the gentleman from Tennessee [Mr. COOPER], who evidently made the real constitutional plea as far as the majority members of the committee are concerned. I do not blame the gentleman from New York [Mr. SISSON] for avoiding the real argument that the gentleman from Tennessee made.

Mr. PIERCE. Will the gentleman yield?

Mr. TREADWAY. I would like to complete this, but I yield in deference to the gentleman. I understood the gentleman to say a few moments ago the Constitution did not worry him much.

Mr. PIERCE. It does not worry me.

Mr. TREADWAY. I am glad of it. It worries me like everything to think we are going to break it down if we pass this legislation. I agree with the gentleman that it is perfectly all right——

Mr. SISSON. Will the gentleman yield?

Mr. TREADWAY. No. I cannot yield to more than one at a time. The gentleman from New York would not yield when he had time. I cannot yield to more than one at a time.

Mr. PIERCE. Is not the high price of coal entirely due to railroad rates and profits demanded by the owner?

Mr. TREADWAY. It helps. The railroad rates help, but we have an Interstate Commerce Commission to regulate and control any effort to secure unfair or unreasonable rates.

Mr. PIERCE. Is that not practically all of it?

Mr. TREADWAY. Oh, no; no.

Mr. PIERCE. The men who really mine the coal get practically nothing.

Mr. TREADWAY. I am not arguing the merits of this bill. I am only correcting some remarks which the gentleman from Pennsylvania [Mr. DRISCOLL] made last night.

Mr. SISSON. Will the gentleman yield now?

Mr. TREADWAY. Certainly. I am always glad to extend courtesies to my friends, even if some other people do not do the same thing.

Mr. SISSON. Is it not a fact that the gentleman only becomes concerned about the Constitution when the gentleman is in the minority?

Mr. TREADWAY. I do not understand the gentleman.

Mr. SISSON. Is it not a fact that the gentleman only becomes concerned about the Constitution when the gentleman is on the minority side?

Mr. TREADWAY. If the President himself will not show proper leadership and not become concerned over the Constitution, certainly we Members of the House ought to feel some interest in it. The President does not show any interest in it.

Mr. SISSON. But the gentleman was not concerned about the constitutionality of a precisely similar measure which the gentleman introduced when his side was in the majority.

Mr. TREADWAY. There was no resemblance between the measure I introduced in 1926 and this measure. There was an emergency at that time caused by a strike.

Mr. SISSON. There is an emergency now, a threatened strike now. What is the difference between the two situations?

Mr. TREADWAY. It is now sought to set this up as a separate bureau of the Government and endow it with permanency. Now, I cannot yield further, because I have not reached the matter raised by my friend from Pennsylvania.

Mr. Chairman, the gentleman from Pennsylvania last night referred to the importation of Russian coal. Why worry about the importation of Russian coal. Do not you gentlemen advocate this reciprocal tariff policy, under which we can import anything and everything from foreign countries to the serious detriment of our producers and manufacturers?

Mr. ANDRESEN and Mr. BOLAND rose.

Mr. TREADWAY. Mr. Chairman, I yield first to the gentleman from Pennsylvania.

Mr. BOLAND. The reason I referred to the importation of Russian coal being unloaded at the port of Boston and being used throughout New England is because it is being mined by forced labor in the Donets Basin, and should be excluded from America.

Mr. TREADWAY. It should not be permitted to come into this country; but the Democratic Party seems to have gone on record in favor of the use of imported articles, and this policy has resulted in importations into this country very much exceeding the export trade. It is the result of this foolish policy, this so-called "reciprocal tariff", advocated by the Secretary of State and backed up, of course, by his satellite, the Secretary of Agriculture.

Mr. BOLAND. May I say this further, that this imported Russian coal mined by forced labor in the Donets Basin is being handled by the New England Gas & Fuel Co., a subsidiary of the Copperas Co., of Pittsburgh, owned and controlled entirely by the Mellons.

Mr. TREADWAY. Has the gentleman completed his statement?

Mr. BOLAND. Yes.

Mr. TREADWAY. I fail to see wherein the gentleman makes any argument relative to the Guffey bill.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. ANDRESEN. I would advise my colleague that 685,000 bushels of Russian wheat is also being unloaded in this country.

Mr. TREADWAY. Does that benefit the gentleman's State of Minnesota?

Mr. ANDRESEN. Not at all; nor any other part of the country.

Mr. TREADWAY. No; of course not. Nor do the other importations brought into this country for which the Secretary of State is responsible.

In conclusion I want to make this observation, namely, my opposition to the present bill, Mr. Chairman, is based upon the same interest in the coal-consuming public in New England that actuated me when I introduced the bill in the Sixty-ninth Congress to which the gentleman referred. I am interested in the effort the proponents of this bill are making to add $20,000,000, at least, in New England alone to the price of fuel coal. If this is not a consistent position to take, I do not know what is consistent. I have been absolutely consistent in my interest in behalf of the consuming public. I do not suppose I shall get any further with it now than I did then. I have been consistent, nevertheless, whether the gentleman from Pennsylvania agrees with me or not. The consumers will be the sufferers if this legislation passes.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Page 6, line 18, after the word "authorized", strike out the rest of the paragraph.

Mr. MAPES. Mr. Chairman, I offer this amendment in order to keep the record straight.

As a concession to the public, this bill provides for a consumers' counsel to act in connection with the national bituminous coal commission, but the authors of it were careful to see to it that the appointees of the consumers' counsel are taken out of the jurisdiction of the civil service and also the Classification Act, the same as are the employees of the commission.

The language stricken out by my amendment is as follows:

Without regard to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation and duties of such assistants and clerks, and is authorized to make such expenditures as may be necessary for the performance of the duties vested in him.

Mr. Chairman, we have become accustomed to finding one provision of this nature in most of the important legislation passed in the last few years, but it is quite unusual to find two such provisions in one section of any bill. This is unusual even for this Congress, and for that reason I think it ought to have special mention. I think it ought to be stricken out. I have, therefore, offered this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The CHAIRMAN. Are there any amendments to section 3?

Are there any amendments to section 4?

Mr. VINSON of Kentucky. Mr. Chairman, I move to strike out the last word to address myself to the remarks of my good friend from Massachusetts, Mr. TREADWAY.

Mr. Chairman, I want to say that I have a very fond affection for him, but I just cannot let his statement go by that he was consistent yesterday and today with the position he took in the Sixty-ninth Congress. I call the attention of the House to the fact that on December 7, 1925, the gentleman from Massachusetts [Mr. TREADWAY] introduced the bill (H. R. 3979) which had for its purpose, as expressed in the title, to regulate interstate and foreign commerce in anthracite coal, to provide for standardization of quality, to control distribution, and for other purposes.

Section 3 of the bill is headed, "National Public Interest."

I want to say, while section 3 of his bill in the Sixty-ninth Congress is not as full and complete, is not as specific, and does not have the legal foundation that section 1 of the pending bill has, yet it deals with a similar treatment.

Section 3 reads as follows:

NATIONAL PUBLIC INTEREST

SEC. 3. Commerce in anthracite coal is affected with a national public interest, since anthracite coal is a necessity of life to the people in many States. Since the supply of anthracite coal lies entirely in a restricted area in a single State; since more than 80 percent of such coal mined is mined for and is sold or transported in commerce; since the employees in the anthracite-coal fields belong to a single union; since a few large corporations control its production and shipment in commerce and fix prices in their own interest without regard to the needs of the communities dependent on the supply, and so restrict and burden the normal flow of commerce: Therefore regulation of commerce in anthracite coal is imperative for the protection of such commerce and the national public interest therein.

On yesterday my good friend the gentleman from Massachusetts, the distinguished leader of the minority of the Ways and Means Committee, on page 13437 of the RECORD, stated:

This bill attempts to impress the mining of coal, which the Supreme Court has said is a local activity, with a national public interest, so as to give Congress the power to regulate it. If Congress can impress the coal industry with a national public interest, it can probably do so with respect to other industries.

The Supreme Court had written the opinions at the time the gentleman from Massachusetts introduced H. R. 3979 in the Sixty-ninth Congress, which he cites in his legal brief. The gentleman from Massachusetts is now quite solicitous about the Constitution of the United States. He cites the veto message or excerpts from a veto message of President Taft. He stated on yesterday that men should not throw upon the Supreme Court the entire responsibility for considering the constitutional features of this measure and that we should not shirk our responsibility as Members of Congress. Yet on April 27, 1926, when this matter was under consideration, the gentleman from Massachusetts said, in referring to the testimony of the opponents to President Coolidge's recommendations during the hearings before the Committee on Interstate and Foreign Commerce:

Mr. TREADWAY. That is not evidence—at least, it is not good evidence or disinterested evidence—that the recommendations of the President or the suggestions contained in the gentleman's bill or the bill which I have introduced are not practical and possible.

Mr. JACOBSTEIN. You are correct in what you say. They have made only a legal argument. Of course, they do not want any legislation, but they say even if they did want it or even if Congress should enact it, it would be unconstitutional; that you could not get anywhere with it because the Supreme Court would throw it out. That much they have stated.

Mr. TREADWAY. Would it not be just as well to have the Supreme Court pass on the proposition we have proposed, rather than take their word for it?

Mr. Chairman, this shows whether the gentleman from Massachusetts is consistent or not. He stated yesterday that Congress has not the right to find the fact that the mining of coal is clothed with the national public interest, but back in 1925 and 1926, when there was a strike, he said that the mining of coal was clothed with the national public interest. What is the difference whether a strike is on or where we are acting to prevent one?

"Oh, Consistency, thou art a jewel!" [Applause.]

Mr. GRAY of Indiana. Mr. Chairman, over and above this logrolling contest and the pro and con of constitutionality I can see one great vital issue in this bill—the issue of parity of prices. First, there is the parity of prices with taxes, interest, and debts; and, second, the parity between prices. The disparity of values, wages, and prices with taxes, interest, and debts was the evil which brought on the world panic. And the disparity between prices enriches one class and impoverishes another.

In 1920 the farmers of the country were enjoying parity of prices with taxes, interest, and debts. They were required to sell not more than one-third or one-fourth of their farm crops and produce with which to pay taxes, interest, and debts, leaving them with the proceeds of the remaining three-fourths or two-thirds of their farm stock and produce with which to buy and consume the products of industrial labor.

But when values, wages, and prices fell, bringing a wide disparity between prices and taxes, interest, and debts, they were compelled to sell two-thirds or three-fourths or all of their stock and produce with which to pay taxes, interest, and debts, leaving them no part for use as buying and consuming power. It was this same fall of values, prices, and wages—this same disparity between prices, taxes, interest, and debts—which destroyed not only the buying and consuming power but the tax, interest, and debt-paying power of the people of every country of the world and brought on the international panic.

In readjusting the German reparation debt to bring the debt down to a parity level with fallen values, prices, and wages, the debt was scaled down and down, from thirty-one to eight billions of dollars, to make it possible for Germany to pay the debt.

While values, prices, and wages must be raised to a higher level to restore the buying and consuming power, as well as the tax-, debt-, and interest-paying power, to bring about normal prosperity or economic conditions, yet prices must be raised on a parity level to restore a balanced industrial condition. Those who are required to pay more for the services and necessaries of life must have more to pay with.

Prices cannot be raised on a parity by piecemeal legislation—by raising the price of one article high while leaving the price of another low. All must be lifted at the same time to maintain the power to pay with the prices to be paid.

This bill will not restore the general price level. It will not restore parity of prices with taxes, interest, and debts. It will not restore the prices of what people receive with what they have to pay. It will leave some people to pay more without more to pay with.

It will not eradicate the evils of disparity of prices. It will compel the consumers to pay more for coal without more to buy coal with.

The problem of production is solved. The problem of consumption only remains. The problem of the coal industry is to maintain or increase production while increasing consumption.

Closing up mines where miners are now employed, reducing the production of coal, to raise the prices of coal, by compelling people to pay more for less without more to pay with—will not restore employment among the idle, suffering miners, will not give more money to miners, or a greater total wage. It will only burden the poor using soft coal, without reducing unemployment among miners or increasing the total wage paid to the employee.

If all the increase in price which the consumers are to pay was to go to the real miners, to relieve the idle suffering miners, the consumers' sacrifice could be borne with enduring fortitude. But the claim of the operators and the dealers is heard above the pleas of the miners in the mines, asking to close up mines, reduce the number of miners employed, to raise the price of coal, to increase the wages to miners.

There must be a raise, a restoration of values, prices, and wages. But this must not come by a reduction of the necessaries required by the people to live. This must not come by reducing the number of the employed, increasing the army of the unemployed.

This rise must come with a change of the relative value of money with labor, commodities, and the products of labor, with a greater money earning over taxes, debts, and fixed charges, with a greater buying and consuming power, with the benefits going to more people instead of going to a fewer, decreased number.

This piecemeal raise of prices, lifting the prices and wages of some people while leaving the prices and wages of other people still remaining low, compels them to sell at low prices and wages and to buy at high prices and wages, and enforced by creating a scarcity of the vital necessities to live is a false industrial policy. It is postponing and delaying the coming of real, permanent prosperity with higher wages and greater total earnings and employment to a greater number.

The machine does not reduce employment. It enables men to produce more and better and live better with greater comforts and conveniences, and to enjoy more of the luxuries of life. And this would be the effect of the automatic machine in industry under a system of industrial justice with the workers taking their equitable share of the earnings and income from industry.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 13, line 22, after the word "assessments", insert the words "for board operating expenses only", and after the word "code" in line 23, insert the words "and reasonable costs", and strike out the words "the cost."

Mr. CRAWFORD. Mr. Chairman, if I have the right conception of this bill, section 2 creates a commission; section 3 provides a tax which will have to be paid by those coal operators who do not become members of the marketing code; section 4 creates a coal code which is divided into three major parts, part 1, the organization of the producing areas, part 2, the marketing of coal, and part 3, the labor relations between the miners and the coal operators.

In the marketing code we find provisions setting forth how minimum prices shall be charged for coal.

In the formula which Congress sets up for the creation of the minimum price, there shall be included in the computation the cost of labor, supplies, power, taxes, insurance, workmen's compensation, royalties, depreciation, and depletion and all other direct expenses of production, coal operators' association dues, district board assessments, levied under the code and the cost of administration. The consumers of coal in this country are therefore to be burdened with a minimum price on coal which covers marketing areas——

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. SAMUEL B. HILL. The committee will accept the amendment if that is satisfactory to the gentleman.

Mr. CRAWFORD. I thank the gentleman from Washington.

The amendment was agreed to.

Mr. SAUTHOFF. Mr. Chairman, I move to strike out the last word and ask unanimous consent to insert at this point two telegrams relating to the price of coal at the mines and at which it is sold to the consumer in accordance with questions asked me yesterday by the gentleman from Kentucky [Mr. VINSON].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The matter referred to follows:

MADISON, WIS., *August 16, 1935.*

Hon. HARRY SAUTHOFF,
Representative in Congress,
Room 120, House Office Building,
Washington, D. C.:

Drives reports prices on six by three coal same as Conklin. Adds following: Pocahontas, West Virginia, two seventy-five, two three sixty, f. o. b. mine; freight, five naught two; retail price, ten dollars. East Kentucky screenings, four fifty-five, f. o. b. mine; four eighty-two freight; retail price, eight dollars. Hard coal six twenty-five, f. o. b. mine; freight, six naught seven; retail price, fourteen dollars. Opposed to bill. Says added tax to f. o. b. price plus high freight rate would make retail price prohibitive on West Virginia, East Kentucky, and hard coal.

A. E. O'BRIEN.

MADISON, WIS., *August 16, 1935.*

Hon. HARRY SAUTHOFF,
Representative in Congress:

Conklin reports bituminous-coal price as follows: Southern Illinois six by three coal, two twenty, f. o. b. mine; two ninety freight rate to Madison; six seventy-five retail price. Indiana six by three coal, two fifty, f. o. b. mine; two seventy freight rate; six twenty-five retail price. West Kentucky six by three coal, one fifty, f. o. b. mine; three twenty-five freight rate; six twenty-five retail price.

A. E. O'BRIEN.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 17, line 25, after the word "basis", strike out "as has heretofore existed."

Mr. CRAWFORD. Mr. Chairman, in offering this amendment I am not too positive of my position in the matter, but I wish to draw the attention of the committee to this situation. If the last four words in line 25, on page 17, are put in here to permit operators in certain marketing areas to continue the practices which have heretofore been carried on by them, before N. R. A. and since N. R. A., of giving quantity discounts and rebates and things of that kind, I think they should come out.

Mr. VINSON of Kentucky. May I say to the gentleman that those four words, "as has heretofore existed", do not refer to the unfair-trade practices. We cover the very point the gentleman has in mind in other language in the bill that deals with unfair trade practices. This refers to the competitive basis, the permitting of coal to go from a district or field into its common, consuming market on the same competitive basis as has heretofore existed.

Mr. CRAWFORD. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

Mr. CRAWFORD. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: Page 22, line 5, after the word "instrumentalities", insert "or by or through dummy, second-hand contracts."

Mr. CRAWFORD. Mr. Chairman, on this particular page we are dealing with the marketing of coal. It is the custom in selling commodities of this nature, which are sold in carload lots, for the seller very often to sell the purchaser supplies considerably in excess of the purchaser's requirements. This action is taken to the end that the seller may, later on, take coal through a round-about channel and place it on the market. If this code is to be effective and if this bill is constitutional—personally, I am convinced it is going to pass—if it is held constitutional I hope the code here defined and set up by Congress will be practical of administration, and I hope it may be administered in such a way that rebating and destructive trade practices may be eliminated.

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. SAMUEL B. HILL. I am quite sure, upon closer examination, the gentleman will find that his amendment now being offered is limiting rather than expanding the requirements here. The point is covered by the language in the bill and the more limitations you put in it the less expansion you have, of course.

Mr. VINSON of Kentucky. If the gentleman will permit, does not the gentleman from Michigan think that the term "other intermediaries or instrumentalities" covers the practice that the gentleman is aiming at?

Mr. CRAWFORD. I do not believe it does, for this reason: Suppose you, the operator, sell me 100,000 tons of coal. I buy it, presumably, for boiler-house use, but later on,

due to some change in the market or in the price of coal as set by the Board, we find it is advantageous all the way around for me to sell this coal as a second-hand transaction, not as a dealer set up in business, but I become a second-hand dealer because I begin selling coal off my contract. Now, if I am permitted to do that under this language, I become a very destructive influence in the coal market. If through my operations as a vegetable canner, for instance, with a coal contract of this nature calling for more coal than I require, I become a destructive influence in the market, or if through my operations I am not covered by the provisions of this code, that is something we should be very careful about and should take care of.

Mr. SAMUEL B. HILL. I call the gentleman's attention to lines 12 and 13, in subsection (h), "All sales and contracts for the sale of coal shall be subject to the code prices herein provided for and in effect at the time of the making of such sales and contracts." Does that help the gentleman's situation any?

Mr. CRAWFORD. I have another amendment which applies to those very lines; assuming that if this apparent weakness in line 5 was not really there, we might dig it up in lines 12 to 15, on page 22.

Mr. Chairman, may I have the other amendment read?

The Clerk read as follows:

Page 22, line 12, after the word "sale" insert "and resale in carload lots"; and after the word "sale" insert "and resale"; and after the word "coal" insert "in carload lots."

Mr. VINSON of Kentucky. The provision in the bill includes carload lots.

Mr. CRAWFORD. I was of that opinion until I reached line 16, where it says "and reselling in not less than cargo or railroad carload lots."

Mr. VINSON of Kentucky. I am certain that your amendment is more restrictive than the other.

Mr. CRAWFORD. I certainly do not want to place anything in the code which will limit it, and I withdraw the amendment.

The CHAIRMAN. The Clerk will report the other amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Page 22, line 16, after the word "for" insert "use or for"; and in line 17, before the word "resell" insert the word "subsequently."

Mr. CRAWFORD. Mr. Chairman, I withdraw that amendment.

Mr. HOBBS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 29, strike out all of lines 1, 2, 3, 4, 5, 6, and 7 down to the period after the word "members."

Mr. HOBBS. Mr. Chairman and Members of the Committee, this is not a pro forma amendment. It applies to the provisions of the bill on page 29, from lines 1 to 7, which, stripped of all simulation, simply mean this, that the States of Pennsylvania, West Virginia, and Illinois will absolutely control the hours that miners may work in every one of the bituminous-coal fields in the United States.

I have nothing whatever against the gentlemen in any one of those States. I strongly favor anything that will benefit them in their mining operations, but I respectfully submit that no bill should be passed with a provision in it like that, which, merely because they have two-thirds of the national tonnage and more than half of the employees, would give them the power to say that the bituminous coal mines of America shall work only 1 hour per month, and that settles it, so far as Alabama or any other State is concerned.

Mr. WOOD. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Yes.

Mr. WOOD. In the hearings before the House Labor Committee on the 6-hour bill in the Seventy-first Congress, about all the representatives of business who appeared before that committee, some thirty or forty, agreed that in any locality 10 percent of goods sold on the market of like kind for a less price could destroy the whole market. That is to say, if 10 percent of the amount of coal sold in Washington or in a State was sold at a lower rate than the going rate, it would also bring down the price of all of the rest of the coal. This gives two-thirds of the industries the right to say what the wages and hours shall be and what the prices shall be.

Mr. HOBBS. Two-thirds of the tonnage and half of the miners?

Mr. WOOD. Yes.

Mr. HOBBS. In answer to that I call attention to the fact that this bill in the same part III, immediately preceding this, preserves the same power which the Wagner labor-disputes bill has given to labor of collective bargaining through instrumentalities of their own choosing, and in addition to that the right to have weighers and checkers, and all of those protective measures which they need and should have, and, therefore, when you come down and say, as you do in these seven lines, that the citizens in the coal business in Alabama, both miners and operators, shall have no choice whatever in negotiating by collective bargaining, sitting around the table, as to how many hours they shall work in those mines, that transcends the bounds of all propriety of legislation, as well as of constitutional enactment, and I submit this amendment ought to be adopted, that we should strike those words out.

These figures have been furnished me by colleagues from the States in question: Pennsylvania produces 90,000,000 tons; West Virginia, 120,000,000 tons; Illinois, 40,000,000 tons, making a total of 240,000,000 tons, which is more than two-thirds of the national annual tonnage; and that there are employed 132,000 men in Pennsylvania, 65,000 in West Virginia, and 40,000 in Illinois. I am sure that they are approximately correct, although I have not verified them, of course. They prove my assertion that this bill would turn over to the miners and operators of the three States, Pennsylvania, West Virginia, and Illinois, the absolute power to fix the maximum daily and weekly hours of labor for every code member in the entire industry.

This is not only wrong but is significant.

Mr. WOOD. Mr. Chairman, I rise in opposition to the amendment. Of course, if this provision is stricken from the bill it will seriously endanger its effect. When the codes were established or written by the employers under the N. R. A., the Manufacturers' Association, the National Chamber of Commerce, as well as the Coal Operators' Association, and all other business organizations agreed that the majority of any industry for which a code was written would decide certain prices and wages and conditions that should apply to the entire industry. If we are going to bring about amicable relations between the coal operators of this Nation and the coal miner—and no one can gainsay that that is not essential for national recovery—we should certainly allow an agreement entered into by those representing two-thirds of the tonnage production of the Nation to stabilize the minimum prices, wages, and hours insofar as the agreement is concerned.

In the light of our experience in the past 5 years during the period of the depression, it is difficult for me to understand why some would contend that you can stabilize an industry through codes and agreements as to prices and wages when that agreement would only cover two-thirds of the industry, the remaining one-third being accorded the right to deal in unhampered cutthroat competition when experience teaches us that 10 percent or less of any given industry could deal in unfair price-cutting, wage-slashing competition, and thereby destroy the stability of that industry. I hope this amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was rejected.

Mr. HOBBS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HOBBS: Page 29, lines 7 to 17, and after the period in line 7, strike out the remainder of line 7 and all of the other lines following down through line 17.

Mr. HOBBS. Mr. Chairman, this is a companion amendment which strikes out the right of the majority to fix wages. I submit it is a dangerous provision in view of the same argument I presented a moment ago with reference to the hours and wages regulation.

Mr. VINSON of Kentucky. I do not know that my friend recognizes that with reference to the wage agreement it is two-thirds of the producers in a district, and it is a majority of the workers in a district.

Mr. HOBBS. It has nothing whatever to do with the national tonnage nor the men employed in the Nation. I was coming, of course, to that. My point is this. The minute that you put into this law a provision which gives two-thirds of the tonnage in any area and one-half or more than one-half of the miners in any area the right to fix wages, you strike down once and for all the right of an American citizen who owns a mine to operate it unless they say so. You strike down the right of any American citizen to work in a mine—with pick and shovel or in any other small operation—unless two-thirds of the tonnage and the majority of the miners say so.

To give you an illustration of what is in my mind, just suppose that in a district where there are a dozen large coal mines and one or two small coal mines, it would be the easiest thing on God Almighty's earth for those large fellows to get together and say, "We want to get rid of this bird. Now we have within our ranks two-thirds of the tonnage in this area and more than 50 percent of the miners, we will fix the wages at $10 a minute. The little fellow cannot stand it and he will get out. Therefore we will cut off competition."

Mr. KELLER. Will the gentleman yield?

Mr. HOBBS. I yield.

Mr. KELLER. Could the big fellow stand it any more than the little one?

Mr. HOBBS. Of course.

Mr. KELLER. How?

Mr. HOBBS. A man with a big production can produce cheaper than one with a small production.

Mr. KELLER. Not always, at all.

Mr. HOBBS. Not always, of course; but the point I am making is that it is a dangerous thing to superimpose this power in this bill on the power already granted of collective bargaining, through voluntary associations of their own choice.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. HOBBS. I yield.

Mr. VINSON of Kentucky. What is the percentage of cotton producers who have to agree to curtail cotton production? Is it 66⅔?

Mr. HOBBS. That is my recollection.

Mr. VINSON of Kentucky. Does the gentleman believe that they ought to be permitted to get together and make an agreement of that kind?

Mr. FULMER. Will the gentleman yield there?

Mr. HOBBS. I yield.

Mr. FULMER. As a matter of fact, if this farmer only produces five bales his vote is just as important as the farmer who produces 5,000 bales. Each has an equal share, but I understand the gentleman to say that because a big operator can control the output, they would put out of business the little fellows?

Mr. HOBBS. Certainly. Another thing, in the Bankhead Cotton Act—and I will not be diverted long on this. I will not have this nor any other herring drawn across the trail to divert me from the subject, as has been done in this debate heretofore. My friend, the distinguished, able, and affable gentleman from Kentucky [Mr. VINSON] cleverly intimates a parallel where there is none. Not only is the basis for voting under the Bankhead Cotton Control Act entirely different from that set up in this act—as has just been pointed out by the gentleman from South Carolina—but the question to be determined by that vote is not, as it is here, what wages shall be paid as a minimum, but whether the manifold benefits of the cotton-control program, such as rental payments for acreage withheld from production and parity payments, should be continued.

Enact this bill in its present form, without this amendment, and you have written the death sentence of every mine which, because of faulty or thin seams, high trash content, unusual quantity of water, smallness of output, or for any other reason, cannot produce its coal as cheaply as its more favored neighboring mines.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS].

The amendment was rejected.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 26, line 11, after the word "protection" insert: "the majority of the members of any craft of employees shall have the right to determine who shall be the representatives of the craft for the purpose of collective bargaining: *Provided, however,* That two or more crafts may, with the consent of a majority of the members of each, unite as a class of employees for the purpose of collective bargaining, in which case the majority of the members of the class shall have the right to determine who shall be the representative of such class."

Mr. MEAD. Mr. Chairman, as this bill is written, and as it will work out in its practical application, every man employed in this industry will be represented by a member of the United Mine Workers. It will be necessary for the machinists and other mechanics who are now members of some other bona fide labor organization to become members of the United Mine Workers if they are to enjoy representation for collective bargaining under this bill. They will be called upon to pay dues in their craft union, and they will likewise be called upon to contribute to the United Mine Workers.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. MEAD. No. I only have 5 minutes. I wish to complete my statement and then I will be glad to yield.

This bill is inconsistent with both the National Labor Board Act, which we passed sometime ago, and the Railroad Labor Act. In both of those acts we gave the right of self-determination to all of the trades and crafts employed in the industries affected; but in this bill we single out one union and compel every other worker to become a member of that organization if he is to enjoy representation. Explicitly, we do not deny them representation, but, practically speaking, they have no representation. We create a labor board of three members, and the only labor man on that board will be a member of the United Mine Workers of America. We should give due recognition or consideration to the 35,000 craftsmen who are not mine workers but who are engaged in this industry.

The right of self-determination ought to be given to the machinists and all other metal-trades workers who are engaged in this industry. Throughout the mine fields there are shops in which machinery is either built, assembled, or overhauled. In those shops are employed many mechanics who belong to the metal-trades division of the American Federation of Labor. I am for helping the United Mine Workers of America; but I do not know why we have to be inconsistent in this instance and deny to some unions the same representation for collective bargaining purposes that we have given to them in both the Railroad Labor Act and the National Labor Relations Act.

I trust this amendment will be adopted.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute in order that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Gladly.

Mr. MAY. Does the gentleman understand that the American Federation of Labor, which is the representative organi-

zation of the mechanics' organization, is sponsoring this bill and is 100 percent for it?

Mr. MEAD. The gentleman understands that labor generally favors this bill. I further understand that the American Federation of Labor has just concluded its annual convention at Atlantic City and, therefore, I am not yet apprised of the action they have taken. The American Federation of Labor, as a whole, strongly endorses this measure; but as a consistent policy the American Federation of Labor would, I believe, give every mechanic and every member of a bona fide labor organization the rights of self-determination.

Mr. MAY. Does the gentleman understand that in all the shops in the mining districts of this country the shopmen are not members of the United Mine Workers?

Mr. MEAD. The gentleman understands that the mechanics employed in this industry are members of the metal trades division of the American Federation of Labor and members of their own union; that includes the Machinists' Union.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. BOLAND. Is it not a fact that the American Federation of Labor has entire jurisdiction over the United Mine Workers of America?

Mr. MEAD. The American Federation of Labor has jurisdiction over the United Mine Workers of America only under certain conditions, but let me say to the gentleman from Pennsylvania that the Machinists' Union and other unions engaged in this industry will lose their representation so far as this act is concerned if we do not adopt the amendment which I offer.

Mr. VINSON of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, my friend from New York [Mr. MEAD] is one of the most able men in the House. He is one of the most sincere friends of the working man in Congress. He has been a leader for them here for many years.

I rise to ask what he meant by representatives. I think that he has fallen into the same error that the International Association of Machinists fell into in their letter dated August 13, 1935, although adding a postscript that they were also referring to this bill, H. R. 9100, as well as the original bill. I am of the opinion, of course, that they did not understand what had been done to the original bill.

Now, I want to say to my friend from New York and to the House that this is an important proposition. In the bill that is pending before the committee we go further than the gentleman from New York wants us to go in his amendment. He wants to have language in the bill that is not quite clear to me with reference to other organizations. What do we do? As the bill was originally introduced, the provision with reference to collective bargaining made it necessary to have two-thirds of the producers in a district and a majority of the mine workers therein belonging to a recognized national association of mine workers. In mine workers, of course, are included miners, electricians, machinists, mechanics, and many other crafts. The bill before the House does not refer to the United Mine Workers of America, it refers to mine workers, men working in the mine.

I grant you that when you limit representation to a membership belonging to a recognized national association of mine workers it could be said to refer to the United Mine Workers; but the subcommittee, and the full committee as well, struck out the language in the original bill—H. R. 8479—"belonging to a recognized national association of mine workers." They struck it out because they felt that the majority of the men who work in the mines should have the right to name the representatives to sit around the table and bargain collectively. So the language of the bill reads, "a majority of the mine workers", whether they belong to the United Mine Workers of America, the Protective Association, some other independent union, or no union at all. The majority of mine workers can elect their representatives who sit around the table and bargain collectively to reach wage agreements, whoever they may be.

I submit that this bill, as amended by our committee, goes further even than the gentleman from New York would have us go in his amendment. I submit that the gentlemen to whom my friend refers are eligible to be the representatives of the majority of the persons working in the mines.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. FOCHT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a most gratifying thing about this controversy, covering as it does the widest range that could be conceived, because it involves a constitutional question, is that the Members of the House have taken hold of the question boldly. The one thing about it all, my friends, that will gratify the country after you have acted upon this measure and taken your position, whatever it may be, is that those who favor this bill insist that it is constitutional, not one of them backing away from the power, the competency and the validity of what I call the sacred Constitution. So far as the discussion of the constitutional question is concerned, therefore, it is merely a matter of adjusting one's self as to whether it will apply to this case as it has applied in other cases according to the decisions of the Supreme Court. I am especially interested in this legislation and hopeful that if it becomes the law it will be a successful law.

No one represents a coal district that is in greater need of some help than that which I represent. I am reminded at times of a story to this effect. The soldiers were digging in before Verdun, and seemingly unable to do anything. An orderly spoke to Marshal Joffre, and said: "Marshal, with all these implements of war, and with all this machinery here at your command, and you doing nothing for 6 months, if Napoleon were here what do you think he would do with all this outfit?" Joffre said: "If Napoleon were here, he would think of something."

I hope you gentlemen on the majority side have thought of something to relieve those people in the Broad Top district, where I have seen much distress in all the 20 years I have been in Congress, and no means of relief afforded. They have had one strike after another up there until conditions became so intolerable that two standard railroads have gone into the hands of receivers. These were coal-carrying railroads. Destitution has been apparent among good people who are willing to work.

I hope that if this bill becomes a law it will relieve conditions up there and everywhere and that you have actually thought of something.

I wanted to say when I rose that in the course of debates like this misstatements or inaccuracies are indulged in. I have the highest respect for the integrity and the intelligence of this body and I am ready to defend it to the limit from insult or any unwarranted charge, but even Congressmen are not infallible.

The necessity for this bill should never have existed, but nothing better having been offered to relieve the distress of the miners themselves and the operators, consequently this is the only thing we have to deal with.

A suggestion has been made by one of the Members from Pittsburgh. There are so many Members from Pittsburgh, so many Democratic Members west of my district in Pennsylvania, that I really have not had a proper opportunity to exchange visiting cards in the old Harrisburg way.

I want to call attention to what was said a while ago by the gentleman from Pennsylvania [Mr. ELLENBOGEN], who lamented the fact that 80,000 men have been killed working in mines, victims of the hazards of mining—and many more injured. I do not know whether his figures were correct, but I happen to know something about mining and miners. When I was in the State Senate of Pennsylvania, I represented a great anthracite region, and now, after all these years, I represent a district which has a large bituminous production.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. In a minute. I want to say to the gentleman that during the period I was in the State senate I helped pass innumerable laws for the protection of miners—laws urged by the miners' organizations. They were always active, always alert; and I am saying to him now that if there is any dereliction on the part of anybody it cannot be attributed to the Republican Party back home there in Pittsburgh in those large headlines in the newspapers, but it must be laid at the feet of the Democratic Party in Pennsylvania now in power, with a supervising Cabinet officer there to look after the execution of these laws we helped enact years ago. If they are not enforced, it is not because the heart of the people and the compassion of the citizens or their chivalry is lacking in the care of the miners.

Mr. Chairman, there are just three questions about this whole business. The first is constitutionality. That question is out of the way, because you have decided that in your own minds; you know how you are going to vote. The thing remaining is to do something for the producer and the miner—safeguard his life and give him a good wage. Then see to it that those people who have invested their money in the stocks and bonds of the mines and railroads of the country that haul the coal from the mines get a decent return on their investments.

Certainly the price of soft coal is going to be raised somewhat. A person must be stupid and very dumb to think we are going to get the adjustment and stabilization in any other way. There will be an increase in the cost of bituminous coal; but we want to do the same thing for every other commodity in this country—farm, textile, all of them. It is a great protective-tariff system, even though it is translated into legislation such as this. It is nevertheless, protective tariff for industry and for labor, and with this properly adjusted the country will thrive as it has in the past under Republican policies of protection for labor and industry, the law of supply and demand controlling and proper reward inspiring all to apply their best efforts.

Mr. GRISWOLD. Mr. Chairman, I offer an amendment, which I send to the desk.

Mr. KENNEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KENNEY. Is there time available in opposition to the pro forma amendment?

The CHAIRMAN. There may be at some future time, but at the present time there is no pro forma amendment before the House. There is now pending a regular amendment for the consideration of the House which the Clerk is about to read.

The Clerk read as follows:

Amendment offered by Mr. GRISWOLD: On page 9, line 15, strike out the word "one" and insert the word "eight" and after the word "producer" strike out the word "member" and insert the word "members."

Mr. GRISWOLD. Mr. Chairman, as I understand it, this report does not go into any detail on this particular feature of the bill. If a district board consists of 17 members, 1 member is selected by labor, leaving 16 other members to be selected by the producers. The gentleman from Kentucky [Mr. VINSON] has just clarified one of these provisions, namely, that one of these members selected by the producers is selected from the producers by number. The other 15 are selected from the producers by tonnage in the last calendar year, which leads into the position of having 51 percent of the tonnage produced in the last calendar year selecting 15 members of the board as against 1 selected by the other 49 percent. In other words, you may have in your district or your State numerous mines producing as much as a thousand tons of coal per day being without any representation on this board whatsoever. You may have as many as 3 or 4 producers controlling 15 members of that Board with two or three hundred producers without any representation at all, constituting the 49 percent.

Under this set-up we are going to reach the place where 51 percent, controlling absolutely the set-up of this board on a ratio of 15 to 1, will control the prices and so fix prices and conditions that the 49 percent will be driven out of business, allowing an absolute monopoly on the part of the 51 percent to boost the price to wherever they see fit and to establish working conditions as they see fit. When they have obtained control the consumer will suffer and labor in the mines will be forced to bow to their will.

Mr. Chairman, the intent of this bill is absolutely to the contrary. This bill seeks to stabilize the business for all, not for the 51 percent. Its intent is to save all the producers from bankruptcy, not to make the plight of 49 percent worse than today.

Mr. CONNERY. Will the gentleman yield?

Mr. GRISWOLD. I yield to the gentleman from Massachusetts.

Mr. CONNERY. What is the purpose of the gentleman's amendment? As I understand it, the gentleman is trying to get more labor representation on the district board?

Mr. GRISWOLD. No; it has not anything to do with labor representation at all. Under my amendment you would have 8 producers selected by number; you would have 8 selected by tonnage, making the representation equal; 8 representing the 51 percent that might have controlled the tonnage in the last calendar year; and 8 representing all the others, which has nothing to do with tonnage. Then you would still have one vote for labor.

Mr. CONNERY. There is one labor representative on the board?

Mr. GRISWOLD. Yes; regardless of whether the 51 percent controls 15 representatives or whether they control only 8, there will still be 1 representative of labor on the board. If representation between the two classes is equal, the vote of the representative of labor might aid a compromise.

Mr. EDMISTON. Will the gentleman yield?

Mr. GRISWOLD. I yield to the gentleman from West Virginia.

Mr. EDMISTON. The gentleman uses 51 percent as an illustration. He is taking the worst possible condition that might exist. There might be 75 or 80 percent, but he takes 51. In all probability it would be a much higher percentage than 51 percent.

Mr. GRISWOLD. I may say to the gentleman that in Pennsylvania, as I understand the matter, and I do not know much about it, a large percentage of the coal production is controlled by the Mellon interests, although they do not control the largest number of mines.

Mr. RANDOLPH. Will the gentleman yield?

Mr. GRISWOLD. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I am in agreement with the gentleman's contention on this amendment. He is simply trying to help the small mine operator as well as the large mine operator?

Mr. GRISWOLD. I am trying to make all of the mine operators equal. Under the situation which would exist without my amendment there would be a few prosperous and all the rest would starve. I want the consumer to have protection also. I think he deserves it. I think he will come nearer to obtaining justice if my amendment is adopted. My amendment will be an aid to prevention of monopoly in the coal business. It will tend to keep alive fair and just competition by allowing 49 percent of the producers that might be forced out to live and continue to operate. I never knew a monopoly in any business that did not adversely affect the consumer. I do not believe the coal business is any different from other business in this respect.

[Here the gavel fell.]

Mr. SAMUEL B. HILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is too complicated a matter to write on the floor of the House, even conceding there is merit in the proposal. I am not saying there is not merit in it, but I cannot understand all the implications from the limited study which we have been able to give the amendment while the gentleman has been discussing it on the floor.

The provisions in this bill have been worked out very carefully through conference with the producers and the

workers, and we have sought to bring here and set up in this bill a district board that would be acceptable to the industry and the employees. The gentleman's amendment calls for 8 members to be selected by the number of operators and 8 to be selected on the basis of tonnage, with 1 additional member to represent labor.

The provisions of the bill provide that not less than 3 nor more than 17 members shall be on the board. The gentleman's amendment contemplates apparently that there will be on all of these boards 17 members, which is not the case. It may range from 3 members to 17 members. Certainly the amendment would not fit in with this kind of a set-up.

This goes to show that the offering of amendments at this time on the floor of the House, without any opportunity by the committee or anyone else to sift them out and see just what their implications are, is a very serious mistake.

I ask that the amendment be voted down.

The question was taken; and on a division (demanded by Mr. SAMUEL B. HILL) there were—ayes 54, noes 26.

Mr. SAMUEL B. HILL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. GRISWOLD and Mr. SAMUEL B. HILL.

The Committee again divided; and the tellers reported that there were—ayes 66, noes 27.

So the amendment was agreed to.

The CHAIRMAN. Are there any further amendments to section 4?

Are there any amendments to section 5?

Mr. LEWIS of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was not in good health yesterday and so I would like to ask the unanimous consent of the Committee to proceed for 15 minutes on this general subject. I feel under a duty to make this request or I should not venture so far this afternoon.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LEWIS of Maryland. I thank the committee most warmly, indeed, for this concession.

Ladies and gentlemen, there are three propositions which I think so vital in our consideration of this bill that I should bring them to your attention.

The first proposition is this: The familiar principle of competition breaks down and does not operate conservatively in the bituminous coal-mining industry. Instead, operating conservatively, competition in the coal-mining business it operates destructively. This has been the experience not only in the United States, in Germany, the experience in Great Britain, but also in other countries. By this I mean that such are the peculiarities of production and distribution of soft coal that if there be a shortage of 2 percent in the market at any time, prices immediately go skyward. "The furnaces must be fired tomorrow." On the other hand, if there be a lack of 2 percent in the demand as compared with the supply, then prices strike bankruptcy levels. It is the latter extreme that has operated in the soft-coal industry of the United States as in these other countries.

From 1926 on until the advent of the N. R. A., probably no industry, outside of agriculture, had ever known such an unmerited destiny of ill-pay and misfortune as the soft-coal mining industry of the United States. Could it be said that this was because it was unworthy? Mr. Chairman, few industries here or elsewhere are quite so worthy. Do you know that on the basis of efficiency comparisons the soft-coal miner of this country produces four times as much coal per man per day as does his brother collier in the older parts of the world? When fairly employed here he produces about 1,000 tons per year. The European record is 250 tons per year. You find the same phenomenon in American farming, in the production of corn, wheat, and cotton. This fact of superefficiency has brought down upon such producers, not the high rewards to which labor is entitled but a collapse of market prices that have spelt bankruptcy for all.

Let me use a rather rough illustration. If you should tie the left arm of every coal miner in the United States to his back tomorrow and send him, one-armed, into the mines of the country, the soft-coal mining industry would immediately become prosperous. This tremendous efficiency entitles the industry to your favorable consideration.

Now, the second proposition is that other countries have also found that the principle of competition worked destructively. Great Britain and Germany are the leading examples. I cannot enter into a detailed discussion of the legislation adopted in those countries, although I visited them with a view to becoming as intimate with them as possible. Let me give you the reason for this great personal interest. So far as I can trace the Lewis family back in this country and in Wales, they have been colliers; and having spent my own early life as a collier and representing a mining district in this Chamber, I felt, as you may well understand, under a particular urge and responsibility with regard to just and wise legislation in this matter.

Now in Germany they found that the Government had to intervene and long ago cartelized the coal mining there to the limit. In Great Britain, in 1930, the Government found itself compelled to take this step, and while not going as far or proceeding in a socialistic manner toward their objective as the Germans, they too have cartelized it.

What happened? Well, in Great Britain a large number of coal operators opposed. The British Government had to use the "big stick" on them. Yes; just as Woodrow Wilson in 1922 used the "big stick" on the bankers of the United States in order to organize the Federal Reserve System. He invited them, pressed them, to "Come in and help us build the Federal Reserve to safeguard the banks of the United States." "Oh, we do not like your ideas; leave us alone", many of them answered. "All right", replied the immortal Woodrow Wilson, "we know that you understand this subject better than we do. Come and help us if you will; but with your help or without your help, wisely or less wisely, we are going to save the banking system of the United States." And he did, despite great antagonism in the family of financiers.

That was the course the British Government had to take. They saved the British coal industry. Through the years 1931 to date, while other commodity prices were continually falling, the coal prices of Great Britain were maintained and the industry stabilized—is it constitutional?

Mr. Chairman, no objection has been uttered here with so much frequency as the objection that this legislation is without constitutional precedent and support. This objection is directed particularly to a feature of the bill which is absolutely essential to its effectiveness against recalcitrant operators, and recalcitrants, of course, you will find wherever new treatments become necessary.

The bill to make its provisions effective provides for a tax of 15 percent on the soft-coal producers, and at the same time it provides for a rebate or drawback of 90 percent of that tax to the operators who come in under the bill and cooperate with its great purposes. It is not payable to the recalcitrants of course, antagonists who will tolerate no higher will, no other will than their own, not even that of the Government when exerted for the protection of the whole people.

Without precedent, they say—they are in error—the drawback enjoys the very oldest precedent. It is a precedent established in the first protective tariff act, passed in 1789—

S. L. vol. 1, ch. 11.—An act for laying a duty on goods, wages, and merchandise imported into the United States. July 4, 1789

Section 3. And be it (further) enacted by the authority aforesaid, that all the duties paid, or secured to be paid upon any of the goods, wares, and merchandise as aforesaid, except on distilled spirits, other than brandy and geneva, shall be returned or discharged upon such of the said goods, wares, or merchandises, as shall within 12 months after payment made, or security given, be exported to any country without the limits of the United States, as settled by the late treaty of peace; except 1 percent on the amount of the said duties, in consideration of the expense which shall have accrued by the entry and safe-keeping thereof.

This tariff drawback is more than a precedent, it is an absolute parallel. It is more than a precedent. It is an

institution established by the first Congress of the United States in 1789. It is an institution recommended by Hamilton and approved by the great Father of his Country, which remains in operation even to this very day. During the 145 years of its operation hundreds of millions of dollars of drawback taxes have been rebated to beneficiaries of the protective-tariff policy.

Ladies and gentleman, let me repeat, a drawback of 99 percent, not 90 percent, is provided in every tariff act to be paid by the Treasury to manufacturers and producers in this country in the form of a rebate on any tariffs which they may have paid on goods entering into their manufactured products which they may later export into foreign countries.

Mr. Chairman, the general-welfare clause of the Constitution is the foundation of this. In the name of all that is reasonable, how could tariff laws in the United States be justified except by arguments based on the general-welfare clause. Every tariff act from Hamilton on has been passed, forsooth, to provide for the general welfare of the United States by discouraging the unequal competition with producers of other lands. That was one welfare object. The act utterly falls unless it be justified by a welfare object. Another general-welfare object is to be accomplished by this 99-percent drawback on American manufacturers on their exports. It is thought to be good national policy to have such producers export their products to foreign lands.

Ladies and gentlemen, I have presented this institutional comparison for your consideration because it is an exact support of the drawback feature in the bill before us, a feature which is absolutely esential if commerce operations in coal are to be regulated for the grand purpose of stabilizing the coal-mining industry of the United States. If the policy of protection to manufacturers, and its drawback methods, can be justified upon consideration of the general-welfare clause of the Constitution, I shall be very surprised to find tariff protectionists deny its saving grace to the mining industry.

Let me say that as a result of that general-welfare policy asserted through protective tariffs, the whole manufacturing life of this Nation now rests upon an artificial basis. It rests upon the tariff protection granted, and if on this day when the miners of America ask for like protection under the welfare clause it is denied, and by tariff advocates, then I say they are insidiously attacking the whole structure of their protective system. They are putting under challenge not only its wisdom but its constitutionality. Those of you whose people have been benefited by aid of this sort in respect to cotton and of tobacco and other products, those of you who represent districts depending upon protection to manufacturers generally, consider well before you utter a veto on this day on this great soft coal mining industry of the United States. And to you in New England, yes, you of New England, made rich by this tariff welfare policy, would you, would you deny to "the men who dig the coals that warm your souls" an equal protection?

I quoted from a New England poet whose verse assures me that the great aspiration for liberty and justice which brought New Englanders first to their chilly shores is not yet dead in Massachusetts Bay; a spirit which when properly summoned to open-minded consideration will respond to the principles of the square deal and equality of legislative treatment to the colliers of America. [Applause.]

Ladies, this poem, found only in private print, is so apposite to the probable conditions of the miner and the recalcitrant operator who opposes his protection that I take the liberty of presenting it in this address—

THE CRY OF THE UNDERLINGS

The masters stand at the head of things;
They are lords of work and pay,
And we must run till the set of sun
Because the masters say;
For we, for we are the underlings
And the lords of bread are they;
And we must eat though they screw and cheat,
And when they nod, obey.

Sometimes there is work for everyone;
And sometimes, barred each gate;
And why it is so, the masters know;
We only wish and wait.
They know when the freights will begin to run
And the factory whistles blow,
And the fires burn and the spindles turn;
These things the masters know.

We work and work at the things we must,
We don't so greatly care,
By the rushing flume, at the roaring loom,
In the coal mine's killing air.
We fashion gems for a dole of crust,
And silks, with a rag for pay;
And the things we make the masters take
To make their women gay.

There is wit and grace and courtesy,
When the masters meet and dine,
And the lives of men are ticked off then,
Over nuts and wine;
For before them they somehow seem to see
All that the future brings:
Our minds are dull as we mull and mull
Over these puzzling things.

We shape the clothes that the masters wear
With such easy air of right;
We mine the coals that warm their souls,
As we shiver at home tonight;
We build the yachts that the masters bear
With their graceful swallow wings:
For they are free; but we, but we,
Are only the underlings.

Our minds are dull, we mull and mull,
We're waking, masters; aye
We're waking now, and, with knotted brow,
We're wondering dimly, why?
Only wondering, slow and vast and dull,
Brutal to do and dare;
But if ever we shake ourselves awake,
Masters of bread, beware!

—*Philip Green Wright.*

Mr. Chairman, this general-welfare clause is so apposite and vital to the bill before us and other legislative problems and has been so little studied that I feel justified in discussing it at some length. It is my view that this clause was intended to vest a legislative power in the Congress to deal with economic subjects, when national in their causation and effects, whether the clause be regarded as a power in itself, or as a proper objective of another power, to wit, the power of taxation.

Can it be that in the face of our exigencies the fathers in forming the Constitution have left us helpless by denial of all authority to act? Could there be a gap in the legislative power, legislative impotency to act in the interstate community, a situation in which neither the State nor the Nation can act to protect us? Had the fathers designed such a vacuum in our institutions? I am loath to impute such impotency to our institutions, I confess. I have no thought that the makers of the Constitution intended to create a gap in the American legislative power; but am convinced that in assigning to the States their share, and to the Nation its share, they intended the sum total of their legislative powers should be equal to the country's needs; should equal the sum total formerly possessed by the Colonial legislature plus the parent British Parliament.

I shall discuss the Constitution, as a statesman's document. It is not a private or courthouse document amenable to litigant or lawyer rules of construction. I do not think the right of a nation to legislate should be determinable solely in a forum of interested litigants upon the arguments of their interested advocates. The atmosphere, even though tempered by the presence of an impartial attorney sitting as a judge, are inadequate to elicit the meaning of such a document. It was as a statesman's document that it entered the Convention, that it was discussed and developed in the Convention. It was as a statesman's document that it emerged from the Convention, designed to empower statesmen and lawmakers, in the words of Washington, to legislate for "our prosperity, felicity, safety, perhaps our national existence."

THE VIRGINIA PLAN AND THE WELFARE CLAUSE

Sir, I have now to make a surprising statement. This general-welfare clause has never been examined, has never had a hearing as a power in the Supreme Court. In no case has that Court critically examined its history to ascertain whether it was intended as an enumerated legislative power. I make this statement on the authority of Dr. James F. Lawson, who has made a thorough-going study of the history of the Constitution with particular reference to the legislative powers, and published an exhaustive work called "The General Welfare Clause, a Study of the Power of Congress under the Constitution of the United States."

I have come to know Dr. Lawson personally, and feel warranted in making the above statement on the basis of his character as well as the scholarship manifest in his book. Certain it is that the N. R. A. statute involved this subject and referred to the general welfare as its objective. Yet I do not remember a single reference to the welfare clause in the Court's opinion with reference to the act. Hence the detailed discussion of the subject which I think necessary.

Ladies and gentlemen, let me trace, in a running fashion, the history of this little-studied welfare power.

General Washington, Governor Randolph, Madison, and other distinguished associates, reaching Philadelphia some time before the other delegates to the Convention, prepared a plan for a constitution and a national organization of government. Its preamble read:

Resolved, That the Articles of Confederation ought to be so corrected and enlarged as to accomplish the objects proposed by their institution; namely, common defense, security of liberty, and general welfare.

The plan since known as the "Virginia plan" was a comprehensive one. It embraced full legislative, executive, and judicial organizations. But I shall restrict myself to a discussion of the legislative phase alone.

In indicating the legislative power, the plan provided that Congress shall—

(1) Enjoy the legislative rights vested in Congress by the confederation.

(2) Moreover to legislate in all cases to which the separate States are incompetent.

(3) Or in which the harmony of the United States might be interrupted by the exercise of individual legislation.

In their deliberations the members proceeded as if the Virginia plan was the agenda of the Convention. Since constitutions and laws are both designed to promote the public welfare, it may be said that the legislative clause quoted from the Virginia plan was designed to convey a general welfare legislative power. To the mind it read:

Congress shall have power to legislate for the public welfare "in all cases to which the separate States are incompetent."

WHY WAS THE VIRGINIA PLAN PROPOSED?

To prevent national anarchy Washington declared—

We are descending into the vale of confusion and darkness. The confederation appears to me to be little more than a shadow and Congress a nugatory body. To me it is a solecism in politics * * * that we should confederate as a nation and yet be afraid to give the rulers of the nation who are the creatures of our own making * * * sufficient powers to order and direct the affairs of the same.

In a letter to Carter he wrote that it was his—

Decided opinion that there is no alternative between the adoption of it (the Constitution) and anarchy.

CONVENTION ACTIONS ON WELFARE CLAUSE

Let us follow chronologically the stream of thought and action of the Convention as to the Virginia proposal through the 3½ months of its history.

May 29

I begin with the introduction of the Virginia plan on May 29, proposing that Congress have power—

To legislate in all cases to which the separate States are incompetent, or in which the harmony of the United States may be interrupted by the exercise of individual legislation. (3 D. H. C. 16.)

July 17

On July 17 Sherman moved to limit the above proposal in the Virginia plan so as—

Not to interfere with the government of the individual States in any of the matters of the internal police which respect the governments of such States only, and with which the general welfare of the United States is not concerned. (1 D. H. C. 96.)

This limitation was rejected by the Convention.

July 17

Later in the day the Convention passed Bedford's resolution, adopting an amended Virginia proposal—

(1) That the National Legislature ought to possess the legislative rights vested in Congress by the Confederation;

(2) and moreover to legislate in all cases for the general interest of the United States;

(3) and also in those to which the States are separately incompetent;

(4) or in which the harmony of the United States may be interrupted by the exercise of individual legislation. (1 D. H. C. 96.)

The reader will note that clause (2) is an addition to the Virginia proposal. The phrase "general interest" is a rough synonym for the phrase "general welfare" later employed.

July 26

In the 2 months of its session the Convention had at length agreed upon 23 resolutions defining the structure and functions of the proposed government. On this date it adopted a motion that these resolutions "for the establishment of a national government be referred to a committee of five (Rutledge, Randolph, Gorham, Ellsworth, and Wilson) to prepare and report a constitution conformable thereto." Among the 23 resolutions was the following:

VI. *Resolved*, That the National Legislature ought to possess the legislative rights vested in Congress by the Confederation, and moreover to legislate in all cases for the general interest of the United States, and also in those to which the States are separately incompetent, or in which the harmony of the United States may be interrupted by the exercise of individual legislation. (Elliot's Debates, vol. 1, 221; 3 D. H. C. 413–414.)

You will note again the addition of a power to "legislate * * * for the general interest" an equivalent of the phrase "general welfare."

August 6

On August 6 the Committee of Five reported a plan of a constitution, which was printed for confidential use, consisting of 23 "articles", including all the divisions of government—legislative, executive, and judicial—Article VII embracing the legislative powers reading as follows:

VII

* SECTION 1. The Legislature of the United States shall have the power to lay and collect taxes, duties, imposts, and excises;

* To regulate commerce with foreign nations, and among the several States;

* To establish a uniform rule of naturalization throughout the United States;

To coin money;

To regulate the value of foreign coin;

To fix the standard of weights and measures;

To establish post offices;

To borrow money, and emit bills on the credit of the United States;

To appoint a Treasurer by ballot;

* To constitute tribunals inferior to the Supreme Court;

To make rules concerning captures on land and water;

To declare the law and punishment of piracies and felonies committed on the high seas, and the punishment of counterfeiting the coin of the United States, and of offenses against the law of nations;

* To subdue a rebellion in any State, on the application of its legislature;

To make war;

To raise armies;

To build and equip fleets;

To call forth the aid of the militia, in order to execute the laws of the Union, enforce treaties, suppress insurrections, and repel invasions;

* And to make all laws that shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested, by this Constitution, in the Government of the United States, or in any department or office thereof.

All of the above legislative powers were taken from the Articles of Confederation (except those marked with aster-

isk), as ordered by the Convention on July 26. The legislative powers distinguished by asterisks were new additions—observe that the general-welfare clause was not included in the first report of the Committee of Five. However, the committee filled this gap in the report following:

August 22

The same Committee of Five—Rutledge—made a supplementary report, recommending the following:

(1) That at the end of the first clause there be added the following words: "for payment of the debts and necessary expenses of the United States * * * provided that no law for raising any branch of revenue except what may be specially provided for the payment of interest on debts or loans shall be continued in force for more than —— years";

(2) that the commerce clause include trade with Indians; and that at the end of the sixteenth clause of the second section of the seventh article the following words be added:

(3) *And to provide as may become necessary from time to time for the well managing and security of the common property and general interest and welfare of the United States* in such manner as shall not interfere with the governments of individual States in matters which respect only their internal police or for which their individual authorities may be competent (Elliot, p. 256). [Italics supplied.]

Here, in paragraph (3), it will be observed, is favorably reported, with an addition, the portion of the Virginia plan relating to the legislative powers which had been omitted in the draft of August 6. The addition empowers Congress to provide as may become necessary from time to time for the "* * * general interest and welfare of the United States."

As thus amended by the above supplementary report of August 22, the August draft of the Constitution reads as follows:

VII

SECTION 1. The Legislature of the United States shall have the power to lay and collect taxes, duties, imposts, and excises; ("for payment of the debts and necessary expenses of the United States * * * provided that no law for raising any branch of revenue except what may be specially provided for the payment of interest on debts or loans shall be continued in force for more than — years";)

* To regulate commerce with foreign nations, and among the several States (and trade with the Indians);

* To establish a uniform rule of naturalization throughout the United States;

To coin money;

To regulate the value of foreign coin;

To fix the standard of weights and measures;

To establish post offices;

To borrow money, and emit bills on the credit of the United States;

To appoint a Treasurer by ballot;

* To constitute tribunals inferior to the Supreme Court;

To make rules concerning captures on land and water;

To declare the law and punishment of piracies and felonies committed on the high seas, and the punishment of counterfeiting the coin of the United States, and of offenses against the law of nations;

* To subdue a rebellion in any State, on the application of its legislature;

To make war;

To raise armies;

To build and equip fleets;

And to provide as may become necessary from time to time for the well managing and security of the common property and general interest and welfare of the United States in such manner as shall not interfere with the governments of individual States in matters which respect only their internal police or for which their individual authorities may be competent. [Italics supplied.]

To call forth the aid of the militia, in order to execute the laws of the Union, enforce treaties, suppress insurrections, and repel invasions;

And to make all laws that shall be necessary and proper for carrying into execution the foregoing powers, and all * other powers vested, by this Constitution, in the Government of the United States, or in any department or office thereof.

Mr. Chairman, I would call attention to the circumstance that the clause "general welfare" is placed near the end of the list of legislative powers, that is, "at the end of the sixteenth clause of the second section of the seventh article." As conceived and first reported the clause certainly was not given even a physical relation to the taxing power. Otherwise with the clause (1) in relation to payment in "debts" the same report. It is placed to follow the tax clause.

September 4

Subsequently, on September 4, Mr. Brearly, of the Committee of Eleven, reported eight revisions, among which was the following:

The Legislature shall have power to lay and collect taxes, duties, imposts, and excises; to pay the debts and provide for the common defense and general welfare of the United States.

And the clause as above presented was read twice and adopted by the Convention on September 4 (Elliot, pp. 281–282).

It is clear that paragraph 1 of the present section 8 contains three distinct subjects, speaking historically as well as generically: (1) The power to lay taxes, (2) the power to pay debts, (3) the power to provide for the common defense and the general welfare. They are combined by the committee in a single paragraph. But in fact each of these three subjects arose and was disposed of as an independent and as unrelated subject; and received separate discussion and separate treatment in the convention.

September 12

And so, ladies and gentlemen, the taxation, debts, and welfare subjects stood when on September 12 Dr. Johnson, from the Committee on Stile and Arrangement, reported the second printed draft of the Constitution.

General Washington was President of the Convention. The legislative section which follows is taken from a photostat of his desk copy, which was printed for intra-convention use:

WASHINGTON COPY, DRAFT OF SEPTEMBER 12

SEC. 8. The Congress shall have power

To lay and collect taxes, duties, imposts, and excises; to pay the debts and provide for the common defense and general welfare of the United States (the following in handwriting): but all duties, imposts, and excises shall be uniform throughout the United States.

To borrow money on the credit of the United States.

To regulate commerce with foreign nations (the following word "and" in handwriting) and among the several States, and with the Indian tribes.

To establish an uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States.

To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures.

To provide for the punishment of counterfeiting the securities and current coin of the United States.

To establish post offices and post roads.

To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

To constitute tribunals inferior to the Supreme Court.

To define and punish piracies and felonies committed on the high seas, and offenses against the law of nations.

To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water.

To raise and support armies; but no appropriation of money to that use shall be for a longer term than 2 years.

To provide and maintain a Navy.

To make rules for the government and regulation of the land and naval forces.

To provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions.

To provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the services of the United States, reserving to the States, respectively, the appointment of the officers, and the authority of training the militia according to the discipline prescribed by Congress.

To exercise exclusive legislation in all cases whatsoever, over such District (not exceeding 10 miles square) as may be, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dock yards, and other needful buildings; and

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Thus the two different items, (1) relating to "debts" and (3) relating to "welfare", separately allocated to paragraphs (1) and (16) by the previous report of August 22 of the Committee of Five are at last boiled down in the draft of September 12 by the Committee on Stile and Arrange-

ment, without change of meaning, to a sentence of 17 words and are placed to follow a semicolon at the end of the taxing clause. The rest of the present paragraph, namely, "but all taxes shall be uniform throughout the United States", was first proposed and adopted on September 14, 3 days before the adoption of the Constitution as amended, and was also an independent subject separately treated.

It is plain enough that this first paragraph of section 8 represented three different subjects, three separate conclusions and actions of the Convention. To read them as a single thought is to do violence to the intentions of the fathers and to our institutions. The proceedings show that the taxing power, as usual, was a subject of bitter controversy, while the discussion of the payment of the debts and depreciated paper of the Revolution excited such utterances as "bloodsuckers who had speculated on the distress of others." Of these three powers only that power relating to the "general welfare" secured from the Convention its oft-repeated, constant, and uniform support.

THE WELFARE CLAUSE A POWER

Thus the Washington, or Virginia, plan with regard to this matter became the general-welfare clause in the Constitution. And now I have to call attention to a most important accident in the history of the Constitution. The copy above shown was turned over to a copyist to write out in hand on parchment for engrossment, and then a mistake occurred. A comma was substituted for the separating semicolon. I want to affirm here that the journal evidence indicates that members of the Convention signing the final Constitution were entirely unadvised of the displacement of the semicolon by a comma.

There was no Convention print of the copy they signed. The engrossed written document was "read" to them (Elliot, p. 317), as like documents are read to us here from the desk. Of the semicolon they were conscious. Printed copies carrying the semicolon were before the Members. They had no copies of the Constitution they signed.

I continue the exposition by quoting from a dialog with Senator NORRIS and the late Senator Walsh in the Judiciary Committee of the Senate:

Senator WALSH of Montana. If I understand the question of the chairman right, the idea in his mind is that it is equally as well when you put a comma there, it is equally as well set apart from what goes before as though there was a semicolon there, and if the clause "to provide for the payment of debts and general welfare" is a modification of what precedes, you should not have either a comma or a semicolon.

Mr. LEWIS. Exactly so. The erroneous comma is meaningless as a modifier, unless you interpolate some phrase like "in order." Of course, no interpolation whatever would have been admissible had the semicolon remained. If the comma be read to mean "and", as the history of the subject requires, then a distinct legislative power is carried.

The CHAIRMAN. The contention is this, as I understand it, that where you have a comma there it is the same as though it read like this:

"Congress shall have power to lay and collect taxes, duties, imposts, and excises 'in order' to pay the debts."

Mr. LEWIS. Yes. That is the contention that is made by the contractionist.

The CHAIRMAN. "And provide for the common defense and general welfare."

If that were true, then the authority to pay debts, provide for the common defense and general welfare of the United States would be limited to the powers given in the first part of the sentence, to wit, to lay and collect taxes, duties, imposts, and excises. Is that the contention?

Mr. LEWIS. That is the contention and the purpose of the interpolation of the contractionists who would destroy this clause as a power.

Senator WALSH of Montana. As I understand you, Mr. LEWIS, you contend it should be construed as though Congress had power to lay and collect taxes, imposts, and excises; that Congress shall have the power to pay the debts of the United States; that Congress shall have the power to provide for the common defense and the general welfare of the United States?

The other contention is that Congress shall have the power to lay and collect taxes, imposts, and excises "in order" to pay the debts and provide for——

The CHAIRMAN. It seems to me to get the last construction you would have to take the comma out. What is the use of the comma?

A NECESSARY POWER

Mr. Chairman, I think it is clear that Senator NORRIS is right, that equally with comma or semicolon the clause as was intended conveys a power. Hence Congress may "provide for the general welfare" not merely through the levying of a tax but by other logical and legitimate methods; for example, the prescription of justiciable rights and duties generally. It is true that such a power is applicable to but a limited part of the total field of legislative subject matter. But when applicable it possesses properties like the postal clause, enabling the lawmaker to fully control the subject matter. The break-down of the principle of competition in farming and coal mining which calls for a limitation of the production of such products, the equal right of competent men to work and to a share of the Nation's employment assets, all subjects which the separate State is organically unable to encompass for geographical reasons, are examples of interstate subjects, the evils of which may run into catastrophes if an equal interstate power to treat them be denied.

Legislative power to effect such control exists in all the leading countries, most of which have taken some action. Such a legislative power unquestionably existed in the sum total of the legislative powers of the colony and parliament taken together. It was to conserve this necessary legislative power that the welfare provision of the Virginia plan and the general-welfare clause was designed.

INTERPRETATION OF COMMA

With the comma substituted for the semicolon, the question of the meaning to be given the comma arises. Does it mean "and", its most frequent use? The history of the Convention answers "yes." It is so used three times in this very paragraph, and in four other instances in this section. If it be so read the "welfare" clause represents a distinct power like the tax clause; that is, the meaning of the clause conforms with its history and is the same as with the semicolon.

The presence of the alien comma forces the contractionist to introduce an interpolation. Story was driven to interpolate the words "in order" to interpret the comma. In view of the proved intent of the makers of the Constitution that the clause should carry a power, rather than interpolate, would it not be more reasonable to give the meaning "and" to the comma, its common and its conventional meaning? Then it would read:

Congress shall have power to lay and collect taxes, duties, imposts and excises, and to pay the debts and provide for the common defense and general welfare of the United States.

And now I resume my dialog with the Judiciary Committee of the Senate.

Senator WALSH of Montana. If I understand the question of the chairman right, the idea in his mind is that it is equally as well when you put a comma there, it is equally as well set apart from what goes before as though there was a semicolon there, and if the clause "to provide for the payment of debts and general welfare" is a modification of what precedes, you should not have either a comma or a semicolon.

Mr. LEWIS. Exactly so. If the comma be read to mean "and", as the history of the subject requires, then a distinct legislative power is carried. The erroneous comma is meaningless as a modifier unless you interpolate some phrase like "in order" to interpret it, a meaning which the comma is rarely if ever used to express.

The CHAIRMAN. The contention is this, as I understand it, that where you have a comma there it is the same as though it read like this:

"Congress shall have power to lay and collect taxes, duties, imports and excises 'in order' to pay the debts."

Mr. LEWIS. Yes. That is the contention that is made by the contractionist.

The CHAIRMAN. "And provide for the common defense and general welfare."

If that were true, then the authority to pay debts, provide for the common defense and general welfare of the United States would be limited to the powers given in the first part of the sentence, to wit, to lay and collect taxes, duties, imposts and excises. Is that the contention?

Mr. LEWIS. That is the purpose of the interpolation of the contractionists who would destroy this clause as a power.

Senator WALSH of Montana. As I understand you, Mr. LEWIS, you contend it should be construed as though Congress had power to lay and collect taxes, imposts, and excises, that Congress shall have the power to pay the debts of the United States, that Congress shall have the power to provide for the common defense and the general welfare of the United States?

The other contention is that Congress shall have power to lay and collect taxes, imposts, and excises "in order" to pay the debts and provide for——

The CHAIRMAN. It seems to me to get the last construction you would have to take the comma out. What is the use of the comma?

Exactly what is the use of the comma if a contractionist purpose was meant by the contention?

It was Story, himself a contractionist, who first resorted to an interpolation. He was in ignorance of the erroneous comma which had replaced the semicolon. I quote from him:

The reading therefor which will be maintained in these commentaries * * *.

"The Congress shall have power to lay and collect taxes, duties, imposts, and excises in order to pay the debts and provide for the common defense and general welfare of the United States."

That is for the purpose of paying the public debts and providing for the common defense and general welfare.

INTERPOLATION BY DESTRUCTIONIST

Even this interpolation of Story leaves the "welfare" idea still standing as a legislative objective for which Congress can lay taxes as well as appropriate. The destructionist will have none of this milk-and-water contraction. He argues that the welfare clause carries neither legislative powers nor objective, but is only a preamble introductory to the particular powers, and so is to be regarded as surplusage, merely.

The contractionist would give some meaning to the words "provide for the general welfare." The destructionist would eliminate all meaning. To do so, like the contractionist, he must get rid of the comma by interpolation of the words "in order." His interpolations cannot stop there, for the idea "general welfare" still remains as an available objective under the taxing clause to raise corresponding "implied legislative power." Now, how can this power also be removed? Only by the interpolation of such additional words as "in manner following, viz." The clause then would read:

Congress shall have power to lay and collect taxes, imposts, and excises (in order) to pay the debts and provide for the common defense and the general welfare (in the manner following, viz):
To borrow money, etc.
To regulate commerce, etc.
To establish * * * rules of naturalization.
To etc., etc., etc.

A double set of interpolations into the Constitution in order to read out of it a now most essential power.

If all these interpolations and arguments be granted, then what? The effect is to reduce the meaning of the present paragraph to the meaning which it possessed, August 6, in the first draft of the Constitution, when it contained no expressions as to debts, defense, or welfare, and when it read as follows:

Congress shall have the power to lay and collect taxes, duties, imposts, and excises;
To regulate commerce, etc.
Etc., etc.

For, if the words, "common defense and general welfare", operate only as "introductory", i. e., as a videlicet to the specialized powers, then they add nothing to and take nothing from the taxing clause as it stood on August 6. In fine, the clause by these interpolations and emendations comes to mean that Congress "may lay taxes to defray the expenses which may be incurred in exercising the specialized powers which follow." I protest that this is not an interpretation of the clause, but an elimination of the clause. To what nothingness it reduces the work of the Convention, which spent much time between August 6 and September 12 in formulating this clause!

THE INTERPOLATORS DISAGREE

Judge Story, in his Commentaries, volume I, section 913, notices this very point about the second interpolation which the destructionist demands. I quote him:

It is not said to "provide for the common defense and general welfare, in manner following, viz", which would be the natural expression to indicate such an intention. But it stands entirely disconnected from every subsequent clause, both in sense and punctuation; and is no more a part of them than they are of the power to lay taxes.

The contractionist, Story, must use one interpolation ("in order"); the destructionist must supplement it with a second interpolation ("in manner following, viz"), and all for the lack of the semicolon which the copyist left out of the enrolled copy of the Constitution. Quibbling and interpolation would be inadmissible with the semicolon. It is improbable to the last degree that Story ever saw a correct copy of the clause as consciously adopted in the Convention.

THE STORY ARGUMENT FOR HIS INTERPOLATION

In sections 909 and 910 of his Commentaries, Story, arguing for the contractionist view, says:

If the clause is construed to be an independent and substantive grant of power, it not only renders wholly unimportant and unnecessary the subsequent enumeration of specific powers, * * *

(1) For what purpose could the enumeration of particular powers be inserted if these and all others were meant to be included in the preceding general power? * * * Nothing is more natural or common than first to use a general phrase and then to qualify it by a recital of particulars.

Answer: The "general welfare" clause was not intended as a substitute for the particular powers. It was intended as a residuary power. It did not come first in the development of the legislative powers by the Convention. It came last. The particular powers were reported and adopted weeks before. There was no such clause in the first draft of the Constitution presenting the "particular powers" to the Convention on August 6, 4 weeks before the "welfare clause." The draft of the welfare clause was not brought in until September 4, and then only as the result of several actions of the Convention demanding it or its equivalent. There were the Madison and Pinckney resolutions, of August 18, the report of the Committee of Five (Rutledge) of August 22, the Convention action of August 23. The Journal and proceedings leave no doubt on this point. The "enumerated particular" powers came first, not last. They were nearly all "corrected and enlarged" revisions of like powers in the Articles of Confederation, to which the welfare power was to be added under the Virginia plan. And after 4 weeks came the "welfare clause", certainly not as a preamble to the "particular powers" but as a further enumerated power, and because the "enumerated particulars" were considered insufficient. It came as a residuary grant of power applicable to other Federal subjects, not mentioned among the concrete subjects enumerated, as the country's well-being might, from time to time, demand.

The clause was in fact a postscript to the other powers, and (about) the last to be adopted. In its first appearance, August 22, in the Rutledge report it was assigned not to the first paragraph, containing the power of taxation, but "at the end of the sixteenth clause." The chronology of the clause and its history in the Convention discountenance the "introductory" or preamble function. And as to the "enumeration of particulars", the admittedly insufficient Articles of Confederation clearly show their place of origin as to most of them. What the Convention did was to put teeth into those old powers.

WHY THEN THE PARTICULAR POWERS?

And now I shall consider the general question, viz, For what purpose the particular powers? Says Story:

But an idea of an enumeration of particulars which neither explain nor qualify the general meaning and can have no other effect than to confound and mislead is an absurdity, * * *.

If Story had given a single glance at the particular powers he certainly would not have declared that they "neither explain or qualify, and so forth." They do "explain" and they do "qualify" as we shall see.

How could the "enumeration of particulars" be called upon to "explain or qualify" the general meaning of something then unborn? We have seen that the welfare clause was 4 weeks younger than the "particular powers." That is, it came as a postscript to the particular powers and was first allocated to follow them all at the end of the section.

Again, he asks—

For what purpose these particular powers, if they are included in the defense and welfare clause?

The answer is that there were natural purposes, even peremptory reasons. Of current subjects of legislation they had experience, and this experience indicated particular ways

in which they wished such current problems to be handled. They wished to limit the discretion of Congress in dealing with them; or they wished to place limitations on the States. In order to state these limitations, such subjects had to be particularized. Hence the particular or specific powers.

No one will deny that the words "common defense" carry the military powers. Acting under this clause alone the military powers could be exerted by Congress without any of the qualifications prescribed. But the Convention designed otherwise. Congress should be given the military power, but withal Congress must exert it in a particular way. To state the qualification it was necessary to specify the military subject. For example, Congress shall have power—

To raise and support armies.

However—

But no (such) appropriation * * * shall be for a longer term than 2 years.

Again, Congress shall have power—

To provide and maintain a Navy.

But—

No State shall without the consent of Congress * * * keep troops or ships of war in time of peace.

Observe that the National Congress could provide troops and Navy at any time. But the States were to be disarmed, except that during war they might arm for the aid of the Nation or in self-defense. It is doubtful whether Congress under the power to act for the "common defense" alone could have constitutionally imposed such peace-time disarmament upon the States. Hence, the special treatment and qualifications in reference to the "common-defense" power.

Again, the power to provide for the "general welfare" certainly would include legislative authority to regulate interstate and foreign commerce. Acting under this clause without limitations, Congress could have regulated interstate commerce without any qualification. The Convention concluded Congress should exert the power, but should exert it subject to particular limitations. So we find this power particularized and the limitations stated. Thus:

Congress shall have power to regulate interstate and foreign commerce.

But in doing so it—

Shall give no preference to the ports of one State over those of another, etc.

Shall pass no law prohibiting immigration or emigration before 1808.

Shall lay no tax or duty * * * on articles exported from any State.

No State shall * * * lay any imposts or duties on imports or exports.

Again, Congress may—

Coin money (and) regulate the value thereof.

But—

No State shall coin money, emit bills of credit, or make anything but gold or silver coin a tender in payment of debts.

Under this alleged plenary clause Congress could have issued money whether paper or coin. The sad experience with the continental paper money doubtless induced the restriction. But the States must also be restrained, and so the direct prohibition on them against the issue of any kind of money. Experience has shown that had the States retained this power a successful national currency would have been impossible.

Again under the general welfare clause, as alleged, Congress might have imposed duties on exports, as it does on imports. The Convention did not desire this. So, too, the States must logically be restrained from levying duties on imports and exports. If the limitation on Congress as to exports were not imposed, its power might be abused; if the restraint on the States as to imports and exports were lacking, the power of Congress over interstate commerce might be frustrated.

And so falls this empty argument "For what purpose these particular powers?" and so forth. Its original author showed a superficiality only to be explained by an utter failure to take a look at the specific powers and their qualifications before penning his question. It supplies an illustration of the inadequacy of mere lawyer argumentation, usually supplied with court decisions, but when not, satisfied with any argument that sounds well.

WHAT ABOUT FUTURE PROBLEMS?

Mr. Chairman, considering the then known concrete subjects, we see how natural it was to place limitations or qualifications on the national or the State lawmaker, or even upon both. This would be natural enough as to existing social or property subjects of which they had had experience. They knew these subjects. Their experience would suggest the qualifications.

But what of subjects yet unborn, subjects unforeseeable, problems inevitable in the life of a Nation which they planned to live through the centuries? Of these they could only know that such problems must arise. What particular limitations, if any were desirable, on the power of Congress with respect to them should be imposed they could not divine. What of these? Should statesmen ignore them? Here are a few of the many such with which Congress already found it necessary to deal: Antilottery legislation, the narcotic evil, phosphorus poisoning, contagious diseases, pests, food adulteration.

Of the evils which are afflicting us now they could have had no prescience, for our industrial system was then unborn. The break-down, in farming and mining, of the regulating principle of competition, the monopoly control of local services through general holding companies which mock State laws, the need of "blue sky" laws to protect honesty properly—could they foresee just what limitations they should place on the legislative power which should have to deal with the above problems, or with industrial breakdowns, present unemployment, agriculture, or mining stabilization? They could not foresee the desirable limitations; and so rather than leave a gap in the legislative power, leave a nation helpless under its constitution, they conferred the power, subject to those general prohibitions provided elsewhere in the instrument. This is not a new thought I am presenting. I quote from the Federalist, no. 34:

Constitutions of government are not to be framed upon a calculation of existing exigencies, but on a combination of these with the probable exigencies of ages, according to the natural and tried course of human affairs. There ought to be a capacity to provide for future contingencies as they may happen, * * *.

Now, then, to summarize, why are these particular powers specified and others not? The answer is that as to what the Convention could see then moving on the face of the earth it could be specific and wisely qualify the power; but they had the wisdom to anticipate subjects whose nature they could not foresee, as to which they could not be specific, and qualify. For these, to save us from anarchy, they gave us this residuary, general welfare power, enabling us to act where the State is organically incompetent to act.

"GENERAL" MEANS "INTERSTATE" IN CONSTITUTION

Let me say that the word "general" in this clause is misinterpreted by the noncritical or interested to mean that under it the Government might do anything. When used in connection with our Government and in the Constitution the word "general" has a special meaning. It is a word of limitation and means "not local"—not intrastate, in character.

Implicit in all State or National laws is the idea of the public welfare or the public good. It is easy for a superficial reader to confuse such expressions with the expression "general welfare."

No interpretation of this clause can be intelligent which neglects this special and limited meaning attached to the word "general" when used in connection with the National Government. It is this oversight which accounts in part for the interpolations of both the contractionist and the destructionist—reacting in terrorem at the false thought that a power to provide for the general welfare meant that Congress could do anything in general, and so swallow up the powers of the States, they were driven to the interpolations already referred to.

What is meant by the word "general" and "local" is illustrated in the distinctions between interstate and intrastate commerce. The word "interstate" did not come into use until 1845; hence, the use of the word "general." The subject is local in character when its operating cause begins in the State and its controlling effects close wholly within the State, as in the case of commerce confined wholly within State lines. It is general in character when its operating cause beginning in one State exerts controlling effects in another State. There is a common-sense agreement as to this among the fathers. Said Marshall, who sat in the ratifying Convention of Virginia:

> The Government's action is to be applied * * * to those internal concerns which affect the States generally, but not to those which are completely within a particular State, which do not affect the other States."

Wilson, a member of the Constitutional Convention:

> Whatever object of government is confined in its operation and effect within the bounds of a particular State should be considered as belonging to the government of that State; whatever object of government extends in its operation or effect beyond the bounds of a particular State should be considered as belonging to the Government of the United States.

Jefferson wrote:

> The capital and leading object of the Constitution was to leave the other States.
> (1) All authorities which respected their own citizens only.
> (2) To the United States those (authorities) which respected: (a) citizens of foreign (States); (b) or other States.

Certainly they unite on the principle. The State is to act on subjects wholly within its legislative control, the Nation on subjects beyond such control; and no gap was contemplated as beyond the control of either State or national authority.

I have no thought that the clause conveys a power to do all the things that might be thought generally desirable. Congress could not under the welfare clause in my view enact a uniform divorce law for the United States; or legislate as to the law of bills and notes, deeds, mortgages, the whole field of private property. The States are organically competent in that field. Congress, on the other hand, unless this welfare clause is applicable, would have no power to say that there should be a national language in our country.

Ladies and gentlemen, let us go back to the Virginia plan, the mother of the welfare clause.

A statement of cases in which the separate States are incompetent certainly does not include cases in which State legislation is merely less desirable. Nor does power to legislate for the general welfare imply national power to act in any case of the public welfare. Implicit in the clause is the word "public", it is true. But the clause contemplates two kinds of public welfare, the local and the general, the intrastate and the interstate; in one of which the State is competent, in the other only the general Government. Granted a reasonable observance of this distinction by the national lawmaker and how could it then be asserted that the exercise of the welfare power must swallow up the State power. Certainly as to the field of interstate welfare the State possesses no power. How, then, can it be robbed of its power? But should the field then be left as a vacuum, a gap in government?

The Virginia plan was meant to fill this gap as to causes and effects where the separate State is organically incompetent to act. Does this nation-community have a problem before it that concerns the general welfare with which the separate State is incompetent to deal? Then only could it be dealt with under the Virginia plan. Now, in what cases of the public welfare is the separate State organically incompetent? Obviously in those cases which require control of the relations of citizens in more than one State, or of a subject whose controlling relations involve control of the citizens of several States.

This interstate welfare power was not in fact a new power. The British Parliament possessed it over our intercolonial relations. The Convention recognized that just as there was an intrastate commerce and there was an interstate commerce, so also there was an intrastate and an interstate welfare. In the case of commerce, commensurate powers were admittedly left with the States and granted the National Government. A like division of powers is suggested by the Virginia plan for other subjects of the public welfare. Why should the word "general" in the welfare clause be given a different interpretation from the words "among the States" in the commerce clause? In interstate commerce we see commercial causes and effects which involve persons in more than one State which the States are incompetent to control. In the public general welfare do we not also find causes operating in one State with essential controlling effects in other States, which the separate State is incompetent to control?

Why should a national control restricted to such interstate welfare destroy the State any more than such control of commerce among the States? In this argument I contend for no greater legislative authority.

This very essential welfare clause has been the victim of class antagonism from the beginning. Naturally there will exist in any generation some strong interests which should prefer that the governing authority should have no power to exert over them. Before the Civil War there were some among the slave-owning class who, with other interests, sought to prevent the adoption of the Constitution, and who, far from denying the effectiveness of the welfare clause, argued:

> Have they not the power to provide for the general welfare? * * * May they not pronounce all slaves free, and will they not be warranted by that power?

Having lost the battle to Washington, whom the majority followed in adopting the Constitution, these interests changed tactics and started the doctrine that the clause meant nothing at all; that is, nothing not carried in the particular powers. The slavery interest has gone, but other class interests have sprung up in other parts which also prefer to be let alone. Now, add to these the loud voices of the outs challenging the legislation proposed by the ins.

ILLUSTRATIONS OF APPLICATION

In my view, then, the word "general" in the clause was intended to carry the same limitation as in the Virginia clause, viz, that the power was restricted to:

> All cases to which the separate States are incompetent.

This is only to employ the principle affirmed by Wilson, Jefferson, and Marshall.

Let me make some applications. I will take some subjects which are already before the public, say first, the subject of uniform laws on marriage and divorce. With regard to this subject while it certainly involves the public welfare, can it be said that it is a case in which State legislation is incompetent? The marriage laws involve primarily two persons living together within the same State. The clauses and effects of such marriage relation commonly are similarly confined within the boundaries of such State.

Now let me make some applications of a positive character, the subject of wheat, for example. The price of wheat is determined at Liverpool, by a complex of production and consumption factors world-wide in character. But the price of wheat, if it became chronically inadequate, may wreck a primary and paramount industry of the United States. The causes and effects are obviously interstate in character even within our own country, and beyond all susceptibility of control by State legislation. Control, moreover, which contemplates restricting the production within the United States and restricting its importations from other countries can be encompassed over such an area only by national authority. Here is a clear case involving the public welfare and in which the State legislature is organically incompetent to act.

A second illustration is found in the coal industry, where control of production to balance consumption is indicated as the method of relief. But some 26 States are producing coal and are marketing it beyond State boundaries. Who would suggest that a State legislature is competent to act remedially with reference to the coal industry in the United States?

A third illustration is equally in point. Society has come to recognize that its most important asset is the employment asset, and that the worker is entitled, in justice, to an equitable share of such employment. But the manufacturing industries, like farming and mining, operate beyond State boundaries and involve such conditions of interstate cause and effect that the legislation of a single State could only work with destructive results. Here again you have a subject where the separate State is not competent to act.

Finally to be more graphic, let us suppose that we were in a court which had to act on these various subjects. A court can only act through its processes and as far as its processes may reach. Its process may not reach beyond the physical boundaries of its jurisdiction; and so it can act only through process on the person or by proceeding in rem. With respect to the marital relations within the State, the processes of the State court would be effectual. Extend the subject now to cases where the parties interested are scattered through a number of States; and do we not have a case where the State courts are incompetent to act; a case in which if justice is to be done, resort must be given to a tribunal possessing process which will reach the parties interested over the interstate boundary involved? The makers of the Constitution did not fail to provide for such interstate courts. They left no gap here. Why, then, a gap in the legislative power to provide rules for the courts to apply in this vast field of interstate welfare?

Our former distinguished colleague, Mr. Beck, of Pennsylvania, specifically objected to the lack of power to deal with agriculture as such, except insofar as its productions go into interstate commerce. He declared that—

> No one had the audacity to suggest in the Constitutional Convention * * * that there should be a Federal power in respect to—

Manufactures or agriculture. Well, I quote in answer, Washington, who presided throughout the Convention, in his very first message to Congress, declared:

> The advancement of agriculture, commerce, and manufactures by all proper means will not, I trust, need recommendation;

Both Houses made answer, as was the custom in those days. The Senate said:

> Agriculture, commerce, and manufactures, forming the basis of the wealth and strength of our Confederated Republic, must be the frequent subject of our deliberation, and shall be advanced by all proper means in our power.

And the House of Representatives declared:

> We concur with you in the sentiment that agriculture, commerce, and manufactures are entitled to legislative protection, and that the promotion of science and literature will contribute to the security of a free Government; in the progress of our deliberations we shall not lose sight of objects so worthy of our regards.

OPINION AT THE TIME

Mr. Chairman, the enemies who opposed the adoption of the Constitution, whatever their real objections, did not deny that the welfare clause contained a legislative power. It carried so much power, they averred, that the States would be swallowed up. I am quoting from the exhaustive work of Lawson on the General Welfare clause.

Patrick Henry (p. 187), who opposed:

> Have they not the power to provide for the general welfare? May they not think that these call for the abolition of slavery? May they not pronounce all slaves free, and will they not be warranted by that power?

Gerry, of Massachusetts (p. 181), as one of the dozen reasons which constrained him not to sign the Constitution, said that it gave Congress power—

> To make what laws they may please to call necessary and proper.

Luther Martin, of Maryland, who also refused to sign, declared (p. 185) that the Constitution gave power to Congress to—

> Make what laws they please.

Samuel Adams in the Massachusetts Convention (p. 186) characterized it as a—

> Power * * * to extend to every subject of legislation.

Richard Henry Lee (p. 186) writes:

> To judge of what may be the general welfare * * * a power coextensive with every possible object of human legislation.

Mason, of Virginia (p. 187), who, nevertheless, refused to sign, writing to Jefferson, said:

> That Congress should have power to provide for the general welfare I grant. But I wish a clause * * * with regard to all powers not granted that they be retained by the States * * *.

Grayson (p. 187) in Virginia Convention:

> They had indefinite power to provide for the general welfare * * *. He thought therefore that there ought to be a bill of rights.

Randolph, of Virginia (p. 188), answering Patrick Henry:

> If you mean to have a general government at all, ought it not to be empowered to raise money to pay the debts and advance the prosperity of the United States in the manner that Congress shall think the most eligible?

Williams, in the New York Convention (pp. 188–189):

> The power is in express words given "to provide for the common defense and the general welfare." It is evident that (Congress) may pass any law which they may think proper.

Lansing, in the New York Convention (p. 189), objected to the—

> Concurrent jurisdiction under control of the General Government.

Smith, in the New York Convention (p. 189), declared that—

> There was no limit to the discretion of the (Congress).

Jay, also in the New York Convention (p. 190), who did not object to the power, wrote Washington:

> Some of the most unpopular and strong parts of it appeared to me to be the most unexceptionable.

The reasonable meaning of the clause was expressed by Wilson, in the Convention of Pennsylvania, who said:

> Whatever object of government is confined in its operation and effect within the bounds of a particular State should be considered as belonging to the government of that State; whatever object of government extends in its operation or effect beyond the bounds of a particular State should be considered as belonging to the Government of the United States.

A significant contemporary circumstance is that, in the face of this opposition to the unlimited power imputed to this clause, the Constitution was ratified with the clause included.

Even more significant is the fact that while a number of States in their ratification contended that the Union should be restricted in securing its revenue to requisition on the States as under the Articles of Confederation, not one took exception to the general-welfare clause in their resolutions.

What I fear is something that has happened before. There was a time in the history of this Republic when our highest Court (and I am referring to the Dred Scott decision) declared that there was no power under the flag of the United States that could deal with the slavery question. We know what happened. That decision made a problem already aggravated a vulnus immedicabile. That decision put a sword in every man's hand. Are our lawmakers today entirely sure that we are not facing problems as serious and threatening in character? If we do not have this national-welfare power to enact farm legislation; to meet disemployment subjects; to rescue the coal and oil industries, in the same disastrous state; if, where the State is incompetent to act, Congress, too, is made incompetent to act by a destructive interpretation of this welfare clause, then we are the subjects of a vacuum in the American lawmaking power which may be charged with similar disaster.

The references to Elliot are volume I of Elliot's Debates on the Federal Constitution which reproduces the Official Journal of the Convention, first printed by order of Congress in 1819. The references "D. H. C." are to Documentary History of the Constitution.

Mr. FORD of California. Mr. Chairman, I move to strike out the last word. There is one phase of this proposition that has not been brought to the attention of the House, and I have listened rather carefully to the various arguments

that have been made. Opposition to this bill is largely based upon the fact that it will tend to raise the price of coal. There have been about seven great coal strikes in the country in my period of existence that I know anything about, and on every single occasion when there was a coal strike, the price of coal has gone up from $2 to $10 a ton, and the consumer of coal has paid the bill. Outside of the cost to the consumer of the tremendous unwarranted rise in the price of coal in those great crises, there has been another cost, which has been tremendous. That is the cost to the producer, the cost to labor, the cost to general business by reason of its lack of salary, the cost to the merchant because of the miners' inability to purchase, and, in addition to that, to general economic loss to the country. As far as I am concerned, I am interested primarily in a bill that will do something for the miners, the men who go down into the bowels of the earth to dig the coal. This bill has written across its face one great slogan that every great American can sympathize with, and that is that human rights come first. Most of the opposition to the bill is based upon the economic aspect of it, aspects that they say will cost the railroads more money, will cost the consumer more money, but no consumer of coal in the United States, be he individual or corporation, has any right to consume coal at a price that is less than the cost of production, and that by reason of his advantage makes men go down to the bowels of the earth and work for paltry pay that is insufficient to support his family on a decent American standard. [Applause.] For that reason, and for the reason that this bill affects a great industry that affects the rest of the country, I am going to vote for it, and I appeal to every man in whose heart there is a spark of feeling for the men who work, to vote for it.

This is an opportunity for you to give the miners of the United States a chance to be American citizens, paid a real wage, for which they do a terribly hard and discouraging job of work.

If we were simply to consider the economic aspects of it, a very great, a very sound, and a very pertinent argument can be made from that standpoint; but, as I said before, the bill is economically sound from a broad national standpoint. It is a socially desirable bill from the standpoint of the men who work, and, in my judgment, it is plainly constitutionally valid. The administration is for it; the miners are for it; union labor is for it. It is a good bill and should merit the support of all good liberals.

[Here the gavel fell.]

The CHAIRMAN (Mr. O'CONNOR). The Chair will now entertain amendments to section 5 before any pro forma amendments.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 27, line 16, strike out the word "may" and insert in lieu thereof "shall."

Mr. SAMUEL B. HILL. Mr. Chairman, a point of order. That refers to section 4, which has already been passed.

Mr. MEAD. Mr. Chairman, I understood we were still considering amendments to section 4.

The CHAIRMAN. The Chair announced that he would entertain amendments to section 5.

Mr. MEAD. Then I present a pro forma amendment for the purpose of being recognized.

The CHAIRMAN. The Chair announced that if there were any amendments to section 5 they would be given preference over pro forma amendments. If there are not any amendments to be offered, the Chair will recognize the gentleman from New York to strike out the last word of section 5.

Mr. MEAD. Mr. Chairman, a short time ago I offered an amendment that would give certain trade unions representation for the purpose of collective bargaining within the province of this bill. When I concluded my statement one of the members of the Ways and Means committee explained that recent amendments adopted by the committee broadened its scope of the bill.

Since then I have conferred with representatives of the metal-trades organizations and they still feel that they will be without recognition, so far as this measure is concerned.

If you will refer to page 27 of the bill, you will note the language which creates this Board reads as follows: "One labor representative shall be the representative of the organized employees." From that we may properly infer, the organized employees of the industry being mine workers, that the Labor Board member will be a mine worker.

With that I have no objection.

Then, if we turn to page 28, we find in line 16 this language:

The Labor Board may order a code member to meet the representatives of its employees for the purpose of collective bargaining.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. MEAD. I want to proceed for just a moment. The representative of labor on this board will be a mine worker. That representative may or may not recognize various crafts for the purpose of collective bargaining. The metal trades organizations feel very strongly that without the amendment which I offered the mechanics engaged in this industry will not be represented as such. This conflict here between labor groups is not one for us to decide. The conflict, as I see it, is a conflict that arises out of a controversy which has developed among labor leaders as to whether or not we ought to continue craft organizations or abandon them for industrial organizations. But we still have craft organizations. We have not industrialized unions on the railroads. While men join these unions by choice, we should give them the right of representation.

When labor in the course of time decides that question for itself, then I am willing that we as legislators shall recognize it; but whether or not we have the moral right to encourage one national organization in any given field is a decision I do not care to make.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. MEAD. No. I am sorry; I only have a few moments left. I just wanted to leave this observation, if I am wrong in the interpretation of this measure so are the representatives of the metal-trades organizations, for I have conferred with them.

[Here the gavel fell.]

The CHAIRMAN. The Chair now calls for amendments to section 6.

Mr KELLER. Mr. Chairman, I voted and worked for the cotton bill because I knew it would relieve the poverty of 10,000,000 people engaged in that business. I have worked and voted for the A. A. A. to relieve the poverty of the 12,000,000 poverty-stricken farmers. I voted for the tobacco bill to relieve the poverty of the 3,000,000 people producing tobacco in this country.

There are 1,500,000 people engaged in raising peanuts in the United States also in a poverty-stricken condition. I voted to relieve their poverty.

And now I now plead with you, my colleagues, for whose people I especially voted, to vote with me to relieve the poverty of 550,000 coal miners in this country of ours, 40,000 of whom live in my district.

I want to call your attention to some of the things that have been brought here, among them, whether we can, as a matter of fact, reduce the hours of labor and at the same time increase the pay of the workers. To answer that I have only to point to the fact that for 150 years, from the very first application of power to the doing of work in this world of ours, we have done exactly that thing; we have constantly reduced hours of work and raised the pay of the men who have done the work; and we can do exactly that thing under this condition.

The man who made the calculation that it need not increase the average price of coal more than 2¾ cents a ton is entirely right. It is questionable, indeed, whether it will raise it at all, and in many cases it is questionable whether it will not actually reduce the price of coal. The tobacco bill multiplied the price of tobacco to the tobacco grower, but your cigarettes cost exactly the same as before.

Mr. SNYDER. I want to thank the gentleman for answering the gentleman over there. I had prepared the answer.

Mr. KELLER. We ought to understand perfectly that when we enact a humane law we invariably do the right thing

economically. The rights of men are invariably protected economically when we recognize their human rights. Ultimately we are going to do away with poverty completely and entirely. Many of us here today will participate directly in that great work. It lies certainly within the hands of the Congress of the United States to accomplish that great object.

During the time the N. R. A. was in existence—during the past year we have increased our national income $5,000,000,000. We have got $50,000,000,000 more a year to add to that before we reach the point that we must reach in this country; before we do the thing we have yet to do; and that is to see to it that a job is provided for every man and woman who wants to work. That is our primary duty as a government.

I want to repeat what our comrade DAVID J. LEWIS here has just said to us; because he knows more about this subject of coal mining and its relationship to the industry of this country than any other man in this body, or any other man within my acquaintance among the economists of America. He stood here and pointed out to us, to my great delight, the justification in actual practice, that among the very first laws ever passed in our country was one for the very same purpose we are seeking to accomplish today.

I appeal to some of the men in my own State who, I understand, are not going to vote for this bill, to say to them that the second greatest industry within the State of Illinois is that of coal mining, and that this bill will put to work 20,000 miners who have been waiting all these years for their opportunity. I ask every Representative from Illinois to bear that in mind and not to vote against their own citizens; not to take the bread out of the mouths of the women and children of Illinois. The bill will do two things for the industry of this country that nothing else can do. It will give back to these miners the opportunity of working, earning, and spending; this ability to spend money will reach out and touch every industry in America. I do not appeal for Illinois alone, but I appeal for the miners of every one of the 32 States that produce coal. It is a part, an absolutely necessary part, a fundamental industry underlying all the rest, and it ought to receive this special consideration at this time. The 550,000 men who are to be benefited by this bill have a right to appeal and receive the benefits which it grants.

Many of the opponents of this bill concede its economic merits, but say that they are afraid the bill is unconstitutional. I have made a careful study of this bill, I have familiarized myself with the hearings before the subcommittee, and have read thoroughly the report of the full committee recommending passage of the bill, and all of these have convinced me that this Guffey-Snyder coal stabilization bill is constitutional.

I think the two cases involving regulation of the same thing by Congress are especially significant in this connection. The first is the case of *Hill* v. *Wallace* (259 U. S. 44 (1922)), which declared unconstitutional an act of Congress regulating the sale of grain on the Chicago Board of Trade on the ground that the statute contained nothing to show the relation of the sale of grain to interstate commerce. Then Congress repassed the act, adding only a finding of fact by the Congress that the sale of grain in Chicago did directly affect interstate commerce. In the case of *Stafford* v. *Wallace* (258 U. S. 495 (1922)), involving the same points as the previous case, the Supreme Court upheld this act as a valid exercise of the power to regulate interstate commerce, saying:

> Whatever amounts to more or less constant practice and threatens to obstruct or unduly to burden the freedom of interstate commerce is within the regulatory power of Congress under the commerce clause, and it is primarily for Congress to consider and decide the fact of the danger and meet it. This Court will certainly not substitute its judgment for that of Congress in such a matter, unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent.

It seems too obvious to require further discussion that the regulation of the coal industry has as close a relation to interstate commerce as has the selling of grain on the Chicago market. At the very least the relation is not clearly nonexistent. This bill contains a finding of fact that the production and distribution of coal does "bear upon and directly affect" interstate commerce; and in view of the above decision, I feel confident that the Supreme Court will not substitute its judgment for the judgment of Congress.

I cannot agree with the philosophy of many of the opponents of this bill who say that if there is a possibility that a bill will be found by the Court to be unconstitutional, then we, as Congressmen, are violating our oath to support the Constitution if we vote for the bill. I contend, rather, that in cases of doubtful constitutionality, when the legislation is otherwise meritorious, the question of constitutionality should properly be left to the tribunal duly constituted for that purpose—the Supreme Court of the United States. The other philosophy will prevent much progressive and forward-looking legislation from being enacted, although nobody's rights could be violated by passing such laws; the courts will not enforce a law if it decides the law is unconstitutional. It is generally admitted by the legal profession that nothing in law is more uncertain than constitutional law, and oftentimes, as in the legislation pending, expert constitutional lawyers are sharply divided. If lawyers cannot agree, how can it be contended that we, a lay Congress, can decide? Determination of constitutionality is a function for the judicial branch of our Government.

A striking example of the dangers of the philosophy of defeating legislation on which there is a difference of opinion as to its constitutionality is shown by an examination of the history of the Webb-Kenyon Act.

President Taft, whose ability as a jurist everyone will readily admit, vetoed this act on the ground that it was of doubtful constitutionality, and in his veto message he rather spanked the Congress for passing such legislation. However, Congress passed this bill over the President's veto, and the Supreme Court held the act constitutional, thus demonstrating the impropriety of the executive or the legislative branch of the Government attempting to decide close questions of constitutional law.

For more than 10 years the coal industry of this country has been in a tremendously demoralized and degraded condition, which has resulted in insolvency to practically all of the operators; and, what is far more important and tragic, it has brought misery, starvation, virtual slavery, and wholesale death to the men who toil in the coal mines. From 1896 to 1933 the coal industry of the United States killed 79,290 men accidentally in the coal mines of the United States—50,510 American soldiers were killed in action or died from wounds received in action in the World War; and the worst thing about this slaughter of coal miners is that most of these accidents could have been prevented, according to the United States Bureau of Mines, if proper safety devices had been installed.

But the coal operators were unable to install these needed safety devices, for the reason that the capacity to produce coal has been from two to three times more than the demand for coal. This forced the operators into a most vicious cutthroat competition. To survive they had to cut costs, and hence were unable to protect the lives of their workers. They had to continue slaughtering these human beings, because there was no regulative force to stop this vicious system and require all the operators to get a fair return on their coal. This bill provides that most necessary regulative force all over the United States at once.

But death and accidents were not the only misfortunes which resulted to the workers from this unbridled competition. They paid also in reduced wages and increased hours. Wages, on the average, constituted 65 percent of the cost of producing coal and the operators had to cut costs or go out of business. Some operators worked their men from 12 to 14 hours a day for a few groceries during the week and no cash pay on Saturday. They forced their men to live in company houses and to trade at company stores. They broke down the union in practically all of the fields and prevented further organization. In some sections, by their coal and iron police, they refused to allow outsiders even to enter the towns. They made slaves out of American citizens.

And who benefited by this misery and pauperism? Certainly not the miners. And, get this straight, it was not the coal operators, for prior to the introduction of the stabilizing force of the National Industrial Recovery Act, I could count on the fingers of my hands the number of operators who were solvent. It was the universal loss which always results from any demoralized business—a loss to all—a profit to none. For such a condition there is only one remedy—restoration of fair prices and reasonable working conditions and stabilization of the business with those two provisions.

The people of the United States want to pay a fair price for their coal. They know that a fair price is the basis of all prosperity under our capitalistic system. They know that we cannot destroy any one industry without injuring all industry. They recognize the coal miners as their brothers in fact, to be protected in their right to labor and to live. They will no longer have their coal spattered with human blood, nor the scent of pieces of burning human flesh to offend their Christmas firesides.

The passage of this bill will mark the end of a serfdom and of a pauperism equal to that of the Middle Ages. No longer will the worker toil 12 to 14 hours a day for a bare subsistence. The operators will be able to pay him a decent wage and furnish him a safe place to work in for a reasonable number of hours. No longer will 2,000 men give their lives yearly in the coal mines.

Most of the operators are more than willing to abolish these evils if they can do so and stay in business. The Guffey-Snyder coal-stabilization bill will enable them and compel them to do this. That is why 95 percent of the coal miners of this country favor this bill. And that is why I favor this bill.

[Here the gavel fell.]

The CHAIRMAN. Amendments now are in order for section 7.

Mr. RANDOLPH. Mr. Chairman, I move to strike out the last word of section 7.

Mr. Chairman, I have been intensely interested in following those Members who have spoken this afternoon in behalf of this legislation, predicating their support of this bill upon the fact that they had voted for measures benefiting the other sections of the country for rehabilitation of a great many other industries in this Nation.

Josh Billings had a philosophy which I believe is applicable to the discussion of this legislation. He said:

> I don't believe in kicking,
> It ain't like to bring one peace;
> But the wheel that squeaks the loudest
> Is the one that gets the grease.

During this session of Congress we have found the other sections of this great country coming here time and again with legislation to benefit the products which were very close to their lifeblood, and I have joined with other Members from the coal-producing States of this Republic to assist them in the worthy discharge of the obligations to the business which helps their sections. We have greased their wheels—now we ask a little for our own.

I have been interested also in the so-called "constitutionality" of the proposed legislation. Yesterday afternoon the distinguished gentleman from Arkansas [Mr. FULLER] arose upon this floor and said that he could not support this legislation, for in doing so it would be to support a bill—quoting him directly—"which every newspaper in the United States says is unconstitutional."

Mr. Chairman, I refer now to yesterday morning's issue of the Wheeling Register, a newspaper published in one of the largest cities in West Virginia. An editorial writer of that publication makes this statement:

> Is the Guffey bill constitutional? There is ample argument to prove that it is constitutional. At the same time consider that the only doubt as to its constitutionality has been raised by the bitter opponents of the bill. If these opponents were so sure that the bill is unconstitutional, why should they worry about its passage? The very fact that they continue to fight the bill tooth and nail and at the same time raise doubts as to its constitutionality gives weight to the thought that they are afraid it is constitutional and they fear a test before the Supreme Court.

Mr. Chairman, I turn next to the Charleston Gazette, which is published in the capital city of the State of West Virginia. This great newspaper expressed in an editorial yesterday these words:

> The Guffey coal bill, as it originally was written, was plainly unconstitutional, and probably, to a large extent, unworkable.
>
> It was in this form that the Gazette voiced opposition to its passage.
>
> But the bill today, as approved by the House Ways and Means Committee, is considerably changed. We believe it would be a constitutional law. It has been made workable.
>
> Congress should speed its passage.

Mr. Chairman, one other and I am through. The Fairmont Times in an editorial on August 15 makes the following statement:

> Proponents of the Guffey bill do not fear a constitutional test. They are convinced that the Guffey bill will give the coal industry what it needs. That is their first chief concern. They are interested in the welfare of the industry and the men who work in it. Passage of the bill is vital to the industry. It is to be hoped that now the Congress has been convinced that the opposition to the measure originates in the offices of but a few willful coal operators who by their influence have made it appear that there is widespread opposition. The truth is otherwise. The Guffey bill must be passed. It is the salvation of the bituminous coal industry.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Chairman, in conclusion may I say to the Members of the House that we who come from the coal-mining regions of this great Republic appeal to the membership of the House irrespective of sections or party lines when the vote comes on final passage next Monday to join with us and see to it that the men who have worked in these mines over a trying period of years will have an opportunity to see their huts and hovels become happy homes; that they may have an opportunity to see poverty as a landmark in the coal industry of these United States; and then to the membership of all parts of this Nation we can say: You have helped us, you have done the right thing. [Applause.]

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my purpose in rising at this time to speak upon this bill has been impelled from the fact I represent a great agricultural community. While we are the greatest State in the Union so far as the amount of coal deposits in the earth is concerned, having a block of coal which would make a cubic square of 6 miles in all directions and containing over 30,070,775,152,000 cubic feet of coal, or 600,000,000,000 tons, yet at the same time we are mining less than 1 percent of the total coal mined in the Union. So whatever I say upon this bill is said in the interest of the general welfare of the Republic and not confined to the boundaries of the State of North Dakota. We only have some 300 mines in the State, and produce less than 2,000,000 tons of coal annually. We have less than 1,000 men who work in these mines.

Mr. Chairman, I want to speak upon this question in the light of the general benefit to the entire Union. I represent the farming class of the Nation. We have come before this Congress and asked for the power to save the balance of the homes that have not been taken by foreclosure. We have been assisted in this effort by many States; however, I find myself in a very peculiar situation this afternoon, supporting the great delegation from the State of Pennsylvania, 34 Members, only 9 of whom have been willing to contribute their part to bringing this farm bill on the floor of Congress for consideration. In spite of that fact, Mr. Chairman, I am willing to voice the sentiment of the farmers this afternoon in being willing to use coal that is mined by men who live under a decent standard of living.

I find the great State of Kentucky interested in this coal bill, yet not a single Member from that State has had

the nerve to go up there and sign the petition to give us a chance to discuss a bill that will save our farm homes. In spite of this fact, I want to say that the farmers of this Nation are big enough to see this whole situation in its true light. We want to use coal produced by men who live under a decent standard. But, on the other hand, why do you want to eat our bread and meat for less than the cost of production? Why do you not have nerve and stand up here in this Congress and be counted. Some of the labor leaders, especially the one from Pennsylvania, say they are for the men in the mines. I am for them. But why is he not for the man who produces the wheat in this country? He does not have nerve enough to sign the petition because, he says, it is inflation. The farmers of America are big enough to take it on the chin; yet when they have a chance to help other lines of industry in this country, whether it be the man working in the coal mines, the factory, or anywhere else, they are big enough to help when they can help. For the reasons indicated, Mr. Chairman, I shall support the bill which is pending before the House at the present time.

[Here the gavel fell.]

The CHAIRMAN. Are there any amendments to section 9? Section 10? Section 11? Section 12? Section 13? Section 14? Section 15? Section 16? Section 17?

Mr. McCORMACK. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 43, line 9, add a new section as follows: "Complaints may be made under this section by any State or political subdivision of a State."

Mr. VINSON of Kentucky. Mr. Chairman, the committee will accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

The CHAIRMAN. Are there any amendments to section 18? Section 19? Section 20? Section 21? Section 22? Section 23?

Mr. EDMISTON. Mr. Chairman, I offer an amendment to section 23.

The Clerk read as follows:

Amendment offered by Mr. EDMISTON: Page 46, line 17, after the word "Doddridge" insert the word "Gilmer."

Mr. EDMISTON. Mr. Chairman, I am heartily in favor of this bill and my amendment simply adds one county in this section of West Virginia which is not a large producing county, but has four or five operating mines.

Mr. SAMUEL B. HILL. Mr. Chairman, we accept the amendment.

The amendment was agreed to.

Mr. EDMISTON. Mr. Chairman, I offer another amendment to the same section.

The Clerk read as follows:

Amendment offered by Mr. EDMISTON: On page 47 strike out lines nos. 9, 10, 11, and 12, and insert the following:

"Fayette County, east of Gauley River and including the Gauley River branch of the Chesapeake & Ohio Railroad and mines served by the Virginia Railway."

On page 48 strike out lines nos. 10, 11, 12, and 13, and insert the following:

"Fayette County, west of but not including mines of the Gauley River branch of the Chesapeake & Ohio Railroad."

Mr. SAMUEL B. HILL. Mr. Chairman, we accept the amendment.

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLANNAGAN: Page 48, line 3, strike out the period after the word railroad and add "and Richlands-Jewell Ridge Branch of the Norfolk & Western Railroad"; page 48, line 5, strike out the period after the word railroad and add "and that portion of said county on the headwaters of Dismal Creek east of Lynn Camp Creek (a tributary of Dismal Creek)."

Mr. VINSON of Kentucky. Mr. Chairman, we accept the amendment.

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer another amendment to this section.

The Clerk read as follows:

Amendment offered by Mr. FLANNAGAN: Page 49, strike out lines 1, 2, and 3 and insert in lieu thereof the following:

"All of Buchanan County except that portion on the headwaters of Dismal Creek east of Lynn Camp Creek (tributary of Dismal Creek) and that portion served by the Richlands-Jewell Ridge Branch of the Norfolk & Western Railway."

Page 49, line 7, after the word "railroad", strike out the period and add "and Richlands-Jewell Ridge Branch of the Norfolk & Western Railroad."

Mr. FLANNAGAN. Mr. Chairman, I do not desire to be heard on this amendment. It is a corrective amendment, and I understand the committee accepts the amendment.

The amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to return to page 19 of the bill for the purpose of offering the same amendment at that page which I offered at page 43, and which was accepted by the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 19, line 21, after the word "board", inserting a comma and the following: "or any State or political subdivision of a State."

The amendment was agreed to.

Mr. CONNERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not come from a coal-producing State. There are no coal mines operating in Massachusetts; but I come from Massachusetts, and I have listened to the remarks of my distinguished colleague from North Dakota, Mr. BURDICK, in which he bewails the fact that certain Members of the House have not signed the Frazier-Lemke petition. I wish to say to my friend from North Dakota that as a Member from Massachusetts, from a State which is preeminently an industrial State, I signed the petition for the Frazier-Lemke farm bill and am glad that I signed it. [Applause.]

I listened on this floor some 10 years ago—and I referred to this yesterday—to one of the finest men who were ever Members of this House, John Casey, of Pennsylvania, who is well remembered by those who were here when he was a Member. He stood on this floor one day and in the middle of his speech on the coal situation in Pennsylvania suddenly burst into tears and could not talk for some minutes.

He was talking about when, at the age of 8, he worked in the mines of Pennsylvania and at 11 o'clock in the morning they would blow a whistle and stop work in the mines so that they could bring out the men who had been injured in the mines that morning. When this picture came before his mind, he suddenly burst into tears and had to stop in one of the greatest speeches I ever heard delivered on the floor of this House.

I agree with the gentleman from North Dakota that we should not buy commodities that are sold at less than cost of production. In return, we from the New England States should have certain consideration. We must shoulder a great deal of the taxes. The gentleman from Maryland [Mr. LEWIS] referred a while ago to New England as if New England was a part of the country which was benefited on everything and had everything under the tariff. We have suffered greatly in our textile mills as a result of the processing tax. We in New England believe in decent wages for the workers of the entire United States in order that they may buy the products of the farmers. Our prosperity in New England depends on our industries, and they have been extremely hard hit during the past few years.

I know what this problem of industry and farm means. In the Committee on Labor I had the first meeting that was ever held of that sort of a combination between the farmers and the workers in an endeavor to get together on a program whereby the farmer could get a decent living and the working man could get a decent living and neither of

them be crushed by Wall Street and the manipulations of the big moneyed interests.

I am going to vote for this bill. In a situation where we have 450,000 workingmen who go down into the bowels of the earth mining, working under the hardest conditions of any workers in the country, we should not say to them that we will let them out, to go hungry, that we are not going to give them any income. When you have 450,000 men like those go out on strike you have one of the most serious menaces the Nation can face.

I do not believe in bringing about such a menace even if the price of coal does go up, and I do not think it will. If the Commission set up in this bill will watch the coal, particularly from the time it reaches the top of the mine until it gets to the consumers, and if they are decent and if they are a good Commission, they can and will see to it that the price does not go up.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. RANDOLPH. And the consumers' counsel is appointed by the President and confirmed by the Senate.

Mr. CONNERY. Yes; the price should not go up, because, as Mr. Casey said, the price of coal goes up from the mouth of the mine by virtue of the railroad, the middlemen, the wholesalers, and the retailers, and not from the wages of the workers. Why should coal at the mouth of the mine cost $1.50 a ton, with wages and all other charges included, and then the consumer, for instance, in Boston, Mass., pay as much as $16 a ton?

Mr. ELLENBOGEN. And I know the gentleman will agree with me that we do not want cheap prices at the expense of the sweat and blood of the miners.

Mr. CONNERY. No.

Mr. McCORMACK. What has the processing done to the consumers of New England?

Mr. CONNERY. It has thrown thousands of people out of work, because the mills have closed. Some of them have gone down to South America. I hope soon to get an opportunity to speak about six mills which have taken all of their machinery down to Brazil and about the farm products that are coming into the United States to take profits away from the American farmers.

Mr. MEAD. Is it not true that some of the mills closed even before there was any processing tax?

Mr. CONNERY. Perhaps a few, but very few. Most of them closed since the processing tax went into effect. I am going to vote for this bill because it means a decent living wage for the miners of the United States. In voting for the bill I am expecting that the law will be administered so as to give these miners a wage which will give them a buying power to purchase the products of New England and the products of the farm States. I am expecting that the Commission will stop profiteering and chiseling, and that no gouging of the consumer will be countenanced. An honest administration of this law will protect the workers and consumers and will benefit not only the 450,000 miners and their families but the entire Nation. [Applause.]

Mr. HOBBS. Mr. Chairman, I offer the following amendment, which I send to the desk:

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 45, before line 1, insert:

"SEC. 22½. Upon approval of the National Bituminous Coal Commission, the Secretary of the Interior is authorized to purchase, in the several States, coal mines, coal properties, coal lands, mining rights, leaseholds, royalties, and any interest in coal and lands containing bituminous-coal deposits withdrawn from production solely because of the operation and effect of this act, such acquisitions to be held and administered under the authority of the Secretary of the Interior, as other public lands are held and administered, subject, however, to the provisions of this act. The owners of such property so acquired shall be entitled to just compensation according to law.

"Any owner desiring to sell properties to the United States Government shall submit to the Commission his offer to sell, in writing, together with abstract of title, surveys, maps, and such other information respecting such properties and in such form as the Commission may, under its rules and regulations, require: *Provided*, That where such owner is engaged in mining bituminous coal, his offer shall be considered only if such owner has fully complied with the provisions of title I of this act while the same is in force and effect.

"For the purposes of this title there is hereby appropriated the sum of $300,000,000. To provide said sum there is hereby authorized to be issued by the Secretary of the Treasury of the United States $300,000,000, par value 2½-percent 50-year tax-exempt United States Government bonds, redeemable at par at any interest date. Said bonds shall be disposed of as follows:

"The purchase price of all properties acquired by voluntary sale shall be paid in said bonds which shall be accepted at their face value. A sufficient amount of said bonds shall from time to time be sold at the best market price obtainable therefor to provide funds for the payment in lawful money of the United States for all properties and rights acquired by condemnation in accordance with the provisions of this title.

"To provide funds for the administration of this section, the relocation and rehabilitation and the support and maintenance ad interim of miners who have lost employment by reason of the withdrawal of coal lands from mining operations solely because of the operation and effect of this act, and for the creation of a sinking fund to provide for the payment of interest on the retirement of the bonds issued hereunder, there is hereby levied a tax on each ton of bituminous coal produced in the United States and sold or otherwise utilized of the following cents per ton for the calendar years specified, namely:

"For the year 1936, 4 cents per ton; for the year 1937, 7.3 cents per ton; for the year 1938, 8.7 cents per ton; for the year 1939, 6.9 cents per ton; and for the year 1940 and each year thereafter until the bonds issued hereunder, together with interest thereon, shall have been paid, or until sufficient moneys have accumulated in the sinking fund hereinafter provided to pay the same, a tax of 3.21 cents per ton. These taxes shall be collected as other Federal taxes are collected and in accordance with such regulations as shall be prescribed by law and by the Commissioner of Internal Revenue. The taxes collected for the years 1936 to 1939, inclusive, shall be segregated and used for the following purposes:

"(a) For the administration cost of acquisition of properties during said years.

"(b) For payment of interest due and payable in said years on bonds issued hereunder.

"(c) For payment into a fund to be created and administered under the direction of the President of the United States and to be known as the 'miners' rehabilitation fund', providing for the rehabilitation and relocation of bituminous mine workers who have lost employment by reason of the withdrawal of coal properties from mining operations as provided under the provisions of this act.

"The amount of money to be paid into said rehabilitation fund from time to time shall be equal to 25 percent of the face amount of the bonds issued hereunder.

"The balance of any moneys remaining from the taxes collected in said years and after the provisions of (a), (b), and (c) above have been satisfied, shall be paid into a sinking fund for the retirement of bonds issued hereunder.

"All the proceeds of the tax collected for the year 1940, and each year thereafter, shall be used—

"(a) For the payments of administrative costs of acquisition of properties during the years 1940 and each year thereafter.

"(b) For payment into a sinking fund to pay the interest on and for the retirement of bonds issued hereunder."

Mr. SAMUEL B. HILL. Mr. Chairman, is that an amendment to section 19?

The CHAIRMAN. It is section 22½. We have passed section 22. It will take unanimous consent to return to that section.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent to return to section 22 for the purpose of offering the amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SAMUEL B. HILL. Mr. Chairman, I make the point of order against the amendment, that it is not germane to the bill.

Mr. HOBBS. Mr. Chairman, will the gentleman reserve his point of order?

Mr. SAMUEL B. HILL. I reserve the point of order.

Mr. HOBBS. Mr. Chairman, this amendment is backed by 15,000 pertinent reasons from the standpoint of Alabama. There are 15,000 workers in the mines of Alabama today in the bituminous coal field who will in my deliberate and honest judgment be put out of work within 12 months if this bill is passed. Alabama is one of the fields in this Union where the cost of mining coal is excessively high. We wash one-third of all the coal that is washed in the United States in Alabama. Due to the thinness of our seams the average production per man per day is only 3 tons.

For the same reason, machinery cannot be used in the mining of coal in Alabama; therefore, plus the fact that we are in the keenest kind of competition with natural gas, with

electricity, and crude oil, we cannot, no matter what price may be agreed upon, increase the price of coal in Alabama without decreasing, almost to the vanishing point, the volume of sales. Hence this bill means the shutting down of the mining industry in Alabama, as far as bituminous coal is concerned, just as certainly as was recognized in the first place, when the draftsmen for the United Mine Workers of America foresaw the contingency and provided $300,000,000 to buy mines that were withdrawn from production because of the operation of this act, and to take care of the miners who would inevitably be relegated to unemployment. The purpose of this amendment is to reinsert those provisions for a national coal reserve, and to take care of the miners who will be thrown out of employment in every field circumstanced as is Alabama, because of the economics of the situation.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. HOBBS. I yield.

Mr. VINSON of Kentucky. In title II, the national coal reserve, the money that was to be used was for the rehabilitation of miners where those miners would be put out of business because of the purchase of submarginal coal lands?

Mr. HOBBS. That is right. My amendment changes that and applies it to the miners who will be put out of work because of the operation of this act, in the judgment of the Commission.

I submit that this amendment is bona fide, that it is an absolutely intelligent approach to the problem of these 15,000 men whose source of livelihood will be taken away and destroyed by the operation of this act; but not one dime may be so expended until the Commission, which is set up under the provisions of this act, shall have so found.

Mr. KVALE. Will the gentleman yield?

Mr. HOBBS. I yield.

Mr. KVALE. Can the gentleman give me any estimate of what will be involved in the matter of expenditures?

Mr. HOBBS. Nothing whatever, but, of course, not one cent of the provision made will be used unless it is necessary in the judgment of the Commission.

If this amendment be not adopted it will remain hopelessly unconstitutional. This amendment would largely save the bill from vulnerability to attack upon the ground that it violates the due-process clause of the fifth amendment.

Nor shall any person * * * be deprived of life, liberty, or property without due process of law.

It was this provision of the Constitution which caused the Supreme Court to strike down the Frazier-Lemke law. That history may repeat itself if this amendment now offered be not adopted.

The question of the constitutionality, vel non, of this piece of legislation has been so fully and ably discussed in the committee report and on the floor that I shall not attempt more than to simplify the elaborate and exhaustive arguments, and, if possible, to show the unity of thought back of the decisions cited, and the reason for the rule enunciated.

It may clarify our thinking to restate a few general principles:

First. The test is never the desirability of the legislation but only its constitutionality.

Second. The Federal Government has no inherent sovereignty.

Third. No power is granted by the preamble of the Constitution with its general-welfare clause.

Fourth. No power is conferred by the "spirit" of the Constitution.

Fifth. The Federal Government has no police power except that necessary to maintain national existence.

Sixth. The Federal Government has no power not delegated by the Constitution, specifically or by clear implication.

Seventh. No power is either extended or created by an emergency.

The only two powers upon which the claim of validity for this bill rests are:

First. The power to tax.

Second. To regulate commerce with foreign nations and among the several States, and with the Indian tribes.

If the taxing provisions of this bill be for the purpose of raising revenue, they are valid. If, however, they be designed to coerce into code membership, they are void. This being almost wholly a question of intent, to be gathered from the bill itself, every one of us may read it for himself and reach his own conclusion after considering what the Supreme Court has said on the subject as set forth in the report of the committee.

With reference to whether or not this bill confines itself within the power which Congress has to regulate interstate commerce, I hope that I may be of some assistance.

There has been no decision of the Supreme Court which holds that because pistols have been used to interfere directly with interstate commerce, the business of the manufacture of firearms becomes subject to Federal regulation.

All of the cases cited by those who seek to uphold the constitutionality of this bill, wherein the Supreme Court holds that intrastate acts may be regulated by Congress, are not only acts which interfere directly with interstate commerce, but the regulation was limited to the interfering acts themselves.

The grain-pit, packers, and brokers' cases involved acts of Congress regulating the grain pit, not the raising of grain; the packers, not the raising of cattle; the brokers, not the whole business of production and distribution.

An illustration may serve to further clarify. If all bituminous coal were shipped to Chicago and there washed, as a mere incident in its movement to consumption in many States, then, beyond question, the washery in Chicago could be regulated by Congress if it interfered with this stream of interstate commerce in coal. But this would not give Congress the right to regulate the whole coal business.

In the light of this suggestion, I beg of you that you think through the arguments and cases. Our oath binds us to uphold the Constitution. The Nation is safe only if we do.

Mr. SAMUEL B. HILL. Mr. Chairman, I make the point of order that the amendment is not germane to the bill.

The CHAIRMAN (Mr. MCREYNOLDS). The caption of this bill is very broad—"To stabilize the bituminous coal mining industry and promote its interstate commerce", and so forth, yet the amendment offered is so broad that the Chair feels it does not come within the title of the bill. It provides not only for buying lands and the purchasing of small properties required by voluntary sale, but provides funds for the administration, provides for taxation to take care of miners who have lost their places, and things along those lines. The amendment is almost a separate bill itself. At least it is another title.

The Chair is of the opinion it is not germane, and sustains the point of order.

Mr. LUNDEEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the recent safety drive in the District of Columbia again has concentrated attention on the great toll of lives and property on the Nation's highways. Few realize how this toll has been growing. In the last 10 years the number of deaths on our highways has about doubled, reaching the all-time high of 36,000 deaths and over a million injuries in 1934. For every 7 persons killed in 1933 in automobile accidents, 8 were killed in 1934. Every 15 minutes someone is killed, and every 30 seconds some person is injured in a traffic accident. It has been estimated that if the present trend of traffic accidents continues, out of each 100 persons born today, 14 will be killed or seriously injured in traffic accidents, and 80 will sustain minor injuries. This information comes to me from the director of safety and traffic engineering of the American Automobile Association.

THE STREET IS MORE DANGEROUS THAN THE BATTLEFIELD

In the 18 months of the United States' participation in the World War, 50,510 American soldiers were killed. In the same number of months, from July 1, 1930, through December 31, 1931, 53,650 Americans were killed by motor-vehicle accidents. The toll for the last 18 months is still higher.

The six major wars in which the United States participated as a Nation since its birth cost less than 300,000 American lives. During 15 years of peace time, 1,300,000—over four times as many American people—were killed by accidents of all kinds and millions more have been maimed for life.

AND THEY CALL US CIVILIZED

One million more people killed in accidents of all kinds during 15 years of peace than in all the major wars of our history. Here are the facts, printed in the 1935 report of the National Safety Council, in its booklet, Accident Facts:

Total killed in major United States wars

Revolutionary War	4,044
War of 1812	1,956
War with Mexico	1,549
Civil War (Union forces)	110,070
Civil War (Confederate forces)	74,524
War with Spain (including Philippines)	1,704
World War	50,510
Total killed in action or died of wounds in war	244,357

MOTOR VEHICLE ONLY ONE KIND OF ACCIDENT

On an average 90,000 to 100,000 people are killed each year by accidents of all kinds; 300,000 are permanently disabled; and more than 8,000,000 injured. One hundred thousand American lives lost each year by accidents—8,000 deaths a month, 2,000 a week, 275 a day, 12 every hour. Every 5 minutes a life is lost by some kind of accident.

The National Safety Council reports that accidents of all kinds were responsible for approximately 9,500,000 disabling injuries in 1934. The cost of these injuries, including wage loss and medical expense, approximated $2,400,000,000. To this sum may be added approximately $800,000,000 for property damage in motor-vehicle accidents and $263,000,000 for property damage in fires, making a total of nearly $3,500,000,000.

ACCIDENTS VERSUS DISEASE

The National Safety Council reports that no disease causes as many deaths between the ages of 5 and 19 as are caused by accidents of all kinds. Between 5 and 14 a child is twice as likely to be killed in an accident as he is to die from any disease. From ages 1 to 4, only two diseases cause more deaths than accidents. Among children between 5 and 9 years of age there were 1,268 diphtheria deaths in 1933 compared with 4,348 deaths from accidents of all kinds. Whooping cough killed only two-thirds as many children under 5 as were fatally injured in accidents. Accidental death rates among children have had a favorable trend during the past 15 years. Still, accidents are more dangerous to little children than disease.

Among persons of all ages only three diseases killed more persons than did accidents in 1933. These were heart disease, cancer, and cerebral hemorrhage. From 1910 to 1920, both pneumonia and tuberculosis caused many more deaths than accidents, in some years twice as many. But these diseases have been conquered to the extent that they are now distinctly less important than accidents.

LARGEST PERCENTAGE OF ACCIDENTS CAUSED BY MOTOR VEHICLES

By far the largest number of accidents are caused by motor vehicles. Of the 101,000 accidental deaths occurring in 1934, 36,000 were caused by motor vehicles, 34,500 accidental deaths were caused in the home, 17,500 were caused by accidents of a public character not including motor vehicles, 16,000 were occupational injuries.

CAUSES OF AUTOMOBILE ACCIDENTS

There is some disagreement about the major causes of automobile accidents, but it is generally agreed that the principal cause of accidents is not the automobile itself, the condition of the roads, or other external factors. The largest share of blame rests squarely on the driver, with the pedestrian a close second.

HIGHWAY AND VEHICULAR DEFECTS

The great majority of motor vehicles involved in accidents are in apparently good condition. However, the National Safety Council estimates that 15 percent of the accidents are caused, at least in part, by defects in the motor vehicle. Common faults are defective brakes and deficient or glaring headlights. Defects in both vehicles and highways can be largely overcome by careful driving. Common highway defects are narrowness, sharp curves, defective signs, and improper signals.

FAULTS OF PEDESTRIAN

Nearly half of all persons killed in 1934 motor-vehicle accidents were pedestrians. In cities over 50,000, 42 percent of the pedestrian deaths occurred while the pedestrian was crossing the street at an intersection. In 27 percent of the cases there was no traffic signal. In 10 percent of the cases there was a signal which the pedestrian was violating at the time of accident. Thirty-seven percent occurred while the person struck was crossing the street not at an intersection.

WALKING IN THE ROADWAY IS DANGEROUS

In State reports sent to the National Safety Council this year, "Walking in the roadway" is shown to cause 18 percent of the pedestrian deaths occurring under such circumstances. "Playing in the roadway" caused 10 percent of the pedestrian deaths in State reports. Three percent of the deaths occurred when cars struck pedestrians not in the roadway.

FAULTS OF THE DRIVER—TOO MUCH SPEED

The driver causes the largest percentage of accidents. Sometimes their defective minds or bodies cause accidents; sometimes they do not know how to drive and do not make proper turns or give proper signals. The greatest number of drivers who are involved in accidents are not physically defective or ignorant of rules. They drive too fast; they pass cars on hills and curves; they cross railroad tracks without looking, and do not slow down at intersections. They expect other drivers and pedestrians to keep out of the way.

CONDITION OF DRIVER

City and State reports of 1934 fatal motor-vehicle accidents classify about 6 percent of the drivers and 7 or 8 percent of the pedestrians as "intoxicated" or "had been drinking." The National Safety Council states that this represents a sizable increase over 1933 when the percentages were reported as about 5 for drivers and 6 for pedestrians.

Some drivers have bad eyesight or are not strong enough to control a heavy car, or their senses are dulled by fatigue or carbon monoxide. A larger percentage have accidents because they do not know how to drive. They do not know how to make turns, to back up, or to signal. They either do not know the right-of-way rules or do not observe them. They pay no attention to stop signs or traffic signals or their obligation toward pedestrians. In most cases their carelessness is not due to physical defect.

THE AGE FACTOR IN ACCIDENTS

Among children and aged people pedestrian deaths stand out prominently. In the group under 5 years pedestrian deaths made up 77 percent of the total for 1934. For children 5 to 14 years old the proportion is 73 percent. Among persons 65 years or older, the percentage is 72. In contrast, only 19 percent of the 15–24 year death total was pedestrian, and just 39 percent of the 25 to 64 year total was pedestrian.

The most important class of deaths in the 15 to 24 age group is that of collisions between two or more motor vehicles. In 1934 deaths from collisions are estimated to have numbered 2,050, out of a total of 6,300, or 33 percent.

The 25- to 64-year age group in 1934 included 19,800 motor-vehicle deaths. Of these 5,400 (or 27 percent) resulted from collisions between motor vehicles, 2,600 (13 percent) from collisions with fixed objects, and 2,450 (12 percent) from noncollision accidents.

DEATH WAITS AROUND THE CORNER

More people are killed in accidents on highways than at any other road location, although the largest number of accidents occur at street intersections.

In addition to faults of both driver and pedestrian, there are other causes for automobile accidents, including lack of proper laws and poor enforcement. Many States do not have drivers' license requirements, others have no minimum-

age requirements, others do not require a driver to come to a full stop at a railroad crossing, and still others do not require a driver to dim his headlights on the approach of another vehicle.

Poor illumination adds to the danger.

CHILD ACCIDENT TREND DOWNWARD

From 1922 to 1934 the accident total for children under the age of 14 dropped from 18,576 to approximately 15,400. This includes accidents of all kinds. In 1922 the accident death rate per 100,000 population for children under 5 years was 80.8. The maximum was reached in 1924, when the rate was 86.7. Then the rate declined steadily to 1933, when it was 60.8, and in 1934 it was 61.3. There is a similar downward trend for the group between the ages of 5 and 14. Among youths from 15 to 24 years the rate rose from 50.6 in 1922 to 58.1 in 1934. The adult group 25 to 64 years shows a poor record of 66.5 in 1922 and 77.3 in 1934. The group over 65 years showed a great increase of from 310.2 in 1933 to 366.8 in 1934. Excessive heat is a factor in this increase.

MOST DANGEROUS DAYS AND HOURS

The Travelers Insurance Co. of Hartford, Conn., reports that Sunday is the most dangerous day for automobile drivers. Saturday is second, and Tuesday last. The most dangerous hour is from 5 to 6 in the afternoon, judging from the percentage of accidents which occurred during that hour. However, the fatality rate is higher for other hours. It is significant that from 6 a. m. to 6 p. m., the normal daylight hours, there were 459,510 automobile accidents in 1934, in which 15,050 persons were killed. From 6 p. m. to 6 a. m., the normal hours of darkness, when the volume of traffic is one-fifth as great as in the daytime, 422,490 accidents occurred, in which 20,950 persons were killed. The rate of death per accident was 51.4 percent worse during the hours of darkness than during the hours of daylight.

TREND OF ACCIDENTS

From 1913 to 1934 accidental deaths increased from 82,460 to approximately 101,000, an advance of 18,540. Practically all of this increase comes from motor-vehicle accidents. With the exception of motor-vehicle accidents, there was a total decrease from 78,233 to 65,000 accidents per year, in spite of a 31-percent increase in population.

For automobile accidents, the National Safety Council reports an increase of from 31,363 deaths in 1933 to 36,000 in 1934. This is an increase per 100,000 population, an increase per number of automobiles, and an increase per 10,000,000 gallons of gasoline consumed.

PUBLIC AND PRIVATE AGENCIES TRY TO COMBAT ACCIDENT PROBLEM

A gallant army already is in the field, using every available weapon to combat the spectre of death and destruction in the traffic lanes. Never before in history has the problem of highway safety evoked such strenuous measures by safety groups as it has in the year 1934. Legislators, organized motordom, various safety groups, and State and municipal authorities have given more thought to the accident-prevention problem this year than ever before.

STATE GOVERNMENTS TRY TO SOLVE THE PROBLEM

In the State legislatures there have been further moves in the direction of uniform measures designed to promote safety. Rapid progress of the safety responsibility law originated and sponsored by the American Automobile Association, extension and strengthening of highway patrols, adoption of safety-glass requirements, passage of measures providing for compulsory inspection of motor-vehicle equipment, and adoption or strengthening of drivers' license laws are included in the sweeping efforts by some State legislatures to curb motor fatalities. Yet many of our States still do not even require a driver to be licensed.

MINNESOTA SETS RECORD FOR ACCIDENT REDUCTION

The Minnesota Safety Council has just published some interesting statistics with reference to the trend of motor-vehicle-accident fatalities in the State of Minnesota for the 5 years 1929 to 1933, inclusive. There were more fatalities in 1933 than the peak boom year 1929. For the first 5 months of 1934 the Minnesota Public Safety Committee reports motor-vehicle-accident fatalities increased 57.7 percent over the first 5 months of 1933. But during the last 7 months of 1934 the number of fatalities decreased 12 percent. The total number of 1934 fatalities amounted to 628, an increase over the previous year.

On May 18, 1934, the Minnesota public safety educational program was inaugurated at a meeting held at the State capitol. The Minnesota Public Safety Committee claims that this accounts for the sharp drop in the number of fatalities the last half of the year, in contrast to the record for the first half of the year. There were 91 more deaths during the first 5 months of 1934 than there were during the same period of 1933, and 24 less deaths during the last 7 months of 1934, as compared with the same period of 1933. Increase in gasoline consumption for the period January through May 1934, as compared with the same period during 1933, was 7.1 percent. Increase in gasoline consumption for the period June through December 1934 was 7.4 percent over the same period in 1933.

From an increase of 57.7 percent to a decrease of 12 percent is a very large drop. It is, in fact, the best record made by any State in accident reduction, according to information given me by the Federal Emergency Relief Administration.

AMERICAN AUTOMOBILE ASSOCIATION LEADS SAFETY DRIVE

Organized motor clubs, in performing their duties as civic organizations, have been in the forefront of the highway-safety movement. The American Automobile Association, for example, continuously and energetically carries on a four-point program which comprises support of safety legislation, securing an adequate enforcement, regional and local traffic engineering, and primarily a continuous program of safety education that is carried to motorists and the children who will be the motorists of tomorrow.

One of the most important safety activities of the national motoring organization is to organize, maintain, and equip schoolboy safety patrols in cooperation with school and police authorities. These patrols, which guard children from danger in traffic lanes on routes to and from their classes, are now protecting lives of youngsters in over 1,800 cities under the leadership of 140 motor clubs.

In addition, the clubs carry on a classroom educational program involving the free distribution of more than 650,000 safety posters and 960,000 safety lessons, which have an audience of more than 2,000,000 school children. The national motor association is now sponsoring a course for use in high schools to teach and train youngsters so that we may have a generation of better drivers of automobiles in the future. The major appeal being made is good sportsmanship in driving.

MINNEAPOLIS AUTOMOBILE CLUB

Active in all branches of safety work are the automobile clubs of Minnesota. The Automobile Club of Minneapolis, for example, annually distributes 1,348 safety lessons and 770 safety posters per month to the schools and maintains active and effective schoolboy patrols. This club also maintains an automobile club safety council to cooperate with municipal authorities, and sponsors legislation to strengthen the drivers' license law and to provide for compulsory inspection of motor-vehicle equipment.

Many municipalities have joined in the war against highway accidents, and, through a program of study and research, of adoption of proper ordinances and of strict enforcement methods, have materially improved their safety records. In addition, there are many other groups who are interested in the subject of highway safety and have contributed substantially to solving the problem of the terrific traffic toll.

F. E. R. A. ACTS—DANGEROUS CROSSINGS

The Federal Government itself has taken some steps to aid the highway-safety movement. Under the F. E. R. A., traffic studies have been held in a number of cities, determining principal causes of accidents and making recommendations for improvements. The highway allotments under the Works Relief Act definitely earmark sums to be spent in elimination of railroad grade crossings.

IMMEDIATE PROGRAM OF ACTION FOR FEDERAL GOVERNMENT

There are other steps that the Federal Government could take immediately to aid in establishing highway safety.

FIRST. RESEARCH AND PLANNING

Extend and amplify the gathering of complete and adequate statistics on motor-vehicle accidents for the benefit of enforcement officials everywhere. No single agency is as qualified as the Federal Government to make a complete and thorough study of the causes of traffic accidents and of corrective measures that should be taken. There is now little uniformity in methods of traffic-accident reporting. The Federal Government is the proper agency to conduct a thorough research into the causes of accidents and remedies proposed.

One of the first needs in coping with traffic problems in each community or State is getting the facts. I was much pleased to learn about the traffic-survey work which the F. E. R. A. has been sponsoring. These surveys, which give detailed study to hundreds of municipal traffic situations, should be continued and expanded.

SECOND. FEDERAL FUNDS FOR REMOVING DANGERS FROM HIGHWAYS

Provide funds for building more safety into the Nation's highways. Remove grade crossings, take out the curves and dangerous hills, and make highways safe for traveling from an engineering viewpoint. Thomas P. Henry, president of the American Automobile Association, recently pointed out that new mileage both on the primary and secondary systems of the States is necessary, but equally as important is the building of more safety into existing highways, including many of our better-known trunk lines. In building up the Nation's highway system, the Government should include a reasonable amount for making the highways a safer place to drive.

THIRD. ENCOURAGE PROPER STATE LEGISLATION

The National Conference on Street and Highway Safety has drawn up model legislation that, in the light of present-day experience, appears to be best suited to meet the national traffic needs. This model legislation was drawn up by the Conference under the leadership of the Secretary of Commerce, and the President has urged all State governments to adopt similar legislation in the interest of highway safety.

FOURTH. PROPER LAWS FOR THE DISTRICT OF COLUMBIA

Having jurisdiction over the District of Columbia, Congress should lead the way in the direction of model safety legislation by adopting all approved safety measures for the Nation's Capital as an example to the State governments. With a strict drivers' license law and with the American Automobile Association safety-responsibility bill in effect, the District already has taken long strides in the proper direction, but there are further steps that need to be taken. Passage of compulsory inspection for the District might be one of the most important steps that Congress could take in pointing out to the rest of the country the benefits of such legislation, while increase in the police force might be considered to show the results that can be obtained by a full enforcement detail.

FIFTH. JOIN IN PROGRAM TO REDUCE ACCIDENTS BY EDUCATION

In the final analysis, the effectiveness of any safety program depends largely upon those who drive and walk on the Nation's roads and streets, and the need for exercising caution should be impressed upon every citizen of the United States, whether a motorist or pedestrian.

These wide-spread safety activities are worthy of the highest praise, and they doubtless have helped to prevent the highway-accident record from reaching worse proportions than it has. However, the massacre of 36,000 persons annually shows that these safety efforts, however praiseworthy, have not been sufficient to solve the problem; the carnage has continued and is continuing to increase.

In view of this fact, the time has come when the Federal Government must step into the picture and take definite steps to reduce the frightful slaughter on the streets and highways.

A UNIFORM TRAFFIC CODE

One effective way in which the Federal Government can meet this problem is by the establishment of a uniform traffic code in every State in the Union.

The basis for proper safety legislation has been drawn up by the National Conference on Street and Highway Safety, but many of the States have failed to enact such legislation. Driving across a State line all too often means driving into an entirely different country so far as highway-safety legislation is concerned. The picture of State traffic-safety legislation presents a deplorable hodge-podge.

Therefore, in the interest of protecting the lives of the millions of men, women, and children who use the Nation's streets and highways, the Federal Government should step in and do the job that State and local governments can no longer perform alone. This is the only course that offers salvation from constantly increasing loss of life, limb, and property in the traffic lanes.

There will be obstacles in the path of such a program; there will be those who for one reason or another will oppose Federal action in the highway-safety program.

A NATIONAL RESPONSIBILITY

But the fact remains that State and local governments cannot solve the problem today. Whatever obstacles or objections are advanced will be overcome. They must be overcome and removed. The Federal Government sooner or later must assume its responsibility for protecting the lives of its citizens, and the sooner it takes this step the better it will be for everyone concerned.

Death now rides at the wheel; the number of deaths and injuries is colossal and staggering. The death toll must be cut down; there must be an immediate reversal of the upward trend of traffic tragedies.

It is up to the Federal Government, with its vast machinery for making and enforcing sane, sound, and workable traffic-safety laws, to see that such laws are placed in simultaneous and continued operation throughout the country. The haphazard and although admirable efforts of State and local authorities must be supplanted with uniform national action. The highways of the future must be made safe for our citizens.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to return to section 12 to ask the gentleman from Washington [Mr. HILL] a member of the committee, a question.

Mr. SAMUEL B. HILL. Is that the gentleman's only purpose?

Mr. CRAWFORD. That is the only purpose. Is it the intent of section 12, which deals with the control of contracts heretofore made, to impose any liability on a consumer of coal who is using coal purchased on a large contract? If that is not clear I can illustrate it very simply.

Mr. SAMUEL B. HILL. It applies, I take it, to the producer.

Mr. CRAWFORD. I refer now to a consumer-purchaser who may have a large contract on which he is drawing coal at the present time which coal was purchased at a price below the minimum price to be set under this bill or the minimum price under the N. R. A. code.

Mr. SAMUEL B. HILL. I may say to the gentleman that I have not looked at it with that specific thought in mind, but the general principle is that you cannot bind anybody by this bill unless he is a member of the code. If the consumer is not a member of the code I do not see how this bill could operate to impose any obligation on him.

Mr. CRAWFORD. This clause deals with a purchase contract which a consumer of coal has heretofore made. If it raises the cost of coal as set forth in that contract you certainly impose a penalty on the man who bought the coal or if he has been putting that coal into goods which he sells on a futures contract, then he is forced to suffer a loss on those future contracts by reason of the retroactive clause in this bill.

Mr. SAMUEL B. HILL. That is the producer of the coal?

Mr. CRAWFORD. No; the consumer of the coal.

Mr. SAMUEL B. HILL. You cannot bind the consumer under this legislation unless he is a coal dealer; there is no question about that.

Mr. KENNEY. Does the gentleman know how these sales of coal are financed?

Mr. CRAWFORD. Yes.

Mr. KENNEY. How?

Mr. CRAWFORD. I have been accustomed to buying half a million tons every year on a contract such as I am talking of.

Mr. KENNEY. Will the gentleman tell us the usual way of financing such purchases of coal?

Mr. CRAWFORD. I have financed them in a number of ways. I have paid for them before the coal was shipped; I have paid for them as the coal was shipped; I have paid for them on 30-, 60-, and 90-day open accounts.

Mr. KENNEY. What was the medium—through promissory notes discounted with banks?

Mr. CRAWFORD. No; on open accounts.

Mr. KENNEY. At 6 percent?

Mr. CRAWFORD. No; on open account, not drawing interest at all.

Mr. KENNEY. But on money borrowed from the bank would the interest rate be 6 percent?

Mr. CRAWFORD. It would depend on how easy the money market was.

Mr. KNUTE HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I represent an agricultural district in the Northwest. There are only two very small cities in my district which mine coal. But I am going to vote for this bill for the reasons given here in debate. We believe in good wages. We believe in good conditions for the laboring people. I am in favor of a 30-hour week for all laboring people. [Applause.] I have been in favor of this for many years.

I also contend, as did the gentleman from North Dakota, that we who represent the farming industry and farming districts are also entitled to be heard on the floor of this House.

Now, what is the status of the Frazier-Lemke bill? There is a petition pending on the Speaker's desk. The bill has passed the Agricultural Committee of the Senate unanimously. It has passed the Agricultural Committee of the House by a vote of 18 to 5. Thirty-two State legislatures have memorialized the Congress to pass this law. Have you that support for the Guffey coal bill? We are going to vote for your bill, but you are not even giving us a chance to consider our bill on the floor of the House.

Those of you who were here in the Seventy-third Congress know my stand on a rule which required 145 signatures on a petition before a bill could be brought out for consideration on the floor of the House. I may say that one man over in the Senate may bring up a bill on the floor of the Senate for consideration, and I believe we ought to have somewhat the same kind of a rule in the House. In January this year this rule was changed from 145 signatures to 218 signatures. At that time we were made certain promises, and I want to read one or two of the promises made at that time to the Members of this House.

I am quoting from what the Chairman of the Rules Committee said at that time on page 14 of the CONGRESSIONAL RECORD:

> Any time 145 men sincerely and honestly and without playing politics want consideration of a measure by this House they will get it, and I have never seen it to fail.

Mr. O'CONNOR. If the gentleman will read the entire statement he will find I said 145 Members.

Mr. KNUTE HILL. I am now reading from page 14, still quoting from the Chairman of the Rules Committee:

> Let me tell my good Democratic friend [Mr. O'MALLEY] who has a great deal of interest in many so-called "progressive" measures, for which I admire him, that whenever 145 Democrats honestly want consideration of a measure in this House I am sure they are going to get it.

There have been 155 Democrats who have signed the petition that now lies on the Speaker's desk. There have been as many as 221 Members who have signed the petition, but some of them have withdrawn their names. The other day six of us went down to the White House and talked to the President, all of us having supported him in 1932. He stated then he had nothing to do with the withdrawal of the names; that he was not in favor of that practice; and that he thought when 200 Members of the House wanted to consider a bill on the floor of the House it ought to come up for consideration. I challenge anyone to question that statement on the floor of this House. We are pleading with you to help us bring this bill out. It is not a question of whether you are for the bill or not, although not until the purchasing power of the two basic groups in this country—the farmers and laborers—is restored can we look for prosperity. But as a matter of justice and fairness, in view of the facts stated above, every Member of this House should be willing to give such an important bill at least a fair hearing. That is democracy. [Applause.]

[Here the gavel fell.]

Mr. KVALE. Mr. Chairman, I ask unanimous consent that the gentleman may have one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. SNELL. Mr. Chairman, I object, and I shall object to any more colloquy on any subject than the pending bill.

Mr. GRISWOLD. Mr. Chairman, I ask unanimous consent to return to section 4 and that proceedings of the adoption of my amendment be vacated in order that a further clarifying amendment may be substituted.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GRISWOLD. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. GRISWOLD: On page 9, at the end of line 14, insert "The number of such producer members shall be an even number"; and in line 15 strike out "One" and insert in lieu thereof "one-half of", and strike out "member" and insert "members".

Mr. SAMUEL B. HILL. Mr. Chairman, we ask that the amendment be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 9100) to stabilize the bituminous-coal mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a draw-back under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous coal resources of the United States; to provide for the general welfare, and for other purposes; and providing penalties, pursuant to House Resolution 343, he reported the same back to the House with sundry amendments agreed to in Committee.

The SPEAKER. Under the rule the previous question is ordered on the bill and amendments to final passage.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the final passage of the bill.

Mr. SAMUEL B. HILL. Mr. Speaker, I ask unanimous consent that the vote on the final passage of the bill may go over until Monday.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAMUEL B. HILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

EXTENSION OF REMARKS—GUFFEY-SNYDER COAL BILL

Mr. DORSEY. Mr. Speaker, during the debate on the Guffey-Snyder coal bill I have listened intently to the arguments of the Members of this body regarding the constitutionality of the legislation. I, however, must qualify my remarks by saying that I am not a lawyer. The only legal experience I have had has been in the field of hard knocks and bumps of business, and therefore my legal views have been gathered from my practical experience in business and through contact with the working people of my district.

Impressive arguments have been made on both sides regarding the legal phases of the bill. I was particularly impressed with the scholarly arguments of my learned colleague [Mr. COOPER of Tennessee] and with that masterful presentation of the intellectual gentleman from Kentucky [Mr. VINSON]. I have every respect for my colleagues who have presented these arguments, and think that each in themselves feel that they are substantially correct in their conclusions. With our legal minds taking such divergent views of this legisltaion, and since I have not spent years buried in the books of Blackstone or the decisions of the United States Supreme Court, I am forced to make my decision in the light of the basic facts which are involved in the Guffey-Snyder bill.

Who is to determine the constitutionality of this legislation? Whose word are we to take, when lawyers themselves disagree? Surely under our form of government the United States Supreme Court cannot give a decision before legislation is passed; in fact, they cannot even offer an opinion. On such a controversial subject, therefore, it seems to me that the only method that can be pursued is to pass legislation and let the ultimate decision be placed in the hands of the United States Supreme Court. Surely this is in keeping with the actions of Congress since the days of our founding fathers. If this were not true, we would not have had 67 acts of Congress declared unconstitutional by that supreme tribunal.

Even many of these decisions were so questionable that the Supreme Court itself decided them with considerable disagreement among its members. Looking at the legislation, therefore, from a practical standpoint, our business sense must dictate the decision on the merits of the bill and the necessity for the legislation. On such a promise, I question:

First. Is the legislation urgent and needful?

Second. Does it correct a condition which can only be remedied by national legislation?

Third. Is coal a national resource which should be conserved for future generations, or should we be content that those generations will develop substitutes to take its place after our actions deplete the supply?

Fourth. Is there a community of interest among the coal-producing States which requires that this industry be regulated uniformly throughout the Nation?

Fifth. If it is the responsibility of the Federal Government to take care of the unemployed through appropriations for relief, does it have a like responsibility to eliminate the causes of unemployment and the necessity for relief in the coal fields?

Sixth. Is the present condition of the business a natural result of the depression, or are the conditions more deep seated and far-reaching?

Seventh. Can the cutthroat competition, which has driven this industry to the wall, be regulated by the States, or must it be regulated by the Federal Government?

Any Member of this body who has taken the time to study the bituminous-coal situation must by necessity conclude that it is a question of national import. For many years before becoming a Member of Congress I studied this question solely because of my interest in a great national and natural resource. From an unbiased and nonpolitical viewpoint I have been forced to the conclusion that national legislation and control is the only salvation for this great industry.

What is the picture which faces us? There are some 8,000 independent operators and 6,000 corporate operators in the bituminous coal fields in the United States. Due to the cutthroat, unrelenting competition, and the production of coal far in excess of consumption requirements, driving down its price, many of these operators now have either been forced to the wall, or are on the point of ruination. Before the N. R. A. went into effect the average loss was 30 cents per ton, or a possible loss, on the basis of production, of $100,000,000 per year. The industry has been getting progressively worse since 1921.

This is a profitless industry. In the operation of an impoverished industry, not only the investor suffers, but more severely and more directly do the men who are employed in the industry suffer. On account of the conditions which face the operators, they are forced to pay starvation wages and keep the workmen in a practical state of serfdom. Five hundred thousand miners are affected in this industry, with some 2,000,000 dependents.

This is a poverty industry. The facts show that the operators, in order to meet the severe competition and reduce losses, have been forced not only to cut wages, but to reduce their expenditures for safety devices, which would protect the men working in the bowels of the earth. What has been the effect of this niggardly policy upon the lives of these American workingmen? Let us look at the record. Seventy-nine thousand two hundred and seventy accidental deaths in 37 years, an average of 2,083 per year, many of which could have been prevented if the operators had been able to provide the proper safety guards. Two thousand and eighty-three miners per year, our fellow citizens, losing their lives because the industry has not been properly regulated. If we add to this the number of accidents which caused fathers to be brought home maimed to their hapless children, we can well visualize the dark picture which confronts us.

It has been said that this legislation will increase the cost of coal to the consumers. Perhaps it will slightly increase the cost, but certainly not beyond that which existed when the N. R. A. was in effect. We must realize that the consumer is indirectly paying this cost now through the tremendous relief expenditures which are necessary to keep the body and soul of these miners together because they are not paid a living wage.

The industry must be regulated. And still there are those who say it should not be regulated, and still they say it is not of national concern. In view of the loss of life, in view of the relief expenditures, in view of the dark and deplorable conditions, there are those who contend that we should not interfere in the industry because such legislation is not constitutional. Is it constitutional to save the lives of our working people? Is it constitutional to keep them from being maimed for life? Oh, our founding fathers would turn in their graves if they thought we would interpret their acts in such a narrow sense and conclude that they did not mean it when they said our citizens have the right to life, liberty, and the pursuit of happiness.

Believing that those astute men who drafted the greatest instrument of government ever struck off at one time by the brain and purpose of man meant that it should be interpreted in the spirit of the times, believing that they sincerely meant it should be used as an instrument to govern and not to oppress; believing that they could not foresee the future problems which have since developed through this machine age, the development in communications and travel, the use of national resources, such as coal, and the organization of vast banking and industrial groups—but at the same time believing that they had the foresight to know that the Nation would progress—believing these things, and with serene faith and confidence in our founding fathers, and the instrument

they drafted, we can afford to face the problems of the day—such as are involved in the coal industry—with a practical mind and legislate properly to meet them. I deduct that the drafters of the Constitution meant that it should be interpreted—yea and even amended; and they provided for that—to keep pace with changing conditions.

In supporting the legislation which is now before us on this basis, not anyone can question my loyalty and respect for the Constitution.

Mr. SNYDER. Mr. Speaker, it is indeed a privilege to have an opportunity to support a great national and humanitarian measure like the bituminous-coal bill now before us. "Service above self" is one practice in life that always brings satisfaction to the individual performing this service. When most of the Nation's institutions were on fire in 1933, all groups, regardless of race, creed, or party, joined in the common course asking Congress to do something to bring about a set-up in our social and economic life that would put our institutions back in efficient and prosperous channels. The administration and Congress responded and set up procedures to stabilize the cotton industry, the farming industry, the oil industry, the livestock industry, the banking industry, and numerous other major industries.

But, my friends, one industry, that directly or indirectly affects all of the people in the Nation, that has been left to drift in the channel of waste and destruction, is the bituminous-coal industry.

Practically every coal operator in the Nation wants this industry stabilized. They asked Congress to continue the N. R. A. provision as it affected coal operations, thus admitting that some sort of stabilization was necessary.

This bill provides a sane and safe procedure in the business of mining and marketing coal. We think this bill is safe and sane as far as the constitutionality of the measure is concerned. One of my able colleagues will cover that phase of the bill.

This bill will increase the cost of coal only a few cents a ton at the most, and many operators contend that the cost of coal to consumers will not be increased. They contend that it will be less than the cost of coal under the N. R. A. when it was in official operation. This phase will be covered by another of my colleagues.

In the few minutes that I shall take of your precious time, I desire to mention the human factors involved.

The needless sacrifice of human lives caused by the cutthroat practice in this country in the mining and marketing of bituminous coal is indeed the most vital factor. In the last 30 years some 75,000 men lost their lives in the mines of this country because of the lack of proper safety devices in and about the mines. These safety appliances were not installed because of the cutthroat methods used in marketing coal. Operators bid in contracts at cost or less than cost. Why? Because it was cheaper for them to keep their mines running at cost or less than cost than to pay the overhead if the mines were not operating. As a result, superintendents and foremen were ordered to cut down expenses. The only place they had to cut was in miners' wages or in safety devices. As a result, the wages were cut and the safety devices were not installed, and these 75,000 lives were taken, leaving tens of thousands of widows and orphans to be cared for by charity or otherwise.

Mr. Speaker, I know many operators in whose mines explosions occurred that cost the lives of men. I know these men to be honorable men. I know these men to be men who would not for the world wrong any individual. They did not mean to have a mine that would be unsafe for men to work in, but the fact that they were obliged to produce coal at cost or less than cost made it impossible for them to dig an air shaft here, or install a fan there, to repair the roof of the mine here, or equip with proper machinery there; as a result gases and dust accumulated, and an explosion took place.

Bear with me while I tell you of the disaster that occurred just before Christmas a few years ago within 3 miles of my own home town. Picture the flickering lights in 234 shanties or homes along about 2 o'clock in the morning. Picture with me the housewife preparing the lunch pail for the husband; she accompanies him to the door; she says "Good-bye"; off he goes to Darr Mines, where there he gets his equipment and signs in, and either by foot or on a coal car he goes in the mines; there he is doing his duty as the rules of the operator and the State ask him to do. All of a sudden a thunderous explosion, and the bodies of these 234 men are crushed. I saw these men as they were brought out of the mine. I saw them there, row after row. I saw the hundreds of wives and children weeping and wailing over the dead bodies of their husbands and fathers.

Aye, my colleagues, I am sure that everyone of you would be in sympathy with this measure if you had seen this picture that I saw that morning. Not one of you would hesitate to pay these 2¾ cents additional per ton to give protection to the operators and miners so these lives could be saved.

Furthermore, it is a disgrace on our civilization to waste coal as it is now wasted under the present cutthroat system. In England and Germany and other nations the waste is something like 5 percent. In the United States the waste is more than 25 percent. This bill will, of course, go far toward eliminating this waste. The waste of coal in Pennsylvania alone during the last 50 years if sold at the market price would pay off the entire national debt of $29,000,000,000 today.

Mr. Speaker, I know the miners. I have lived with them all my life. I know their children. Their children went to school to me. A more loyal and patriotic group of citizens exists nowhere. When the community is in need of help and the miners have employment, they are the first to respond. When the Nation went to war the miners made greater sacrifices than any other group, save perhaps the group that shouldered the gun and went to the front.

Fellow colleagues, for these and many other reasons that can be and will be enumerated by other speakers, I plead with you in the name of humanity and good government to support this measure.

Mr. GRAY of Indiana. Mr. Speaker, under unanimous consent to extend my remarks, I wish to add to what I have already observed on the coal bill that it is a sad reproach upon a system of industry when men must wait in idleness suffering from the want of necessities.

It is a reproach upon a system of industry when material, as food, clothing, and fuel, must be destroyed or held from production, from the hungry, shivering, and suffering, as the only means to restore values, prices, and wages.

And it is equally a reproach upon industry when the only relief from the depression is by reducing production of the vital necessaries of life, the supply of food, clothing, and shelter material, and compelling the people to pay more for less, without more to pay with.

It is a reproach upon an industrial system reducing production and employment, creating a scarcity of food, while the people are left hungry and starving, creating a scarcity of clothing while the people are left cold and shivering, and creating a scarcity of coal and fuel while houses are left dark and cold. It is a reproach upon an industrial system when plenty is a curse and a disaster, when too much food brings starvation, when too much clothing leaves people naked, and when too much fuel leaves them without heat, suffering from the cold and chill of winter.

When the time shall come—and it may be soon coming—that the evils, abuses, and impositions which have grown up and around our free competitive system of industry cannot be eradicated and suppressed—when that time comes, I will not favor continuing a system under a policy of reduction and destruction and a surrender of economic liberty and freedom to the same men who have deliberately destroyed our free competitive system of industry and brought on the evils and abuses which have made that system intolerable, only to be continued under a bureaucracy.

Then I will not wish to follow a piecemeal, makeshift reform policy, which leaves the competitive system of industry under a suspension of the antitrust laws and private monopoly existing at discretion or beyond the reach of supervision and control of consumers.

I will not want to go back to an economic or industrial system which closes shops, mills, and mines and the doors to thousands of employees, all to limit and reduce production, and leaving millions upon the relief rolls. Under the evils and abuses of our competitive system of industry, competition is overcome and suppressed and monopoly is enthroned complete for the special benefit and advantage of a certain special few.

If we must have monopoly, if competition cannot be made effective, if labor organizations cannot maintain the right of collective bargaining, if monopoly must continue to exist—then I favor going to a system where prosperity can be restored without reducing or destroying the vital necessaries of life, without reducing employment and bringing more men upon the relief rolls.

This proposition to reduce production of food, clothing, and fuel material, while the people are starving and shivering, is as vain and inconsiderate as the proposal of other men to destroy the machine to restore employment. It is true the machine is a producing factor without the capacity to consume. But the remedy is not to destroy the machine but to keep the machines running and apportion the earnings of the machine out among the multitude of workers for their use as buying and consuming power.

When the time comes for a change I want an industrial democracy, under which the workers will choose their managers, superintendents, and inspectors, and under which the workers will own the automatic machines upon which they work, under a cooperative system of industry. I will be ready for a cooperative industry under which the workers will take the earnings and income of industry, and under which production will be carried on for use and service and not for selfish profit and gain.

If we must leave this system of industry, I want to go to a system of industry that does not call for or require reduction and destruction of the necessaries of life in order to maintain values, prices, and wages and without creating want and scarcity. I will want to go to a system worth while, and under which the people can prosper in plenty and abundance.

THE BONUS IN THE NEXT CONGRESS

Mr. SAMUEL B. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered by the gentleman from Texas [Mr. PATMAN] over the radio on August 15, 1935.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAMUEL B. HILL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by Representative WRIGHT PATMAN, of Texas, over the Columbia Broadcasting System, Thursday, August 15. Representative PATMAN discussed the future of the adjusted-service certificate in the next Congress. He spoke from the studios of WJSV, Columbia's station for the Nation's Capital.

I desire to thank the Columbia Broadcasting System for the use of its facilities. I have found the radio companies to be very generous in the free allotment of time to those who desire to discuss questions that the people are interested in. There are several means of communication to the people. If those who own and control these means of communication were all of one school of thought and should unduly censor the news, it would be impossible for all the people to get fair and impartial information on both sides of a public question. Fortunately, however, the people do have an excellent chance of getting the truth through the different means of communication which may be classified as follows:

1. Newspapers.
2. Radio.
3. Screen and movietone.
4. Stage.
5. CONGRESSIONAL RECORD—pertaining to proceedings of Congress, including speeches made and inserted by the Members of the two bodies.

CONGRESSIONAL RECORD VALUABLE PUBLICATION

Disclaiming any charge of unfairness against any of these classes, I wish it were possible for every citizen of America to have access to the CONGRESSIONAL RECORD that is published every day that Congress is in session. At the risk of being charged, as I at one time was charged, of being a self-appointed circulation manager for the daily CONGRESSIONAL RECORD, I am going to ask the radio audience to seriously consider subscribing to this valuable publication. It may be obtained for $1.50 a month, which is actual cost, from the Government Printing Office and forwarded to a subscriber each day as published. Each Member of the Senate may send out 88 copies free and each House Member 60 copies free. If you are unable to obtain the daily RECORD by reason of the expiration of your Congressman's or Senator's quota, I believe you will find the money to be well spent, if you are interested in public questions, if you will subscribe directly and pay $1.50 a month.

CONGRESSIONAL RECORD HAS NO EDITOR

I am prompted to make this suggestion because of my experience during the past 6 years in trying to secure the enactment of a law that will permit the three and a half million World War veterans to get the remainder due on their adjusted-service certificates. If all the people had been taking the CONGRESSIONAL RECORD and had read the speeches on both sides of this important question, these certificates would have been paid several years ago. Unfortunately, however, for those of us who have been advocating this proposal, the people have not gotten all the truth and have been misled by catch phrases, untruths, half-truths, and deliberate falsehoods. The CONGRESSIONAL RECORD is the only publication that does not have an editor. Each of the 531 Members of the House and Senate is the editor for his own speeches. Furthermore, this publication does not have certain defined policies which may please advertisers or certain classes or groups. It represents the policies of each of the Members of the two Houses as expressed by them. Therefore, it is an excellent means of obtaining both sides of every important question discussed by men who have given the question careful and thorough consideration. Usually, a Member of Congress discussing a particular question has made special preparations to discuss it. A Member is very quickly judged by his colleagues, and if he attempts to discuss a question about which he knows nothing it is a very difficult matter for him to thereafter secure the attention of the Members. Therefore, the Members are very careful what they say, knowing it will be printed as a part of the proceedings and will constitute a part of their permanent records. Furthermore, if a Member makes a statement in a speech that is untrue, misleading, or incorrect, he may be challenged immediately by one of his colleagues.

CONGRESS WILL PASS H. R. 1 IN JANUARY

I predict that within 2 weeks after Congress meets on January 3, 1936, next, the House of Representatives will pass the bill H. R. 1, the Patman bill, to pay three and a half million World War veterans the remainder due on their adjusted-service certificates. Within 30 days after January 3, I believe the Senate will pass a similar measure, and it is my opinion, further, that the veterans will get their money in a short time thereafter.

Our bill, H. R. 1, the Patman bill, is now pending before the House. Before this session of Congress ends we will have enough signatures to a petition to force consideration of the bill within 10 days after Congress meets in January. The administration leaders in the Senate have agreed to take the bill up and pass on it during the month of January, thereby admitting the great importance of this legislation.

During this session of Congress we only lacked 7 votes out of 531 Members of the House and Senate of receiving two-thirds of the votes in each House for our bill.

THE THREE GREAT ORGANIZATIONS FOR WORLD WAR VETERANS

There are three great organizations in this country that World War veterans may join, (1) the American Legion; (2) the Veterans of Foreign Wars; and (3) the Disabled American Veterans of the World War. There is room in this country for all three of these organizations. There is no reason why one should fight the other or why one should fail to coordinate its activities with the other organizations. There is room for all three, they should work together, shoulder to shoulder, on all major proposals for the benefit of veterans and their dependents.

D. A. V.'S HAVE RECENTLY ENDORSED FULL PAYMENT

The Disabled American Veterans at their national encampment held in New Haven, Conn., within the last month, endorsed the proposal to pay these certificates in full now. The other two veterans' organizations will have their conventions soon and I am hopeful that they will also ask for full payment. This proposal, however, not only has the support of the veterans, but it has the support of the nonveterans as well. If the payment is made, the entire country will be helped.

BILL HAS RAPIDLY INCREASED IN STRENGTH

The fight for full payment of these certificates commenced in 1929. Before we could get proper consideration, we were compelled to impeach the then Secretary of the Treasury. In 1931, our fight caused a bill to be passed that enabled the veterans to borrow 50 percent of the face value of their certificates. In 1932 our bill, the Patman bill (H. R. 1), passed the House of Representatives by a vote of 211 for to 176 against. The bill died in the Senate. In 1934 our bill passed the House by a vote of 295 for to 126 against. The bill died in the Senate. In 1935 it passed

the House by a vote of 318 for to 90 against, and this time it was passed in the Senate by a vote of 55 for to 33 against, thereby lacking only 7 votes of receiving two-thirds majority in the Senate. This is getting almost as close as you can possibly get without being successful. We received 80 percent of the combined votes in the two Houses. No other bill could have received so many votes. If any bill has the support of more than two-thirds of the Members of the two Houses it could be passed even now and become a law, but no bill has that support unless our bill is stronger today than it was when the veto was sustained.

CANNOT PAY OUT OF PUBLIC-WORKS FUND

We cannot pay the money out of public-works funds because the funds have been allocated, and if such payment were made to the veterans it would stop all public works and continue the dole. In addition, all the needy, unemployed, and representatives of political subdivisions who fail to get money for their projects would feel unkindly toward the veterans for getting their money.

VETERANS MUST NOT GO TO SLEEP

The veterans must not go to sleep on this question although we get consideration in January. We must continue to keep this issue sold to the public in order to be successful in January. We have the right side and we are bound to win if we keep the issue clearly before the people and the Congress of the United States. Let me tell you something about H. R. 1, the Patman bill. If this bill passes and becomes a law, it will have the following effect:

EFFECT OF PASSAGE OF H. R. 1—THE PATMAN BILL

1. Every veteran who holds a certificate will receive the full face or maturity value at once. If he has borrowed, he will get the difference between what he has borrowed and the face value of his certificate without deducting any interest on loans after October 1, 1931. This will require the disbursement of about $2,000,000,000, and will go to three and a half million veterans in every nook and corner of the Nation.

2. Such payment will be made in new money without inflation. As new money is issued to pay the veterans, the Secretary of the Treasury may cause to be retired another form of money that is outstanding, thereby not necessarily increasing the actual amount in circulation one penny. No informed person will say the bill is inflationary.

3. One form of Government obligation which the veteran holds will be converted into another form of Government obligation—new money. In other words, a frozen asset in the hands of the veterans will be transformed into a negotiable circulating Government obligation, which the veteran may use as money.

4. No new debt will be created and such payment will not cause a bond issue or an increase in taxes.

5. The Government has title to nine and a quarter billion dollars in gold in the Treasury. This is sufficient gold to permit the Government to have 125 percent gold reserve behind all money after the $2,000,000,000 is paid to the veterans. In other words, the Government now has about $18 in gold and $2 in silver to pay every outstanding $10 bill. No sensible, sane person will say that any money that is based upon a metallic reserve in gold and silver equal to $2 for every $1 bill outstanding is fiat money.

REASONS FOR ENACTMENT OF BILL

The following reasons are sufficient for the enactment of this bill:

1. Each veteran was entitled to the full amount of his certificate in 1931, although his certificate is payable in 1945.

2. Such payment can be made without a bond issue, increase of taxes, detriment to the country, and without impairing in any way the sound monetary system.

3. In arriving at the amount due each veteran, 7 years' interest was entirely overlooked.

4. If veterans are not paid now, compound interest to the Government and to banks will practically consume the remaining half of the certificates.

5. The question of whether or not the adjustment should have been made is not material as it was passed upon by Congress in 1924.

6. The veterans are now asking that the debt be paid, as at the time the service was rendered with the same fair rate of interest that others received on war contracts.

7. Proper safeguards are provided against inflation. There will not be a chance of an inflation of the currency.

8. The idle gold in the Treasury should be used and save the people interest on bonds.

9. The people, veterans and nonveterans, understand the money question, and at least 80 percent of the people approve this legislation.

10. Currency is no more inflationary than bonds.

11. Tricky figures are in existence purporting to show excessive costs to the Government on account of World War veterans and their dependents. Only 7 percent of veterans are receiving monthly checks, and practically all of them were injured during their war service.

12. The payment now will make improbable unreasonable demands of the veterans, whereas, if payment is not made now and the remaining half of the certificates is consumed by compound interest paid to the banks and the Government as interest on a loan of the first half, the people will sympathize with the veterans to the extent of favoring the most generous benefits proposed.

13. If the veterans are paid the amount that Congress confessed was due them, that is, $1 a day for home service and $1.25 a day for service overseas, and pay it as of the time they rendered the service instead of 7 years later, each veteran who holds a certificate was entitled to an amount equal to the full face value of his certificate on October 1, 1931, provided, of course, he is given the same rate of interest that others received on war contracts, which was 6 percent. Therefore, the certificates are past due as a matter of right, although they are payable in 1945. The term "bonus" is a misnomer, coined by the enemies of the law, and should never be used.

14. If the veterans are allowed to deposit their Government obligations payable in 1945 and receive new money in return for them, they will not be receiving special rights or privileges, but only the same rights and privileges now granted to Federal Reserve banks, to deposit 1945 obligations and get new money in return.

15. Such payment will aid economic conditions and help to start our country back on the road to recovery.

16. Soldiers received $1 a day during service. From this, deductions were made for insurance, allotment to dependents, and other necessary expenses amounting in many instances to $30 a month. Civilian workers received from $8 to $20 a day during the war and many soldiers were drafted from these good jobs and forced to accept only $1 a day for military service. The additional pay that was granted them in 1924 was $1 a day extra for home service and $1.25 a day for service overseas, which would permit the soldiers to receive from $2 to $2.35. Secretary of War Baker testified in 1918 that it cost the Government $152 a year to furnish food and clothing for each soldier, or less than 50 cents a day. Therefore, if they receive this extra money in cash now, they will have received from one-fourth to one-fifth of what others received during the war, and certainly under such circumstances they cannot be accused of capitalizing on their patriotism.

UNFAIRNESS OF 1924 ACT

The act passed by Congress in 1924, which permitted the veterans to receive the adjusted-service certificates, should be corrected now, because it did not carry out the intent of Congress. It provided for the payment of a confessed debt 27 years after the service was rendered. It permitted the veterans to receive 4-percent interest with a requirement that they would have to pay 6-, 7-, and 8-percent interest when they obtained loans on their certificates, which would cause the remainder of each certificate to be consumed by compound interest after a few loans in small dribs had been obtained, and it deprived the veterans of almost 7 years' interest, from the time they rendered the service until 1925, the date of the certificates. The time to make this correction is now. No person who wants to be fair with the veterans and give them the same rights and benefit, and no more, as the Government gives to all others under similar circumstances will contend that this adjustment should not be made.

GODSEND TO COUNTRY

In conclusion, I believe that any fair-minded listener will agree, first, that I have shown that, although the adjusted-service certificates are payable in 1945, each veterans who holds one is now entitled to an amount equal to the face value of that certificate; second, that the amount due can be paid with sound currency; third, that such payment will not increase taxes or create an additional debt; fourth, that such payment will be a godsend to this country, because it will quickly distribute purchasing power evenly and uniformly into every nook and corner of this Nation; and, fifth, that it is in the interest of the nonveteran as well as the veteran that this payment be made now.

BE ON ALERT AND SEE THAT WRONG IS RIGHTED

Let me again remind those who are interested in this proposal to be on the alert and keep the question properly before the country. We are sure to win in January if we are not too certain of success and thereby fail to keep this important question properly before the country. We have the right side, the side of justice. We are supported in our arguments by logic and reason, so let us not weaken in our efforts or fail to do anything for the cause that can be done until the wrong is righted by the payment of these certificates 100 cents on the dollar.

INTEREST ON HOME OWNERS' LOAN MORTGAGES

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ENGEL. Mr. Speaker, I am introducing a bill today to amend the Home Owners' Loan Corporation Act, reducing the interest rate paid by home owners from 5 percent to 3½ percent per annum the first 3 years and then 4 percent per annum for the balance of the term of the mortgage, which will save the borrower $40,000,000 annually in the payment of interest.

The bill reads, in part, as follows:

Interest on the unpaid balance of the obligation of the home owner to the Corporation shall be at a rate not exceeding 3½ percent per annum for all interest payable on installment dates occurring within a period of 3 years, beginning 60 days after the date of enactment of this amendatory sentence, and shall be at a rate not exceeding 4 percent per annum for all interest payable on installment dates occurring after such 3-year period.

The introduction of this bill or any remarks I may make at this time should not be construed as criticism of the work of the Home Owners' Loan Corporation. I know nothing of the experience of others. Mine so far has been very pleasant. Immeasurable good has resulted from the enactment and operation of this law. Only supermen could perform this tremendous task without making some mistakes, and without some resulting criticism.

According to a statement furnished me by the Home Owners' Loan Corporation giving the latest available figures, $2,665,061,750 has so far been borrowed on bonds and loaned to home owners. The rate of interest paid on these bonds varies from 1½ to 3 percent per annum, averaging a little more than 2½ percent. The rate charged home owners on mortgages is 5 percent. The Government is charging annually on the above mortgages $133,244,817 in interest and paying out on these bonds $70,511,765 annually. In other words, the Government is charging the home owners each year approximately $63,000,000 more in interest than they are paying out on the bonds. It will be recalled that the first bonds were not guaranteed by the Government and were sold at an interest rate of 4 percent. The money was loaned to the home owners at 5 percent with the differential of 1 percent to cover costs of administration and losses. Later the Government guaranteed both principal and interest on these bonds. The 4-percent bonds were called in and the interest rate changed, ranging from 1½ to 3 percent per annum. The home owners are still paying 5 percent. My contention is that they are entitled to the reduction in the rate of interest brought about by the guaranteeing of these bonds by the Government.

The original Farm Loan Act provided for a flexible interest rate to be paid by the farmer, the interest rate fluctuating with the interest rate that the Government paid on bonds upon which the Government borrowed the money loaned to the farmers. The second paragraph of section 12 of the original Farm Loan Act provides that every mortgage must contain an agreement providing for—

First, a charge on the loan at a rate not exceeding the interest rate in the last series of farm-loan bonds issued by the land bank making such loan. Second, a charge for administration and profits at a rate not exceeding 1 percent on the unpaid principals, said two rates combined constituting an interest rate on the mortgage.

Thus it would be seen that the act provided for 1 percent to be added to the interest rate paid on the bonds for "profits and administration."

An examination of the Home Owners' Loan Corporation bonds shows the maturity date of all except approximately $150,000,000 worth is from 10 to 15 years away. The average interest rate we are paying on these bonds for the next 3 years is a little more than 2½ percent, and will be less than 3 percent for the balance of the term. Using the same method that is being used in computing the interest rate and administrative cost by the Federal land bank, we could charge 3½ percent for the first 3 years and 4 percent for the balance of the term, and pay out. I am assuming, of course, that the loans were made on a sound basis.

I wish further to point to the fact that the interest rate under the Farm Loan Act has been reduced to 3½ percent for 3 years. There is no reason why the man who owns a home in the city should pay a higher rate of interest than the man who owns a home in the country when he borrows the money through the same Government. If reduction in the rate is not made, and the Government continues to collect interest at 5 percent, it will have collected at the end of the 15 years nearly $1,000,000,000 more interest than it has paid on the bonds. I would allow one-half of 1 percent for administration and one-half of 1 percent for losses, as provided in the original act. The one-half of 1 percent annually with interest at 3 percent per annum compounded semiannually would give the Corporation at the end of the 15 years for which the mortgages run $279,473,338 for a sinking fund, or 10½ percent. The loans are made up to 80 percent of the value of the home. This would give a margin of 30 percent on each loan for losses, and ought to be adequate if the appraisals were made as provided by law.

The homes upon which these loans are made are mostly owned by the working classes. Every dollar of interest or principal paid to the Government must be earned by the borrower. These people in many instances find it very difficult to make their payments. An annual reduction of $15 interest on each $1,000 loaned would lighten the burden a great deal, make it easier for the home owners to make their payments, and reduce the number of loans that would necessarily go into default.

I realize the fact that this bill cannot become a law during this session of Congress. I am introducing it for the purpose of calling attention of the Members of Congress and of the Home Owners' Loan Corporation to the facts, hoping that the bill I introduce will become law at the next session of Congress.

The following table gives the bond issues outstanding, date of maturity, amount, rate of interest, and so forth:

Series	Date of issuance	Maturity date	Rate of interest	Amount of issue
			Percent	
A	May 1, 1934	May 1, 1952	3	$1,115,950,875
B	Aug. 1, 1934	Aug. 1, 1949	2¾	1,074,606,075
C	Aug. 15, 1934	Aug. 15, 1936	1½	49,736,000
D	do	Aug. 15, 1937	1¾	49,843,000
E	do	Aug. 15, 1938	2	49,532,100
F	June 1, 1935	June 1, 1939	1½	325,393,700

NEBRASKA AND WISCONSIN PIONEERS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

ADDRESS OF HON. KARL STEFAN, OF NEBRASKA, FOR MADISON OLD SETTLERS' REUNION HELD AT OAK GROVE, AUGUST 22, 1935—DELIVERED IN NATIONAL BROADCASTING STUDIOS, WASHINGTON, D. C., AUGUST 16, 1935

Mr. Chairman, ladies, and gentlemen who are today attending the Old Settlers Reunion in Oak Grove, near Norfolk, I greet you from Washington with the hope that this annual picnic which was inspired a year ago will be successful and that the spirit of our builders who came from the State of Wisconsin in covered wagons and broke new trails will live forever among you.

I feel highly honored at having been selected by the committee to speak to you. I wish to repeat what I said to you 1 year ago—that it is fitting that this celebration is held in the grove from which our first pioneers cut their first oak timber for their first homes.

Many things have happened since I talked to you. Since that time you have sent me as your Representative to Washington—to represent you in the Halls of Congress. You may be interested to know that among the first men with whom I became acquainted here in Washington were the Representatives from the State of Wisconsin. Especially have I been close to the Representative who now represents that district of Wisconsin from which our first pioneers came. The names of families in north Nebraska, who represent our first Nebraska families, are known to these Wisconsin Representatives, who have asked me to send you greetings. They, too, have pioneer stories to tell, but they are stories of Wisconsin pioneer life; from the days when the first families settled Wisconsin, and from which families came our first pioneers to Nebraska. It was natural that your Representative become closely affiliated with these progressive men from Wisconsin, because their thoughts, their ideals, their ambitions have so much in common with the thoughts of our people in north Nebraska. Because of our close relationship I now bring to you the voice of one of these Wisconsin Representatives, the Honorable HARRY SAUTHOFF, who represents the communities in Wisconsin from which our pioneers originated.

REMARKS BY REPRESENTATIVE HARRY A. SAUTHOFF, OF WISCONSIN

Meine Damen und Herren: Grüsse von der alten Heimat.

It is a rare pleasure I assure you to be privileged through the courtesy and generosity of my good friend and yours, KARL STEFAN, to send you greetings. So many of you have ties back in Wisconsin. It is nearly 100 years ago that many pastors came to Wisconsin bringing with them whole families of their parishioners. Thus settlements were founded at Lebanon in Dodge County, and near Ixonia in Jefferson County. A tour to Europe in 1863 by Rev. J. A. Bading for the purpose of raising funds proved so successful that a beginning was made that year to establish a theological seminary, but the building was not completed until 1865, when Northwestern College, Watertown, was dedicated. Scholarly men, graduates of famous German universities, subsequently served on the faculty of Northwestern, among the most outstanding being Dr. A. Hoenecke, Dr. A. P.

Ernst, Dr. P. W. A. Notz, and Prof. E. E. Kowalke. One cannot mention the pioneer Germans of Watertown without some reference to the scholar, journalist, statesman, and diplomat, Carl Schurz. This intellectual giant threw all his great powers into the fight for Abraham Lincoln and against slavery. He has left his mark on American history. And Mrs. Schurz, too, made a remarkable contribution to her adopted country. For she founded at Watertown the first kindergarten established on this side of the Atlantic. The building in which she held her school still stands. Mrs. Schurz had been a pupil of the great Froebel himself. In the field of education, Watertown has another distinction. Theodore Bernhard, of Watertown, a graduate of the University of Berlin, began and carried to a successful conclusion a fight for free textbooks for the pupils of its public schools.

Even in those early days, classes were also formed for girls, where sewing, knitting, crocheting, and embroidery were taught. Cooking was learned at home, where every "hausfrau" knew how to prepare appetizing dishes, such as Gänsebrust, Wiener Schnitzel, Hasenpfeffer, Pfann-kuchen, Kohl Salat, Schweinebraten, Kaffee Kuchen, Schnecken, und so weiter. Das schmekt, nicht wahr?

The German farmer of Dodge, Jefferson, and neighboring counties was not only more thorough and industrious than his Yankee neighbor but he rotated his crops scientifically and fertilized his fields. Adam Grimm, of Jefferson County, was the father of scientific beekeeping in our State.

We must not forget the German newspaper, which was a great educational power among these early pioneers. Of these, Der Weltburger, founded by D. Blumenfeld in 1857, continued until the day of his death, in 1905. It was one of our outstanding foreign-language papers during its entire existence.

Many of you will remember the Watertown Democrat, and no doubt it will interest you to hear a brief extract from an early edition; perhaps some of your relatives were in this group. I quote from the Watertown Democrat of August 14, 1862:

"Opposite Bertram & Co.'s new store, on Main Street, an immense number of Germans assembled. Theodore Bernhard made a spirit-stirring speech. Flags were flying, torches blazing, drums beating, and all was excitement and activity. The Germans propose to raise an entire company among themselves. Last Tuesday another meeting was held. Lieutenant Kusel assembled the Turner Society."

In one of the Civil War letters of Pvt. Chauncey H. Cooke, published in the Wisconsin Magazine of History, June 1921, he writes:

"I have learned that the Dutch boys make the bravest soldiers. They don't do any bragging, and are ready for service, no matter how dangerous."

The German, with his love of home, of music, and of art, has aided greatly in making my native county of Dane, together with our neighboring counties of Dodge and Jefferson, fit and abiding abodes for himself and his families.

"Wer nicht liebt Wein, Weib, und Gesang,
Der bleibt ein Narr sein lebenlang."

So I hope you will enjoy the day with music and with song, with your wives and your children, your friends and your neighbors. And when you meet the old folks, ask them about Wisconsin and make yourself the promise that some day you will come and visit us.

Auf Wiedersehen!

Mr. STEFAN continues:

Along with the pioneers who settled our part of the State from Wisconsin there are mingled the names of great families who came from Virginia and other States, and it is the hope of many of the younger generation that we shall never erase from our history books such names as Raasch, Dedderman, Grant, Gerecke, Braasch, Buettow, Boche, Berhardt, Fischer, Haase, Hille, Kaun, Klug, Lenz, Nietz, Moldenhauer, Huebner, Conrad, Piller, Machmueller, Nenow, Rohrke, Seiffert, Necker, Wachter, Wichman, Winter, Hale, Hockendorf, and many others.

Today there are gathered in this great audience many members of those families; there are those present who were the boys in that great caravan which trekked its way across the prairies to the land of promise, and to these people I join with thousands of others in greetings and good wishes.

Our pioneers from Wisconsin came to Madison and surrounding territory in the year of 1866. They came after the Civil War, at a time when the youth of a new nation had the first call to "Go west, young man" and grow up with the country. How well they succeeded many of you know. I feel it only fitting and proper to say something of that first colony of pioneers. I want to tell it to you as I have received it from the lips of pioneers, many of whom now sleep in Norfolk cemeteries. Such men as the late Father Raasch, Norfolk's first postmaster; Herman Gerecke, Norfolk's first mayor, and who still lives to tell pioneer stories; Fred Dodderman, who was one of the boys of the colony; Smith and Jim Grant and Felix Hale and many others whose names are so familiar to you—names which are spoken with great reverence and respect; names which can be read on some tombstones and names which are obliterated by time in other cemeteries.

These people gathered together at Xonia, Wis., in 1866 and talked about going west. The land out there was the land of great promise; it was a land of mystery and golden sunsets. These young men sent out their scouts—Father Braasch, Father Wagner, and Mr. Jesmer—who came back with glowing stories about the great Elkhorn Valley. The stories which had been circulated in Wisconsin through the relatives of Rev. J. Heckendorf were confirmed, and the colony was organized. So on May 23, 1867, this colony gathered together their 53 wagons, their oxen, their horses, their cattle, and began preparations at Xonia. Here there were weddings, tears, and farewells. The colony, with their covered wagons drawn by oxen, wended their way in three columns and wearily trekked for 2 months over the unbroken prairies; at times having to build their own bridges, and stopping here and there to bake their bread and worship on Sundays, with Herman Braasch reading from the Good Book. It was on July 12, 1867, that this caravan finally reached their destination and, in the words of Henry Braasch, "We reached our future home with heaven above as our roof and the raw prairie as our carpet."

From that moment these sturdy pioneers encountered hardships which they overcame and which make up the heart of American history—a real store of romance and adventure. These pioneers wore wooden shoes in the wintertime and went barefooted in the summer; they wore clothing made by hand; bread from flour ground in their hand mills; drank coffee from roasted grains. They built their first church from sod with a brush roof and had as their first pastor the Reverend J. Heckendorf. There was a will and determination in these pioneers from which we people of 1935 can profit. They were happy with the more simple things in life. There was sickness and there were no doctors, there were births and there were deaths, there were no undertakers but there was family unity and community love; neighborhood relations which brought out the full meaning of the words, "The love of man and neighbor." They were God-fearing people who have handed down the valuable teachings of their own fathers to the generation which has followed in their footsteps.

Omaha, Columbus, and West Point were their nearest trading posts. It required weeks of time to traverse the distances in the slow ox-drawn vehicles in those days; it required the brave heart of pioneer women to remain on guard in the lonely sod house—lonely nights and lonely vigils over the beds of sick ones. They withstood all of the punishment of the elements, the blizzards, the locusts, the grasshoppers, the prairie fires, and even death. But in the hearts of our Nebraska pioneers there was not the hunger for gold—of that metal these pioneers had none; but they were never hungry. The virgin prairie blossomed as a garden under their toil and brought forth bread for man, woman, and beast to eat.

There was happiness in those days and there was sadness; the funeral in north Nebraska in the days of 1867 was one pathetic story after another. The first death during the Christmas season was the passing on of one of the first pioneer women. The first pioneers hewed from the raw timber the first casket; pioneer women mixed the cream from cows with the charcoal from virgin forests for the paint which covered that first casket with the color of mourning. The body was placed in the first cemetery of our community. A year ago I called your attention to the fact that this first city of our first dead has been neglected. I have called attention of those who have some official duty with regard to Nebraska's history to this fact; I have called attention of the city and county officials to this neglect, and on this, our second old settlers' celebration, I pray to you that you join with me in making this last resting place of our first pioneers a place where we can come to worship and to revere the memory of those brave men and women who built our great State.

In sending out a word of praise to the memory of our pioneers I hope that we shall never forget the lessons that they have handed down to us—lessons of thrift, economy, and the love of God and country. We of 1935, who think in terms of billions and live in the years of speed and riotous living, must hesitate and take stock of ourselves. Our Wisconsin pioneers lived by the sweat of their brow and the strength of their hands and bodies. They were responsible only to their God and country. In their mind the Almighty had given them soil to dig into and from which they harvested their livelihood. Their independence in life and their determination that they themselves were responsible to earn their bread and the bread for their families is a lesson from which the people of 1935 can gain much knowledge.

They left us a heritage. What have we done with it? It was after a terrible war that our pioneers came West to build new homes for those who followed them. Individual responsibility rested with every man and woman in that colony. They, too, saw a great depression and they won against it. Throughout the history of that great colony there is the story of determination, the love of the more simple and pure things of life, and above all that great love of God Almighty.

We of 1935 are also fighting against a depression following a great war. But what difference in the individual attitude toward a determination to win individually; what a difference in the attitude toward the more simple and pure things of life and what a difference toward the great love of God and religious worship. Quite the contrary, we see the great danger of individual decay; the individual dependency upon a sympathetic government with billions placed at the disposal of the idle, billions which originated from the toil and sweat of those early pioneers who believed in God and honest toil from which they brought unto themselves and their families that peace which passeth understanding.

With these few words I wish to again greet all of you who are gathered this day in the shade of trees in the grove whence came the first wood for our first homes, and as you wend your way homeward over the paved highways which were the first trails of our pioneers, I beg that you do not forget the story of pioneers we honor this day.

THE IRREPRESSIBLE CONFLICT—THE STRUGGLE BETWEEN CAPITAL AND LABOR FOR SUPREMACY

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUNDEEN. Mr. Speaker, we have under consideration H. R. 9100, Seventy-fourth Congress, first session, a bill to stabilize the coal-mining industry and promote better conditions for those who produce coal in the mines of the United States.

When the able and courageous Chairman of the Labor Committee, Congressman CONNERY, speaks of Congressman John Casey, of Pennsylvania, delivering a speech on this floor some years back, I am reminded of some remarks of my own delivered June 12, 1901, on the commencement program of Carleton College, Northfield, Minn., class of 1901. Congressman CONNERY stated that Representative Casey, in speaking of the awful conditions in the coal mines of Pennsylvania, burst into tears and could proceed no further; that he pictured the conditions there as he knew them, laboring in these mines from the age of 8 years; that the Representative recalled at 11 o'clock each day when a whistle was blown to permit the dead and injured to be removed from the mines at that hour.

I am here as a Farmer-Labor Congressman from the State of Minnesota, sent here by the farmers and workingmen of the great North Star State. From my youth I have realized the irrepressible conflict between capital and labor, and I have continually taken my place in the ranks of those who toil and do the work of the world—the producers of wealth to whom the earth belongs, and who in time will possess this earth. We do not mean to eliminate intelligence and management. There can be no greater efficiency than that coming up from the ranks of those who know the mines from the most primitive machine to the most perfect mechanism of today. I hope for the day when every coal mine in America, all the great natural resources of America mined from the earth, which are in the nature of a monopoly and a necessity, will be the property of the State, owned by the Government, and worked for the benefit of all our people.

When men are permitted to profiteer and exploit their brothers in order that they may pile wealth ever higher to enrich and aggrandize themselves, this means degradation, poverty, destitution—the poorhouse—crime and want. We must put an end to all this in our day and age. Let us improve conditions and leave this world a better and happier place than we found it. I want the record to show that my position through 35 years remains the same. I stand where I stood then for the people and against the Money Trust. I never backtracked or sidetracked—I went straight ahead into battle for the American people.

CARLETON COLLEGE COMMENCEMENT ORATION DELIVERED AT CONGREGATIONAL CHURCH, NORTHFIELD, MINN., JUNE 12, 1901, ON THE IRREPRESSIBLE CONFLICT

Strife is the sequence of life. War has ever been a factor in the progress of humanity. In the contests of parliaments, in the clash of arms, and in the tempest-tossed, passion-swept souls of men liberty has ever struggled to its birth. Battlefields are but avenues leading up into the glorious light of a better civilization. The whole world has become one gigantic field of battle on which opposing forces contend in the great struggle for supremacy. Christianity has often advanced under banners dipped in the blood of nations.

We dwell in the sunlight of unprecedented prosperity, and we are apt to forget the dark periods that are past and the inevitable storms to come. Our history has witnessed the revolutionizing struggle of Washington, the dark days of 1812, and the regeneration of our country in 1864. It has seen our country torn asunder and reunited. On every hand, national unity and national greatness have triumphed. But today we are face to face with forces which tomorrow may plunge our land into the horrors of war. Capital and labor, wealth and poverty, are arrayed like armored giants, chafing for the battle. The struggle is irrepressible—inevitable.

Great changes have been made in the adjustment of human society. Successive revolutions have proclaimed liberty, fraternity, and equality. A multitude of inventions has enriched the world and brought to the mind of man tremendous social problems. We look for further progress, for further strife. Long lines of telegraph and telephones sweep around our globe. All continents are iron-railed and the iron heart pulsates the vital tide of commerce to every shore. But these are but toys in the hand of science. The future will reveal greater changes, and with them greater problems. The present, however, sees nature's great bounties in the hands of the few. Money and monopoly have secured and harnessed all available force, and this greatly to the benefit of man; but the love of the much and the more, the idealizing of power, have made the hearts of men as steel ringing on steel in the great conflict for victory.

We glory in our civilization, we laud our school system, we immortalize our Constitution and Government, and justly, for we lead the nations of the world as we press up the hills of time. But we forget the shadows, we ignore the stifled cry of the burdened millions, and we fail to better their condition. We boast of the telegraph and telephone, of steamship and railroad, of cheaper clothing and a wider range of food; but, fellow citizens, how much of this do the tenement dwellers of our great cities enjoy, what great avenues of progress are open to the 140,000 coal miners of Pennsylvania whose wages average $250 per year? How many comforts do they enjoy? How many of their sons and daughters complete their education and square up to the battle of life with a college diploma? Theirs is a long, unending, hopeless toil. Their wearisome round of life is ever the same. They rise in the gray of the dawn and labor doggedly on till they meet the shadows of night. At eventide no joyful voices greet the father's entrance. His angel-faces are pinched with want and weariness.

They have toiled all day earning a few pennies by picking coal in the hot sun, listening to oaths and curses and worse than vulgar speech, when they should have been at school. In the South, 28,000 children labor at $1.50 per week while large dividends are piled sky high. In this atmosphere of social discontent are latent forces of labor unions and strikes. Let their miseries increase a little more; let the capitalist entrench himself a little more securely, heap a few more indignities and wrongs upon these bending forms, and lo, behold a revolution which no government soldiery can ever suppress. When he wills it, the brawny arm of the laboring man can destroy monarchies, dethrone kings, and banish republics from the earth forever.

Upon the home for a foundation rests the security of nations. Crumbling empires are the inevitable result of decaying homes. When love is merchandise and virtue fled, conditions are ripe for a French Revolution. The nation that humbles itself before the golden calf and casts itself, heart and soul, into the contest for wealth, making religion and education a secondary motive, neglecting, despising, aye, trampling upon the men who earn their bread by the sweat of their brow—this Nation, I say, however glorious its part may have been, will vanish like some spent meteor into the darkness of chaos and anarchy. In the United States of America, in the State of Massachusetts, the majority of married men cannot support their families; but their children, while yet minors, are compelled to render existence possible by the labor of their tiring hands. Such conditions can have but one result. Nursed in poverty, reared in squalor, schooled in vice, ignorant and degraded, these masses of a rising generation give promise of an awful storm of wrath and blood. The harvest of capital and monopoly is sure. Capital and labor battle for supremacy and labor will win. Oh, you say, a Rockefeller, an Astor, and a Carnegie are splendid men, and you point me a constellation of colleges, universities, and great libraries which they have endowed. It were better far those gifts were used in Pennsylvania insuring an education to tens of thousands of coal-begrimed minors, who are growing up in ignorance and vice. These men of wealth are anxious for a name.

Philanthropist—that word rings like music. And thus they willingly exploit all labor possible for the least reward possible in order that their names may be inscribed on chapel wall and be revered by coming generations of collegians. Thousands of students today are being educated by money wrung from the hand of labor. Nearly $50,000,000 in one year to our colleges, while thousands sink into the mire of slavish servitude. Are we not educating from the top down? How can a structure stand securely that is being undermined? The pinnacles of our educational system may reflect in golden gleams, wealth, and wisdom, but if our foundations of granite begin to crumble, a rush of winds will sweep away the worthless debris and leave mankind an opportunity to build better.

The irrepressible conflict is approaching. Already is heard the tramp of the ever-increasing labor unions. Their advance is prophetic of strife. The end is near; the signals cannot be mistaken. Too long have our luxurious and moneyed aristocracy ruled the political and social world of America. On the foothills of pleasure they dwell in luxury while the millions toil in the dark and narrow valleys beneath. But there is sound of tumult and men are arming to do battle. Those heights will be swept in a day, their frivolities will pass away as they go weeping to reap the reward of sin and pride and oppression. The laboring man of today fares better than he did a hundred years ago, but he is determined to secure greater recognition, greater equality. Benjamin Franklin declared that 3 hours per day of honest toil would provide every man, woman, and child with all the necessaries and many of the comforts of life. Three hours per day. Where goes the resultant wealth, when 8, 12, and even 14 hours per day are the required amount of labor. It goes to build the rich man's palace, to buy him a place in politics, to make his name as lustrous as that of Webster or Lincoln or Washington.

Colleges and universities are glorious landmarks of civilization. Their work is far-reaching and unfathomable. Let their numbers increase from year to year, from decade to decade. Let it not be understood that we are decrying our educational institutions, for we are not. We plead for the recognition of a class hitherto

ignored and neglected, whom the wealthy are making poorer, while they make the wealthy wealthier; a class which has ever been the storm center of mob rule and revolution; a class at whose expense the rich live in luxury and carve for themselves in far-famed institutions glorious names and lasting immorality. So long as there are wrongs to redress; so long as the strong oppress the weak; so long as injustice sits enthroned in high places; so long will the irrepressible conflict continue.

Conditions make our opportunities. The present status of affairs reveals an unending field of them. To the students of our institutions of learning, to political economists and the investigators of political science there come the privilege and duty of not only building up splendid theories for redress of grievances, but also of carrying into the every-day life of the laborer something of more value than high-flown ideas. We are all sons of the soil. We cannot soar away from terra firma. We are all dependent upon the laboring man. We are all brothers and human society the grandest of families.

If we leave our college with the idea that we are just a little better than the men and women that labor in the fields, our work will be of no avail, and what is worse, we will be indulging our minds in a falsehood. The dignity of labor remains the same, be it of the hand or of the brain. Let us bring something of that spirit of brotherhood into our actual life which the Christ of Galilee taught to His fellow men.

Brotherhood is our final destiny. We are growing more and more humane. The spirit of helpfulness is growing with the passing of time, and when this irrepressible conflict has passed like some wind-swept, storm-tossed cloud, it will leave the heavens clear and serene.

Patriotic Americans, ye who have come from the ends of the earth—the resultant grandeur of Celt and Latin, of Teuton and Slav—arise and put aside the obstacles to further progress. Gird yourselves to battle, least the golden chariot of wealth and power roll through your midst and leave your forms bleeding and helpless. Let us show the divine element in our nature by reaching out our hand to our sinking brother. Let us raise him to the level which we ourselves have reached. Will you be carried to heavenly heights on beds of roses while your fellow men toil on without hope? Even now there comes an answer—at first a whisper, then a swelling chorus—and from field and furrow, from meadow and mountain, resounds the vow of United America that tyranny and oppression shall die; that liberty and labor shall live; that the toiling millions shall not go unrewarded; but that rich and poor, great and small, shall dwell together in one grand brotherhood of man.

RECOVERY PROGRAM

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, it is certainly encouraging to find that the legislative program sponsored by our great President to restore business conditions in this country is showing results in the great State of Idaho. As a part of my remarks I include a speech delivered at Nampa, Idaho, on July 31, 1935, by former State Senator George A. Meffan, now United States marshal, outlining the progress of business recovery in Idaho, as follows:

My friends, while I have not been assigned a subject on which to speak this evening, I presume that the most important mission I can perform is that of stimulating interest in the work of your Democratic organization, reminding you of your obligations as members of such an important institution, strengthening your faith in democracy, and urging you to intelligently study the affairs and needs of government, and to instill resistance against the attacks, from mouth to ear, through the press, and over the radio of our vanquished political opponents. While they have lost in office, they remain financially strong, and will continue to strive to renew the old order. Therefore we must remain true to our convictions and be ever ready to defend the philosophy of Thomas Jefferson—be insistent upon those in office to emulate him in his struggle for human rights.

There are those who, though orthodox in their political viewpoints, are prejudiced against the present administration; but to refresh our memories we need but turn back the pages of our social and economic history to 1931 and 1932 and into the year of 1933, when the most analytic minds of this country viewed with alarm the outcome of the social, economic, and financial chaos in which we found ourselves, affecting the farmer, sheep and cattle men, the men and women who labored, be it with hands or brain; the merchant, the landlord, life-insurance companies, banks, industrialists, or professional men. It seemed to millions that the entire structure was about to collapse. We were in a quandary; this the richest Nation in the world, blessed above all others by nature in practically every resource to satisfy the needs of man, yet millions knew not which way to turn for employment—yes, even food, raiment, or shelter for themselves and families. On one hand the farmers lost their markets, and sales of commodities did not represent cost of production, and on the other hand millions, regardless of how low the price, could not buy because they had no purchasing power. Millions saw their investments fade away to worthless, painful memories.

In the fall of 1932 the American people rose in protest against the lack of guidance, protection, and justice on the part of those who had for years held National and State offices, and a Democratic administration took over the Ship of State in the midst of a storm, the like of which seldom strikes a nation without complete destruction of its fundamental form.

In March 1933 President Roosevelt assumed the gigantic task to keep the ship in its course, while rich and poor alike were clamoring. In that bewildering moment all seemed willing to trust our destiny with him rather than suffer the delays in Congress of threshing out the scores of panaceas which might emerge from the minds of hundreds in Congress, and Congress wisely supported the humanitarian and businesslike measures of the President.

We were forewarned by President Roosevelt that we could hardly expect him to make a home run every time he went to bat (using baseball vernacular), but up to this inning he has been a regular Babe Ruth. It is true that some of these plays have not worked out exactly as planned, but taking a general cross-section of results it has been a great victory.

Who can disagree that the first move was not that of wisdom in declaring a bank holiday until a plan of reinforcement and security could be worked out, and it was done in haste; or the embargo against the exportation of gold, when the wealthy were shipping it out of our country by the tens of millions, fearing collapse; the activities of the Federal Refinance Corporation, the Agricultural Credit Act, the Civic Works program, the Public Works Act, the expansion of currency, direct relief, the Home Owners' Loan Corporation, the Civilian Conservation Corps, the Rehabilitation Act, the Federal Housing Act, the many aids to agriculture, the bank-guaranty law we have needed for so many years, and many other worth-while movements to stabilize Government, finance, and industry.

Through the Home Owners Loan Act alone, as of May 7 of this year, and it has continued to function, 850,000 homes, valued at $3,750,000,000, had been saved from immediate threat of foreclosure by its loans. Bank deposits of the country, due to the Bank Guaranty Act and the new blood injected into the monetary system of our country through the many Government activities, are up nearly $4,000,000,000 above 1932.

Millions of men and women have been employed under the C. W. A., on public works, in C. C. C. camps, on irrigation projects, building of dams, repairs to homes, and in many diverse ways, and consequently a tremendous demand has been made upon established individual industry for all kinds of materials and supplies that go into these projects, thus keeping and adding to the pay rolls of private enterprise millions more of men and women who are dependent upon employment for existence. The buying power of millions of laborers has been greatly increased, and this reacts to the benefit of merchants, professional men, financial institutions, life-insurance companies, utilities, and what not. Talk to your local railroad men and ask how business on the road compares with 1932. This is a dairy section, and when butterfat dropped to 12 cents a pound it was disastrous to that industry. Southern Idaho has many sheep and cattle; compare recent prices of wool, lambs, and steers with the prices of 1932. Those who have raised hogs and poultry are doing much better; in fact, there have been signs of marked improvement and a general increase in prices since 1932 in practically all farm commodities. Talk to the painters, carpenters, plumbers, mechanics in garages and machine shops, automobile dealers, electric ice-machine dealers, builders' supply houses, and, in fact, practically all business men in the various lines of commerce and industry, and you will find that 1934 and 1935 show constant improvement.

Of course, there is a long way to go before we attain what we hope for in permanent recovery. Safeguards are yet to be built against future occurrences of panics. Security for old age and misfortune must be considered in a broad humanitarian sense and the haunting fear of poverty should be driven from our midst. The instincts and needs of the masses must be considered in this democratic form of government as well as the wisdom and book learning of statesmen, regardless of the fact that more humane legislation has been passed in the last 2 years by our National Government than in many years prior to the new deal. More will follow, and those who have offered resistance to the new era will later appreciate the general benefits.

Speaking of new legislation—recent and pending—I wish to state that last April while addressing a large gathering of fellow Democrats at the Jefferson Day banquet at Twin Falls (Idaho), I advocated that the Constitution of this country be amended so that when the legislative branch of our Government (Congress) passed a law by a two-thirds majority, it should be in full force and effect and outside the jurisdiction of any court of the land. I stated at that time, in my opinion, many of the laws thus far passed, and future humanitarian measures, would be ruled unconstitutional by district, circuit, and Supreme Courts, composing our judiciary system. I held that the legislative branch of our Government should have the power to enact laws to meet the needs and demands of our people. Democracy, according to Webster, means "Government directly by the people collectively", and the people collectively are represented by their Representatives and Senators in Congress.

I referred to the decisions of certain Federal judges in the South declaring the Tennessee Valley Act unconstitutional in that the Federal Government had no right to sell power to communities in competition with private industry. Other decisions were made that the Government had no legal right to make Federal grants to municipalities where intrastate business alone was a factor. And recently, as you are aware, the courts have declared the N. R. A.,

sections of the A. A. A., the Frazier-Lemke Act, and the railroad pension bill unconstitutional, and as the economic storm subsides big business will fight to regain supremacy over Government, and one by one take many other acts, which have saved us from complete collapse, into the Supreme Court seeking other declarations by that tribunal of "unconstitutional."

After that address and my advocacy of a constitutional amendment, one of our leading Republican papers quoted me editorially, and asserted that Thomas Jefferson would have turned over in his grave if he but knew of my suggestion, after the great part he played in connection with the drafting of the Constitution, and that it would be well for me to read my history. So I did. I found that Jefferson was no believer in the sanctity of constitutions, and advocated their revision at stated periods, holding that—

"Laws and institutions must go hand in hand with the progress of the human mind. As manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times. If this avenue (of legal revision) be shut to the call of sufferance, it will make itself heard through that of force."

I also found that the Constitution was a compromise that did not satisfy any of the drafters, between the Nationalists led by Hamilton, the State Sovereignty advocates led by Patterson, and the Conciliators led by Franklin. That the working plan was drafted by Madison. Washington was presiding officer. Jefferson's part consisted in forcing amendments known as the "Bill of Rights", without which it would have failed of ratification. I found also that during Jefferson's term of office as President of the United States, he considered the Supreme Court a hindrance and vigorously opposed that tribunal usurping the function of the legislative branch of our Government. Regardless of their opinion the Louisiana Purchase was consummated, and it was a good deal at that. I further find that not a single member of the Constitutional Convention was entirely satisfied with the document when it was finally adopted. Hamilton wished the general Government to have much more power and would have had most of the high officials chosen for life or good behavior. Governor Morris, of Pennsylvania, felt much the same way. On the other hand many men doubted whether the rights of States and people had been sufficiently protected. Benjamin Franklin expressed the feelings of many in saying, "I confess there are several parts of the Constitution which I do not approve, but we must come to some conclusion and for this reason I consent and subscribe to it." Washington himself in January 1788, before Virginia had ratified the instrument, said, "There are some things in the new form I will readily acknowledge which never did, and I am persuaded never will, obtain my cordial approbation, but I then did concede and now do most firmly believe that in the aggregate it is the best constitution that can be obtained at this epoch, and that this or a dissolution of the Union awaits our choice and are the only alternatives before us." Even after congressional adoption and ratification by the States Washington said, "I am not yet such an enthusiastic, partial, or undiscriminating admirer of it as not to perceive it is tinctured with some real defects."

Our Government is the oldest in existence today. It has stood the real test of time and this is due to the flexibility of our Constitution. By that I mean ours is the privilege and it is our civic duty to amend this great civil code to meet the needs and demands of our people.

The Government of Great Britain has been so much changed in the last hundred years that it is far from the same, and the present governments of all the other European states are younger than ours.

When our Constitution was adopted, republics were few in number and small in area and population. Prophecies of failure were freely made, for Europe could not understand how a country could get along without a king. Now monarchy is becoming the unusual form of government. Many of the republics established later took ideas from our Constitution, though none of them adopted it without change, and this is the only Republic in the world, so far as I can learn, posing as a truly democratic form of government, where Federal courts are permitted to nullify laws enacted by the duly elected representatives of the people, and comprising that great legislative body known as the "United States Congress." Should an enacted law prove faulty, they have the power to modify or repeal it.

Amending the Constitution is no novel idea. It has been amended 21 times. Just citing a few of these, and each one was vigorously opposed when suggested. Amendment 13: "Neither slavery nor involuntary servitude, except as a punishment for crime, whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction." Ratified December 1865. Do you want to go back to the original Constitution?

Amendment 16: "The Congress shall have power to lay and collect taxes on incomes from whatever source derived, without apportionment among the several States and without regard to any census or enumeration."

If there ever was a sane and reasonable way of collecting taxes, the income tax is that way. Yet in 1894 this proposal was declared unconstitutional and amendment 16 was agitated. It was finally submitted to the States in 1909 and was declared to be ratified February 25, 1913—19 years' loss of this revenue, because Congress did not have the power to act, directly, in this regard.

Amendment 19. "The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex." Ratified by the States in August 1920. Much opposition to this amendment, but do you women now desire to surrender your right of franchise in this respect?

There is nothing to be alarmed about in amending the Constitution to give Congress the power it should have rightfully vested in that body. Former Associate Justice Oliver Wendell Holmes said, "I do not think the United States would come to an end if we lost our power to declare an act of Congress void."

Abraham Lincoln proclaimed: "If the policy of the Government upon vital questions affecting the whole people is to be irrevocably fixed by decisions of the Supreme Court * * * in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having to that extent practically resigned their Government into the hands of that eminent tribunal." And Theodore Roosevelt: "The highest right of the free people is the right to make their own laws; and this right does not exist if, under the pretense of interpolation, an outside body can nullify the laws."

Important laws are yet to be passed by Congress in connection with centralized wealth; monopolies; excess tribute which we continue to pay to utilities and industrialists; certain well-founded regulations in connection with the rights of labor and agriculture; the wringing out of water from book values of special privilege; arrange for taxation of present tax-exempt securities; adequate pensions for the aged and infirm; and greater strides in the protection of producer and consumer—and if we are to be constantly confronted and delayed with court actions and unfavorable decisions, it means much hardship and the hazard of dangerous situations.

Wealth is a great power in this country of ours, and it has many mouthpieces. Centralized wealth and organized greed has approached a real menace to human liberty and individual effort, and this transmission from generation to generation of vast fortunes by inheritance is not consistent with the ideals and sentiments of the American people—just as inconsistent as inherited political power, and that was inconsistent with the ideals of the generation which established our Government. You have probably observed that because of design, accident, luck, or favorable providence a man has acquired a fortune, he straightway comes to regard himself as a fountain of wisdom and power, above the common run of humanity, and superior to the laws of God and man. If ever the angels in Heaven laugh through their tears of pity, it must be at the spectacle of these puffed-up personalities who, because they are prosperous in mere money, deem themselves a higher order of humanity. Their craving for special privilege is unlimited. Our times are eccentric—off center—because we have substituted trivial egotism and self-interest for the great conception of a Christ-centered society. It is the duty of government to regulate greed and guarantee justice and opportunity for all, and our administration in Washington has been showing more interest in this regard than those of the past, notwithstanding the tremendous and vicious lobby constantly fighting every constructive measure.

It is a duty incumbent upon every citizen of this country to study, think, investigate, and conclude unselfishly for himself or herself and through sincerely patriotic organizations express their opinions to our representatives in Congress, with the hope of counteracting the constant pressure applied by the well-organized representatives of selfishness.

Constant vigil is required of each good citizen to perpetuate the present Government of this country and to have it function as those who founded it intended, and that for the general good of all who live within its borders. Surely the deeds of our heroic dead beckon to us, and their spirits should lead us on to the tasks yet unfinished, to liberties yet unsecured, and victories yet unattained. Only through consecration to a noble cause can we repay our debt to those who nobly fought before. Homage to the illustrious past may be rendered only in pledges and action to bring about a glorious future.

And in closing I wish to congratulate the Women's Democratic Club of Nampa, Caldwell, and Boise, and I will include the many splendid organizations of like kind in the State, for the good work you are doing in taking an active part in politics. You owe it to yourselves, your country, and posterity in being alert to the needs of reformation, aiding in the good work of maintaining America's place in the sun, assuring spiritual and economic progress for those of this day and those who take up the work of tomorrow.

UNEMPLOYMENT AND RELIEF PROBLEMS IN WISCONSIN

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein several brief statements by Governor La Follette, of Wisconsin, on unemployment and relief in the State of Wisconsin; and inasmuch as this will take more than 2 pages of the RECORD, I have an estimate and I wish to submit that estimate with this unanimous-consent request.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WITHROW. Mr. Speaker, under unanimous consent granted me to revise and extend my remarks to include statements of Gov. Philip F. La Follette on the Wisconsin unemployment and relief problems, I include herewith a series of radio addresses by Governor La Follette on those subjects:

RADIO ADDRESS ENTITLED "WORK OR DOLES—WISCONSIN'S ANSWER" BY PHILIP F. LA FOLLETTE, GOVERNOR OF WISCONSIN, FRIDAY, MARCH 8, 1935

Tonight I shall talk with you about Wisconsin, its problems and its future.

The Legislature of Wisconsin has provided the State's share for the cost of relief for 1935. We have thus provided for the immediate problem of distress.

We are now in a position to take stock and decide on the course we shall pursue in the future. Shall we continue the same general policies, or has the time come for a fundamental change?

During the past 5 years we have adopted many humane and desirable proposals. But the fact remains that we have all been following one basic policy. We have been waiting for the depression to end and for prosperity to return. As we have waited, we have supported an increasing part of our human and natural resources in idleness. We have done so in the hope that something would restore these resources to useful work.

But if we do not work, we do not produce. Unemployment—unemployment of men, of factories, of machines, of land, of money—has drastically reduced our total income. We have produced less, and we have less to go around.

We have been humane about it. We have paid doles to these unemployed people, factories, machines, land, and money. Our income has been reduced, but we have had to pay more and more out of that reduced income to support all this unemployment. At the end of each year the citizen, as well as his Government, has had to reduce his expenses in order to provide the cost of doles.

Billions of dollars have been spent, but of these billions practically nothing has been spent to create more wealth. The money has been spent to enable those in distress to exist until better times might come. But better times have not come. It is true that some individuals and corporations had larger incomes last year than the year before. But the total of all our incomes, both in this State and in the Nation, is scarcely half of what it was in 1929.

This is an inevitable result. We have not spent money to create new wealth. We have spent billions to support human and material unemployment.

Unless something unforeseen happens, a continuation of this course will produce the same result next year, only in a more aggravated form. If we go on reducing wealth, we shall be sharing poverty and not wealth in America.

The time has come for a fundamental change. From now on our objective must be the production of wealth and not its reduction. The principal business of government must be seeking ways and means of increasing the total income of all of us, and securing a fair distribution of that income among all of us.

I propose that we in Wisconsin, so far as it lies within our power, shall begin and begin now to build new and greater wealth for all our people.

How are we to do it? It must come through the leadership of government. It is a big task, this, of intelligently organizing and using these vast human and material resources. We cannot do it as a disorganized mob. We cannot follow the reactionary policy of "everybody for himself and the devil take the hindmost." We must have intelligent leadership and united action.

When the Legislature of Wisconsin has passed the State budget bill I shall submit in detail two plans. One to balance the State budget by following this policy of destructive reduction; the other, which I shall favor and fight for—to balance our State budget and balance your budget out of the increased wealth we must and can create if we all go back to work.

I propose: First, that for the old, the young, and the sick we shall provide as generously as our circumstances will permit. Secondly, for all the rest of us, that we shall go back to work—back to earning our own livings—back to work, increasing our own individual incomes and thereby increasing the income of the whole community.

We in Wisconsin not only believe, we know there is plenty of work for the people of this State. We have completed a survey of Wisconsin that reaches into the problems of every community in the State, and is the result of 5 years of detailed study. This survey is no doubt typical not only of Wisconsin but of every other community and State. It does not include all the work that could be done, but it does answer once and for all those reactionaries who claim we have no work for the unemployed.

Here are some of the kinds of work that are waiting to be done:

First. Conserving our natural resources; preventing our topsoil from running off into the Mississippi River through soil erosion; improving the fertility of our good farm lands and the quality of our livestock to increase the farmers' net income; restocking our forests and streams and lakes with fish and game and building back our timber resources. If we were to do all of this work at once, it would keep 100,000 men busy for 2 years.

Second. Repairing our farm and city homes—not building new homes, but simply putting them in a decent state of repair—putting shingles on the roof where the roof leaks, planks in the barn floor where they have rotted, stone and cement into crumbling foundations, paint on bare walls. This kind of work is not waste. Instead it prevents wastage. This task alone of repairing our homes, if it were done all at once, would keep 100,000 men at work full time for 2 years.

Third. Bringing the basic modern conveniences to the homes on the farm and in the city—not luxuries, but giving our people the minimum conveniences needed for healthy, decent homes in which to rear our families. The work of modernizing and repairing our city homes alone, if done at one time, would require the services for a solid year at full time of 15,000 bricklayers, 30,000 carpenters, 8,000 plasterers, 12,000 sheet-metal workers, 25,000 painters, 15,000 plumbers, 3,000 electricians, 15,000 roofers, 40,000 semiskilled laborers, and 14,000 common laborers.

Fourth. Work in repairing and constructing our streets and highways, worn-out water, sewage, and other utility systems in our cities; work in electrifying the farm and city; work in building better education. These are some of the kinds of work to be done in Wisconsin.

This program will cost money. But it can be financed through the joint efforts of the Federal, State, and local governments. Finance is a complicated subject. I do not have the time to present the details tonight. The detailed plan will be presented to our legislature. The first year it will take more money than to keep people on the dole. But here is the essential difference: When we support people in idleness, we get nothing back. When we pay people for work—either for the Government or in private employment—we get something in return for our money. What we get in return will be large or small, depending on whether the work is wise or foolish. It is like planting crops. If we plant good seed in fertile soil and have a good season, the harvest gives us back far more than we plant. If we do no planting, we get no crop. "As we sow, so shall we reap."

Such a program will produce results not only for those directly employed, but will produce orders for lumber, paint, shingles, glass, iron, steel, copper, cement. It will put money into the pockets of men and women who need the goods that the storekeeper has on his shelf, but which he cannot sell.

Such a program will cost money, but if the money is wisely spent it will, like seed grain, increase our total wealth. It will be done with the united support of the Federal, State, and local governments. That is why Wisconsin, like every other State, is deeply interested in the President's work program now before Congress. That program is a real step in the right direction toward restoring the self-respect and the confidence of men and women in themselves.

One hundred and fifty years ago America was the land of opportunity. Every boy and girl grew to maturity under the inspiring assurance of a real chance in life. America did not pamper people, but did give them a real opportunity to run the race of life on their own feet. This is what we must have again. That is what we shall have again when we go back to work.

A work program must be large enough to enable the Government to supply work for every able-bodied person that wants it. We must wipe out this distinction between those on relief and those off relief. Everybody who is capable and willing must have a chance to work. In this way alone can we restore self-respect and our own confidence in our ability to earn our own living.

A just criticism of the pending program is not that it is too large, but that it is too small. I do not dispute that $4,000,000,000 is a lot of money. But let us not forget what has been spent and, above all, what we have lost. In the past 5 years this country has lost $200,000,000,000 in income. We have lost enough through idleness to buy the whole of the United States, lock, stock, and barrel. Any program that will enable us to stop that waste will be cheap at any price.

This program will take time. We cannot build back in a moment the loss and the destruction of years. I do not underestimate its difficulties. I know that in carrying it out we shall run head-on into powerful, vested interests. But it is either a continued program of destruction or a new program of construction. So far as I am concerned, whatever influence, energy, and vitality I have will be given to this constructive program. I cannot do it alone. I want and need your help. Working together we must and will carry this program into action.

RADIO ADDRESS BY GOV. PHILIP F. LA FOLLETTE ON THE WISCONSIN PLAN FOR EMPLOYMENT, TUESDAY, MAY 21, 1935

This is the first of a series of radio talks. I hope you will withhold your final judgment on the Wisconsin program until all details have been presented to you.

Last December I went to Washington to see if President Roosevelt would consider a comprehensive and unified works plan for Wisconsin. He said he would be very glad to consider such a plan. With a background of some 5 years' preparation we prepared and perfected such a program. On May 2, Bob and I presented this program to the President. I spent 10 days in Washington conferring with members of the Cabinet, with Harry Hopkins, Frank Walker, and other officials and experts of the Federal Government. They analyzed our program carefully. Last Thursday afternoon the Federal Government announced that it was willing to cooperate with the State in translating the Wisconsin program into action. One hundred million dollars was set aside for Wisconsin, providing our legislature would accept the money and the plan which was approved.

The newspaper correspondents and the newspapers of Wisconsin have done a fine job in presenting to you outlines of this plan. I know that you do not expect or perhaps even want me to try to explain to you over the radio every detail. What you want and what I hope to give you are its essential features.

The first point I want to talk about tonight is where we are going to get the money to pay for this program. The last time I talked with you over the radio I said I was going to present to the Legislature of Wisconsin a program aimed to balance our

State budget and to help you balance your budget out of the increased wealth we must and can create if we all go back to work. I proposed at that time that we adopt these two general purposes: First, that for the old and young we should provide as generously as our circumstances would permit; second, that for all the rest of us we should go back to work, back to earning our own living, back to work increasing our own individual incomes, and thus increase the income of the whole community.

We now have on the statute books of this State a State-wide old-age pension law. But we must have enough funds to put this law into effect. This is provided for in legislation now before our legislature and awaiting its approval.

For those of us who want work there is tonight before the legislature a definite, concrete, and specific plan aimed to provide that work. This program has not only secured the praise of the Federal Government, but the Federal Government has assured us that if our legislature will enact laws to enable us to carry our program into action, that the National Government will turn over a hundred million dollars to help us act.

When your income is cut down, it affects your Government. Many are not able to pay their taxes. For example, many more are forced to store their automobiles and therefore pay no gasoline tax or auto license fee. For 4 years the budget of the State of Wisconsin has been out of balance, not because of bad management but because the total income of all our taxpayers has been cut almost in two. It is this big drop in your income that has produced the unbalanced State budget. If the State can help you make more money, we can put the State budget back in balance without any drastic increase in your normal taxes.

If we look at the State of Wisconsin as a business, you are the stockholders of that business. The books of the State are "in the red" just as most of your individual budgets carry debts. The nub of the new Wisconsin program is this: The State is making you a business proposition. If you, the stockholders of this business, speaking through your legislature, will give the Government reasonable authority to carry this program into effect, we will then finance that program out of the money we earn from it.

In the bill which went before the Legislature today there is provision for a special tax. That special tax is based upon the principle I have just stated. With certain reasonable exemptions for both the individual and corporation, it provides that if you earn more money in the next 2 years you will then pay an extra tax on the increase. But if you make no money, you pay no extra tax. For example, if you had an income in 1934 of $4,000 a year, and next year your income jumps up to $5,000, then you will pay $50 out of the increased thousand as a special tax. If you make money out of our joint efforts, then you pay a fair share toward financing the program. If you make no money, you do not pay anything.

This program is designed so that if private employment increases we can contract the State program. On the other hand, if things remain as they are, the program can be expanded up to $209,000,000 worth of projects. It is true that this program does authorize, with the consent of your local government, the levying of local property taxes by your local government. We do not believe that it will be necessary to levy but little, if any, of these taxes.

Let me put it this way: If we came to you and offered you $500 worth of painting, shingling, and repairs that you need on your place, you would be eager to sign a contract to have the work done if you knew where you could get the money to pay for it. If we could assure you of a job or a market that would pay you enough to live on and in addition enough to pay back for the work on your home or farm, you'd jump at the chance, wouldn't you? You would earn a living, give employment to others, and at the same time put your home or farm in repair and increase its value.

Now, you can see how difficult it would be to deal individually with 200,000 farmers and 200,000 people in the city. This would necessitate so many officials. It would slow up the work until it would be practically useless. So, instead of dealing with every individual, we plan to deal with your community. For example, if the city or county where you live needs work done, we will help your community to do it in the following manner: First, your community will agree to pay for part of the cost. Second, we will pay for part of the cost. Third, and this is especially important—we will then provide additional work and additional jobs—for which your community pays nothing. These additional jobs and pay rolls will provide your community with extra money which will go a long way toward paying for its share without additional local taxes.

Let me give another example: This program plans more than $20,000,000 worth of needed highway improvement, not only through highways but through the highways so necessary for sound economy—the farm-to-market roads which reduce the farmer's cost of transportation and which supply a large volume of employment for every dollar spent. The money for these highways will be paid back largely out of future highway revenues. Someone may say, "But if we spend the highway money now, we will not have it to spend in years to come." This question strikes to the very heart of this program. The State's income from gasoline taxes and license fees has so fallen off in the last 3 years that we now have no construction fund at all. By putting people back to work they will again be able to use their automobiles, buy gasoline, pay their license fees, and in this way will build up the highway fund. There will again be money in the construction fund to pay for a good share of highway construction.

The big need is to put people back at constructive work. Here is another example. I have the budget of one of our counties here before me tonight. In 1928 this county was spending some $50,000 a year for poor relief and a million and a half per year for constructive work. In 1934 this same county had reversed itself. It was paying $50,000 for constructive work and a million and a half dollars to keep people in idleness. How much better if we can spend our money to pay people to work instead of to stay idle.

At this point I can hear some of you saying that this is pretty complicated. As a matter of fact it isn't nearly as complicated as the way we did business in 1928 and for 50 years before that. When you stop to look back, aren't you amazed at the way we took things as a matter of course? Before the depression we never asked ourselves how we did business. We were not bothered with the mechanics of how we exchanged with each other the goods from the farm and the factory. All we cared about was that it worked.

I admit to you frankly tonight that the real test of any program is not how it looks on paper, but how it works. I do ask you to remember, however, that doubting Thomases have not accounted for the world's achievements. They said the horseless carriage would not run; they said "You can't make water run uphill"; they said men would never fly like birds. Yet today we are riding in automobiles; we run water to the top of skyscrapers; aeroplanes circle the globe. And tonight you are listening to me through one of the most marvelous inventions of all time.

Now, why is it better for Wisconsin to have its own program rather than to be a part of the program administered from Washington? First, under the Wisconsin program we have an opportunity to make our plans and do our work as we here in the State think needed and necessary. Excepting for such rules as the President may prescribe for the country as a whole, the decisions as to what we shall do and how we shall do it will be made by Wisconsin people here in Wisconsin. This is home rule. Second, under the Federal program it is planned to provide work primarily, if not exclusively, for those who are on the relief rolls. As far as possible the Wisconsin program aims to supply work to men and women not on the basis of poor relief but on the basis of qualification and the good old American standards of being ready, willing, and able to perform the job which is offered. Third, under the Wisconsin plan the money that would otherwise be spent by the Federal Government is used as a nest egg by which we multiply and increase the work that would otherwise be done. It is simply applying the fundamental principle by which all wealth is created and increased. It is the same principle that has been followed by every successful business and successful enterprise since time immemorial. It starts out with a small capital investment and by plain energy and intelligence increases that capital.

Fundamentally there is nothing new in what we propose. We are endeavoring to do today what our fathers did before us. One hundred years ago pioneers came into Wisconsin without money or capital. They did not wait for prosperity. They went to work to produce wealth.

We do not propose to wave a wand and make people rich. No one can do that. We do propose to give people a real chance through their own efforts and their own hard work to earn their own livings—to increase their own income and thereby increase the total wealth of Wisconsin.

I will talk with you again about the Wisconsin plan for jobs and work next Friday night, May 24, at 7 o'clock, over this radio station.

RADIO ADDRESS BY GOV. PHILIP F. LA FOLLETTE ON THE WISCONSIN PLAN FOR EMPLOYMENT, FRIDAY, MAY 24, 1935, AT 7:15 P. M.

Last week the Federal Government announced it was willing to cooperate with our State in translating the Wisconsin program into action. Tuesday night we talked about where and how we can get the money to finance the Wisconsin program.

The Wisconsin program, through the cooperation of your local, State, and Federal Governments, means a real opportunity to the people of this State to go back to work. Out of that work we will earn a substantial part of the cost of the whole program. We are making you this business proposition: If you give your government reasonable authority to put this program into action, we will then pay for the cost of that program primarily out of the money we earn from it.

For certain very important reasons, the Wisconsin program now before the legislature will be more helpful to Wisconsin than if we merely shared with the rest of the country in the general Federal expenditures.

First, under the Wisconsin program we have an opportunity to make our plans and do our work as we in Wisconsin think needed and necessary. Excepting for such general rules as the President may set for the country as a whole, Wisconsin can decide what we shall do and how we shall do it. This program offers us a real measure of home rule. Every State has its special problems which can be dealt with more efficiently by those on the ground than by long distance.

Second, the Federal program plans to provide work primarily, if not exclusively, for those on the relief rolls. One of the chief aims of the Wisconsin program is to get away from the system of poor relief. The Wisconsin program aims to supply work to men and women on the basis not of relief, but on the basis of qualification and the good American standard of being ready, willing, and able to do the job which is offered.

Third, under the Wisconsin program the money that would otherwise be spent by the Federal Government outright is used as

a nest egg to multiply and increase the work that would otherwise be done. In this way Wisconsin can increase by many thousands the jobs offered Wisconsin through the Federal Government. It is likewise by this means that we are able to buy more materials and do the kind of work which leaves something constructive and lasting after it is done.

Tonight let us talk about how we are to do this work and some of the kinds of work that will be done.

The first thing we do is to create nonprofit corporations to take charge of the program. By using corporations we can do our work in the same businesslike way and with the same freedom from red tape that business enjoys. There will be two principal corporations. The first is called the Wisconsin Finance Authority, already incorporated under the laws of Wisconsin. This corporation will have the primary duty of financing the program. The second corporation, called the State planning board, will have the duty of planning and supervising the work to be done. The first corporation is the bank; the second corporation is the management.

Just as the Federal Government has cooperated with the State in allowing us to work out our own problems it is important that the State shall cooperate with the localities in handling their affairs. We likewise intend that so far as possible we shall use our own labor and our own materials.

Now, let us talk about some of the particular kinds of work. First, conservation. The tourist business is one of the most important industries to the State of Wisconsin. In 1930 it brought more than $100,000,000 of cash into Wisconsin. Visitors come to Wisconsin because of our fine natural resources. But if we let our fish and game and forests suffer, tourists will not continue to come. For this reason it is vitally important to build back our forests, our parks, our fish and game, and our natural wildlife. The Conservation Commission of Wisconsin has worked out a program for developing our State parks, our fisheries, our game farms, the removal of rough fish, forest-fire protection, cooperative forestry, nursery, and planting projects. These projects will cost approximately $4,000,000 and will provide work for over 3,000 people.

Second. The C. C. C. camps have been one of the most helpful and satisfactory projects carried on by the Federal Government. We in Wisconsin should be particularly proud of this work, since the original idea of these camps came from Wisconsin. Many of you will remember that it was part of the program submitted by this administration to the legislature of 1931. A part of our program is to enlarge this activity—important both for the younger people working in it and for the constructive work they are doing. Under the Wisconsin program the educational and the physical labor will be separated. The young man who joins the Wisconsin Civilian Corps will spend two-thirds of the year in camp doing conservation work. The other one-third of the year will be spent in some one of our colleges, universities, or vocational schools. While at school, the whole time will be devoted to education and training work. We have allotted $15,000,000 for this work and provided for 25,000 people.

Third. There are 21 counties on the western side of Wisconsin where soil erosion is active. Day by day, tons of our precious topsoil are running off into the Mississippi Basin. It takes nature 700 years to build one inch of topsoil. Every day that we let this soil erosion continue is a day of loss in the economic value of our State. Therefore, we have set aside $7,000,000 to begin an immediate attack upon this problem. The soil-erosion project will employ approximately 7,000 men.

Fourth. Thousands of our homes in the city and also on the farm need shingles and paint and cement and brick and repairs; not new additions, but repairs to replace the damage that has gone on in the past 5 years. Frankly, this type of work is often the most difficult to get into actual operation, but it is one of the most pressing and vital tasks before us. We have tentatively allotted $50,000,000 for city and rural repairing and maintenance. However, if we find that this work does not supply employment fast enough, this part of the program will be shifted to other projects that will supply employment more efficiently and rapidly.

Fifth. Highways are of importance to Wisconsin for two major reasons: First, because highways are essential in moving our products from both the farm and the factory to market. Second, the tourist trade demands excellent highways. Fortunately, certain types of highway work, such as on the farm-to-market roads, employ more labor than almost any other type of work we can do. For these reasons, we have allotted $25,000,000 to improve our highway system. Half of this, $12,500,000, is provided for through highways; the other $12,500,000 to the county and town roads. This highway program will supply employment to over 20,000 men.

Sixth. We are spending in Wisconsin about $30,000,000 a year to import feed for our dairy cattle. By a wisely directed program for fertilizing our best agricultural lands with lime, we can cut that cost very materially. I think it safe to say that every dollar invested in this project will repay itself within 3 years, through the saving in feed costs to Wisconsin dairy farmers. To carry forward this improvement work as fast as possible, we have set aside $3,500,000. It will provide employment for more than 6,000 men.

Seventh. There is over $200,000,000 worth of local projects by towns, cities, villages, and counties, which they feel is urgently needed. Obviously, we cannot afford such a large-scale program as that in a short period, but under the Wisconsin program we have set aside $75,000,000 for the various communities of the State to use on local projects. If carried out to the full amount, these would supply some 40,000 jobs.

In the time we have tonight I have outlined some of the specific projects contained in this program. There are others of equal importance. But I hope you will note that the projects I have mentioned have three important aspects:

First, they are the kind that will leave something constructive and lasting to show for our time and money. Second, they are in the best sense self-liquidating. They will produce more income either directly for the Government or for our taxpayers, thus providing returns out of our work that will go a long way toward paying the costs of the program. Third, they provide different kinds of work adapted for different parts of the State.

The Wisconsin program is laid out so that we can offer employment in the various communities as adapted to their needs. For example, an agricultural county like Vernon will get better results from liming and soil-erosion work, because this will increase the income and savings of the farmer. On the other hand, public works should be provided for communities like Milwaukee, Racine, and Kenosha, where they have skilled labor and a much larger relief problem. The Wisconsin program is designed to provide not only jobs for the various communities of the State but jobs that are adapted to the needs of the community where the work will be done. This program is now before the Wisconsin Legislature awaiting its action.

If the legislature approves it, this program can get under way. If it turns down the Wisconsin plan and the $100,000,000 of Federal money offered by the President to go with it, we shall have to mark time for the general Federal program. I know that you who are on relief, and you who are out of work but have thus far been able to stay off relief, and you who have faced a steadily falling income in your business—you are tired of waiting and listening to excuses and alibis for inaction. You want and need action that will give you the opportunity to go back to work and to earn a decent living for yourselves and your families. The Wisconsin program will give you that opportunity, if the legislature will act and act promptly.

For those of you who are interested in going further into a discussion of the Wisconsin program and the problems of public concern here at the Capitol, may I remind you that we shall talk these over with you in more detail every Friday evening at this same hour. Until next Friday evening at 7 o'clock, good night.

RADIO ADDRESS BY GOV. PHILIP F. LA FOLLETTE ON THE WISCONSIN PLAN FOR EMPLOYMENT, FRIDAY, MAY 31, 1935

This is the third in a series of radio talks on the Wisconsin program. At this point it may be helpful to briefly review some of the things we have been trying to do.

Five months ago I submitted to the Legislature of Wisconsin the executive budget bill. This is the bill that makes appropriations for the principal activities of your government. This bill provides for four major items: First, it appropriates money to supply the State's share for a State-wide system of old-age pensions. Second, it provides the appropriations to restore the drastic cuts made 2 years ago in the State's budget for our common schools, thus enabling your community to restore and maintain decent standards for your public schools. Third, it provides appropriations for the various normal and necessary operations of the State government and its departments. Fourth, it provides appropriations to permit the State to abolish the 12-hour day in our institutions and to restore the cuts in the wages of the poorly paid employees.

This bill has passed the assembly, but is still pending before the senate.

This bill, however, does not provide the necessary money to balance the State budget. Our State budget is out of balance by about $5,000,000 a year. The State budget is out of balance not because of bad management. It is out of balance because the total income of the citizens of Wisconsin has been reduced by the depression. When the incomes of our citizens are cut, many of them cannot pay the taxes on their farms and homes, gasoline, and license taxes, and other sources of revenue for your State and local governments. If Wisconsin citizens had anything like the income that they had in normal times the State's budget would be in balance and we would not need to levy any new taxes. In other words, the State's income has fallen off because your income has been reduced.

I am convinced that for all practical purposes we are rapidly approaching the bottom of the tax barrel. I do not dispute that we could this year and perhaps next year find new ways of taking more out of the taxpayers' present income. We could, for example, levy luxury and sales taxes of one kind or another. But such taxes are only methods of taking more out of your already greatly reduced income. Such taxes taken from the mass of our citizens must of necessity reduce your ability to buy more of the things you must have. This, in turn, reduces instead of increases your purchasing power. For this fundamental reason I am convinced that we must find ways and means to use our present income, not to cut down your purchasing power, but to raise the income of all of our citizens.

We are at a point where we must turn our faces in a new direction and embark upon a new program. This new program, now before the Wisconsin Legislature as bill no. 443, S., is commonly called the "Wisconsin program." Fundamentally, this program does not plan to take any more taxes out of your present income. On the contrary, the basic principle back of the Wisconsin program is this: If your Government can help you to earn more money, then out of the extra money that you make you will be in a position to pay a fair share of your increased income to help finance the program.

The Wisconsin program is not a program to add to your present tax burden. It is aimed to increase your incomes. If we are successful in raising your income, then you will be expected to chip in to the common pot to help pay for what we do.

But some may say the Wisconsin program provides that the local units of government put up part of the money and therefore how can they raise that money without having to increase their local real-estate taxes? I can answer that best by giving you a concrete illustration: One of our smaller cities in southern Wisconsin has $75,000 worth of needed work that it would like to do. This city must agree to provide at least 70 percent of the cost. Now, how can this city provide $52,500 during the next year and a half without having to increase its present property taxes? Here is the answer: First, this city is now, and has been for many years, collecting $7,000 a year in its regular budget for needed and necessary local public works. This city will agree to pay this $7,000 each year for 4 years to the Wisconsin Finance Authority. Second, this city is now spending $18,000 a year for poor relief. If sufficient work is provided, this city can reduce its poor-relief expenditure by at least one-half. The city will therefore agree to pay the Wisconsin Finance Authority one-half or $9,000 for 2 years. This city normally received $8,000 a year as its share of the normal income taxes, but due to the reduction in income of its citizens this has now been cut down to less than $3,000. The city will assign the increase of its share of the normal income tax to the Wisconsin Finance Authority for 4 years. With these three assignments, the Wisconsin Finance Authority will make available to this city now $52,500. In other words, the Wisconsin Finance Authority will make it possible for this city to do work which it would have to do in any case but instead of doing it in driblets for the next 3 or 4 years we will make it possible for this city to do this work in the next year and a half and do it without having to increase in any way its local property taxes. It can pay for the needed and necessary work in the community out of its present income.

Many of our counties and cities have different problems and different ways of meeting those problems. But in its essence, the financing part of this program is to enable our State and city and local governments to finance, on sound and fair terms, the needed and necessary work which they would ordinarily do. However, it enables them to do it in such ways that instead of paying people on poor relief to do nothing, they can pay people for useful and necessary projects.

There are those who say, "Well, what are we going to do in 1938 if we still have the depression?" My answer to them would be this: Regardless of whether we are out of the depression or not, if in the next 2 years we can do needed and necessary work that would be done in any event, if we can supply citizens of our State with useful and productive work, and if we can begin to get away from the demoralizing and humiliating system of public charity, we will be better off 2 years from now regardless of whether the depression is over or not. First, we will have supplied useful work. Second, we will have drastically reduced poor relief. Third, we will have something constructive and useful to use and to show for our time, effort, and money.

Last Friday night I told you of some of the projects that we plan to do. Tonight let me tell you of one or two others.

In some of our northern counties settlers were induced to go in and buy land that was never adapted for farming. There are many instances in these northern counties of where the Government has maintained a highway or a school at great expense for only one or two families. These people would be better off if they could be helped onto land that is really adapted for good farming. At the same time it would mean a real saving to the Government. It is estimated that there are some 2,000 families that are costing the taxpayers over $100,000 a year for the maintenance of schools and highways. In order to deal with this problem for the benefit of both these people and the State we have set up a project to make it possible for those people to resettle in other parts of Wisconsin. It is estimated that this project will cost $4,000,000 and will supply employment to some 3,500 people. This project when completed will pay for itself in future years many times over in the dollars and cents saving that can be made in highway and school aids alone.

None of you need any argument on the importance of the value of good health. A man who has a million dollars but a bad stomach is an unhappy individual. So a community that may be rich in dollars but is poor in health is an unfortunate and an unhappy one. Every dollar invested in sound public health is going to produce real returns. The Wisconsin State Board of Health has a long and splendid record of achievement. They have had to go along year by year on an inadequate budget. We have allotted to our Wisconsin health service ample funds to amplify and extend this vitally important function throughout Wisconsin. This particular project will not produce dollars-and-cents dividends tomorrow or the next day. But it will produce returns in not only greater happiness, but eventually in dollars and cents. The wonderful work that we have been doing in conquering dreaded tuberculosis is one illustration of what man can do in the field of public health if we only put our brains and energies to the task. This kind of work does take vision in order to see the social and economic returns that it will produce. But the people of Wisconsin have that vision, and I know that they will heartily approve and endorse a project for the improvement of the health of ourselves and our children.

The Wisconsin program will not work miracles. I know that you do not underestimate the difficulties that lie ahead. This program is not designed to give something for nothing. It is designed primarily to give our people a chance to do something for themselves. This means work, hard work, some trials and tribulations, but I know that you are convinced that it is headed in the right direction and in accord with the fundamental teachings of human experience.

The Wisconsin program has been analyzed and examined by the experts of the Federal Government, as well as the best talent that can be obtained in Wisconsin. It is a concrete and specific program to do something instead of to talk something. If it meets with your approval, it can and will be adopted by the Wisconsin Legislature. If you, the citizens of this State, believe in what we are trying to do and will give us your help, Wisconsin will have a chance to have action in dealing with our pressing problems instead of talk.

RADIO ADDRESS ON THE WISCONSIN WORK PROGRAM BY GOV. PHILIP F. LA FOLLETTE, FRIDAY, JUNE 7, 1935

The people of Wisconsin have clearly indicated that they favor immediate restoration of adequate support for our public schools, provision for old-age pensions, and abolishing the 12-hour day in our public institutions. But there is not enough money in the State treasury now to provide for any one of these, let alone all three. Some fair and just way must therefore be provided for raising the necessary revenue.

One part of the Wisconsin program now pending before the legislature does just that. It provides the necessary revenue to restore fully State aid for your schools, for a state-wide system of old-age pensions in Wisconsin beginning this year, and to abolish the 12-hour day. Unless this part of the Wisconsin program is adopted by the legislature, or unless some other plan is devised, the State government will not be able to provide its support for old-age pensions, for school aids, or to abolish the 12-hour day.

The second part of the Wisconsin program now before the legislature provides a comprehensive works plan for every part of Wisconsin. If the legislature accepts the $100,000,000 offered by the Federal Government and the plan to carry it into effect, we will be able to do the following things: First, drastically reduce the expenditures of your community for poor relief; second, provide many thousands more jobs than under the Federal program, thus enabling your community and the State to provide work both for people who are now on relief as well as those who are not on relief. Third, we will be able to provide work and adequate materials so that the projects that are undertaken will be productive and useful. When the work is done we will have something lasting to show for our time and money. Fourth, we can make our major decisions here at home instead of having to deal with 60 different agencies in Washington. Fifth, by putting people back to useful and constructive work we will increase the total income of our citizens, thereby enabling us to pay for our share of the cost primarily out of the increased income that we produce.

This is not a program to tax away more out of your present incomes. Most of us are paying more than we can afford in taxes now. This program is not one to increase your present tax burden. It is a program to enable us to make more money. And those of us that do make more money will be expected to pay a fair share of our increased earnings to help finance what we do.

The Wisconsin Finance Authority is the bank which will finance the work that we do. This corporation will issue its warrants in payment for work and materials. These warrants are not scrip. What most of us mean by scrip is a certificate backed by assets which for the time being cannot be readily converted into currency. Hence, scrip generally sells at a discount because of the difficulty of converting it into money.

The warrants of the Wisconsin Finance Authority are not scrip. They are like certified checks. Whoever receives them can use them at their face value in the payment of all kinds of State and local taxes. In addition, if you desire, you can go to a designated bank and convert them into cash for their full face value.

The Wisconsin Finance Authority will be able to pay cash to those that desire it just exactly as a sound bank always honors its checks whenever people cash them. Moreover, the Wisconsin Finance Authority will at all times be more liquid than any other bank in the State. By liquid we mean that the Wisconsin Finance Authority will always have on hand proportionately far more actual cash than any bank or group of banks in the State.

For this reason, those who receive the warrants of the Wisconsin Finance Authority will have no difficulty whatever in using them for any purpose within the State. Nor will you have any difficulty in converting them into cash as you may desire for use either outside the State or within the State. These warrants are like checks. They are not scrip.

We have now considered some of the important things that can be done under the Wisconsin program. Let us consider what it will mean if the legislature fails to accept the offer of the Federal Government. First, the four hundred-odd cities and villages and the 71 counties will each have to deal individually with all of the different bureaus, divisions, and departments in Washington with all of the red tape that will be involved. Second, there will be no jobs for border line cases. The only people who can get jobs will be the employables now on the relief rolls. Third, Federal aid for relief is in any event to be withdrawn. This is likely to mean that your community will have to go on supporting a heavy relief load, but you will have to do it largely, if not entirely, out of taxes on homes, farms, and places of business. Fourth, you will not be able to do normal work in your community. The Federal program has not provided enough money to buy the materials to

do normal work. The work that will be done will be somewhat like C. W. A. in that, while people will be employed, they will nevertheless be employed at work that cannot leave much that is constructive and useful after it is done.

As the Federal program is presently set up, it does not begin to provide enough jobs for those who need them. It will not enable us to make much headway in doing away with relief. It would not enable us to do the kind of work that is useful and productive. We are likely to end up by having spent an enormous sum of money and having little or nothing to show for what we have done. That is why I am so strongly convinced that Wisconsin will have missed a great opportunity if we do not promptly accept the program now before the Wisconsin Legislature.

It is true that the Wisconsin program involves a lot of money. But let us not forget the tremendous sum of money that we have spent in recent years without having anything to show for what we have done. In the past 4 years there has been spent in Wisconsin more for poor relief than we propose to spend as our share in the next 2 for a constructive program. Which is better—to spend forty millions of dollars a year as we are now doing for an unsatisfactory and demoralizing system of poor relief, or to add to what we are now paying for relief, provide decent jobs at productive work, so that when the work is done we really get something for our money in terms of better characters and lasting improvements?

The Wisconsin program was reported out of the joint finance committee today. It is now before the State senate. It will have to be acted upon one way or another within the next week or 10 days. I cannot pass it. If you, the people of this State, are in favor of it, I know your senators and assemblymen will respect your wishes.

For reasons that it is difficult to understand, a few of our large business and financial interests are fighting this program with all the power at their disposal. I cannot understand their attitude. Wisconsin business and industry is offered in this program the fairest and most businesslike proposition ever offered by a Government to taxpayers in this country—a proposition that if they make more money they pay a part of what they make, but that if they make nothing they pay nothing. In addition to this, they are offered a program which, when put into operation, means orders for lumber, steel, wire, cement, paint, shingles, and machinery—a program that means goods moving out of warehouses and off the shelves of our stores—a program that means not only work for those that need it, but orders for factories and stores.

It is not a program to reduce or destroy wealth. It is a program to increase wealth. It is a program to put people to work earning the money to pay for taxes, to pay the doctor, the dentist, and the grocer. It is a program designed to help us all.

I want to express special appreciation for the helpful criticisms of many newspaper publishers, business, professional, and other people in Wisconsin. The vast majority of our people are constructive-minded. It is a grave and unjust mistake to lump all bankers and industrialists together. There are reactionary business men, and there are liberal, forward-looking business men, just as there are reactionary and liberal men in politics. I have great respect for the business man who offers constructive suggestions.

All of us that have had any part in constructing this program welcome suggestions. But I have no time or sympathy for carping criticism of the kind offered by some of the reactionary financial and industrial interests in this State. The great bankers and industrialists ran this country under Taft, Wilson, Harding, Coolidge, and Hoover. Their policies have plunged us into the worst economic suffering we have ever known. They took us into the World War and spent $50,000,000,000 of the taxpayers' money on the most wasteful adventure in human history. They took us on a wild sky ride under Harding, Coolidge, and Hoover, which produced a crash in November 1929 which eventually closed all the banks in the country, took billions of savings and in values away from those that could least afford it, and produced an unemployment where today some 40,000,000 men, women, and children live in enforced idleness. In the 5½ years of suffering and havoc that have followed the crash of November 1929 not one of these reactionary bankers and industrialists has offered a single constructive suggestion or plan to get us out of the mess that their policies put us in.

At both the public hearings on this program and in many hours of private conversation the reactionary financial and business interests of this State who are now so loud in their criticism have not offered one single constructive suggestion to improve the program. Nor have they offered any program of any kind themselves. The only program they have is to do nothing and to find fault with anybody or anything that offers any alternative to their policy of wasteful waiting which is bringing us to the brink of ruin.

You, my friends, are the final judges. Which policy should Wisconsin pursue? Should we continue to sit still and pay our good money for relief, or should we go forward, through hard and constructive work, to a better life for ourselves and our children?

RADIO ADDRESS OF GOV. PHILIP F. LA FOLLETTE, FRIDAY, JUNE 14, 1935

No one could occupy the office of Governor in times like these without carrying with him night and day the problems that beset our people. I had hoped tonight to be able to give comfort to you that are advanced in years. You were once young. You worked hard and denied yourselves in order that when age came you might carry a lighter burden. You never dreamed that instead you would be called upon to carry the heaviest burden you have ever borne. I had hoped tonight to be able to tell you that on the first of next month the State of Wisconsin would lift from your threshold the fear of poverty by having provided for a State-wide system of old-age pensions.

And you who are in the prime of life, equipped and ready for work and achievement—month after month, through no fault of your own, idleness has been forced upon you until you can no longer support yourselves or provide for those dependent on you. I had hoped to be able to tell you tonight that Wisconsin was going to be the first State in the Union to turn its back upon this outworn and cruel system of poor relief.

And you merchants, manufacturers, and professional people who have generously carried your customers on your books and who have daily seen your margin of security fade away—I had hoped to be able to assure you tonight that Wisconsin was embarking upon a program that would move goods off your shelves, bring orders to your factories, and enable your customers and clients to pay their bills and engage your services for the needed and necessary work for themselves and their families.

And you who carry the official responsibility for our schools as school officers and as teachers—you who have withstood for 3 years a vicious and wicked attack upon our public schools—you who are responsible for the training of the future men and women of America—I had hoped to be able to tell you tonight that Wisconsin had turned her back on cheese-paring and the undermining of public schools, and that beginning this year the State would again stand squarely back of decent standards for our schools and decent support for our teachers.

And you who work in our public institutions under the barbarous system of the 12-hour day—I had hoped to be able to tell you tonight that Wisconsin was going to take off the mask of hypocrisy—that we were going to stop asking private business and industry to provide good hours and good working conditions while the State itself carried on practices that no private business would tolerate for a moment.

And you who are young and are denied the recognized right of youth—a chance to try yourselves out and show the stuff you have in you—it is something new and awful in the world, this thing of denying young men and women a chance to win a place for themselves—I had hoped to be able to tell you tonight that Wisconsin was going to open the door of opportunity to you and give you a real chance for useful and productive enterprise, for finer opportunities for education—in short, for a chance to make your place in the world.

And all of you on the farm and in the city—workers, farmers, professional people, doctors, merchants, and manufacturers—I had hoped to be able to tell you tonight that we were beginning a program that within the next 2 years would increase the total income of all of our citizens.

I had hoped to be able to tell you tonight that Wisconsin has turned its face toward the future; that we were going back to earning our own living from useful and productive work; that we were going to put a stop to this business of trying to get something for nothing; that we were going to put a stop to paying able-bodied men and women to remain idle; that we were going to establish in this State again a real opportunity to work, and having established that opportunity, to again restore the principle that able-bodied people who would not work shall not eat at the expense of their neighbors.

All of this was not an idle dream. It was all embodied in a definite and concrete program pending before the State senate.

This program would have done the following things: First, it would have provided for old-age pensions. Second, it would have restored adequate support for your public schools. Third, it would have abolished the barbarous 12-hour day in our State institutions. Fourth, it would have provided more than 100,000 jobs. Fifth, it would have drastically reduced the terrific expenditures we are now making for the wasteful and character-destroying system of poor relief. Sixth, it would have provided needed materials like shingles, lumber, cement, paint, wire, and brick so that the work done would leave something lasting and useful in every community to show for our time, money, and effort. Seventh, it would provide jobs for those who need work and are not on relief, as well as those who are on poor relief, thus enabling us to take a long step toward restoring the merit system in Wisconsin—providing jobs for those who are ready, willing, and able to work without requiring self-respecting people to take a pauper's oath before given a chance to earn their own living.

But instead of being able to give you these good tidings, I have to report that yesterday afternoon the Wisconsin State Senate, by a vote of 19 to 14, refused to accept the $100,000,000 offered by the Federal Government and to enact the necessary legislation to carry the Wisconsin program into action.

This program was wrecked by the votes of the following senators. Here are their names:

Harry W. Bolens, of Ozaukee County; E. F. Brunette, of Brown County; William D. Carroll, of Crawford County; Joseph Clancy, of Racine; Maurice Coakley, of Rock County; Harry W. Griswold, of La Crosse; Morley G. Kelly, of Fond du Lac; Mike Mack, of Outagamie County; Pierce Morrisey, of Winnebago County; Philip Nelson, of Douglas County; Conrad Shearer, of Kenosha; Sherman W. Wade, of Langlade County, and James L. Callan, Max Galasinski, Oscar Morris, Charles H. Phillips, Harold V. Schoenecker, William H. Shenners, and Arthur Zimny, all of Milwaukee. Please note, my friends, that every senator from Milwaukee, Racine, Kenosha, and the Fox River Valley voted to kill the program.

Do you support these senators in denying old-age pensions to our aged? Do you support these senators in continuing the vicious attacks upon our public schools? Do you support these senators in denying able-bodied men and women the right to earn their own living from useful and productive work? Do you support these senators in slamming the door of opportunity in the face of Wisconsin youth? Do you support these senators in their refusal to accept the $100,000,000 offered by President Roosevelt to Wisconsin to carry this program into action?

I believe that these senators do not represent your convictions or the convictions of the vast majority of the people of this State. And I for one do not propose to sit idly by while your hopes are wrecked.

For the time being we are blocked, but we are not beaten. This program in its essential features was reintroduced into the assembly today. But it has been separated into two parts and the warrant feature eliminated. I feel now, just as I felt when the program was first presented, that it should all be enacted together. But other people whose views are entitled to weight opposed this. This program is not going to be defeated by any dog-in-the-manger attitude on the part of this administration.

In its present form the only opposition to this bill comes from two groups: First, from a small but noisy group of greedy politicians who think only in terms of political jobs and partisan politics; second, from reactionary bankers and industrialists, who oppose any governmental action to help the mass of people. These same reactionaries favored the Reconstruction Finance Corporation. When that institution was established they rushed down to Washington to obtain, and did obtain, billions of dollars of the taxpayers' money to bail out the banks, the railroads, and the insurance companies. It was perfectly sound for the Government to use the taxpayers' money by the billion to help distressed millionaires. But when we propose in Wisconsin that the same kind of an agency use the same kind of powers to give men and women a chance to earn their own living—to give the farmer, small business and professional people a chance to reconstruct their lives—then these reactionaries use all their power and force to deny the little fellow help in reestablishing his life on a firm foundation.

Five months ago I took an oath before God to fulfill the governorship to the best of my ability. In the same solemn and humble spirit I face you tonight. I shall do my utmost to win this fight for you, because it is your battle—the great battle for conditions of life that shall give every child and youth a fair chance at a physical, mental, and spiritual development, and every man and woman a fair chance at a happy and secure life.

This fight can be, and with your help, will be won. This great opportunity for our people shall not be wrecked by petty politics playing with the lives of distressed human beings. I shall not pull my punches, and everything I have is in this battle. But I cannot win it alone. Now is the time for you to get into the fight. Write or telephone your senator—or better still, go and see him. No battle is won without fighters. Convince your senators you mean business. This is your battle, and the people are the real voice of power. If you, and especially you mothers and wives, demand this opportunity for your families, you will get it. But you must act. Do it now, and keep at it until we have won. God helping us, we shall win.

RADIO ADDRESS OF GOV. PHILIP F. LA FOLLETTE, FRIDAY, JUNE 28, 1935

Shortly after assuming the governorship, I proposed that we in Wisconsin should adopt two basic policies to help us build better conditions: First, that we should provide as generously as our circumstances would permit for the old and the young, and second, that for all the rest of us, we should go back to work earning our own living from productive work—back to the principle of useful work and useful workers.

We would take a long step toward accomplishing the first by providing for a sound system of old-age pensions and by providing adequate support for our system of education. We have on our statute books in Wisconsin laws which provide for old-age pensions and for the support of our schools. But, in order to make old-age pensions and adequate support for our schools something besides a legislative gold brick, the legislature must do two things: First, it must pass bills appropriating out of the treasury and back to your local government enough money to pay a fair share of the cost; second, equally, if not more important, the legislature must provide tax measures that will put enough money into the State treasury to meet these appropriations.

In 1931 I signed a bill providing for a State-wide system of old-age pensions to go into effect in 1933. The 1933 legislature, however, postponed this law until July 1936. The law is on the statute books but there isn't money in the State treasury to pay the State's share of old-age pensions. Until the legislature provides the money to meet old-age pensions, the State has, in effect, given its check to your county, but the check is no good because there isn't any money in the bank to pay it. Unless the legislature takes prompt action one of two things will happen. Either you will not have adequate old-age pensions in your community, or, if you do, the major cost will be borne by increased property taxes.

We are in the same position regarding adequate school aids, abolishing the 12-hour day in our public institutions and providing sufficient funds to run the State government even on a minimum basis.

There is not a reactionary senator or assemblyman who does not know these facts. They know that there is not enough money in the State treasury to provide for adequate school aids, old-age pensions, or to balance the State budget. In spite of this fact, they have already and probably will continue to introduce all sorts of appropriation bills to appropriate money for old-age pensions, school aids, and the like; but while they are doing it they know that they are handing you a legislative gold brick. They have not offered any bills to raise one penny of needed new money to make these appropriations possible. If we are to have a sound system of old-age pensions in Wisconsin, if we are to adequately support our public schools, if we are to balance our State budget and wipe out the 12-hour day, additional revenues must be provided for the State treasury. Although this legislature has now been in session for over 5 months, none of the senators who killed senate bill 443 has introduced a single tax bill to provide the money for old-age pensions or school aids.

In order to enable Wisconsin to adopt and follow the second principle, namely, of enabling able-bodied men and women to go back to work in Wisconsin earning their own living, we submitted to and secured the approval of the Federal Government for the Wisconsin works program. This program would not work miracles, but it would enable Wisconsin to take a long step toward returning to two basic and fundamental principles: First, to restore in this State a real opportunity for able-bodied men and women to get a job under decent conditions from which they could earn their own livings; second, after, but only after reestablishing that principle, then we could reestablish the other essential American principle—that able-bodied men and women who have had a chance to get a decent job and have refused it, that then such people should not be permitted to live at the expense of their neighbors.

To enable our State to follow again these sound American policies, a bill was introduced into the legislature known as Senate bill 443 which provided, first, enough money so that the State treasury could pay the State's share for old-age pensions, to restore fully adequate support for our public schools, to balance the State budget and to wipe out the 12-hour day, and second to accept the $100,000,000 offered us by the Federal Government and enact the necessary legislation to carry the Wisconsin program into action.

Without offering a single constructive alternative, without offering any other plan or program, a majority of the Wisconsin State Senate 2 weeks ago yesterday turned this program down flat and slammed the door in the face of hundreds of thousands of Wisconsin men and women.

But I was unwilling to leave a single stone unturned that might secure the adoption of this program. I have been willing and am willing now to make any change to improve the program or reasonable concession to secure its adoption that would not wreck it or destroy it. Certain features of the original bill were therefore changed and the program was divided into two parts and reintroduced into the assembly in the form of two new bills, one providing for additional income and inheritance taxes to finance old-age pensions, school aids, and to balance the State budget, and the second to provide legislation for the works program. The people of Wisconsin are overwhelmingly in favor of this program as is evidenced by the fact that these two bills passed the assembly Wednesday, the works bill passing by more than 2 to 1 and the taxation measure by 3 to 1.

Both of these bills were sent to the senate on Wednesday. I regret to advise you that the senate late this afternoon by a vote of 17 to 16 killed the works bill. The Wisconsin works program would have given us a real opportunity to cut red tape—to provide more than a hundred thousand jobs, to provide the needed materials to do useful and productive work, to build and repair homes on the farm and in the city, to build and repair our schools so long delayed in so many communities, our farm-to-market roads, our through highways, our city streets; this program would have provided the needed labor and materials to do the kind of work that you have long planned and that when done would leave something useful and lasting in your community to show for our time, money, and effort; this Wisconsin program would have been financed primarily out of the increased income and the new business that would have been created for labor, industry, agriculture, merchants, professional and business people; it would have been financed without increasing by a penny the taxes on farms, homes, or other forms of general property; the Wisconsin program would have enabled this State to turn its back upon the abominable system of relief so unsatisfactory to the taxpayer, so humiliating to the average man and woman on relief, and so devastating to the well being of every community; the Wisconsin program would have returned us again to the sound American system of providing able-bodied men and women with a real chance to earn their own living for themselves and their families from useful and productive work.

But 17 members of the State senate assumed the responsibility this afternoon of denying thousands of men and women in Wisconsin a chance to earn their own living. Think of it, the vote of one senator slammed the door in the face of you thousands of men and women, in need and out of work. These 17 senators assumed the responsibility for denying the needed labor and materials that would build useful and lasting improvements in your city and in your county. Upon these 17 senators rests the terrific responsibility of refusing to accept a hundred million dollars from the Federal Government and of denying Wisconsin the greatest opportunity ever offered to this or any other State.

These senators have blocked this program now. But sooner or later a program based upon the essential features of this plan will be adopted. Time is on our side. It is only a question of time until a majority of those who now oppose this program must of necessity come to accept it. It is the sound and sane way in keeping with American principles for us to cope with the most critical problem of our time.

To all of you who have worked so hard, do not be discouraged. "Truth has lost many a battle, but it has never lost a war." Sooner than any of our opponents believe, the inevitable course of events will compel the adoption of a constructive program such as ours, not only in Wisconsin but throughout America.

I express deep appreciation to the many members of the legislature, to the hundreds of city and county officials, to the great majority of our newspapers, and to the many thousands of citizens who have done all in their power to secure favorable and speedy consideration of this vital matter.

To those, like the Milwaukee Journal, who have bitterly criticized your Governor for carrying these issues by radio and public addresses directly to the people of Wisconsin, I have no apology of any kind to make. The Milwaukee Journal, and those that it represents, think it perfectly all right for Democratic and Republican senators and assemblymen to attack and criticize this program. They think it perfectly fitting that some newspapers can engage in a vicious campaign of ridicule, misrepresentation, and attack; they think it fair that the State chamber of commerce may flood the State with written and spoken propaganda; it is all right for the Milwaukee Journal to twist and distort everything that your Governor may do or say in order to serve its own selfish interests, but these selfish and greedy reactionaries insist that Phil La Follette must sit silent in Madison and see a constructive program wrecked for petty political and selfish ends. Whatever may be their views, that is not my view of either the right or the duty of the Governor of Wisconsin. The Governor is a public servant hired by all of the people. He not only has the right but he has the duty of presenting the facts as he is given to see them. And I assure you tonight that while it may be my lot to be Governor of this State I shall do everything within my power to bring directly to you every important issue that affects the welfare of the people of Wisconsin, whether these reactionaries like it or not. You are the ultimate judges. And so far as I can influence it, you shall have the facts and all the facts. "Ye shall know the truth, and the truth shall make ye free."

INFORMATION REQUESTED OF THE POSTMASTER GENERAL

Mr. MEAD, from the Committee on the Post Office and Post Roads, submitted a privileged report to accompany House Resolution 332, requesting information of the Postmaster General, which was read and referred to the House Calendar and ordered printed.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SNELL. Mr. Speaker, will the gentleman from Missouri yield to me for the purpose of submitting a unanimous-consent request?

Mr. CANNON of Missouri. I yield.

COMPACT BETWEEN THE STATES OF NEW YORK AND VERMONT

Mr. SNELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate joint resolution (S. J. Res. 122) granting the consent of Congress to the States of New York and Vermont to enter into an agreement amending the agreement between such States consented to by Congress in Public Resolution No. 9, Seventieth Congress, relating to the creation of the Lake Champlain Bridge Commission.

I may say that this is simply for the approval of a compact between the States of New York and Vermont for a bridge. The original compact was made in 1921, and all that the new compact does is to grant them permission, with their own money, to build a new bridge, which everyone wants and as to which no one is opposed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution as follows:

Resolved, etc., That the consent of Congress is hereby granted to the States of New York and Vermont to enter into the amendatory agreement executed on March 30, 1935, by the commissioners duly appointed on the part of such States, amending the original agreement entered into by such States for the creation of the Lake Champlain Bridge Commission, which original agreement was consented to by Congress by Public Resolution No. 9, Seventieth Congress, approved February 16, 1928, and every part and article of such amendatory agreement is hereby ratified, approved, and confirmed: *Provided*, That nothing therein contained shall be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of such amendatory agreement; which amendatory agreement is as follows:

Whereas the States of New York and Vermont heretofore and on the 11th day of May 1927 entered into an agreement or compact, duly authorized by law, creating the Lake Champlain Bridge Commission; and

Whereas the legislatures of said States have authorized their respective commissioners to enter into an agreement or compact amending said existing agreement or compact: Now, therefore,

The said States of New York and Vermont do hereby enter into the following agreement, to wit:

The agreement heretofore made between the State of New York and the State of Vermont pursuant to chapter 321 of the laws of 1927 of the State of New York entitled "An act authorizing designated authorities in behalf of the State of New York to enter into an an agreement or compact with designated authorities of the State of Vermont for the creation of the Lake Champlain Bridge Commission, the establishment of the Lake Champlain Bridge Commission, and the defining of the powers and duties of such commission and making an appropriation for such purposes", and no. 139 of the acts of 1927 of the State of Vermont entitled "An act ratifying a proposed agreement or compact between the State of Vermont and the State of New York relating to the creation of the Lake Champlain Bridge Commission and providing for carrying out the provisions of said agreement or compact", is hereby amended by adding thereto the following articles:

ARTICLE XXII

The Lake Champlain Bridge Commission is hereby authorized to construct as speedily as possible and to maintain and operate an additional highway bridge or bridges and approaches across Lake Champlain between points to be selected by such commission more than 52 miles north of the bridge heretofore constructed by such commission: *Provided*, That if any bridge or bridges be constructed under this act, one shall be a bridge from a point in the State of New York at or near Rouses Point to a point in the State of Vermont at Alburg, subject to such consents and approval of Federal authorities in any case as may be necessary. Such bridge so to be constructed is hereinafter sometimes referred to as "Rouses Point Bridge."

ARTICLE XXIII

The said Commission shall have power—

1. To sue and be sued.
2. To acquire, hold, and dispose of personal property.
3. To acquire lands, rights, or property for Rouses Point Bridge as is provided in article 13 hereof for the bridge heretofore constructed by it.
4. To appoint and employ officers, agents, and employees.
5. To make contracts and execute all instruments necessary or convenient.
6. To charge tolls for the use of the Rouses Point Bridge and the bridge heretofore constructed by it, subject to and in compliance with agreements made and to be made with bondholders.
7. To enter on any lands, waters, and premises for the purpose of making surveys, soundings, and examinations.
8. To construct and maintain over or along the Rouses Point Bridge or the bridge heretofore constructed by it, or either of them, telephone, telegraph, or electric wires and cables, gas mains, water mains, and other mechanical equipment not inconsistent with the use of the bridges for vehicular traffic. To contract for such construction and to lease the right to construct and/or use the same on such terms and for such consideration as it shall determine: *Provided, however*, That no lease shall be made for a period of more than 10 years from the date when it is made.
9. Near or on the Rouses Point Bridge or the bridge heretofore constructed by it, to construct and maintain facilities for the public, not inconsistent with the appropriate use of the bridges, to contract for such construction, and to lease the right to construct and/or use such facilities on such terms and for such considerations as it shall determine: *Provided, however*, That no lease shall be made for a period of more than 10 years from the date when it is made.
10. Subject to limitations imposed by any Federal authorities and by any agreement made or to be made with bondholders, to make rules and regulations for the use of Rouses Point Bridge and the bridge heretofore constructed by it. This subdivision shall supersede the provisions of article 9 hereof.
11. To do all things necessary or convenient to carry out the powers expressly given in this agreement.

ARTICLE XXIV

The said Commission may make agreements with bondholders as to the deposit of its funds, and the security to be required therefor, and as to the withdrawal and disbursement thereof. Subject to such agreements, the Commission shall provide for deposit of its funds, security to be required therefor and the withdrawal and disbursement thereof, and if required by the Commission its deposits shall be secured and all banks and trust companies are hereby authorized to give such security for such deposits.

ARTICLE XXV

The construction of Rouses Point Bridge shall be by contract or several contracts made and executed in the same manner as pro-

vided in article 19 hereof for the contract for the construction of the bridge heretofore constructed by the Commission. The approaches may in the discretion of the Commission be constructed by its own employees.

ARTICLE XXVI

1. Such Commission shall have power and is hereby authorized from time to time to issue its negotiable bonds, in addition to those issued prior to the 1st day of March 1933, for any corporate purpose in the aggregate principal amount of not exceeding $1,000,000.

2. Said bonds shall be authorized by resolution of such Commission and shall bear such date or dates, mature at such time or times, not exceeding 50 years from their respective dates, bear interest at such rate or rates, not exceeding 5 percent per annum payable semiannually, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, not exceeding par and accrued interest, as such resolution or resolutions may provide. Said bonds may be sold at public or private sale for such price or prices as such Commission shall determine: *Provided*, That the interest cost to maturity of the money received for any issue of said bonds shall not exceed 5 percent per annum.

3. Any resolution or resolutions authorizing any of said bonds may contain provisions, which shall be a part of the contract with the holders of said bonds as to—

(a) Pledging the tolls and revenues from the Rouses Point Bridge and, subject to the terms of any agreement with the holders of bonds issued by such Commission before the 1st day of March 1933 (whether contained in this agreement or in the bonds or in proceedings for the issuance of the bonds or otherwise), pledging the tolls and revenues from the bridge heretofore constructed by such Commission;

(b) The rates of the tolls to be charged, and the amount to be raised in each year by tolls, and the use and disposition of the tolls and other revenues;

(c) The setting aside of reserves or singing funds, and the regulation and disposition thereof;

(d) Limitation on the right of such Commission to restrict and regulate the use of the Rouses Point Bridge and the bridge heretofor constructed by such Commission;

(e) Limitations on the purposes to which the proceeds of sale of any issue of said bonds then or thereafter to be issued may be applied;

(f) Limitations on the issuance of additional bonds;

(g) The procedure, if any, by which the terms of any contract with holders of said bonds may be amended or abrogated, the amount of said bonds the holders of which must consent thereto, and the manner in which such consent may be given.

4. The obligation of such Commission to make payments into the State treasury of each State out of tolls and revenues from the bridge heretofore constructed by such Commission as provided in article 17 hereof is hereby terminated and annulled and the amounts which otherwise would have been so payable into the States' treasuries may be pledged to the payment of said bonds.

5. Neither the members of such Commission nor any person executing such bonds shall be liable personally on said bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

6. Such Commission shall have power out of any funds available therefor to purchase any bonds issued by it at a price not more than the principal amount thereof and accrued interest. All bonds so purchased shall be canceled.

ARTICLE XXVII

1. In the event that such Commission shall default in the payment of principal of or interest on any of the bonds authorized by article 26 hereof after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of 30 days, or in the event that such Commission shall fail or refuse to comply with the provisions of this agreement, or shall default in any agreement made with the holders of said bonds, the holders of 25 percent in aggregate principal amount of said bonds then outstanding, by instrument or instruments filed in the office of the clerk of the county of Clinton, N. Y., or of the clerk of the court of chancery in and for the county of Grand Isle, Vt., and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of said bonds for the purposes herein provided.

2. Such trustee may, and upon written request of the holders of 25 percent in principal amount of said bonds then outstanding shall, in his or its own name—

(a) By mandamus or other suit, action, or proceeding at law or in equity, enforce all rights of the holders of said bonds, including the right to require such Commission and its members to collect tolls and rentals adequate to carry out any agreement as to, or pledge of, such tolls and rentals, and to require such Commission and its members to carry out any other agreement with the holders of said bonds and to perform its and their duties under this act;

(b) Bring suit upon said bonds;

(c) By action or suit in equity, require such Commission to account as if it were the trustee of an express trust for the holders of said bonds;

(d) By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the holders of said bonds;

(e) Declare all said bonds due and payable; and if all default shall have been cured, annul such declaration and its consequences.

3. The Supreme Court of the State of New York and the court of chancery in and for the county of Grand Isle and the county court of Grand Isle County in the State of Vermont, each within the limits of its jurisdiction over persons and property, shall, respectively, have jurisdiction of suits, actions, and proceedings by the trustees on behalf of the bondholders. The venue of any such suits, actions, or proceedings in New York shall be laid in Clinton County and in Vermont in Grand Isle County. Service of process of any of such courts upon any member of such Commission shall constitute service on such Commission.

4. Before declaring the principal of all such bonds due and payable the trustees shall first give 30 days' notice in writing to a member of such Commission.

5. Any such trustee shall, whether or not all said bonds have been declared due and payable, be entitled as of right to the appointment of a receiver and ancillary receiver, who may enter and take possession of the bridges or any part or parts thereof and operate and maintain the same and of any and all other property of the Commission and collect and receive all tolls, rentals, and other revenues thereafter arising from said bridges and property in the same manner as the bridge authority itself might do, and shall deposit all such moneys in a separate account and apply the same in such manner as the court shall direct. The court of the State to which application is first made therefor shall have jurisdiction to appoint the receiver, and the court of the State to which application is thereafter made shall have jurisdiction to appoint the ancillary receiver. In any suit, action, or proceedings by the trustee the fees, counsel fees, and expenses of the trustee and of the receiver and ancillary receiver, if any, shall constitute taxable disbursements, and all costs and disbursements allowed by the court shall be a first charge on any tolls, rentals, and other revenues derived from the bridges.

6. Said trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the holders of said bonds in the enforcement and protection of their rights.

ARTICLE XXVIII

The bonds and other obligations of such Commission shall not be a debt of the State of New York or of the State of Vermont and neither State shall be liable thereon, nor shall they be payable out of any funds other than those of such Commission.

ARTICLE XXIX

The bonds authorized by article 26 hereof shall be exempt from taxation except for transfer, estate, and inheritance taxes and are hereby made securities in which all public officers and bodies of each State and all municipalities and municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees, and other fiduciaries in each State may properly and legally invest funds in their control.

ARTICLE XXX

1. After applying all tolls and other revenues from Rouses Point Bridge and from the bridge heretofore constructed by such Commission—

(a) While any bonds of such Commission are outstanding, to meet all agreements with the holders thereof; and

(b) To meet all requirements for operation and maintenance of said bridges, such Commission shall set aside as a reserve for future operation and maintenance such sum as such Commission shall deem advisable not exceeding the estimated amount required for operation and maintenance for 1 year.

2. Such Commission shall pay any excess of tolls and revenues not required for said purposes annually into the treasuries of the States of New York and Vermont until the amount so paid shall equal the advances heretofore made by such States to such Commission with interest on the unpaid balance of such advances at the rate of 4 percent per annum from the date of such advances, the amount to be paid to said States, respectively, being prorated in accordance with the respective unpaid balances of such advances.

3. It is the declared purpose of each of the contracting parties that both of said bridges will eventually be free bridges and to that end it is agreed that after the payment of all obligations which may be issued by such Commission and after the State of New York and the State of Vermont shall have been fully repaid for any and all moneys that have been advanced by them together with interest thereon, said States by concurrent legislation shall provide the method and procedure for the future operation, maintenance, and control of said bridges.

ARTICLE XXXI

The construction, maintenance, and operation of Rouses Point Bridge is in all respects for the benefit of the people of the two States, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and such Commission shall be regarded as performing a governmental function in undertaking the said construction, maintenance, and operation and carrying out the provisions of law relating to the said bridge and shall be required to pay no taxes or assessments upon any of the property acquired by it for the construction, operation, and maintenance of such bridge, and the interest of either State in any tolls collected under this article shall be free from any State, county, municipal, or local taxation whatsoever in the other State.

ARTICLE XXXII

Such Commission shall have the power to apply to the Congress of the United States or any department of the United States for consent and approval of this agreement, as amended, and of the Rouses Point Bridge to be constructed hereunder, but in the absence of such consent by Congress and until the same shall have been secured, this agreement, as amended, shall be binding upon the State of New York when ratified by it and the State of Vermont when ratified by it without the consent of Congress to cooperate for the purposes enumerated in this agreement and in the manner herein provided.

ARTICLE XXXIII

Notwithstanding anything in article 22 and all subsequent articles hereof, this agreement shall not authorize such Commission to do any act or thing which shall violate the rights of the holders of bonds issued by it prior to the 1st day of March 1933, and the provisions hereof relating to any and all rights and remedies of the holders of bonds issued under the provisions of article 26 and subsequent articles of this agreement shall not be construed to violate or to authorize the violation of any of the rights of the holders of bonds issued prior to said date.

ARTICLE XXXIV

The States of New York and Vermont do hereby pledge themselves and it is hereby agreed with those subscribing to the bonds issued by such Commission pursuant to article 26, and subsequent articles hereof, that the States will not authorize the construction or maintenance of any other highway crossing for vehicular traffic over Lake Champlain between the two States in competition with Rouses Point Bridge, nor will it limit or alter any rights vested in such Commission to establish and levy such tolls as it may deem convenient and necessary to produce sufficient revenue to meet the expense and operation of such bridge and the bridge heretofore constructed by such Commission, and to fulfill the terms of the obligations assumed by such Commission in relation to such bridges until the said bonds with interest thereon are fully met and discharged: *Provided*, That such crossing shall be construed as competitive with Rouses Point Bridge only if it shall form a highway connection for vehicular traffic between the two States across Lake Champlain north of the existing bridge heretofore constructed by such Commission. The provisions of this article shall constitute an agreement between the two States for the benefit of those holding the bonds of such Commission and such Commission may include in bonds issued by it such part of this agreement as shall seem proper as evidence of the foregoing agreement made by the two States with the holders of the said bonds.

ARTICLE XXXV

The State of New York and the State of Vermont hereby consent to the use and occupation of any lands of such States, respectively, if any, lying under the waters of Lake Champlain necessary for the construction and maintenance of Rouses Point Bridge.

In witness whereof, we have signed this compact or agreement, in duplicate, by and under the authority of chapter 201 of the Laws of 1933, as amended by chapter 355 of the Laws of 1935 of the State of New York, and by and under the authority of an act passed by the General Assembly of the State of Vermont entitled "An act authorizing an agreement or compact between the State of Vermont and the State of New York to amend the existing agreement or compact between said States creating the Lake Champlain Bridge Commission, in relation to the construction of a new bridge across Lake Champlain, the issuance of bonds by said Commission, and providing for the payment of said bonds", approved by the Governor February 27, 1935, as amended by the act amending said act, approved by the Governor March 21, 1935, this 30th day of March 1935.

Mortimer Y. Ferris, Marion L. Thomas, William Berman, as commissioners upon the part of the State of New York; John J. Bennett, Jr., attorney general of the State of New York.

George Z. Thompson, William R. Warner, Ford M. Thomas, as commissioners upon the part of the State of Vermont; Lawrence C. Jones, attorney general of the State of Vermont.

In the presence of Walter L. Moore and W. C. Foote.

Attorney General John J. Bennett, Jr., signed on the 11th day of April 1935 in the presence of Joseph M. Mesnig.

Attorney General Lawrence C. Jones signed on the 17th day of April 1935 in the presence of Elizabeth L. Barber.

SEC. 2. The right to alter, amend, or repeal this resolution is hereby expressly reserved.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORLD WAR VETERANS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3060) to amend section 6 of title I of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, as amended; to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; and for other purposes.

The Clerk read the title of the bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 6 of the act of March 20, 1933 (Public, No. 2, 73d Cong.), as amended by the act of June 16, 1933 (Public, No. 78, 73d Cong.), and the act of March 28, 1934 (Public, No. 141, 73d Cong.) (38 U. S. C. 706), is hereby amended to read as follows:

"SEC. 6. In addition to the pensions provided in this title the Administrator of Veterans' Affairs is hereby authorized, under such limitations as he may prescribe, and within the limits of existing Veterans' Administration facilities, to furnish men discharged from the Army, Navy, Marine Corps, or Coast Guard for disabilities incurred in line of duty, or to those in receipt of pension for service-connected disability, and to veterans of any war, including the Boxer Rebellion and the Philippine Insurrection, domiciliary care where they are suffering with permanent disabilities, tuberculosis, or neuropsychiatric ailments and medical and hospital treatment for diseases or injuries: *Provided*, That any veteran of any war who was not dishonorably discharged, suffering from disability, disease, or defect, who is in need of hospitalization or domiciliary care and is unable to defray the necessary expenses therefor (including transportation to and from the Veterans' Administration facility), shall be furnished necessary hospitalization or domiciliary care (including transportation) in any Veterans' Administration facility, within the limitations existing in such facilities, irrespective of whether the disability, disease, or defect was due to service. The statement under oath of the applicant on such form as may be prescribed by the Administrator of Veterans' Affairs shall be accepted as sufficient evidence of inability to defray necessary expenses."

SEC. 2. Subdivisions (b) and (c) of section 302, section 311, and subdivision (b) of section 604 of the World War Adjusted Compensation Act, as amended, are amended, to take effect as of January 2, 1935, by striking out "January 2, 1935", wherever it appears in such subdivisions and section, and inserting in lieu thereof "January 2, 1940."

SEC. 3. Section 602 of the World War Adjusted Compensation Act, as amended, is amended, to take effect as of January 2, 1935, by striking out "January 2, 1935", wherever it appears in such section, and inserting in lieu thereof "January 2, 1940."

SEC. 4. Subdivision (b) of section 312 of the World War Adjusted Compensation Act, as amended, is amended, to take effect as of January 2, 1935, by striking out "January 2, 1935", wherever it appears in such subdivision, and inserting in lieu thereof "January 2, 1940."

SEC. 5. This act shall not invalidate any payments made or applications received, before the enactment of this act, under the World War Adjusted Compensation Act, as amended. Payments under awards heretofore or hereafter made shall be made to the dependent entitled thereto regardless of change in status, unless another dependent establishes to the satisfaction of the Director a priority of preference under such act, as amended. Upon the establishment of such preference the remaining installments shall be paid to such dependent, but in no case shall the total payments under title VI of such act, as amended (except sec. 608), exceed the adjusted-service credit of the veteran.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SGT. SAMUEL WOODFILL

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3145) authorizing the President of the United States to appoint Sgt. Samuel Woodfill a captain in the United States Army and then place him on the retired list.

Mr. KVALE. Mr. Speaker, I object.

SESQUICENTENNIAL CONSTITUTION COMMISSION

Mr. O'CONNOR. Mr. Speaker, I call up the conference report on the Senate joint resolution (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the "Sesquicentennial Constitution Commission."

The Clerk read the conference report.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention, establishing a commission to be known as the "Sesquicentennial Constitution Commission", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 1; and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree

to the same with amendments as follows: On page 1 of the House engrossed amendments, line 7, strike out "formulation" and insert in lieu thereof "formation"; and on page 2 of the House engrossed amendments, line 4, strike out "out of any moneys contributed"; and on page 3 of the House engrossed amendments, after line 5, insert the following:

"SEC. 8. There is hereby authorized to be appropriated the sum of $10,000 to defray necessary expenses."

And the House agree to the same.

Amend the title so as to read: "Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the formation of the Constitution of the United States."

JOHN J. O'CONNOR,
HARRY C. RANSLEY,
SOL BLOOM,
Managers on the part of the House.
HENRY F. ASHURST,
W. E. BORAH,
WILLIAM H. KING,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 59) providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the "Sesquicentennial Constitution Commission", submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment no. 1: This amendment strikes out the preamble in the Senate resolution. The Senate recedes.

On amendment no. 2: This amendment strikes out all after the resolving clause in the Senate resolution and inserts a substitute, changing the personnel of the Commission and changing in other respects the details of the program designed to be carried out under the Senate resolution. The conference agreement accepts the House provision with amendments as follows:

(1) The House amendment provides that the expenses of the Commissioners shall be paid "out of any moneys contributed." The conference agreement strikes out the limitation "out of any moneys contributed", and adds an authorization, carried in the Senate resolution, of an appropriation of $10,000 to defray necessary expenses.

(2) The language in the House amendment "formulation of the Constitution" has been changed to "formation of the Constitution."

The conference agreement adopts the House title with an amendment corresponding to the change made in amendment no. 2, changing "formulation of the Constitution" to "formation of the Constitution."

JOHN J. O'CONNOR.
HARRY C. RANSLEY.
SOL BLOOM.

Mr. O'CONNOR. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

INTERNATIONAL PETROLEUM EXPOSITION

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the present consideration of the Senate joint resolution (S. J. Res. 168) authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 16 to May 23, 1936, inclusive.

Mr. SNELL. Reserving the right to object, I understand there is no expense connected with this so far as the Government is concerned?

Mr. DISNEY. No; and the second paragraph provides that the exhibits may come in free of duty but if sold after they come in, then they pay the duty.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the President of the United States is authorized to invite by proclamation, or in such other manner as he may deem proper, the States of the Union and all foreign countries to participate in the proposed International Petroleum Exposition, to be held at Tulsa, Okla., from May 16 to May 23, 1936, inclusive, for the purpose of exhibiting samples of fabricated and raw products of all countries used in the petroleum industry and bringing together buyers and sellers for promotion of trade and commerce in such products.

SEC. 2. All articles that shall be imported from foreign countries for the sole purpose of exhibition at the International Petroleum Exposition upon which there shall be a tariff or customs duty shall be admitted free of the payment of duty, customs, fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during the exhibition to sell any goods or property imported for and actually on exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury may prescribe: *Provided*, That all such articles when sold or withdrawn for consumption or use in the United States shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of withdrawal; and on such articles which shall have suffered diminution or deterioration from incidental handling and necessary exposure, the duty, if paid, shall be assessed according to the appraised value at the time of withdrawal for consumption or use, and the penalties prescribed by law shall be enforced against any person guilty of any illegal sale, use, or withdrawal.

SEC. 3. That the Government of the United States is not by this resolution obligated to any expense in connection with the holding of such exposition and is not hereafter to be obligated other than for suitable representation thereat.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LANDS IN DUVAL COUNTY, FLA.

Mr. SEARS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 8345) authorizing the Secretary of the Navy to accept without cost to the United States certain lands in Duval County, State of Florida, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to accept on behalf of the United States, free of all encumbrances, and without cost to the United States, a title in fee simple to the following tract of land in Duval County, in the State of Florida, to wit: Lots 20 to 29, both inclusive, in block 1, central business addition to South Jacksonville, and the foot of Hendricks Avenue (formerly known as "Ferry Street") from Commerce Street to the St. Johns River, together with all riparian rights thereunto belonging or in anywise appertaining.

The SPEAKER. Is there objection?

There was no objection.

Mr. SEARS. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SEARS: Page 1, line 12, after the word "appertaining", strike out the period, insert a colon and the following: "*Provided*, That the cost of maintaining the same for the naval reserves shall be paid for by the State of Florida."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FRED HERRICK

Mr. WHITE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 491) for the relief of Fred Herrick, which I send to the desk and ask to have read.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fred Herrick, of Spokane, Wash., the sum of $50,000 in recognition of work done by the said Fred Herrick in making more accessible the timber resources of the Malheur National Forest by railroad construction: *Provided*, That the said Fred Herrick shall disclaim and waive all right or claim to any money paid by him and covered into the Treasury in connection with that certain contract for the purchase of timber on the Malheur National Forest, Oreg., dated June 15, 1923: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, wide publicity is being given a so-called "strike" in a suburb of the city of Detroit. Metropolitan newspapers are carrying accounts and photographs of demonstrations being promoted there against the price of meat, and motion-picture theaters are featuring news reels showing women parading the streets carrying placards demanding a reduction of 20 percent in the price of pork.

According to the newspaper accounts a group of well-organized foreign women are systematically picketing butcher shops and taking meat from purchasers as they leave the shops and throwing it in the street—as the United Press reports it—"to the accompaniment of an angry babble of foreign tongues."

Apparently it is an isolated instance, as no similar disturbances are reported from Chicago, New York, Philadelphia, or Baltimore; but, inasmuch as some of the Washington papers, in commenting on the Detroit incident, have referred to the price of meat here in the District of Columbia as excessive, I wish to call attention to the fact that the price received by the American farmer for his hogs today is abnormally low in comparison with the wages and salaries received by those protesting the price of meat in both Detroit and Washington.

Prices are relative. Three cents per pound for hogs is high, when the 3 cents will buy sufficient commodities to compensate the farmer for his labor and investment. And 12 cents is low, when it fails to buy sufficient commodities to compensate for labor and investment. Measured by that standard, the Slavonian women of Detroit and the Government employees of the District of Columbia should be paying twice the price they are now paying for pork.

In 1920, when every industry in America was prosperous and every worker was receiving a fair return for his labor, hogs sold as high as $28 per hundred. I sold two cars of hogs from my own farm at $21.50 per hundred. That was not the top price, but I will take it as a standard price because it represents a transaction with which I am personally familiar.

At the time hogs were selling for $21.50 the average wage of the automobile workers in Detroit, as reported by the United States Bureau of Labor Statistics, was 59.8 cents per hour and the average salary of the Government employee in Washington, as reported by the Civil Service Commission, was $1,321 per annum. Today the price of hogs is $12.40 per hundred, the wage of the Detroit worker is 70.9 cents per hour, and the salary of the average Government employee in the District of Columbia is $2,134 per annum. The income of the farmer has been cut in two but the income of the consumer has increased. These estimable Detroit ladies who paid $21.50 in 1920 out of wages at 59.8 cents per hour without comment are now objecting to paying $12.40 for meat out of 70.9 cents per hour. And Government workers in the city of Washington who paid $21.50 for meat out of a salary of $1,321 are now complaining at paying $12.40 for meat out of a salary of $2,134 per annum. The farmer did not object to the increase in their pay, but they object to the farmer having half as much for his hogs, when he works twice the hours they work. Mr. Speaker, the hogs are not all on the farms. There are some very fine specimens of porcine greed and insolence in the city of Detroit and the District of Columbia. [Applause.]

Let us look at the proposition from the farm woman's point of view. During the war the Government, by law, held down the price of farm products. It fixed the price of wheat at $2.40 a bushel when it would have gone to $7.50 to $10 a bushel, according to the testimony of the Secretary of Agriculture at that time. The price of corn is affected more directly by the price of wheat than by any other factor, and the price of hogs is directly dependent on the price of corn. So when Congress legislatively held the price of wheat down to a third of what the farmer would otherwise have received for it, Congress by that act held down the price of hogs while it allowed every other industry and commodity to profiteer unrestricted. The price of everything the farmer sold was legislatively depressed, but on the price of everything the farmer bought the sky was the limit.

For example, in 1920 when the Government held the price of hogs down to $21.50 the farmer had to pay $50 for a corn planter to grow the corn he fed the hogs, $85 for a wagon to haul the corn to the hogs, and a salary of $2,653 a year to the engineer of the freight train that hauled the hogs to market. Today, with hogs down to $12.50 he has to pay $80 for the corn planter, $130 for the wagon, and the engineer a salary of $2,758 a year. If the price of what the farmer has to buy had come down with the price of what he has to sell, planters would be $25, wagons $42.50, and the engineer would get $1,405. Or, if hogs had gone up with every item that goes into their cost of production, they would sell today for $25 instead of $12.40.

Mr. Speaker, the farmer does not object to paying 71 cents an hour for labor or $2,758 a year for the services of an engineer. The farmer believes in high wages and high prices. But he does wish it clearly understood that if he pays organized labor a high wage he is entitled to an honest wage for his own labor, and if he pays industry a high price for its products he is entitled to a fair price for his own products. And I should like to see the color of the hair of the man who says he is not right about it. [Applause.]

Now, Mr. Speaker, I want to ask in all candor and fairness, Who should be striking about the price of pork—the ladies of Detroit whose husbands have been raised from 59.8 cents to 70.9 cents per hour, the Washington consumers who have been raised from $1,321 to $2,134 per year, the manufacturers whose implement prices have been raised from $85 to $130, or the farmers who have been reduced from $21.50 to $12.40 for their hogs? Who ought to be striking? Who has a just cause for complaint? If the ladies of Detroit will cut their wages in half, as the farmers have done, and then take 20 percent off of that, the farmers will take 20 percent off the price of hogs, as they request. Let them be consistent. Let them either bring the farmer up to their level and pay him $25 for his hogs or let them come down to his level and take 30 cents an hour in the automobile shops of Detroit.

If the farmer was exacting $25 for hogs and reducing automobile wages in Detroit to 30 cents an hour, the Detroit women would have occasion to strike and I would join them. But when they are increasing their wages from 59 cents to 71 cents per hour, and at the same time putting hogs from $21.50 down to $12.40, it is time for farm women to strike—if anybody is to strike.

Mr. MAPES. Will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. MAPES. I wonder if the gentleman does not overlook the fact that a great majority of the consuming public of the country does not work either for the automobile manufacturers or for the Government?

Mr. CANNON of Missouri. I may say to the gentleman that when the price of labor in the central labor markets goes up, the price of all other labor reacts in response to it. I quote statistics on the automobile industry and Government employees because this show is staged in Detroit and the editorial comment appears in Washington papers. As a matter of fact all wage schedules show precisely the same trend. While hogs were being hammered down from $21.50 to $12.40 the pay of organized labor was advancing as follows:

Comparative salaries per annum

	1920	1934
All railway engineers [1]	$2,810	$2,818
Freight engineers [1]	2,653	2,758
Federal employees in the District of Columbia [2 3]	1,321	2,140
Wall Street executive [4]	75,000	150,000
Farm family, 5 persons [5]	1,020	485

[1] Interstate Commerce Commission.
[2] U. S. Department of Labor, Bureau of Labor Economics.
[3] The Budget, 1934.
[4] Federal Trade Commission.
[5] Department of Agriculture, Bureau of Agricultural Economics.

Carrying the comparison into the day-labor class, the change in rates of pay per day were as follows:

Comparative wage scales per 8-hour day

	1920	1933	1934
Carpenters, general [1]	$5.36	$8.80	$10.00
Painters, general [1]	5.20	9.92	10.00
Plumbers and gas fitters [1]	5.76	10.40	11.50
Electricians, inside wireman [1]	5.52	10.56	12.00
Bricklayers, building [1]	6.24	11.44	12.00
Farmers, field hands [2] [3]	2.84	.75	.98

[1] U. S. Department of Labor, Bureau of Labor Economics.
[2] With board.
[3] Department of Agriculture, Bureau of Agricultural Economics.

Statistics for 1934 are the last available at this time but, of course, the marked increase in all wage scales the last year—especially under the N. R. A.—makes the discrepancy between the fall in the price of hogs and the increase in the income of the consumer even more conspicuous.

Mr. MAPES. Will the gentleman yield further?

Mr. CANNON of Missouri. I am glad to yield to my friend from Michigan—who, in my opinion, knows as much about agricultural conditions as any man in the House.

Mr. MAPES. I wonder if it is not true that the middleman gets an undue proportion of the cost of the meat, at the expense of both the farmer and the laboring man?

Mr. CANNON of Missouri. The processor is taking a heavy toll—as the gentleman says—at the expense of both the producer and the consumer. But that is secondary. While no one has been permitted to examine their books, they claim a margin of only one-fourth cent per pound on gross business and at most their millions of profits spread over either their purchases or their sales would not materially affect the price of livestock or the price of meat. But the menace to farm and national prosperity lies in their bitter opposition to measures proposed to relieve the depression on the farm and their determined campaign against the Agricultural Adjustment Administration and the processing tax.

Mr. KVALE. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. KVALE. The gentleman is always fair. Will the gentleman not admit that figures regarding the cost to consumers and figures regarding the final cost of employment do not refer to those who are unemployed? In other words, they refer only to those who are employed.

Mr. CANNON of Missouri. Of course there are always unemployed men in the cities. And there are always unemployed men in the country. "The poor ye have with ye always" and the city has no monopoly on them. But there is this further disadvantage in the country. When men are employed in the city they get their pay. All too frequently in the country we work and get nothing.

In my State last year we had such a drought that after incurring all the expense of production, we raised no crops. This year we had such a flood it has greatly injured the crops. On the farm we gamble with fire and frost and flood and drought and cholera and chinch bug and hessian fly and every pest and malady and caprice of weather imaginable, and many years at the end of the season we have no recompense for the money and toil and sacrifice we have invested. At least, your unemployed in the city are saved that heartbreaking experience.

Mr. O'CONNOR. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the distinguished Chairman of the Committee on Rules.

Mr. O'CONNOR. When the gentleman says that automobile workers get so much an hour, does he take into consideration the fact that they do not work every working hour of the year? We have seen statistics with regard to bricklayers and carpenters in my district. Some of them have not made $1 in 2 or 3 years. Those statistics only pertain to those who are actually working.

Mr. CANNON of Missouri. Certainly. Those statistics only pertain to those who are actually working in the city and they pertain only to those who are actually working in the country. They do not pertain to the farmers who have lost their farms under the sheriff's hammer due to the low price of hogs and other farm products and the high price of the manufactured products we had to buy from the city to pay the high prices of the labor schedules I have just enumerated.

Furthermore, the fact that some factory workers are unemployed does not affect the price of the commodity manufactured. The farmer must pay as much above the war price for harness or machinery or fertilizer or any other necessity whether few are working or many are working, whether the plant is running full time or half time.

Mr. McCORMACK. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend from Massachusetts.

Mr. McCORMACK. The gentleman refers to an increase in salary of two groups of employees. Does the gentleman take into consideration the difference in national per capita incomes between 1920 and the present time?

Mr. CANNON of Missouri. Yes; that has been taken into consideration—and it is a very tender subject on the farm. The farmer has lost more in income since 1920 than any other industry or any other class of people in the United States. [Applause.]

The farm income for 1919 was $12,000,000,000. In 1932 it was less than $5,000,000,000. That was not all. The value of his land and equipment shrank to a third of what it had been in 1919. No industry in any age or any land ever suffered as American agriculture suffered in the period following the World War. [Applause.]

The United States Bureau of Agricultural Economics submits the following table showing this remarkable decline in agricultural wealth and income:

Farm income per capita and agricultural wealth of the United States, 1919–32

Year	Agriculture's share of national income		Agricultural wealth		Percentage agricultural wealth is of total
	Total	Per capita [1]	Total	Per capita	
	Million dollars	*Dollars*	*Billion dollars*	*Dollars*	*Percent* [2]
1919	12,182	384	79.1	2,495	18.2
1920	11,057	350	71.8	2,272	15.3
1921	6,967	220	63.1	1,991	14.6
1922	7,300	230	61.4	1,931	13.3
1923	8,026	256	58.9	1,882	12.1
1924	8,325	268	57.7	1,855	11.6
1925	9,089	292	57.8	1,859	10.8
1926	8,214	267	56.7	1,841	10.3
1927	8,371	276	57.2	1,888	10.2
1928	8,109	268	58.1	1,917	9.6
1929	8,254	272	58.1	1,917	9.3
1930	6,320	209	52.7	1,745	9.5
1931	4,659	152	45.3	1,480	9.6
1932	4,582	115	30.7	994	8.2

[1] Total of agriculture's share divided by farm population, Jan. 1.
[2] Agricultural wealth divided by farm population.

Mr. ENGEL. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. ENGEL. It seems to me that the strike is not against the price the farmer is receiving, but against the price that the housewife has to pay. Will the gentleman put in the RECORD also the retail price of pork in 1920 and in 1935?

Mr. CANNON of Missouri. The gentleman's suggestion is very much in point. That is what I had proposed to do later. I will give it now. In the Detroit News of January 3, 1919, the Gratior Central Market advertised home-cured bacon for 44 cents. In the Detroit News for August 16, 1935, the Gratior Central Market advertised sliced bacon for 18 cents. In the same paper for January 2, 1919, the Goudie Market advertised smoked ham for 42 cents and on August 16, 1935, the Gratior Central Market advertises smoked ham for 21 cents. In the News for 1919 Bagley advertises pure lard for 32 cents and in the issue for August 16, 1935, it is quoted at 18¼ cents. In other words, Detroit in 1919 charged the farmer 59.8 cents per hour to make his automobile and paid him 44 cents for bacon. Today they charge the

farmer 70.9 cents for making his automobile and pay him 18 cents for bacon, and now the Detroit women are striking on account of the price of bacon. It is hard to tell which side of the counter the pork is on up in Detroit. [Laughter.]

Mr. LUNDEEN. Will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Minnesota.

Mr. LUNDEEN. The gentleman is making a very interesting speech, and I hope he will place in the RECORD the statistics covering the various averages that he mentions. Did I understand the gentleman to say that the average wage in the District of Columbia was $2,100 a year?

Mr. CANNON of Missouri. Two thousand one hundred and forty dollars. That is the average salary of Government employees in the District of Columbia as reported to the Committee on Appropriations. And, of course, practically every employee in the District of Columbia is a Government employee.

Mr. O'CONNOR. Will the gentleman yield for an observation, because the subject to which the gentleman has referred is very pertinent at this moment?

Mr. CANNON of Missouri. I yield to my friend, the gentleman from New York.

Mr. O'CONNOR. The gentleman from Michigan [Mr. DINGELL] has introduced a resolution which is now before Rules Committee requesting the appointment of a special committee to investigate this situation with regard to the price of meat. I was informed today that at least 50 of those charming ladies, to whom the gentleman referred, are en route to Washington to attempt to prevail upon Rules Committee and the Congress to report out this resolution for the appointment of this investigating committee. Was the gentleman aware of that?

Mr. CANNON of Missouri. And I have supplemented that resolution with another resolution which I introduced this morning which will be before the gentleman's committee when it meets, asking for an investigation of all phases of this proposition. I hope the gentleman will hear the ladies. It would be interesting to know who pays the expenses of their joy ride to Washington while their children starve for pork in Detroit.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman be given 10 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CANNON of Missouri. Let us take a look at these abused Detroit women who are marching militantly up and down the streets carrying banners and abusing the butchers and the farmers because of the price of hogs. By some coincidence all the news agencies had been notified in advance and were present to report the harrowing sights presented by the embattled strikers. It is surprising to read that the ladies wore high-heeled shoes and scratched the faces of bewildered policemen with manicured nails. Still more revealing are the pictures printed in the newspapers. Here is one of them. I wish we could reproduce it in the CONGRESSIONAL RECORD. It shows women clad in the latest fashions. Their marcelled coiffures indicate that they have recently visited the beauty parlors, and there is not a hat in the picture that is not of the latest model. It is as well dressed a bevy of femininity as can be found at any afternoon tea.

Evidently many of them have just returned from their bridge clubs or are on their way to the movies. These are actual photographs of the ladies whose husbands are receiving 71 cents an hour and who are objecting to the prices of the farmer who in 1933 is reported by the Bureau of Agricultural Statistics to have received 75 cents a day.

Now that we have had a view of the women in Detroit let us look at these "profiteering" women on the farms. If these charges are true they must be living in luxury and affluence out of ill-gotten gains filched from Detroit and Washington. As a typical example of the life of the woman on the farm, I want to read a letter received from a woman who lives on a farm in Pike County Mo., one of the greatest agricultural counties of the Nation. It is a county famed in song and story and is the home of one of the most cultured and progressive peoples to be found upon the globe. It has produced Senators, Governors, Congressmen, Federal judges, generals, national leaders in all industries, and a Speaker of the House who should have been President of the United States. Here is the letter. It speaks for itself:

DEAR MR. CANNON: I wish you could make a house-to-house tour of the congressional district you represent and see your home people in their everyday life—could know their financial condition as they know it; could see their hardships as they bear them; could look at the future as they are facing it. You would find men working mortgaged land with mortgaged teams, harness long ago worn out, held together with baling wire and binder twine, farming implements so rickety only half cultivation is obtained, and women and children in the fields.

Men wearing Sunday suits to church 8, 10, and 16 years old—I know these statements to be true. You would find everyday clothes so ragged they hardly conceal our nakedness, and you would find hardly a tempting dish of food on any table. Not even a health-building ration.

Mr. Speaker, one of the many things the city man cannot understand is the lack of food in the farm family. I never refer to the discrimination against the farm, but somebody says, "Yes; but they have plenty to eat." They fail to realize that the farm family gets only the food that is unsalable. Everything that can be sold must be taken to market to secure money to pay taxes and interest. I know farms supporting dairy herds where cream never appears on the table; poultry farms where only the cracked and misshapen eggs are served to the children; farms where only the bacon and cheaper cuts of meat are eaten, and the hams and choicer cuts go to market. There is a higher percentage of undernourished children on the average farm today than in any city in America. I know whereof I speak.

She continues:

You would find worn-out rugs and furniture in every home, bed clothing, stoves—everything it takes to make a home patched and dilapidated, and the house itself with leaking roof and in need of repairs and paint. Fences and gates so rusted and broken the cattle and hogs go through almost at will, and crops are protected with the greatest difficulty. You would find mothers desperately in need of a physician and children who have never known the services of a dentist.

I'm not trying to paint a black picture for it's blacker than this and if you could make this tour unknown to the people, you would find this to be only a beginning. Of course, if your home people knew you were coming they would put in sight the best they had until you were gone. They would force a cheerful smile and hide their destitution and their poverty. They and their fathers before them have been accustomed to better things and they keep their pride. But they will soon be past even that unless farming can be made to pay at least taxes and expenses.

This is one of the farm women denounced and decried by the foreign agitators of Detroit and thoughtless editorial writers who have never seen a farm except from the window of a Pullman car. Many of the farm women from this county are college graduates. Without exception they are the finest type of American womanhood. They enjoyed a high standard of living before the war. Today the situation of many of them is nothing short of tragic.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Gladly.

Mr. O'CONNOR. The gentleman knows I have been sympathetic with the farmer and have voted for practically every piece of farm legislation, but there is a limit, beyond which we cannot go, in my opinion.

The gentleman will admit, will he not, that anyone who eats pork should not be compelled to pay 50 cents a pound?

Mr. CANNON of Missouri. And the gentleman will admit, will he not, that no farmer should be compelled to pay $130 for an $85 wagon or $275 for a $150 binder or 71 cents an hour for a 59-cent man. During the war, when the price of pork was held down by act of Congress, they paid us 44 cents for bacon and we paid them 59 cents war-time wages. Now, when they are charging us 71 cents, they object to paying 18 cents for bacon. I would like to know how the gentleman justifies that outrageous affrontery.

Mr. LEE of Oklahoma. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Oklahoma.

Mr. LEE of Oklahoma. In my home town a farmer took 127 cowhides to Oklahoma City and sold them. He wanted to buy a set of tug harness and it took all the money he got from these 127 cowhides and $9 additional in cash to buy one set of tug harness.

Mr. CANNON of Missouri. And I have no doubt the man who manufactured the harness is protesting against the price of pork.

Mr. LEE of Oklahoma. And in the gentleman's own State there are two strikes of farmers who are being foreclosed because they cannot pay back in the same dollar on which they borrowed. They are paying 6 and 8 percent interest and at the same time the packers of the country are able to secure money at one-half or one-fourth percent. Yet we cannot get action on the Frazier-Lemke bill.

Mr. CARPENTER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. CARPENTER. My colleague stated that the price of hogs had gone down from $21 to $12.50. Is it not a fact that hogs went down to $2.50, $3, or $4 and they have come up from $2.50 or from nothing? The farmers could not get anything for them for the last 2 or 3 years of the Hoover administration and instead of going up from $12 they have gone up from $2.50 to $12.

Mr. CANNON of Missouri. It was the Agricultural Adjustment Administration that brought hogs from $2.50 up to $12. And the objective of the Detroit strike, according to the press reports, is to abolish the A. A. A. They want to keep their wages above war-time schedules, and at the same time give the farmer one-seventh of his war-time prices. And yet we send missionaries to Africa.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. But, Mr. Speaker, I am glad to say this protest against the efforts of the administration to rehabilitate the farm and increase the price of farm products is not approved by the American people in general. When we come to examine this so-called "strike" in Detroit, we find every evidence of an artificial demonstration staged to serve the interests of a carefully concealed promoter. The women had been drilled. The Associated Press reports that they moved "with the precision of a military force." Their forces were composed entirely of women, and no men participated. One aged grandfather spoke laughingly of the demonstration and remarked that back in the old country they had meat only twice a year, Easter and Christmas, and it would not hurt them to do without meat a few meals.

But more significant was the fact that their protest was directed solely against the price of meat. All other food products have been steadily rising in the market for 2 years. But there was no protest against the price of any other food. The protest was limited to meat. That fact alone points directly to the packers who organized the demonstration as a part of their campaign against the processing tax and the other features of the Agricultural Adjustment Administration. They have filed over 400 suits against the Government. And in keeping with the fake telegrams and fake testimony manufactured by the business interests against other Government measures, they are organizing a fake farm organization here in Washington and staging a fake food strike in Detroit. A recent report shows that in the distribution of five major farm products the farmer receives only 7 cents out of every 19 cents the consumer pays, and they are resorting to every means to maintain that ratio—at the expense of both producer and consumer.

As a sample of their devious propaganda, they told the farmer last year when he marketed his hogs that they had to take the processing tax out of the price paid him—that if it was not for the processing tax they could pay him more. It suited their purpose at that time to say the farmer paid the tax. Through the newspaper accounts of the Detroit comedy they are telling the consumer he pays the processing tax. And now through their suits against the Government they claim they are paying the processing tax themselves.

Their employment of allies is just as inconsistent. They have enlisted Communists to disseminate their propaganda. Mayor Lewandowski told newspaper reporters that Communists were participating in the disorder, and an investigation disclosed that the headquarters of the "strikers" is in the International Workers Hall. Mrs. Zuk, the leader of the strike, did not know who contributed funds, but the expenses of the headquarters were provided for anonymously and printed instructions and a pamphlet entitled "Plan of Work", outlining methods to be used in organizing the demonstration appeared—"mysteriously", according to the United Press—at the I. W. W. hall. Placards and banners were provided as "mysteriously" to be carried in the parade. And from some unknown source the newspapers and motion-picture operators were notified to have representatives on hand. Who paid these expenses and supplied the marching orders has not been divulged, but may easily be surmised, as the demonstrations were obviously timed to influence public sentiment and newspaper comment to support the suits of the packers against the Roosevelt administration.

But, Mr. Speaker, the attack strikes deeper than that. It strikes at the foundation of our growing national prosperity. Business is improving. The Nation is on the upgrade. The Department of Commerce reports this morning in its weekly summary of 33 major cities of the United States that every city without exception shows improvement over the same week last year. Two years ago every city of the 33 reported loss, stagnation, and bankruptcy unparalleled in the history of American industry. What brought about this change? What has opened the factories and employed the workmen and moved the goods from the merchants' shelves? It is the money received by the farmer from the increased price of his products. Under the A. A. A. the national farm income has increased $900,000,000 over that of 1933 and $2,000,000,000 over the income of 1932. Not a dollar of this increase has been kept on the farm. It has gone immediately into material and machinery and for the purchase of farm and family necessities. It has gone to increase the wages of the Detroit strikers from 59 cents to 71 cents. It has revived the business and increased the profits of every man who is today protesting against the processing tax which made it possible. These promoters of fake strikes, these writers of fake telegrams, these organizers of fake farm organizations are industriously working to scuttle the ship on which they are sailing with the rest of the American people back to normal times and national prosperity. They must be protected from themselves. No nation can live with the farmers on half rations and industry and labor on double rations. If they want $12 hogs, let them reduce their corn planters to $25 and their wagons to $42.50 and their wages to 30 cents an hour for Detroit, $660.50 per year for Government employees, and $1,326.50 for railway engineers. But if they want to increase their incomes above war-time schedules, let them pay the farmer a like increase in the price of his hogs. When the city begins to strike at half price for hogs and at the same time demand more than war-time wages for their own workers, let them beware the day when the country strikes. It will be a sad day for America. But it is coming if this injustice and violation of every rule of fair play continues.

Mr. Speaker, this situation warrants an investigation. For that purpose I am introducing the following joint resolution and ask that it be referred to the Committee on Rules:

Joint resolution creating a joint committee of 6 Members of the Senate and 6 Members of the House to investigate the Detroit strike

Resolved, etc., That a joint committee is hereby created to be composed of 6 members of the Committee on Agriculture and Forestry of the Senate, to be appointed by the Presiding Officer thereof, and 6 members of the Committee on Agriculture of the House of Representatives, to be appointed by the Speaker, and any vacancies occurring on the committee shall be filled in the same manner as the original appointments.

The said committee is hereby empowered and directed to investigate and inquire into the organization and purpose of the

so-called "strike against meat prices" recently promoted in the city of Detroit, with a view to ascertaining who prompted the movement, selected headquarters, edited and supplied the literature used in the dissemination of the propaganda, and defrayed the cost of printing, rental of quarters, preparation of placards, and other expenses incident to the agitation.

The said committee is hereby empowered to sit and act at any place; to require the attendance of witnesses and production of papers by subpena to be signed by the chairman of said committee. The chairman of said committee or any member thereof is hereby empowered to administer oaths. Said committee is empowered to take testimony under oath and in writing; to obtain documents, papers, and other information necessary to the investigation; to employ a stenographer to take and make a record of all evidence received by the committee and to keep a record of these proceedings.

All hearings by said committee shall be open to the public. The committee shall report to this Congress all evidence taken and their findings and conclusions thereon at the earliest possible date, and its report may be filed with the Secretary of the Senate and the Clerk of the House during the recess of Congress.

The sum of $5,000, or so much thereof as may be necessary, is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to pay the necessary expenses of said joint committee, said sum to be disbursed by the Clerk of the House upon vouchers to be approved by the chairman of the committee.

Mr. KVALE. What committee is proposed to conduct this investigation?

Mr. CANNON of Missouri. Under the terms of the resolution the inquiry would be made by a joint committee consisting of 6 Members appointed by the Presiding Officer of the Senate from the Senate Committee on Agriculture and Forestry and 6 Members appointed by the Speaker from the House Committee on Agriculture. [Applause.]

[Here the gavel fell.]

BANKING ACT OF 1932

Mr. STEAGALL submitted a report on the bill (H. R. 7617) to provide for the sound, effective, and uninterrupted operation of the banking system, and for other purposes, for printing in the RECORD under the rule.

CIVILIAN CONSERVATION CORPS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes, not on the farm question.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I hold in my hand a joint resolution, the purpose of which is to provide that enrollments in the Civilian Conservation Corps camps do not have to be necessarily confined to young men whose families are on the relief rolls of the various cities and towns.

There has been considerable uncertainty as to whether or not an Executive order could be issued permitting enrollments in the C. C. C. camps of young men whose families are not on the relief rolls.

I have made an extensive investigation, and the prevailing opinion is that the present law permits the issuance of an Executive order which will permit young men whose families are not on the relief rolls, but who are otherwise worthy cases, to be applicants, and to be enrolled. However, the executive department has taken the position that under the Work Relief law, they cannot accept any enrollments except from young men whose families are on the relief rolls. This is a matter which concerns every one of us, because in every one of our districts young men have written whose families are not on the relief rolls, who would be eligible and whose families do not want to go on, or whose families own an equity in their house, and who, in Massachusetts, cannot go on the relief rolls. This matter concerns each and every one of us. When we go back home we are going to be asked why it is that young men cannot become applicants for the Civilian Conservation Corps. If there is any bill that the country is unanimously behind it is the Civilian Conservation Corps Act. I received a letter signed by Louis McH. Howe—and I am very glad to receive a letter from him and to know that he is back in the harness after a long illness [applause]—which definitely states that so far as the executive department is concerned they feel they cannot permit the acceptance of applications from young men unless their families are receiving relief assistance from cities or towns.

There is a conflict of opinion as to the interpretation of existing law, but the interpretation of the executive branch naturally will be conclusive unless we pass some kind of legislation. The purpose of my joint resolution, which I shall not call up today, but which I will have put into the RECORD for consideration, and with the permission of the Speaker, if there is no objection, call up on Monday, is to permit applications to be accepted from young men whose families are not on the relief rolls.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. MICHENER. If the gentleman is going to ask permission to do that—and I think he will get permission, probably, if he has the opinion of the administrative or executive branch of the Government as to the feasibility of the legislation—in view of the position taken in New York on work relief, I think it ill becomes Congress to in any way pass by unanimous consent any legislation affecting a subject which the President is dealing with. I think we should at least have his opinion.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. O'CONNOR. This is a matter which has been discussed for some time. I took it up some time ago personally, at least on two occasions, with the executive branch of the Government, and they definitely and positively were against the proposal. I will not say that they refused. I can show the gentleman the letter in which they said the whole theory of the work-relief program was to take these three and a half million people off relief—off the dole.

That was their first concern. If we come now and say that they can take boys from families not on relief, that is a definite interference with the program of the administration.

Mr. McCORMACK. I would not say that, because applications were permitted from others than those on relief rolls prior to the issuance of the Executive order, and this does not say that the President must do it. The joint resolution gives him permission to do so.

Mr. O'CONNOR. He does not need that authority.

Mr. McCORMACK. Yes, he does, according to this letter.

Mr. O'CONNOR. He could take from other than relief rolls. It is the policy he has adopted, and up to this minute he is standing by it.

Mr. McCORMACK. Here is what Colonel Howe says:

The language of the bill itself has been construed to make mandatory the use of these funds for the above purposes.

I ask unanimous consent to insert in the RECORD at this place a copy of the joint resolution, together with the letter I have received from Secretary Howe.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The resolution and letter are as follows:

Joint resolution to permit enrollment in the Civilian Conservation Corps of unemployed individuals not on public relief rolls

Resolved, etc., That under allocations heretofore or hereafter made available for pay, maintenance, etc., of enrollees of the Civilian Conservation Corps from the appropriation in the Emergency Relief Appropriation Act of 1935, unemployed individuals not on public relief rolls may be enrolled under such regulations as the President may prescribe.

THE WHITE HOUSE,
Washington, August 9, 1935.

Hon. JOHN W. McCORMACK,
House of Representatives, Washington, D. C.

MY DEAR MR. McCORMACK: The President has read with interest your letter of August 1, in which you express concern over the regulation limiting enrollments in Civilian Conservation Corps camps to members of families who are on public welfare relief and has noted the reasons you advance for urging that the above regulation be modified so as to permit the enrollment of young men who are unemployed and whose families are having a desperate struggle to maintain themselves.

You will recall his message to the Congress at its convening last January in which he pointed out the need and desirability of discontinuing direct relief. It is his hope that the funds provided in the work-relief bill will prove adequate to take all of our people

off public-welfare relief rolls and place them at useful labor. The language of the bill itself has been construed to make mandatory the use of these funds for the above purpose. Therefore, until all available individuals eligible for enrollment in Civilian Conservation Corps camps who are on public welfare relief are taken care of, he does not believe that he would be authorized to permit the enrollment of others.

I can assure you that the President is in complete sympathy with your position as set forth in your letter and wishes that it might be possible to permit every young man who desires to enroll in a Civilian Conservation Corps camp to do so. Unfortunately, at this time that cannot be done.

Very sincerely yours,

LOUIS MCH. HOWE,
Secretary to the President.

PERMISSION TO ADDRESS THE HOUSE

Mr. GREEN. Mr. Speaker, I ask unanimous consent that on Tuesday next after the conclusion of business on the Speaker's table, I be permitted to address the House for 15 minutes.

The SPEAKER. The Chair hopes the gentleman will withhold that request until Monday.

Mr. GREEN. I will withdraw the request at this time, Mr. Speaker.

PROPOSED AMENDMENTS TO THE CONSTITUTION

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a short resolution sent to me by the Manley Lodge of Brotherhood of Locomotive Firemen and Enginemen, regarding the relationship of the Supreme Court to legislation passed by the Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. BIERMANN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter:

MANLY LODGE, No. 838,
BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,
Manly, Iowa, August 14, 1935.

Hon. FRED BIERMANN,
House Office Building, Washington, D. C.

HONORABLE SIR: *Resolved*, That we, the members of the B. of L. F. and E., No. 838, endorse the following resolution:

In view of resultant confusion in general, from decisions recently rendered by the United States Supreme Court, it would seem that suggestions for proposed changes and amendments to the Constitution and congressional restriction on authority of said Court are now in order.

As citizens and voters we therefore offer for your consideration the following proposals:

(1) Increase number of judges from 9 to 15.

(2) Require 10 or more of said number to declare an act of Congress unconstitutional.

(3) If 10 or more, but less than total, should so declare, decision to be referred to Congress for reversal by two-thirds vote of Senate and House of Representatives as now provided for reversal of Presidential veto.

(4) If decision of the Court is unanimous in declaring an act of Congress unconstitutional, same to be referred to the electorate and if rejected by a two-thirds popular vote of all the States, said decision of the Court shall be reversed and the act of Congress thereby to then become law.

(5) Amend article 5 to read as follows:

"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution by referring such proposed amendments to a referendum vote by popular approval of two-thirds of the several States. Such amendments, when so ratified, to become a part of this Constitution as proposed by Congress."

Very sincerely yours,

L. E. IVERSON,
Acting President.
J. D. THOMPSON,
Recording Secretary.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. DUNN, of Pennsylvania, for several days, on account of serious illness in his family.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.) the House adjourned until Monday, August 19, 1935, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BUCK: Committee on Ways and Means. H. R. 191. A bill to amend the Revenue Act of 1918, as amended; with amendment (Rept. No. 1817). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 8316. A bill to exempt the Indian Service within the State of Oklahoma from the requirements of section 4 of Executive Order No. 6166, dated June 10, 1933; with amendment (Rept. No. 1818). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILDEBRANDT: Committee on the Post Office and Post Roads. H. R. 8541. A bill for payment of compensation to persons serving as postmaster at third- and fourth-class post offices; without amendment (Rept. No. 1819). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of West Virginia: Committee on Mines and Mining. S. 1567. An act to amend section 5 of the act of March 2, 1919, generally known as the "War Minerals Relief Act"; without amendment (Rept. No. 1820). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. House Resolution 332. Resolution directing the Postmaster General to furnish information respecting alleged violation of the postal laws by the Federal Housing Administration; adverse (Rept. No. 1821). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN: A bill (H. R. 9164) to reenact the law providing for disability allowances for World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. KENNEY: A bill (H. R. 9165) to repeal section 5 and section 33 of the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on the Judiciary.

Also, a bill (H. R. 9166) to repeal sections 5 and 33 of the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on the Judiciary.

By Mr. ENGEL: A bill (H. R. 9167) to reduce the maximum interest rate on obligations of home owners to the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. SUMNERS of Texas: A bill (H. R. 9168) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; to the Committee on the Judiciary.

By Mr. HOEPPEL (by request): A bill (H. R. 9169) to give war-time commissioned rank and status to retired officers, warrant officers, and enlisted men of the Army; to the Committee on Military Affairs.

By Mr. CANNON of Missouri: Joint resolution (H. J. Res. 383) creating a joint committee of 6 Members of the Senate and 6 Members of the House to investigate the Detroit strike; to the Committee on Rules.

By Mr. ROGERS of Oklahoma: Joint resolution (H. J. Res. 384) to provide for the coinage of a medal in commemoration of the achievements of Wiley Post; to the Committee on Coinage, Weights, and Measures.

Also, joint resolution (H. J. Res. 385) to provide for the coinage of a medal in commemoration of the achievements of Will Rogers; to the Committee on Coinage, Weights, and Measures.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 386) to maintain the neutrality of the United States in the event of war or the threat of war between or among foreign nations; to the Committee on Foreign Affairs.

By Mr. FENERTY: Concurrent resolution (H. Con. Res. 35) proposing withdrawal of diplomatic recognition by the United States of America of the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELL: A bill (H. R. 9170) for the relief of Montie Hermanson; to the Committee on Claims.

Also, a bill (H. R. 9171) for the relief of Myrtle T. Grooms; to the Committee on Claims.

By Mr. DIES: A bill (H. R. 9172) granting an increase of pension to John H. Hardy; to the Committee on Pensions.

By Mr. HILDEBRANDT: A bill (H. R. 9173) for the relief of James Gaynor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9316. By Mr. HIGGINS of Massachusetts: Petition of the board of aldermen of the city of Chelsea, Mass., favoring the resolution presented by the Honorable WILLIAM KING, Senator from Utah, to have Congress investigate the atrocities committed in Germany against men and women of Jewish or Catholic faith; to the Committee on Foreign Affairs.

9317. Also, resolutions by the Great General Court of Massachusetts, relative to acts of persecution reported to be committed against the members of religious faiths and their institutions in Germany; to the Committee on Foreign Affairs.

9318. By Mr. HILDEBRANDT: Petition of the American Legion, Department of South Dakota, relating to appropriation for Battle Mountain Sanitarium and 250-bed veterans' hospital, and that Veterans' Administration office remain at Sioux Falls, S. Dak.; to the Committee on World War Veterans' Legislation.

9319. Also, petition of the American Legion, Department of South Dakota, recommending immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

9320. By Mr. KENNEY: Petition of the Grand Court of New Jersey, Foresters of America, unanimously voting to support the enactment of legislation to legalize the conducting of lotteries in this country; to the Committee on Ways and Means.

9321. By Mr. McCORMACK: Memorial of the House of Representatives of the General Court of Massachusetts, affirming its conviction and belief that freedom and equality of mankind, regardless of race, creed, or color, is indispensable to the maintenance of any modern civilization and viewing with alarm any violation of these sacred principles in Germany; to the Committee on Foreign Affairs.

9322. By the SPEAKER: Petition of the Chamber of Commerce of Hutchinson, Kans.; to the Committee on Flood Control.